PROSPECTUS
Dated July 30, 2021
Please read section 32 of the Companies Act, 2013
Book Built Issue

GLENMARK LIFE SCIENCES LIMITED

Our Company was incorporated as 'Zorg Laboratories Private Limited', a private limited company under the Companies Act, 1956 on June 23, 2011 at Pune and was granted the certificate of incorporation by the Registrar of Companies, Maharashtra at Pune ("**RoC**"). Subsequently, our Company was acquired by Glenmark Pharmaceuticals Limited pursuant to the Share Purchase Agreement dated July 4, 2018 and the name of our Company was changed to 'Glenmark Life Sciences Private Limited' pursuant to a special resolution passed by the shareholders of our Company on July 25, 2018 and a fresh certificate of incorporation dated August 10, 2018 was issued by the RoC. A shareholders' resolution was passed on August 13, 2018 to convert our Company from a private limited company to a public limited company and a fresh certificate of incorporation dated August 28, 2018 was issued by the RoC. For further details of change in name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 149.

Registered Office: Plot No. 170-172, Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur 413 213, Maharashtra, India; **Corporate Office**: 4th Floor, OIA House, 470, Cardinal Gracious Road, Andheri East, Mumbai – 400099, Maharashtra, India

Tel: +91 2189 234456/ +91 2189 234246 **; Website**: www.glenmarklifesciences.com; **Contact Person**: Rudalf Corriea (Company Secretary and Compliance Officer);

E-mail: complianceofficer@glenmarklifesciences.com**; Corporate Identity Number**: U74900PN2011PLC139963

OUR PROMOTER: GLENMARK PHARMACEUTICALS LIMITED

INITIAL PUBLIC OFFER OF 21,022,222* EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF GLENMARK LIFE SCIENCES LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹720 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹718 PER EQUITY SHARE) AGGREGATING TO ₹15,136* MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF 14,722,222* EQUITY SHARES AGGREGATING TO ₹ 10,600* MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 6,300,000* EQUITY SHARES BY GLENMARK PHARMACEUTICALS LIMITED ("PROMOTER SELLING SHAREHOLDER" AND SUCH EQUITY SHARES, THE "OFFERED SHARES") AGGREGATING TO ₹4,536* MILLION (THE "OFFER FOR SALE"). THE OFFER CONSTITUTES 17.16 % OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹ 2 EACH. THE OFFER PRICE IS ₹ 720 PER EQUITY SHARE AND IS 360 TIMES THE FACE VALUE OF THE EQUITY SHARES.

SUBJECT TO FINALISATION OF BASIS OF ALLOTMENT

This Offer was made through a Book Building Process and in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 31 of the SEBI ICDR Regulations and in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", and such portion, the "**QIB Portion**"). Our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), out of which one-third was available for allocation to domestic Mutual Funds only, subject to valid Bids having been received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer was made available for allocation to Retail Individual Bidder(s) in accordance with SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. All potential Bidders, other than Anchor Investors, were required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective bank account (including UPI ID (defined hereinafter) in case of Retail Individual Bidder(s) in which the corresponding Bid Amounts were blocked by the SCSBs or under the UPI mechanism, as applicable, to participate in the Offer. Anchor Investors were not permitted to participate in the Offer through the ASBA process. For details, see "*Offer Procedure*" on page 317.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offering of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 2. The Offer Price should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 22.

ISSUER'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Promoter Selling Shareholder, accepts responsibility for and confirms that the statements specifically made or confirmed by such Promoter Selling Shareholder in this Prospectus to the extent of information specifically pertaining to itself and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through this Prospectus and the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated May 5, 2021 and May 11, 2021, respectively. For the purposes of the Offer, the Designated Stock Exchange is BSE. A signed copy of the Red Herring Prospectus has been and a signed copy of this Prospectus shall be delivered to the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents that were available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 344.

GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS

Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC, Plot No. C - 27 'G' Block, Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel:** +91 22 4336 0000 **E-mail:** gls.ipo@kotak.com **Investor grievance e-mail:** kmccredressal@kotak.com **Contact Person:** Ganesh Rane **Website:** https://investmentbank.kotak.com **SEBI Registration No:** INM000008704	**BofA Securities India Limited** Ground Floor, "A" Wing, One BKC, "G" Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India **Tel:** +91 22 6632 8000 **E-mail:** dg.glenmark_ipo@bofa.com **Investor Grievance E-mail:** dg.india_merchantbanking@bofa.com **Contact Person:** Pritish Pani **Website:** www.ml-india.com **SEBI Registration Number:** INM000011625	**Goldman Sachs (India) Securities Private Limited** 951-A, Rational House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 **Tel:** +91 22 6616 9000 **Email:** glsipo@gs.com **Investor Grievance Email:** india-client-support@gs.com **Contact Person:** Chirag Jasani **Website:** www.goldmansachs.com **SEBI Registration Number: MB/**INM000011054

BOOK RUNNING LEAD MANAGERS

DAM Capital Advisors Limited (Formerly known as IDFC Securities Limited) One BKC, Tower C, 15th Floor Unit No. 1511, Bandra Kurla Complex Bandra (East), Mumbai – 400 051 **Tel:** +91 22 4202 2500 **E-mail:** glenmark.ipo@damcapital.in **Investor grievance e-mail:** complaint@damcapital.in **Contact Person:** Chandresh Sharma **Website:** www.damcapital.in **SEBI Registration No.:** MB/INM000011336	**BOB Capital Markets Limited** 1704, B Wing, 17th Floor Parinee Crescenzo Plot No. C - 38/39 G Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Tel**: +91 22 6138 9300 **E-mail**: gls.ipo@bobcaps.in **Investor grievance ID**: investorgrievance@bobcaps.in **Contact Person**: Ninad Jape **Website**: www.bobcaps.in **SEBI Registration Number**: INM000009926	**SBI Capital Markets Limited** 202, Maker Tower "E", Cuffe Parade Mumbai 400 005 Maharashtra,India **Tel**: +91 22 2217 8300 **Email**: gls.ipo@sbicaps.com **Website**: www.sbicaps.com **Investor grievance e-mail**: investor.relations@sbicaps.com **Contact Person**: Janardhan Wagle **SEBI Registration No**: INM000003531	**KFin Technologies Private Limited** (Formerly known as Karvy Fintech Private Limited) Selenium Tower-B Plot No-31 and 32, Financial District Nanakramguda, Serilingampally Hyderabad, Rangareddi 500032 Telangana, India **Tel:** +91 40 6716 2222 **E-mail:** glenmark.ipo@kfintech.com **Investor Grievance E-mail:** einward.ris@kfintech.com **Website:** www.kfintech.com **Contact Person**: M Murali Krishna **SEBI Registration No.**: INR000000221

BID/ OFFER SCHEDULE

BID/ OFFER OPENED ON	**Tuesday, July 27, 2021**[1]	**BID/ OFFER CLOSED ON**	**Thursday, July 29, 2021**

[1] *The Anchor Investor Bid/ Offer Period was one Working Day prior to the Bid/ Offer Opening Date i.e. July 26, 2021.*

(This page is intentionally left blank)

TABLE OF CONTENTS

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, the terms used in "Industry Overview", "Key Regulations and Policies", "Statement of Special Tax Benefits", "Financial Information", "Basis for Offer Price", "History and Certain Corporate Matters", "Financial Indebtedness", "Other Regulatory and Statutory Disclosures", "Outstanding Litigation and Material Developments" and "Main Provisions of Articles of Association" on pages 94, 143, 85, 175, 82, 149, 256, 293, 283 and 334, respectively, shall have the meaning ascribed to them in the relevant section.

