



Marksans Pharma Ltd.

Date: 10th November, 2021

BSE Limited

Corporate Relation Department
Phiroze Jeejeeboi Towers,
Dalal Street,
Mumbai - 400001.
Scrip Code: 524404

National Stock Exchange of India Limited

Listing Department
Exchange Plaza, C-1, Block-G,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400051.
Symbol: MARKSANS

Sub: Unaudited Financial Results for the quarter and half-year ended 30th September, 2021 and Limited Review Reports thereon.

Dear Sir,

In terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, kindly find enclosed herewith Unaudited Financial Results (both Standalone and Consolidated) for the quarter and half-year ended 30th September, 2021 which have been approved by the Board of Directors at its meeting held today i.e. 10th November, 2021 along with Limited Review Reports given by statutory auditor of the Company.

The meeting commenced at 9:30 a.m. and concluded at 10:50 a.m.

You are requested to note the above in your records.

Thanking You.

Yours faithfully,
For **Marksans Pharma Limited**

Harshvardhan Panigrahi
Company Secretary

Encl: As above

Marksans Pharma Ltd.

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Andheri (W), Mumbai - 400 053 • Tel.: +91 22 4001 2000 • E-mail: info@marksanspharma.com
www.marksanspharma.com

Independent Auditor’s Review Report on the Unaudited Quarterly and Year to date 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 September 2021 and year to date from 01 April, 2021 to 30 September, 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 (‘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 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
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 standalone financial results prepared in accordance with applicable Indian Accounting Standards and other recognized accounting practices and policies has not disclosed the information



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Independent Auditor's Review Report on the Unaudited Quarterly and Year to date Standalone Financial Results of Marksans Pharma Limited

required to be disclosed in terms of Regulation 33 of the Listing Regulations, 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

T. C. Laliwala

Tejas Laliwala
Partner

Membership Number: 127487
ICAI UDIN: 21127487AAAAIL6261

Mumbai
10 November, 2021



Independent Auditor’s Review Report on Unaudited Quarterly and Year to date 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 September, 2021 and year to date from 01 April, 2021 to 30 September, 2021 together with the notes thereon (“the Statement”) attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’)
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 SEBI Regulations, 2015 (as amended) to the extent applicable.



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

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

Sr. No.	Name of Entity	Nature of relationship
1	Marksans Pharma Inc. (Including its following subsidiaries and its step-down subsidiaries) a) Time-Cap Laboratories Inc. - Custom Coating Inc. - Marksans Realty LLC	Wholly Owned Subsidiary
2	Nova Pharmaceuticals Australasia Pty Ltd	Subsidiary
3	Marksans Pharma (UK) Limited. (Including its following subsidiaries and its step-down subsidiaries) a) Relonchem Limited b) Marksans Holding Limited - Bells, Sons and Co. (Druggists) Limited	Wholly Owned 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 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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. The Statement includes the interim financial information of one subsidiary, which have not been reviewed, whose financial information reflects total assets of Rs. 796.71 Mn as at 30 September 2021 and total revenue of Rs. 390.20 Mn and Rs. 765.44 Mn., total net profit after tax of Rs. 19.92 Mn and Rs. 38.75 Mn. and total comprehensive income of Rs. 19.92 Mn and Rs. 38.75 Mn. for the quarter ended 30 September, 2021 and for the period from 01 April, 2021 to 30 September, 2021, respectively and cash outflows (net) of Rs. 41.67 Mn for the period from 01 April, 2021 to 30 September 2021 before giving effect to consolidation adjustments, as considered in the consolidated unaudited financial results. According to the information and



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

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. Lalwala

Tejas Lalwala

Partner

Membership Number: 127487

ICAI UDIN: 21127487AAAAIM9347

Mumbai
10 November, 2021

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2021

(₹ In Million Except Share data)

