

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Gland Pharma Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Gland Pharma Limited (the "Company") for the quarter ended December 31, 2020 and year to date from April 01, 2020 to December 31, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (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, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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. 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 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.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. Attention is drawn to the fact that the figures for the financial result for the corresponding quarter and nine months period ended December 31, 2019 and for the preceding quarter ended September 30, 2020 as reported in these Unaudited Financial Results have been prepared solely based on the information compiled by the management, but have not been subject to audit or review. Further, we report that the figures for the quarter ended December 31, 2020 represent the derived figures between the reviewed figures in respect of the nine months period ended December 31, 2020 and the figures for the half year ended September 30, 2020, which were not subject to audit or review.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Navneet Rai Kabra

Partner

Membership No.: 102328



UDIN: 21102328AAAAAR3403

Hyderabad

January 22, 2021

**GLAND PHARMA LIMITED**

Corporate Identity Number: U24239TG1978PLC002276

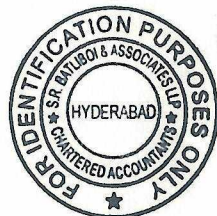
Registered Office: Sy. No. 143 - 148, 150 and 151, Near Gandhi Maisamma 'X' Roads, D.P. Pally, Dundigal

Dundigal - Gandhi Maisamma (M), Medchal-Malkajgiri District, Hyderabad 500 043, Telangana, India

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Statement of Unaudited Financial Results for the Quarter and Nine months ended December 31, 2020**(₹ in millions)**

Particulars	Quarter ended			Nine months ended		Year ended
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income						
Revenue from operations	8,594.19	8,315.00	6,459.35	25,751.28	19,980.02	26,332.40
Other income	351.30	203.52	252.88	875.62	929.67	1,391.68
Total income	8,945.49	8,518.52	6,712.23	26,626.90	20,909.69	27,724.08
2. Expenses						
Cost of materials consumed	4,607.73	5,402.96	2,889.35	13,066.68	9,027.94	10,902.54
Purchases of traded goods	28.51	46.21	104.14	120.72	165.07	186.73
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(567.56)	(1,714.14)	(219.16)	(2,184.17)	(728.27)	(69.04)
Power and fuel	193.40	192.15	199.15	553.26	603.32	785.00
Employee benefits expense	821.67	785.58	672.12	2,330.64	2,104.59	2,776.62
Depreciation expense	249.65	246.63	242.31	738.58	705.09	945.87
Finance expense	11.59	7.60	56.78	23.90	67.08	71.82
Other expenses	868.12	625.24	696.04	2,118.62	1,651.33	2,195.88
Total expenses	6,213.11	5,592.23	4,640.73	16,768.23	13,596.15	17,795.42
3. Profit before tax (1-2)	2,732.38	2,926.29	2,071.50	9,858.67	7,313.54	9,928.66
4. Tax expense						
Current tax	692.56	743.88	520.62	2,505.06	1,845.54	2,513.97
Deferred tax charge/(credit)	(1.25)	(6.16)	5.57	(11.93)	(316.97)	(318.21)
Taxes for earlier years	-	-	4.32	-	4.32	4.32
Total tax expense	691.31	737.72	530.51	2,493.13	1,532.89	2,200.08
5. Profit for the period/year (3-4)	2,041.07	2,188.57	1,540.99	7,365.54	5,780.65	7,728.58
6. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:						
Re-measurement loss/(gain) on employee defined benefit plans	(10.51)	13.01	6.84	16.27	45.50	69.75
Deferred tax charge/(credit) on remeasurement of defined benefit plans	2.65	(3.27)	(1.72)	(4.09)	(11.45)	(17.55)
Other comprehensive income (net of tax)	(7.86)	9.74	5.12	12.18	34.05	52.20
7. Total comprehensive income (after taxes) (5-6)	2,048.93	2,178.83	1,535.87	7,353.36	5,746.60	7,676.38
8. Paid up equity share capital (Face value of ₹1 each)	163.28	154.95	154.95	163.28	154.95	154.95
9. Other equity						36,307.40
10. Earnings per equity share (Face value of ₹1 each): (Not annulised for the quarter and nine months ended)						
Basic (₹)	12.83	14.12	9.95	47.12	37.31	49.88
Diluted (₹)	12.82	14.12	9.95	47.10	37.31	49.88



Notes:

- In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, this Statement of Unaudited Financial Results for the quarter and nine months ended December 31, 2020 ("Unaudited Financial Results") of the Company has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January 22, 2021 and have been subject to a limited review by the statutory auditors of the Company.
- The financial results for the corresponding quarter and nine months ended December 31, 2019 and for the preceding quarter ended September 30, 2020 have not been subject to an audit or review by our statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results for these periods provide a true and fair view of the Company's affairs.
- The Unaudited Financial Results of the Company have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, as amended, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, as amended (the "Listing requirements").
- The Company has completed Initial Public Offer ("IPO") of 43,196,968 Equity Shares of the face value of ₹1/- each at an issue price of ₹1,500/- per Equity Share, comprising offer for sale of 34,863,635 shares by Selling Shareholders and fresh issue of 8,333,333 shares. The Equity Shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on November 20, 2020. Accordingly, the Unaudited Financial Results for the quarter and nine months ended December 31, 2020 are drawn up for the first time in accordance with the Listing requirements.
- The total offer expenses are estimated to be ₹1,392.52 million (inclusive of taxes) which are proportionately allocated between the selling shareholders and the Company as per respective offer size. The Company's share of these expenses ₹221.77 (excluding taxes) has been adjusted against securities premium.

6. The utilisation of the net IPO proceeds is summarised below: (₹ in millions)

Particulars	Objects of the issue as per prospectus	Utilisation upto 31-Dec-20	Unutilised amounts as on 31-Dec-20
Funding incremental working capital requirement	7,695.00	1,681.00	6,014.00
Funding capital expenditure requirement	1,680.00	7.38	1,672.62
General corporate purpose	2,864.68	840.04	2,024.64
Total	12,239.68	2,528.42	9,711.26

IPO Proceeds which were unutilised as at December 31, 2020 were temporarily invested in deposits with scheduled commercial bank and in monitoring agency account.

- The Code of Social Security 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period in which the Code becomes effective.
- The Company operates in one single reportable business segment- "Pharmaceuticals".
- The outbreak of COVID-19 in many countries has brought about disruptions to businesses around the world and uncertainty to the global economy, which had some impact on the Company's supply chain. The Company is closely monitoring the impact of the pandemic on all aspects of its business, including how it will impact its customers, employees, vendors and business partners. Based on the current estimates, the Company expects to fully recover the carrying amount of assets and does not foresee any impact on its operations. The Company will continue to closely monitor any material changes to future economic conditions.
- The previous periods numbers have been regrouped/rearranged wherever necessary to conform the current period presentation.
- The above Unaudited Financial Results of the Company are available on the Company's website www.glandpharma.com and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com), where the shares of the Company are listed.



For and on behalf of the Board
Gland Pharma Limited

S. Srinivas

Srinivas Sadu
Managing Director and CEO
DIN No. 06900659

Hyderabad
January 22, 2021