General Terms

Term	Description
"our Company", "the Company", "the Issuer"	Glenmark Life Sciences Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Plot No. 170-172, Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur – 413 213, Maharashtra, India and its corporate office at 4th Floor, OIA House, 470, Cardinal Gracious Road, Andheri East, Mumbai – 400099, Maharashtra, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company

Company Related Terms

Term	Description
"Articles of Association" or "AoA"	Articles of association of our Company, as amended
Audit Committee	The audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations and as described in "*Our Management*" on page 158
"Auditors" or "Statutory Auditors"	Walker Chandiok & Co LLP, current statutory auditors of our Company
"Board" or "Board of Directors"	Board of directors of our Company
Business Purchase Agreement	The Business Purchase Agreement dated October 9, 2018 entered into by our Company with Glenmark Pharmaceuticals Limited
Corporate Office	Corporate office of our Company located at 4th Floor, OIA House, 470, Cardinal Gracious Road, Andheri East, Mumbai – 400099, Maharashtra, India
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in "*Our Management*" on page 161
Director(s)	The directors on the Board of our Company
Equity Shares	Equity shares of our Company of face value of ₹ 2 each
ESOP 2021	Glenmark Life Sciences Limited Employee Stock Option Plan 2021
"Glenmark" or "GPL"	Glenmark Pharmaceuticals Limited
Group Companies	Our group companies, Glenmark Pharmaceuticals Inc., Glenmark Pharmaceuticals Egypt, S.A.E, Glenmark Pharmaceuticals B.V., Viso Farmaceutica S.L.U, Glenmark Pharmaceuticals Europe Limited and Glenmark Farmaceutica Ltda, as disclosed in *"Our Group Companies"* on page 170
Independent Directors	Independent directors on the Board, as disclosed in "*Our Management*" on page 153
IPO Committee	The IPO committee of our Board
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations as disclosed in "*Our Management*" on page 164
Managing Director and Chief Executive Officer	Managing Director and Chief Executive Officer of our Company, namely Dr. Yasir Rawjee
"Memorandum of Association" or "MoA"	Memorandum of association of our Company, as amended
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations and as described in "*Our Management*" on page 160

Term	Description
"Parent Company" or "Promoter" or "Promoter Selling Shareholder"	Our Promoter, namely, Glenmark Pharmaceuticals Limited
Pro Forma Financial Information	The pro forma financial information for illustrative purposes presented in "*Financial Information – Pro Forma Financial Information*" on page 226 has been prepared to demonstrate the effects of the spin-off of the API business from the Promoter Selling Shareholder into our Company, on our Company, as if the spin-off had taken place with effect from April 1, 2017
Promoter Group	Entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "*Our Promoter and Promoter Group*" on page 166
Registered Office	Registered office of our Company located at Plot No. 170-172, Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur – 413 213, Maharashtra, India
"Registrar of Companies" or "RoC"	Registrar of Companies, Maharashtra at Pune
Restated Financial Information	Our restated summary statements of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 and the restated statements of profit and loss (including other comprehensive income), cash flow statement and changes in equity for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 of the Company together with the summary statement of significant accounting policies, and other explanatory information thereon, derived from audited financial statements as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI
Share Purchase Agreement	Share Purchase Agreement dated July 4, 2018 with entered into by our Company with Glenmark Pharmaceuticals Limited and the erstwhile shareholders of our Company
Shareholders	Shareholders of our Company from time to time
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations and as described in "*Our Management*" on page 161
Trademark License Agreement	The Trademark License Agreement dated April 16, 2021 entered into by our Company with Glenmark Pharmaceuticals Limited

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	₹ 720 per Equity Share
Anchor Investor Application Form	Application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Anchor Investor Bid/ Offer Period	July 26, 2021, being one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors were submitted and allocation to Anchor Investors was completed
Anchor Investor Offer Price	₹ 720 per Equity Share The Anchor Investor Offer Price was decided by our Company and the Promoter Selling Shareholder in consultation with the Lead Managers
Anchor Investor Portion	60% of the QIB Portion, which was allocated by our Company and the Promoter Selling Shareholder in consultation with the Lead Managers, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.

Term	Description
	One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
"Application Supported by Blocked Amount" or "ASBA"	Application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and which includes applications made by RIBs using the UPI Mechanism where the Bid Amount is blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism
ASBA Account	Bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of an RIB which is blocked upon acceptance of a UPI Mandate Request made by the RIBs using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Bankers to the Offer	Collectively, the Escrow Collection Bank, the Public Offer Account Bank, the Sponsor Bank and the Refund Bank, as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "*Offer Structure*" beginning on page 314
Bid	Indication to make an offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and paid by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	20 Equity Shares and in multiples of 20 Equity Shares thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, July 29, 2021
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, July 27, 2021
Bid/ Offer Period	Except in relation to Anchor Investors, the period between July 27, 2021 and July 29, 2021, inclusive of both days
Bidder	Any investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries accepted the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
BOB Capital	BOB Capital Markets Limited
BofA	BofA Securities India Limited
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer was made
"Book Running Lead Managers" or "BRLMs"	DAM Capital Advisors Limited (Formerly known as IDFC Securities Limited), BOB Capital Markets Limited and SBI Capital Markets Limited.
Broker Centres	Centres notified by the Stock Exchanges where Bidders could submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who were allocated the Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price	₹ 720 per Equity Share
Cash Escrow and Sponsor Bank Agreement	Agreement dated July 16, 2021 entered amongst our Company, the Promoter Selling Shareholder, the Lead Managers, Syndicate Members, the Bankers to the Offer and Registrar to the Offer for, *inter alia*, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public

Term	Description
	Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who was eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time
Cut-off Price	Offer Price, finalised by our Company and the Promoter Selling Shareholder in consultation with the Lead Managers Only Retail Individual Bidders Bidding in the Retail Portion were entitled to Bid at the Cut-off Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders were not entitled to Bid at the Cut- off Price
DAM Capital	DAM Capital Advisors Limited (Formerly known as IDFC Securities Limited)
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable
Designated Branches	Such branches of the SCSBs which could collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders could submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank transfers funds from the Escrow Accounts to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of RIBs using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and this Prospectus following which Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	In relation to ASBA Forms submitted by RIBs by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount were blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders could submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	BSE Limited
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated April 16, 2021 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus constituted an invitation to subscribe to or to purchase the Equity Shares
Escrow Account(s)	Accounts opened with the Escrow Collection Bank and in whose favour the Anchor Investors could transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Accounts were opened, in this case being HDFC Bank Limited
First or sole Bidder	Bidder whose name is mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names

Term	Description
Floor Price	₹ 695 per Equity Share
Fresh Issue	Fresh issue of 14,722,222* Equity Shares aggregating to ₹ 10,600 million by our Company **Subject to finalisation of the Basis of Allotment*
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document was made available on the websites of the Stock Exchanges and the Lead Managers
"Global Co-ordinators and Book Running Lead Managers" or "GCBRLMs"	The global co-ordinators and book running lead managers to the Offer, in this case being Kotak Mahindra Capital Company Limited, BofA Securities India Limited and Goldman Sachs (India) Securities Private Limited
Goldman Sachs	Goldman Sachs (India) Securities Private Limited
Kotak	Kotak Mahindra Capital Company Limited
Lead Managers	Collectively, GCBRLMs and BRLMs
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids having been received at or above the Offer Price
Monitoring Agency	HDFC Bank Limited
Monitoring Agency Agreement	Agreement dated July 16, 2021 entered into between our Company and the Monitoring Agency
Mutual Fund Portion	5% of the Net QIB Portion, or 210,223* Equity Shares which was made available for allocation to Mutual Funds only, subject to valid Bids having been received at or above the Offer Price **Subject to finalisation of the Basis of Allotment*
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer expenses. For further details regarding the use of the Net Proceeds and the Offer expenses, see "*Objects of the Offer*" on page 75
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders and who Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	Portion of the Offer being not less than 15% of the Offer consisting of 3,153,334* Equity Shares which was made available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids having been received at or above the Offer Price **Subject to finalisation of the Basis of Allotment*
Non-Resident	Person resident outside India, as defined under FEMA
Offer	Initial public offer of 21,022,222* Equity Shares for cash at a price of ₹720 per Equity Share (including a share premium of ₹718 per equity share) aggregating to ₹15,136* million. The Offer comprises of a Fresh Issue of 14,722,222* Equity Shares aggregating to ₹ 10,600* million and an Offer for Sale of 6,300,000* Equity Shares aggregating to ₹4,536* million. The Offer constitutes 17.16% of the post Offer paid up Equity Share capital of our Company. **Subject to finalisation of the Basis of Allotment*
Offer Agreement	Agreement dated April 16, 2021 entered amongst our Company, the Promoter Selling Shareholder and the Lead Managers, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer for Sale	The offer for sale of 6,300,000* Equity Shares aggregating to ₹4,536* million, by the Promoter Selling Shareholder **Subject to finalisation of the Basis of Allotment*
Offer Price	₹ 720 per Equity Share, being the final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and this Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which was decided by our Company and the Promoter Selling Shareholder in consultation with the Lead Managers in terms of the Red Herring Prospectus and this Prospectus. The Offer Price was decided by our Company and the Promoter Selling Shareholder in consultation with the Lead Managers on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus
Offered Shares	6,300,000 Equity Shares aggregating to ₹4,536* million being offered for sale by the Promoter Selling Shareholder in the Offer for Sale **Subject to finalisation of the Basis of Allotment*