Sr. No.	PARTICULARS	STANDALONE						CONSOLIDATED					
		QUARTER ENDED			HALF YEAR ENDED			QUARTER ENDED			HALF YEAR ENDED		
		30 Sept, 2021	30 June, 2021	30 Sept, 2020	30 Sept, 2021	30 Sept, 2020	31 March, 2021	30 Sept, 2021	30 June, 2021	30 Sept, 2020	30 Sept, 2021	30 Sept, 2020	31 March, 2021
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(AUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(AUDITED)	
1	Revenue from Operations	1,688.53	1,472.21	1,375.52	3,160.74	2,935.10	5,995.48	3,612.01	3,489.62	3,564.69	7,101.63	6,876.21	13,761.82
2	Other Income	85.98	139.40	129.57	225.38	130.06	311.56	85.67	58.84	36.68	144.52	38.50	66.94
3	Total Income (1+2)	1,774.51	1,611.61	1,505.09	3,386.12	3,065.16	6,307.04	3,697.68	3,548.46	3,601.37	7,246.15	6,914.71	13,828.76
4	Expenses												
	Cost of Material Consumed	855.92	787.63	709.49	1,643.54	1,372.89	2,912.93	1,702.10	1,133.43	1,176.36	2,835.52	2,092.35	4,197.64
	Purchase of Stock-in-trade	133.01	85.83	102.91	218.84	214.57	460.66	329.41	63.27	527.18	392.68	961.82	3,115.70
	Changes in inventories of finished goods, work-in-process and stock-in-trade	11.54	(6.64)	(3.56)	4.90	0.71	5.54	(277.70)	426.27	(66.65)	148.57	(21.61)	(1,362.78)
	Employee benefits expense	159.19	140.40	128.60	299.59	251.34	546.39	547.92	490.45	438.78	1,038.36	865.81	1,973.23
	Finance costs	12.02	6.30	13.21	18.32	21.09	53.45	15.01	9.66	19.34	24.67	34.84	79.86
	Depreciation and amortisation expense	43.04	42.29	36.71	85.33	70.14	151.93	73.87	74.71	189.92	148.58	262.41	361.51
	Other expenses	189.58	214.02	207.61	403.60	575.08	932.84	709.30	602.83	657.46	1,312.13	1,446.10	2,441.96
	Total Expenses	1,404.30	1,269.83	1,194.97	2,674.12	2,505.82	5,063.74	3,099.91	2,800.62	2,942.39	5,900.51	5,641.72	10,807.12
5	Profit before tax (3-4)	370.21	341.78	310.12	712.00	559.34	1,243.30	597.77	747.84	658.98	1,345.64	1,272.99	3,021.64
6	Tax expense:												
	(1) Current Year	75.64	56.24	63.58	131.88	126.31	281.88	137.53	130.94	140.44	268.47	294.87	666.94
	(2) Earlier year	-	-	-	-	-	-	-	-	-	-	-	-
	(3) Deferred tax	18.60	(3.52)	11.20	15.08	(22.87)	(22.39)	(2.64)	(9.10)	11.20	(11.74)	(22.87)	(30.68)
	Total Tax Expenses	94.24	52.72	74.78	146.96	103.44	259.49	134.89	121.84	161.64	256.73	272.00	636.26
7	Profit for the period (5-6)	275.97	289.06	235.34	565.04	455.90	983.81	462.88	626.00	507.34	1,088.91	1,000.99	2,385.38
	Other Comprehensive Income												
	Items that will not be reclassified to Profit or Loss	(0.66)	(0.66)	0.63	(1.31)	1.26	(2.62)	(0.66)	(0.66)	0.63	(1.31)	1.26	(2.62)
	Income tax relating to above Items that will not be reclassified to Profit or Loss	0.17	0.17	(0.16)	0.33	(0.32)	0.66	0.17	0.17	(0.16)	0.33	(0.32)	0.66
	Items that will be reclassified to profit or loss							(65.65)	53.57	(34.04)	(12.07)	77.32	6.64
8	Other Comprehensive Income	(0.49)	(0.49)	0.47	(0.98)	0.94	(1.96)	(66.14)	53.08	(33.57)	(13.05)	78.26	4.68
9	Total Comprehensive income for the period (7+8)	275.48	288.57	235.81	564.06	456.84	981.85	396.74	679.08	473.77	1,075.86	1,079.25	2,390.06
10	Total Comprehensive Income attributable to:-												
	Non-controlling interests	-	-	-	-	-	-	7.97	7.54	11.43	15.50	14.07	25.99
	Owners of the Company	275.48	288.57	235.81	564.06	456.84	981.85	388.77	671.54	462.34	1,060.36	1,065.18	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	409.31	409.31	409.31	409.31
	Other equity						5,587.86						8,455.64
12	Earnings Per Share of ₹1 each												
	Basic	0.67	0.71	0.57	1.38	1.11	2.40	1.11	1.51	1.21	2.62	2.41	5.76
	Diluted	0.67	0.71	0.57	1.38	1.11	2.40	1.11	1.51	1.21	2.62	2.41	5.76



NOTES:

- 1 The financial results for the quarter ended 30th September, 2021 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 November, 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 of the quarters ended 30 September, 2021 and 30 September, 2020 are balancing figures between the unaudited figures in respect of the half year ended on 30 September 2021 and 30 September 2020 and the published year to date Ind AS figures up to first quarters ended on 30 June 2021 and 30 June 2020 respectively, which were subjected to a limited review.

