



Marksans Pharma Ltd.

National Stock Exchange of India Limited
Listing department
Exchange plaza, C-1, Block -G
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400051

BSE Limited
Corporate Relation Department
Phiroze Jeejeebhoi Towers,
Dalal Street,
Mumbai 400 001

13th August, 2016

Sub: News Release

Dear Sir,

Enclosed herewith kindly find a News Release dated 13th August, 2016 of the Company.

You are requested to note the above in your records.

Thanking You.

Yours faithfully,
For Marksans Pharma Limited

Harshavardhan Panigrahi
Company Secretary & Manager-Legal

Enclosed as above.

CIN : L24110MH1992PLC066364

www.marksanspharma.com

Marksans Pharma Ltd.

11th Floor, "GRANDEUR", Opp. Gundecha Symphony, Veera Desai Extension Road, Oshiwara,
Andheri (W), Mumbai - 400 053 • Tel.: +91 22 4001 2000 • Fax : +91-22 4001 2011
E-mail: info@marksanspharma.com



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NEWS RELEASE

13th August 2016, Mumbai - India

Performance Highlights- Consolidated Q1 FY 2017 Results

Marksans Consolidated Revenue at Rs. 186.76 crores in Q1 FY 2017

- EBITDA was Rs 8.27 crores for the quarter.
- Profit before Tax was Rs.2.17 crores for the quarter.

Management Discussion and Analysis for the F.Y. 2017

Revenue Figures – Consolidated

		INR in crores		
		Quarter ended June-2016		
	Q1 FY 2017	Q1 FY 2016	Growth %	Mix %
US & North America – Formulations	79.27	43.16	83.67%	42.44%
Europe, UK – Formulations	76.10	133.24	-42.89%	40.75%
Australia & NZ – Formulations	26.11	19.16	36.27%	13.98%
Rest of World(ROW)	5.28	16.90	-68.76%	2.83%
Consolidated Revenue from operations	186.76	212.46	-12.10%	100.00%

Business Highlights

- US & North America Formulation business reported strong growth of 83.67% to Rs. 79.27 crores aided by Time-Cap Laboratories Inc acquisition. On June 22, 2015, the group acquired 100% share capital of Time Cap Laboratories Inc. Marksans business model always revolved around creating its own front end into regulated markets. Time Cap Laboratories Inc offers Marksans an ideal platform to expand its operations in US. With the long term objective of creating its own sustainable platform, Company has started marketing of its ANDA products through Time Cap Laboratories Inc. The shift in the marketing platform is under transition at present. This has resulted in the short term slowdown in sales of its existing products.



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- Company achieved revenue of Rs. 76.10 crores from Europe, UK Formulation business as compared to Rs. 133.24 crores achieved during last year same period. The UK based business is witnessing higher competition, price erosion, channel consolidation and moderation in volumes off takes. The UK business numbers were further impacted by pound fall below \$1.30 after Brexit vote.
- Australia & NZ Formulation business grew by 36.27% to Rs. 26.11 crores from Rs. 19.16 crores during previous year same period.
- Rest of World Formulation business was Rs. 5.28 crores. Almost 97% of company's total revenue came from regulated markets of US, Europe, Australia & Canada.

New Approvals

Marksans is currently marketing 10 approved ANDAs in USA. It has made 10 more ANDA filings which are awaiting approval. During the quarter we have received ANDA approval for Metformin Hydrochloride Extended Release(ER) USP 500 mg and 750 mg Tablets. The product has market size of around USD 380 million. We will be launching the product in the market from September 2016.

Information Technology Initiative

We are implementing state of the art IT applications in automating the processes in Quality, Manufacturing and R & D. We are also investing significant amount of resources to build IT platform to de-risk the manufacturing and quality management systems and to adopt best practices in the industry. The implementations spread across Lab automation, instrument integration and manufacturing execution systems. The IT transformation programme is planned for roll out in phases commencing from April 2016 to the production environment. During the initial testing, development, and implementation phase we expect slowdown in the operations during the current year.

Change Management

Marksans has hired top-notch professional senior management team at corporate and at site, who have rich experience of the best practices, knowledge base and leadership. The list includes Executive Director, Site Director, Corporate Quality Assurance and Human Resource leaders.



New R & D Centre

Marksans is setting up a new R & D centre in Mumbai. The centre (spread across three storeyed building) would be handling research in Formulation development, NDDS, NDA for global markets, specifically for regulated markets.

The facility will have around 50 senior scientists initially. The centre will be commissioned by December 2016.

India formulation marketing initiative

Indian domestic formulations market is growing at a CAGR of around 17%. The market size for the same is projected to be of USD 50 billion by 2020. India will become third largest pharmaceutical market in the world by 2020.

Marksans is entering into disease management space in the domestic market with a range of 40 brands comprising of dermatological, respiratory and CNS formulations. Our intention would be to dominate these disease space by bringing more specific products into the market, including devises.

About Marksans Pharma Limited

Marksans Pharma Limited (www.marksanspharma.com) headquartered at Mumbai, India is engaged in Research, Manufacturing & Marketing of generic pharmaceutical formulation in the global markets. The company's manufacturing facilities are approved by several leading regulatory agencies. The company's robust product portfolio spreads over major therapeutic segments of CVS, CNS, Anti-diabetic, Pain Management, Gastroenterologicals and Anti-allergies. The company is marketing these products globally.

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential product characteristics and uses, product sales potential and target dates for product launch are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. Marksans may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the regulatory bodies and its reports to shareholders. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.

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