Term	Description
Price Band	Price band of a minimum price of ₹695 per Equity Share (Floor Price) and the maximum price of ₹720 per Equity Share (Cap Price)
Pricing Date	The date on which our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, finalised the Offer Price, being July 30, 2021
Prospectus	This prospectus dated July 30, 2021 filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The 'no-lien' and 'non-interest bearing' account opened with the Public Offer Account Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
Public Offer Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Offer Account has been opened, in this case being HDFC Bank Limited
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer consisting of 10,511,110* Equity Shares which was available for allocation to QIBs (including Anchor Investors), subject to valid Bids having been received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors) **Subject to finalisation of the Basis of Allotment*
"Qualified Institutional Buyers" or "QIBs" or "QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The Red Herring Prospectus dated July 19, 2021 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the Offer Price and the size of the Offer
Refund Account	Account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank	Banker to the Offer and with whom the Refund Account has been opened, in this case being Bank of Baroda
Registered Brokers	Stock brokers registered under SEBI (Stock Brokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the Lead Managers and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	Agreement dated April 16, 2021 entered amongst our Company, the Promoter Selling Shareholder and the Registrar to the Offer
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
"Registrar to the Offer" or "Registrar"	KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited)
"Retail Individual Bidder(s)" or "RIB(s)"	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	Portion of the Offer being not less than 35% of the Offer consisting of 7,357,778* Equity Shares which was available for allocation to Retail Individual Bidders (subject to valid Bids having been received at or above the Offer Price) **Subject to finalisation of the Basis of Allotment*
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders could revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date
SBICAP	SBI Capital Markets Limited
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to

Term	Description
	time, (ii) in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer could be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, namely, KFin Technologies Private Limited
Share Escrow Agreement	Agreement dated July 16, 2021 entered amongst our Company, the Promoter Selling Shareholder and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Promoter Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate could accept ASBA Forms from Bidders
Sponsor Bank	HDFC Bank Limited, being a Banker to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
"Syndicate" or "Members of the Syndicate"	The Lead Managers and the Syndicate Members
Syndicate Agreement	Agreement dated July 16, 2021 entered amongst our Company, the Promoter Selling Shareholder, the Lead Managers and the Syndicate Members, in relation to collection of Bids by the Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Kotak Securities Limited, Sharekhan Limited, SBICAP Securities Limited and Investec Capital Services (India) Private Limited
Systemically Important Non- Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	Together, the Lead Managers and the Syndicate Members
Underwriting Agreement	Agreement dated July 30, 2021 entered amongst our Company, the Promoter Selling Shareholder and the Underwriters
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that was used by an RIB in accordance with the UPI Circulars to make an ASBA Bid in the Offer
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid/ Offer Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Technical/Industry Related Terms/Abbreviations

Term	Description
"ANDA"	Abbreviated new drug application
"API"	Active pharmaceutical ingredient
"BLA"	Biologics license application
"CDMO"	Contract development and manufacturing operations
"CEP"	Certificate of suitability to the monographs of the European Pharmacopoeia
"cGMP"	current Good Manufacturing Practices
"CMO"	Contract manufacturing organization
"CNS"	Central nervous system disease
"CVS"	Cardiovascular disease
"DDS"	Drug delivery system
"DMF"	Drug Master File
"FDA"	Food and Drug Administration
"FD&C Act"	Federal Food, Drug and Cosmetic Act
"HPAPI"	High potency API
"KSM"	Key starting material
"MHRA"	Medicines and Healthcare Products Regulatory Agency
"NDA"	New drug application
"NLEM"	National List of Essential Medicines 2015
"NPPA"	National Pharmaceutical Pricing Authority
"QMS"	Quality Management System
"SOP"	Standard operating procedure
"ZLD"	Zero liquid discharge

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AIFs	Alternative Investment Funds
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identity Number
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, along with the relevant rules made thereunder
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as the Department of Industrial Policy and Promotion*)
DP ID	Depository Participant Identification
DP/ Depository Participant	Depository participant as defined under the Depositories Act
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT effective from October 15, 2020

Term	Description
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Non-debt Instruments Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/ Fiscal/ FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI(s)	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
Gazette	Gazette of India
"GoI" or "Government" or "Central Government"	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
IPO	Initial public offering
IST	Indian Standard Time
IT	Information Technology
IT Act	The Income Tax Act, 1961
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
MCA	Ministry of Corporate Affairs
Mutual Fund (s)	Mutual Fund(s) registered under the SEBI (Mutual Funds) Regulations, 1996
N/A	Not applicable
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NPCI	National Payments Corporation of India
NRI	Individual resident outside India, who is a citizen of India
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/Overseas Corporate Body	An entity de-recognised through Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E	Price/earnings
P/E Ratio	Price/earnings ratio
PAN	Permanent account number
PAT	Profit after tax
PRC	People's Republic of China
R&D	Research and development
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
State Government	The government of a state in India
Stock Exchanges	BSE and NSE

Term	Description
STT	Securities transaction tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax deduction account number
U.S. QIBs	"Qualified institutional buyers" as defined in Rule 144A. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs"
U.S./USA/United States	United States of America, its territories and possessions, any State of the United States, and the District of Columbia
USD/US$	United States Dollars
U.S. Securities Act	U.S. Securities Act of 1933, as amended
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Prospectus to "India" are to the Republic of India and all references herein to the "Government". "Indian Government". "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable and all references and all references to the "US", "U.S." "USA" or "United States" are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time ("**IST**").

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

Financial Data

Unless the context requires otherwise, the financial information in this Prospectus is derived from our restated statements of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 and the restated statements of profit and loss (including other comprehensive income), cash flow statement and changes in equity for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 of the Company together with the summary statement of significant accounting policies, and other explanatory information thereon, derived from the audited financial statements as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with the Ind AS, and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI. Certain other financial information in relation to our Promoter and Group Companies are derived from their respective audited financial statements, as may be available.

We have included in this Prospectus the Pro Forma Financial Information (to be read in conjunction with the "*Management's Discussion and Analysis of Financial Conditions and Results of Operations – Basis of Preparation of the Pro Forma Financial Information"* on page 270) as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 to demonstrate the effects of the spin-off of the API business from our Promoter into our Company, on our Company, as if the acquisition had taken place with effect from April 1, 2017. For further details, see "*Financial Information – Pro Forma Financial Information"* on page 226 and "*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years*" on page 151, and "*Risk Factors – The Pro Forma Financial Information included in this Prospectus to reflect the spin-off of the API business of Glenmark into our Company is not indicative of our expected results or operations in the future periods or our future financial position or a substitute for our past results.*" on page 31.