Date : 10 November, 2021
Place: Mumbai
www.marksanspharma.com

CERTIFIED TRUE COPY

For MARKSANS PHARMA LTD.

Harshvardhan Panigrahi
Company Secretary & Legal Manager

Mark Saldanha
Chairman & Managing Director
DIN: 00020983

ANNEXURE-1

STATEMENT OF ASSETS AND LIABILITIES

(₹ in Million)

Statement of Financial Position	Standalone as at		Consolidated as at	
	30 Sept, 2021	31 March, 2021	30 Sept, 2021	31 March, 2021
	UNAUDITED	AUDITED	UNAUDITED	AUDITED
ASSETS				
Non-current assets				
Property, plant and equipment	1,228.08	1,108.26	2,490.22	2,344.05
Capital work-in-progress	-	-	56.00	56.00
Right to use assets	109.34	140.16	109.34	140.16
Intangible assets	39.46	42.43	587.53	609.42
Intangible assets under development	-	-	60.80	60.80
Financial assets				
Investments	2,360.74	2,360.74	-	-
Loans	-	-	-	-
Other financial assets	26.09	25.63	26.09	25.63
Deferred tax assets (net)	-	-	8.24	7.99
Other non-current assets	12.86	15.95	12.86	15.95
Total non-current assets	3,776.57	3,693.17	3,351.08	3,260.00
Current assets				
Inventories	980.75	936.86	4,003.37	4,043.20
Financial Assets				
Trade receivables	2,055.40	1,467.89	3,166.05	2,713.81
Cash and cash equivalents	2,269.06	1,057.15	3,227.00	2,122.86
Other financial assets	69.78	17.23	69.78	17.23
Other current assets	94.51	13.25	253.13	125.42
Total current assets	5,469.50	3,492.38	10,719.33	9,022.52
TOTAL ASSETS	9,246.07	7,185.55	14,070.41	12,282.52
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	409.31	409.31	409.31	409.31
Other equity	6,978.61	5,587.86	10,548.74	8,455.64
Equity attributable to owners of the Company	7,387.92	5,997.17	10,958.05	8,864.95
Non-Controlling interests	-	-	194.75	188.57
Total equity	7,387.92	5,997.17	11,152.80	9,053.52
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	-	-	-	-
Lease liability	29.71	83.36	30.58	93.26
Other financial liabilities	50.00	50.00	50.00	50.00
Provisions	21.11	21.11	21.11	21.10
Deferred tax liabilities (net)	99.64	84.88	72.81	80.63
Other non-current liabilities	-	-	-	-
Total non current liabilities	200.46	239.35	174.50	244.99
Current liabilities				
Financial liabilities				
Borrowings	-	-	291.55	187.40
Lease Liability	84.65	60.37	84.65	60.37
Trade payables				
Total outstanding dues to Micro, Small & Medium Enterprises	66.22	14.03	66.22	14.03
Total outstanding dues to other than Micro, Small & Medium Enterprises	637.42	627.52	1,114.72	1,672.61
Other financial liabilities	284.24	135.60	1,013.88	721.15
Other current liabilities	503.17	9.69	22.33	9.69
Provisions	14.89	9.68	14.89	18.55
Current tax liabilities (net)	67.10	92.14	134.87	300.21
Total current liabilities	1,657.69	949.03	2,743.11	2,984.01
Total liabilities	1,858.15	1,188.38	2,917.61	3,229.00
TOTAL EQUITY AND LIABILITIES	9,246.07	7,185.55	14,070.41	12,282.52



MARKSANS PHARMA LIMITED
Standalone Cash Flow Statement for the Half year ended 30 September, 2021

(₹ in Million)