For further information, see "*Financial Information*" on page 175.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Unless stated otherwise, all references in this Prospectus to the terms Fiscal or Fiscal Year or Financial Year or FY are to the 12 months ended March 31 of such year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Prospectus are to a calendar year.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see "*Risk Factors – Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as IFRS and U.S. GAAP, with which investors may be more familiar*". The degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should accordingly be limited. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 22, 123 and 258, respectively, and elsewhere in this Prospectus have been calculated on the basis of amounts derived from our Pro Forma Financial Information. The Pro Forma Financial Information included in this Prospectus to reflect the spin-off of the API business

of our Promoter into our Company is not indicative of our future financial condition or factual financial position or results of operations or a substitute for our past results.

Certain non-GAAP financial measures relating to our financial performance such as, EBITDA, net debt/(net cash), net worth, return on net worth, return on equity, return on capital employed, net asset value per share, asset turnover ratio, EBITDA margin and PAT margin have been included in this Prospectus. We compute and disclose such non-GAAP financial measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other information relating to financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US$" or "$" are to United States Dollar, the official currency of the United States of America;
- "Euro" or "€" are to Euro, the official currency of the European Union.
- "GBP" or "Pound" or "£" are to British Pound, the official currency of the United Kingdom;
- "BRL" or "R$" are to Brazilian Real, the official currency of Brazil; and
- "EGP" or "E£" are to Egyptian Pound, the official currency of Egypt.

Our Company has presented certain numerical information in this Prospectus in "million" and "crores" units or in whole numbers where the numbers have been too small to represent in such units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

This Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and other foreign currencies:

(In ₹)

Currency	March 31, 2021	March 31, 2020	March 29, 2019*
1 USD[#]	73.50	75.38	69.17
1 EUR[#]	86.10	86.09	77.70

[#] *Source: FBIL Reference Rate as available on https://www.fbil.org.in/.*

[*] *Exchange rate as on March 29, 2019 considered as exchange rate is not available for March 30, 2019 being a Saturday and March 31, 2019 being a Sunday*

Industry and Market Data

Unless otherwise indicated, industry and market data used throughout this Prospectus has been obtained or derived from the report titled 'The Active Pharmaceutical Ingredients (API) Industry Report' dated April 2021 by Frost & Sullivan (India) Private Limited which has been commissioned by our Company on February 10, 2021 and the addendum to 'The Active Pharmaceutical Ingredients (API) Industry Report' dated July 2021. Our Company commissioned this report since no report is publicly available which provides a comprehensive industry analysis, particularly for our products that may be similar to the report commissioned by our Company. For risks in this regard, see "*Risk Factors – We have commissioned an industry report from Frost & Sullivan which have been used for industry related data in this Prospectus and such data has not been independently verified by us."* on page 36.

"The independent market research study "The Active Pharmaceutical Ingredients Industry Report" together with the addendum dated July 2021 has been prepared for the proposed initial public offering of equity shares by Glenmark Life Sciences Limited (the "Company").

*This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("**Frost & Sullivan**") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.*

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the prospectus of which this report is a part and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction."

Readers should also note that IQVIA is not involved in producing this document or endorsing any part of this document.

The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe the industry and market data used in this Prospectus is reliable, it has not been independently verified by us, the Directors, the Promoter Selling Shareholder, the Lead Managers or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation.

Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 22.

In accordance with the SEBI ICDR Regulations, "*Basis for Offer Price*" on page 82 includes information relating to our listed peer group companies. Such information has been derived from publicly available sources, as stated therein, and neither we, nor the Lead Managers or any of their affiliates have independently verified such information. Accordingly, no investment decision should be made solely on the basis of such information.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of this Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as "U.S. QIBs"; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs") pursuant to Section 4(a) of the U.S. Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Prospectus is not a prospectus for the purposes of the Prospectus Regulation (as defined below). This Prospectus and any offer if made subsequently is directed only at persons in Member States of the European Economic Area (the "**EEA**") who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation. This Prospectus has been prepared on the basis that any offer of the Equity Shares in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the Equity Shares. Accordingly any person making or intending to make an offer in that Member State of the Equity Shares which are the subject of the placement contemplated in this Prospectus may only do so in circumstances in which no obligation arises for the Company, the Promoter Selling Shareholder or any of the Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Company, the Promoter Selling Shareholder or any of the Lead Managers have authorised, nor do they authorise, the making of any offer of the Equity Shares in circumstances in which an obligation arises for the Company, the Promoter Selling Shareholder or any of the Lead Managers to publish or supplement a prospectus for such offer. The expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

This Prospectus may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**relevant persons**"). This Prospectus is directed only at relevant persons. Other persons should not act on this Prospectus or any of its contents. This Prospectus is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

In the United Kingdom ("**UK**"), this Prospectus is not a prospectus for the purposes of the UK Prospectus Regulation (as defined below). This Prospectus has been prepared on the basis that any offer if made subsequently is directed only at persons in the UK who are "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This Prospectus has been prepared on the basis that any offer of the Equity Shares in the UK will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to publish a prospectus for offers of the Equity Shares. Accordingly any person making or intending to make an offer in the UK of the Equity Shares which are the subject of the placement contemplated in this Prospectus may only do so in circumstances in which no obligation arises for the Company, the Promoter Selling Shareholder or any of the Lead Managers to publish a prospectus pursuant to Section 85 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "**FSMA**") or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation, in each case, in relation to such offer. Neither the Company, the Promoter Selling Shareholder or any of the Lead Managers have authorised, nor do they authorise, the making of any offer of the Equity Shares in circumstances in which an obligation arises for the Company, the Promoter Selling Shareholder or any of the Lead Managers to publish or supplement a prospectus for such offer. The expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain "forward-looking statements". All statements contained in this Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "seek to", "shall", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements whether made by us or any third parties in this Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to, regulatory changes pertaining to the pharmaceutical industry and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the pharmaceutical industry. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- any manufacturing or quality control problems may subject us to regulatory action, damage our reputation and have an adverse effect on our business, results of operations, financial condition and cash flow.
- the loss of one or more of our key customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products.
- in the event our API business or products in specific therapeutic categories or our key products do not perform as well as expected or if substitute products become available or gain wider market acceptance.
- slowdown or shutdown in our manufacturing operations.
- delay, interruption or reduction in the supply of raw materials to manufacture our products.
- pricing pressure from customers which may affect our gross margin, profitability and ability to increase our prices.
- counterparty credit risk and any delay in receiving payments or non-receipt of payments.
- insufficiency of cash flow to fund our working capital requirements or inability to provide collateral to obtain letters of credit and bank guarantees in sufficient quantities may have an adverse effect on our business, cash flows and results of operations.
- the Pro Forma Financial Information is not indicative of our Company's expected results or operations in the future periods or a substitute for our past results.

Certain information in "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations* on pages 94, 123 and 258, respectively, of this Prospectus have been obtained from the report titled 'The Active Pharmaceutical Ingredients (API) Industry Report' dated April 2021 by Frost & Sullivan (India) Private Limited which has been commissioned by our Company on February 10, 2021 and the addendum to 'The Active Pharmaceutical Ingredients (API) Industry Report' dated July 2021. Our Company commissioned this report since no report is publicly available which provides a comprehensive industry analysis, particularly for our products that may be similar to the report commissioned by our Company.

For further discussion of factors that could cause the actual results to differ from the expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 22, 123, 258 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect current views as of the date of this Prospectus and are not a guarantee of future performance. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based on are reasonable,

any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Neither our Company, our Promoter Selling Shareholder, our Directors, the Lead Managers nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the requirements of SEBI, our Company shall ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus and this Prospectus in relation to the statements and undertakings made by them in the Red Herring Prospectus and this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. Further, the Promoter Selling Shareholder shall ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus and this Prospectus in relation to the statements and undertakings specifically made or confirmed by the Promoter Selling Shareholder in the Red Herring Prospectus and this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoter and Promoter Group", "Restated Financial Information", "Pro Forma Financial Information" "Offer Procedure", "Outstanding Litigation and Material Developments" and "Main Provisions of Articles of Association" beginning on pages 22, 45, 64, 75, 94, 123, 166, 175, 226, 317, 283 and 334, respectively.

Summary of Business

Our Company is a leading developer and manufacturer of select high value, non-commoditized active pharmaceutical ingredients ("**APIs**") in chronic therapeutic areas, including cardiovascular disease, central nervous system disease, pain management and diabetes. Our Company also manufactures and sells APIs for gastro-intestinal disorders, anti-infectives and other therapeutic areas. We are also increasingly providing contract development and manufacturing operations ("**CDMO**") services to a range of multinational pharmaceutical and specialty pharmaceutical companies. We are a research and development ("**R&D**")-driven API manufacturer, focused on undertaking dedicated R&D in our existing products and in areas where we believe there is growth potential in the future.

Summary of Industry

The global API market was estimated to be around US$181.3 billion in FY 2020 and is expected to grow at a CAGR of 6.2% to reach to about US$259.3 billion by FY 2026. The Indian API industry has been on a high growth trajectory over the past few decades. The Indian bulk drug industry, ranked third in the world, has grown at a CAGR of around 9% over FY 2016–2020. It is further expected to expand and grow at a CAGR of around 9.6% during FY 2021–2026, signifying its future potential and evolving global importance. The API supply chain is shaped by changing demand in the pharmaceutical industry, with price and regulatory enforcement being two of the most significant drivers of change.

Our Promoter

As on the date of this Prospectus, our Promoter is Glenmark Pharmaceuticals Limited. For details, see "*Our Promoter and Promoter Group*" on page 166.

Offer Size

Offer[(1)]	21,022,222* Equity Shares aggregating to ₹ 15,136* million
of which	
Fresh Issue[(1)]	14,722,222* Equity Shares aggregating to ₹ 10,600* million
Offer for Sale[(2)]	6,300,000* Equity Shares aggregating to ₹ 4,536* million by the Promoter Selling Shareholder

**Subject to finalisation of the Basis of Allotment*

(1) The Offer has been authorized by resolutions of our Board dated April 6, 2021 and July 19, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated April 9, 2021.

(2) The Equity Shares being offered by the Promoter Selling Shareholder have been held for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus with the SEBI, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Promoter Selling Shareholder has consented to participate in the Offer for Sale and to offer up to 6,300,000 Equity Shares in the Offer for Sale pursuant to its consent letter dated July 16, 2021. For details of authorizations received for the Offer for Sale, see "Other Regulatory and Statutory Disclosures" on page 293.

For further details, see "*Offer Structure*" on page 314

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards the following objects:

Particulars	Amount (in ₹ million)
Payment of outstanding purchase consideration to the Promoter for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated October 9, 2018	8,000.00
Funding the capital expenditure requirements	1,527.64
General corporate purposes[(1)]	576.75
Net Proceeds	10,104.39

(1) The amount utilised for general corporate purposes does not exceed 25% of the Net Proceeds of the Fresh Issue.

For details, see "*Objects of the Offer*" on page 75.

Pre-Offer Shareholding of our Promoter and the Promoter Group

S. No.	Category of Shareholders	No. of Equity Shares	% of total pre-Offer paid up Equity Share capital
1.	*Promoter*		
	Glenmark Pharmaceuticals Limited	10,78,04,950[*]	100.00
2.	*Promoter Group*		
	Glenn Saldanha	5[**]	Negligible
	Cherylann Pinto	5[**]	Negligible

[*] *10,78,04,920 Equity Shares are held by Glenmark Pharmaceuticals Limited and five Equity Shares each are held by Glenn Saldanha, Cherylann Pinto, V.S Mani, Rajesh Desai, Kapil Kriplani and Praveen Kurkal in their capacity as nominees of Glenmark Pharmaceuticals Limited, which is the beneficial owner of such Equity Shares.*

[**] *In their capacity as nominees on behalf of Glenmark Pharmaceuticals Limited*

Summary of Restated Financial Information

The following details of our Equity Share capital, net worth, net asset value per Equity Share and total borrowings as at March 31, 2021, March 31, 2020 and March 31, 2019 and total income, profit after tax and earnings per Equity Share (basic and diluted) for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 are derived from the Restated Financial Information:

(All amounts in ₹ million)

Particulars	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2020	As at and for the Financial Year ended March 31, 2019
Equity Share capital	19.60	19.60	19.60
Net worth	7,527.47	4,016.92	881.25
Total income	18,859.76	15,493.03	8,868.65
Profit after tax	3,515.81	3,130.98	1,955.92
Basic and diluted earnings per share (₹ / share)[#]			
- Basic (in ₹)	32.61	29.04	24.64
- Diluted (in ₹)	32.61	29.04	24.64
Net Asset Value per Equity Share (in ₹)[#]	69.82	37.26	11.10
Total Borrowings (as per balance sheet)[*]	-	0.21	0.21

[#] *Our Company has, pursuant to a Board resolution dated March 10, 2021 and Shareholders resolution dated March 26, 2021, sub-divided the equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each and allotted 98,004,500 Equity Shares pursuant to a bonus issue on April 6, 2021. Net asset value per share and earnings per share is considered post sub-division and bonus issuance.*

[*] *It excludes amount payable to parent company which is classified as other current financial liabilities.*

Summary of Pro Forma Financial Information

The following details of our Equity Share capital, net worth, net asset value per Equity Share and total borrowings as at March 31, 2021, March 31, 2020 and March 31, 2019 and total income, profit after tax and earnings per Equity Share (basic and diluted) for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 are derived from the Pro Forma Financial Information:

(All amounts in ₹ million)

Particulars	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2020	As at and for the Financial Year ended March 31, 2019
Equity Share capital	19.60	19.60	19.60
Net worth	7,527.47	4,016.92	881.25
Total income	18,859.76	15,493.03	14,054.97
Profit after tax	3,515.81	3,130.98	2,926.73
Basic and diluted earnings per share (₹ / share)[#]			
- Basic (in ₹)	32.61	29.04	27.15
- Diluted (in ₹)	32.61	29.04	27.15
Net asset value per Equity Share (in ₹)[#]	69.82	37.26	8.17
Total Borrowings (as per balance sheet) [*]	-	0.21	0.21

[#] *Our Company has, pursuant to a Board resolution dated March 10, 2021 and Shareholders resolution dated March 26, 2021, sub-divided the equity shares of face value of ₹10 each to Equity Shares of face value of ₹2 each and allotted 98,004,500 Equity Shares pursuant to a bonus issue on April 6, 2021. Net asset value per share and earnings per share is considered post sub-division and bonus issuance.*

[*] *It excludes amount payable to Parent Company which is classified as other current financial liabilities*

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Information

The Restated Financial Information does not contain any qualifications by the Statutory Auditors.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Promoter and Directors as on the date of this Prospectus, is provided below:

Types of Proceedings	Number of Cases	Amount (in ₹ million)*
Litigation against our Company		
Material civil litigation	5	1.21
Indirect tax	3	46.72
Litigation by our Company		
Criminal proceedings	1	Not applicable
Litigation against our Promoter		
Criminal proceedings	6	Not applicable
Actions by regulatory and statutory authorities	13	641.19
Direct tax	19	1,156.64
Indirect tax	15	1,090.87
Litigation by our Promoter		
Criminal litigation	2	4.29
Litigation against our Directors		
Actions by regulatory and statutory authorities	1	0.89

* *To the extent quantifiable.*

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" beginning on page 283.

Risk Factors

For details in relation to certain risks applicable to us, see "*Risk Factors*" beginning on page 22.

Summary of contingent liabilities

The details of our contingent liabilities as at March 31, 2021 as disclosed in the Restated Financial Information are set forth in the table below:

S. No.	Particulars	Contingent Liabilities as at March 31, 2021 (in ₹ million)
1.	Claim against us not acknowledged as debts – Disputed taxes and duties	22.16
	Total	**22.16**

For details, see "*Restated Financial Information – Note 29*" on page 215.