Particulars	Half Year ended 30 September, 2021	Half Year ended 30 September, 2020
A. Cash Flow from Operating Activities		
Profit before tax	712.00	559.34
Adjustments to profit before tax:		
-Depreciation and amortisation expenses	85.33	70.14
-Exchange Loss/(gain) on foreign exchange fluctuations	(21.44)	
-Profit on sale of Property, plant and equipment	-	(0.37)
-Finance costs	18.32	21.09
-Dividend income	(98.86)	(92.91)
-Interest income	(16.77)	(2.64)
-Net gain arising on financial assets measured at fair value	(51.44)	(34.14)
-Bad debts written off	6.33	20.35
Operating profit before working capital changes	633.47	540.86
Movements in working capital :		
(Increase)/Decrease in Inventories	(43.89)	(155.14)
(Increase)/Decrease in Trade receivables	(572.56)	(3.84)
(Increase)/Decrease in Other financial assets	(1.57)	(7.98)
(Increase)/Decrease in Other assets	(81.26)	(0.97)
Increase/(Decrease) in Trade payables, provisions and other Non Current liabilities	708.27	516.18
Cash generated from operations	642.46	889.11
Income taxes paid (net)	(156.92)	(70.11)
Net cash generated from operating activities (A)	485.54	819.00
B. Cash flow from Investing Activities:		
Payments to acquire property, plant and equipment and intangible assets	(168.26)	(153.91)
Dividend income	98.86	92.91
Interest income	16.77	2.64
Net Cash Flow generated from/ (used in) Investing Activities (B)	(52.63)	(58.36)
C. Cash flow from Financing Activities:		
Proceed from issue of share warrants(net of issue expenses)	929.02	
Dividend paid	(102.33)	(40.93)
Repayment of lease liabilities	(29.37)	
Finance costs paid (including interest on lease liabilities)	(18.32)	(21.09)
Net Cash Flow (used in) Financing Activities (C)	779.00	(62.02)
Net increase in cash and bank balances (A+B+C)	1,211.91	698.62
Cash & Bank balances at the beginning of the period	1,057.15	33.52
Cash & Bank balances at the end of the period	2,269.06	732.14

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.



MARKSANS PHARMA LIMITED
Consolidated Cash Flow Statement for the Half Year ended 30 September, 2021

(₹ in Million)

Particulars	Half Year ended 30 September, 2021	Half Year ended 30 September, 2020
A. Cash Flow from Operating Activities		
Profit before tax	1,345.64	1,272.99
Adjustments to profit before tax:		
-Depreciation	148.58	262.41
-Exchange Loss/(gain) on foreign exchange fluctuations	(21.44)	-
-Exchange differences in translating the financial statements of foreign operations	184.68	98.76
-Profit on sale of Property, plant and equipment	-	(0.37)
-Finance costs	24.67	34.84
-Dividend Income	-	-
-Interest income	(16.79)	(2.68)
-Net gain arising on financial assets measured at fair value	(51.44)	(34.14)
-Bad debts Recovery (net)	(40.87)	54.39
Operating profit before working capital changes	1,573.03	1,686.20
Movements in working capital :		
(Increase)/Decrease in Inventories	39.82	(351.55)
(Increase)/Decrease in Trade and other receivables	(390.09)	(557.40)
(Increase)/Decrease in Other financial assets	(1.57)	4.57
(Increase)/Decrease in Other assets	(123.72)	(77.18)
Increase/(Decrease) in Trade payables, provisions and other non Current liabilities	(205.15)	495.13
Cash generated from operations	892.32	1,199.77
Income tax paid (net)	(433.81)	(289.46)
Net cash generated from operating activities (A)	458.51	910.31
B. Cash flow from Investing Activities:		
Payments to acquire property, plant and equipment and intangible assets	(249.75)	(261.16)
Proceeds from sale of property, plant and equipment and intangible assets	10.81	-
Interest income	16.79	2.68
Net Cash Flow generated from/ (used in) Investing Activities (B)	(222.15)	(258.48)
C. Cash flow from Financing Activities:		
Proceed from issue of share warrants(net of issue expenses)	929.02	-
Dividend paid	(102.33)	(40.93)
Proceed from Short term borrowing net)	104.15	30.61
Repayment of lease liabilities	(38.39)	-
Finance costs paid (including interest on lease liabilities)	(24.67)	(34.84)
Net Cash Flow (used in) Financing Activities (C)	867.78	(45.16)
Net increase in cash and bank balances (A+B+C)	1,104.14	606.67
Cash & Bank balances at the beginning of the period	2,122.86	937.27
Cash & Bank balances at the end of the period	3,227.00	1,543.94

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.