Summary of Related Party Transactions

A summary of related party transactions as per the requirements under Ind AS 24 entered into by our Company with related parties as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 are as follows:

(All amounts in ₹ million)

Sr No.	Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
1	**Sale of materials & services**			
	Glenmark Pharmaceuticals Inc., USA	951.67	1,262.84	861.71
	Glenmark Pharmaceuticals Egypt S.A.E., Egypt	(0.50)	0.50	-
	Glenmark Pharmaceuticals Ltd., India	6,751.71	5,040.23	1,339.08
2	**Purchase of materials & services**			
	Glenmark Pharmaceuticals Ltd., India	490.16	413.25	313.97
	Glenmark Pharmaceuticals B.V., Netherlands	10.87	44.70	27.65
	Viso Farmaceutica S.L.U., Spain	9.97	10.38	7.80
	Glenmark Pharmaceuticals Europe Ltd., U.K.	5.43	5.41	-
	Glenmark Farmaceutica Ltda., Brazil	36.19	-	-
3	**Expenses incurred on behalf of Glenmark Life Sciences Ltd**			
	Glenmark Pharmaceuticals Europe Ltd., U.K.	-	5.50	22.42

Sr No.	Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
	Glenmark Farmaceutica Ltda., Brazil	-	45.26	28.68
	Glenmark Pharmaceuticals Ltd., India	16.50	68.68	19.22
	Glenmark Pharmaceuticals Inc., USA	13.47	0.02	15.21
4	**Expenditure incurred for CSR activities to**			
	Glenmark Foundation	42.00	26.27	1.82
5	**Key management personnel Remuneration**			
	Ms. Ruchita Gandhi (Chief Financial Officer effective from January 01, 2019 and till 1 December 2020)	9.02	11.94	1.67
	Mr. Yasir Rawjee (CEO with effect from 2 May 2019 and Managing Director with effect from 13 August 2019)	50.71	29.17	-
	Mr. Sumantra Mitra (Executive Director with effect from 26 June 2020)	8.02	-	-
	Mr. Bhavesh Pujara (Chief Financial Officer with effect from 1 December 2020)	4.63	-	-
	Mr. Rudalf Corriea (Company Secretary & Compliance Officer with effect from 23 February 2021	0.13	-	-
6	**Loan taken from related parties**			
	Loan taken from directors/shareholders			
	Mr. Ashwin Jain (effective till July 16, 2018)	-	-	0.13
	Mr. Sanjay Desai (effective till July 16, 2018)	-	-	0.04
	Glenmark Pharmaceuticals Ltd., India	-	-	0.21
7	**Loan repaid to related parties**			
	Loan repaid to the directors/shareholders			
	Mr. Ashwin Jain (effective till July 16, 2018)	-	-	4.76
	Mr. Damanjit Singh (effective till July 16, 2018)	-	-	3.77
	Mr. Sanjay Desai (effective till July 16, 2018)	-	-	1.50
	Glenmark Pharmaceuticals Ltd., India	0.21	-	-
8	**Conversion of loan to equity share capital**			
	Mr. Sanjay Desai (effective till July 16, 2018)	-	-	4.50
9	**Business transfer transaction with parent**			
	As part of business transfer agreement, assets and liabilities are taken over for a net consideration payable to:			
	Glenmark Pharmaceuticals Ltd., India	-	-	11,621.94
10	**Interest expense on business purchase transaction**			
	Glenmark Pharmaceuticals Ltd., India	874.70	335.15	-
11	**Repayment of amount due for business purchase transaction**			
	Glenmark Pharmaceuticals Ltd., India	2,137.60	1,365.51	-
12	**Other incomes**			
	Loan written off			
	Mr. Sanjay Desai (effective till July 16, 2018)	-	-	0.14
13	**Equity shares issued to parent**			
	Glenmark Pharmaceuticals Ltd., India	-	-	15.00

For details of the related party transactions and as reported in the Restated Financial Information, see "*Restated Financial Information – Note 25*" on page 211.

Financing Arrangements

There have been no financing arrangements whereby the Promoter, members of our Promoter Group, directors of our Promoter, our Directors and their relatives have financed the purchase by any other person of securities of our Company (other than in the normal course of the business of the relevant financing entity) during a period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

Weighted average price at which the Equity Shares were acquired by the Promoter Selling Shareholder in the one year preceding the date of this Prospectus

The weighted average price at which the Equity Shares were acquired by the Promoter Selling Shareholder in the one year preceding the date of this Prospectus is:

S. No.	Category of Shareholders	Number of Equity Shares acquired	Weighted average price of acquisition per Equity Share (in ₹)
1.	*Promoter Selling Shareholder*		
	Glenmark Pharmaceuticals Limited	9,80,04,500*	Nil

* *These Equity Shares were acquired pursuant to a bonus issue*

Average Cost of Acquisition for Promoter Selling Shareholder

The average cost of acquisition per Equity Share acquired by the Promoter Selling Shareholder, as on the date of this Prospectus is:

S. No.	Category of Shareholders	Number of Equity Shares held of the date of this Prospectus	Average cost of Acquisition per Equity Share (in ₹)
1.	*Promoter Selling Shareholder*		
	Glenmark Pharmaceuticals Limited	10,78,04,950*	0.14

* *including five Equity Shares each, which are held by Glenn Saldanha, Cherylann Pinto, V S Mani, Rajesh Desai, Kapil Kriplani, Praveen Kurkal, as nominees on behalf of Glenmark Pharmaceuticals Limited, which is the beneficial owner of such Equity Shares.*

Details of pre-IPO placement

Our Company has not undertaken any pre-IPO placement.

Issuances of Equity Shares made in the last one year for consideration other than cash

Except as disclosed below, our Company has not issued any Equity Shares through bonus issue or for consideration other than cash in the one year preceding the date of this Prospectus:

Our Company has issued and allotted 9,80,04,500 Equity Shares of face value of ₹2 each on April 6, 2021 pursuant to a bonus issue in the ratio of 10 Equity Shares for every one Equity Share held as on the record date.

For details, see "*Capital Structure –Share Capital History of our Company*" on page 64.

Split or consolidation of Equity Shares in the last one year

Pursuant to a shareholders' resolution dated March 26, 2021, each equity share of our Company of the face value of ₹ 10 each was sub-divided into 5 Equity Shares of our Company of the face value of ₹ 2 each. Therefore, 19,60,090 equity shares of our Company of the face value of ₹ 10 each were split into 98,00,450 Equity Shares of the face value of ₹ 2 each. For further details, please see "*Capital Structure*" on page 64.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we currently operate or propose to operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our businesses, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "Our Business", "Industry Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 123, 94 and 258, respectively, as well as the financial, statistical and other information contained in this Prospectus.

To the extent the COVID-19 pandemic adversely affects our business and results of operations, it may also have the effect of heightening many of the other risks described in this section. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisers about the particular consequences to you of an investment in our Equity Shares.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. For details, see "Forward-Looking Statements" on page 15.

*On July 10, 2018, our Company became a wholly-owned subsidiary of our Promoter, Glenmark, when Glenmark acquired 100% equity interest in our Company. On January 1, 2019, the API business of Glenmark comprising of, inter alia, the manufacturing facilities, movable assets, intellectual property, employees and all the liabilities attributable to the API business was spun off into our Company (the "**Spin-off**"). We have included in this Prospectus, the Pro Forma Financial Information (to be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations – Basis of Preparation of the Pro Forma Financial Information" on page 270) as of and for the financial years 2021, 2020 and 2019, to demonstrate the effects of the Spin-off on our Company, including the results of operations and the financial position that would have resulted as if the Spin-off had taken place with effect from April 1, 2017. For further details, see "Financial Information – Pro Forma Financial Information" on page 226; "History and Certain Corporate Matters – Material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years" on page 151; and "– Internal Risk Factors – The Pro Forma Financial Information included in this Prospectus to reflect the spin-off of the API business of Glenmark into our Company is not indicative of our expected results or operations in the future periods or our future financial position or a substitute for our past results" on page 31.*

Industry and market data used in this section have been extracted from the Frost & Sullivan Report which has been commissioned by us as no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's products, that may be similar to the Frost & Sullivan Report. For further details and risks in relation to commissioned reports, see "– Internal Risk Factors – We have commissioned an industry report from Frost & Sullivan which has been used for industry related data in this Prospectus and such data has not been independently verified by us" on page 36.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Pro Forma Financial Information included in this Prospectus on page 226. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

Internal Risk Factors

1. *Any manufacturing or quality control problems may subject us to regulatory action, damage our reputation and have an adverse effect on our business, results of operations, financial condition and cash flows.*

We currently operate four manufacturing facilities which are situated on leasehold properties located at Ankleshwar and Dahej in Gujarat and Mohol and Kurkumbh in Maharashtra. Pharmaceutical businesses, including ours, have obligations to regulatory authorities such as the USFDA, PMDA, COFEPRIS, Health Canada, MFDS (Korea), EDQM, other European regulatory agencies and CDSCO, and consequently, we are required to comply with regulations and quality standards stipulated by such regulators. Our manufacturing facilities and products are subject to periodic inspection/audit by our customers and such regulatory agencies, and if we are not in compliance with any of their requirements, our facilities and products may be the subject of a warning letter, which could result in the withholding of product approval for new products. We are also required to meet quality standards and other specifications set out in our contractual arrangements. If we are not in compliance with the requirements of the regulatory agencies, our facilities

and products may be the subject of a warning letter, which could adversely affect our business, financial condition and results of operations.

Certain developments could adversely affect demand for our products, including the regulatory review of products that are already marketed, new scientific information or the loss of approval of products that we supply, manufacture, market or sell. We face the risk of loss resulting from, and the adverse publicity associated with, manufacturing or quality control problems. Such adverse publicity harms the brand image of our products. Further, our customers to whom we supply our APIs must comply with the regulations and standards of the USFDA and other regulatory authorities. Failure to comply with these regulatory requirements, or the receipt by these customers of warning or deficiency letters from regulators could adversely affect the demand for our products.

2. ***Our business is dependent on the sale of our products to our key customers, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows.***

We are dependent on a limited number of key customers for a significant portion of our revenues. For the financial years 2021, 2020 and 2019, our five largest customers for each respective period accounted for 55.88%, 56.65% and 54.35% of our total revenue from operations, respectively, and our Promoter was our largest customer for each of these periods. For the financial years 2021, 2020 and 2019, revenue from sales to our Promoter and Promoter Group accounted for 40.86%, 41.00% and 39.94% of our total revenue from operations, respectively. Further, most of the business that we conduct with our significant customers is through purchase orders that are placed from time to time. We do not typically have exclusivity arrangements with our customers, including our key customers.

Further, some of our customers currently manufacture or may start manufacturing their own APIs and may discontinue purchasing APIs from us. The loss of one or more of our significant customers or a reduction in the amount of business we obtain from them whether due to circumstances specific to such customer, such as pricing pressures, or adverse market conditions affecting our supply chain, the pharmaceutical industry or the economic environment generally, such as the COVID-19 pandemic, could have an adverse effect on our business, results of operations, financial condition and cash flows.

Our reliance on a select group of customers may also constrain our ability to negotiate our arrangements, which may have an impact on our profit margins and financial performance. The deterioration of the financial condition or business prospects of these customers could reduce their requirement of our products and result in a significant decrease in the revenues we derive from these customers. We cannot assure you that we will be able to maintain historic levels of business from our key customers.

3. ***We derive a significant portion of our revenue from our API business, of which a limited number of therapeutic categories and key products generate a significant portion of our total revenue, and our business may be adversely affected if our API business or products in these therapeutic categories or our key products do not perform as well as expected or if substitute products become available or gain wider market acceptance.***

We are dependent on our API business for a significant portion of our revenues. For the financial years 2021, 2020 and 2019, our API business accounted for 90.63%, 84.16% and 89.87% of our total revenue from operations, respectively.

In turn, we generate a significant portion of our total revenue from our API business from the sale of products in a limited number of principal therapeutic categories such as the cardiovascular ("**CVS**"), central nervous system ("**CNS**"), pain management and diabetes areas. For the financial years 2021, 2020 and 2019, our revenue from the sale of products in the CVS therapeutic area was ₹7,763.23 million, ₹6,681.61 million and ₹5,438.54 million, or 45.44%, 51.64% and 43.07% of our revenue from operations from our generic API business, respectively. For the financial years 2021, 2020 and 2019, our revenue from the sale of products in these four therapeutic categories was ₹10,764.80 million, ₹9,259.76 million and ₹8,138.04 million, or 63.01%, 71.57% and 64.45% of our revenue from operations from our generic API business, respectively.

In addition, a significant portion of our income is dependent on sales of our key products. For the financial years 2021, 2020 and 2019, our revenue from sales of our top 10 products accounted for 66.36%, 69.87% and 60.60% of our revenue from operations from our generic API business, respectively.

If market growth in these therapeutic categories or our key products decreases, or if profit margins on products sold in these therapeutic categories or our key products decline, our results of operations could be adversely affected. As a result of increased competition, pricing pressures or fluctuation in the demand or supply of our products, our revenues from these products may decline in the future. Similarly, in the event of any breakthroughs in the development or invention of alternative drugs for these therapeutic categories, we may be exposed to the risk of our products becoming obsolete or being substituted to a greater or lesser extent by these alternatives. Any adverse developments with respect

to the sale or use of products in these therapeutic categories or our key products, or failure to successfully introduce new products in other therapy categories, could adversely affect our revenue.

4. ***Our manufacturing and R&D facilities are located in the Indian states of Gujarat and Maharashtra. A slowdown or shutdown in our manufacturing operations could have an adverse effect on our business, results of operations, financial condition and cash flows.***

We currently operate four manufacturing facilities which are situated on leasehold properties located at Ankleshwar and Dahej in Gujarat and Mohol and Kurkumbh in Maharashtra and three R&D facilities located at Mahape, Navi Mumbai in Maharashtra, and Ankleshwar and Dahej in Gujarat. Any significant social, political or economic disruption or natural calamities or civil disruptions in these locations or changes in the policies of these states or local governments could require us to incur significant capital expenditure and change our business strategy.

Our business is dependent upon our ability to manage our manufacturing and R&D facilities, which are subject to various operating risks, including political instability, productivity of our workforce, compliance with regulatory requirements (including cGMP requirements), difficulties with production costs and yields, product quality and those beyond our control, such as the breakdown and failure of equipment or industrial accidents, disruption in electrical power or water resources, severe weather conditions, natural disasters and an outbreak of infectious disease such as COVID-19. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. Moreover, some of our products are permitted to be manufactured at only such facility which has received specific approvals, and any shutdown of such facility will result in us being unable to manufacture a product for the duration of such shutdown. Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to delays in the entire production cycle and an inability to comply with our customers' requirements and lead to loss of revenue to us and our customers.

Further, as of March 31, 2021, we employed a total of 1,537 permanent employees. Although we have not experienced any strikes or labor unrest in the past, we cannot assure you that we will not experience disruptions in work in the future due to disputes or other problems with our work force. Any labor unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations, which in turn could adversely affect our business, results of operations, financial condition and cash flows.

5. ***Any delay, interruption or reduction in the supply of raw materials to manufacture our products may adversely affect our business, results of operations, financial condition and cash flows.***

We identify and approve multiple third-party vendors, with whom we place purchase orders from time to time, for the purchase of raw materials. We currently source a significant portion of our raw materials from vendors in China and India. Our raw materials imported from China constituted 39.59%, 47.18% and 42.40% of our total raw material purchases for the financial years 2021, 2020 and 2019, respectively. Further, our raw materials sourced domestically constituted 59.58%, 52.04% and 55.60% of our raw material purchases for the financial years 2021, 2020 and 2019, respectively. For the financial years 2021, 2020 and 2019, our three largest suppliers accounted for 40.26%, 31.07% and 27.34% of our total purchases of key starting materials, respectively. We cannot assure you that we will be able to continue to obtain adequate supplies of our raw materials, in a timely manner, in the future. In addition, as we may not be a major customer of some of our vendors, they may prioritize the orders of other customers over us. If our vendors fail to provide the raw materials or technical know-how required for APIs for any reason, or supply to our competitors, our manufacture of APIs could be disrupted. Our inability to continue to obtain raw material and equipment, in a timely manner, could lead to the slowdown or shut-down of our operations or the under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, cash flows, results of operations and financial condition. Further, in the event of an increase in the price of raw materials, we cannot assure you that we will be able to correspondingly increase the price of our products. Our vendors may also be unable to meet our pricing and quality requirements. Our vendors may also encounter financial hardships unrelated to our demand for raw materials, which could impede their ability to fulfil our orders and meet our requirements. We are also dependent on third-party transport agencies to supply raw materials purchased from our vendors and our manufactured products to our customers in a timely manner.

Any such reductions or interruptions in the supply of raw materials, abrupt increase in the prices of raw materials, inability on our part to find alternate sources for the procurement of such raw materials or disruption/termination in arrangements with our transport agencies may have an adverse effect on our ability to manufacture or deliver our products in a timely or cost effective manner and we may be in breach of our contractual obligations. The occurrence of any such event may adversely affect our business, results of operations, cash flows and financial condition.

6. ***The COVID-19 pandemic, or any future pandemic or widespread public health emergency, could materially and adversely impact our business, financial condition, cash flows and results of operations.***

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the outbreak of COVID-19 to be a public health emergency of international concern on January 30, 2020, and a global pandemic on March 11, 2020.

The COVID-19 pandemic has had, and any future pandemic or widespread public health emergency could have, repercussions across regional and global economies and financial markets. The outbreak of COVID-19 in many countries, including India and the United States, has significantly and adversely impacted economic activity and has contributed to significant volatility and negative pressure in financial markets, and it is possible that the outbreak of COVID-19 will cause a prolonged global economic crisis, recession or depression, despite monetary and fiscal interventions by governments and central banks globally.

The global impact of the outbreak has been rapidly evolving. As cases of COVID-19 have continued to be identified in additional countries, many jurisdictions, including the governments of India, the United States and the other markets in which we conduct business, have reacted by instituting restrictive measures including invoking lock downs and quarantines, requiring the closure of non-essential businesses and placing restrictions on the types of businesses that may continue to operate, mandating restrictions on travel, implementing "shelter-in-place" rules and "stay-at-home" orders, and enforcing remote working regulations. No prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced. Although some governments are beginning to ease or lift these restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy or localized lockdowns remain unknown.

On March 24, 2020, the Government of India ordered a national lockdown in response to the spread of COVID-19. Our business was determined to be operating in an essential industry, which allowed us to continue our operations subsequent to the introduction of the lockdown in India, subject to certain adjustments in working patterns.

There can be no assurance that there will not be any material impact on our operations if the outbreak of COVID-19 is not effectively controlled. Although some restrictions have been eased, it is not yet clear when the lockdown conditions will be fully lifted in India. Further, although we were declared an essential business and were able to adjust our business to continue operating during the lockdown, there can be no assurance that further restrictions will not be introduced or that we will continue to retain such essential status. Further, we may be required to quarantine employees that are suspected of being infected of COVID-19, as well as others that have come into contact with those employees or shut down our manufacturing facilities as a health measure, which could have an adverse effect on our business operations or result in a delay in the production and supply of products to our customers in a timely manner. If any of our suppliers are affected by COVID-19 to the extent our supply chain is disrupted, this may affect our ability to meet the demand of our customers. For instance, we have experienced some disruptions in the supply of raw materials from our suppliers in China as well as an increase in transport costs as a result of the COVID-19 outbreak.

The full extent to which the COVID-19 pandemic, or any future pandemic or widespread public health emergency impacts our business, operations and financial results will depend on numerous evolving factors that we may not be able to accurately predict, including the scope, severity, and duration of the pandemic; actions taken by governments, business and individuals in response to the pandemic; the effect on customer demand for and ability to pay for our products; the impact on our capital expenditure and drug development projects; disruptions or restrictions on our employees' and suppliers' ability to work and travel; volatility in foreign exchange rates; any extended period of remote work arrangements; and strain on our or our customers' business continuity plans, and resultant operational risk.

The COVID-19 pandemic, or any future pandemic or widespread public health emergency could therefore materially and adversely impact our business, financial condition, cash flows and results of operations.

7. ***We intend to use a portion of the Net Proceeds of the Fresh Issue to pay outstanding purchase consideration for the Spin-off under the Business Purchase Agreement to our Promoter. Our Promoter will also sell Equity Shares in the Offer and we will not receive any proceeds from such sale of such Equity Shares by the Promoter. Also, management has discretion in how it may use a portion of the Net Proceeds of the Fresh Issue. Any variation in the utilization of our Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We intend to use a portion of the Net Proceeds of the Fresh Issue to pay outstanding purchase consideration for the spin-off of the API business from the Promoter into our Company under the Business Purchase Agreement to our Promoter. Our Promoter will also sell Equity Shares in the Offer and we will not receive any proceeds from such sale of such Equity Shares by the Promoter.

A portion of the use of the Net Proceeds of the Fresh Issue of Equity Shares in the Offer is at the discretion of the management of our Company. As described in the section titled "*Objects of the Offer*" on page 75, we intend to use the Net Proceeds for various purposes, including but not limited to, (i) payment of outstanding purchase consideration to the Promoter Selling Shareholder for the spin-off of the API business; (ii) funding capital expenditure requirements; and (iii) general corporate purposes. We have estimated the total cost of such capital expenditure to be ₹1,527.64 million.

However, we have not entered into any definitive agreements and do not have any definite and specific commitments towards the aforementioned purposes for which our Company intends to use the Net Proceeds. Our Company may have to revise its management estimates from time to time on account of various factors, including factors beyond its control such as market conditions, competition, cost of commodities and interest, and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section, may limit or delay our Company's efforts to use the Net Proceeds to achieve profitable growth in its business. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. Any variation in the planned use of the Net Proceeds would require Shareholders' approval and may involve considerable time or cost overrun and in such an eventuality it may adversely affect our operations or business. Our Promoter will be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects of the Offer, at such price, and in such manner, in accordance with our Articles of Association, Companies Act, 2013, and the SEBI ICDR Regulations. Further, none of the objects of this Offer, for which the Net Proceeds will be utilized, have been appraised by any bank or financial institution or other agency.

8. ***We have significant working capital requirements. If we experience insufficient cash flows to fund our working capital requirements or if we are not able to provide collateral to obtain letters of credit and bank guarantees in sufficient quantities, there may be an adverse effect on our business, cash flows and results of operations.***

Our business requires significant working capital including in connection with our manufacturing operations and our development of new products. The actual amount of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, technological changes, additional market developments and new opportunities in the API and contract development and manufacturing operations ("**CDMO**") businesses.

Our sources of additional financing, where required to meet our working capital needs, may include the incurrence of debt, the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, which may have a significant effect on our profitability and cash flows. We may also become subject to additional covenants, which could limit our ability to access cash flows from operations and undertake certain types of transactions. In addition, to the extent we receive credit ratings in respect of any of our future borrowings, any subsequent downgrade in those credit ratings may increase interest rates for our future borrowings, which would increase our cost of borrowings and adversely affect our ability to borrow on a competitive basis. Any issuance of equity, on the other hand, would result in a dilution of the shareholding of existing shareholders.

In many cases, a significant amount of our working capital is required to finance the purchase of raw materials and the development and manufacturing of products before payment is received from customers. Our working capital requirements may increase if the payment terms in our agreements include reduced advance payments or longer payment schedules. These factors may result in increases in the amount of our receivables and may result in increases in any future short-term borrowings. Continued increases in our working capital requirements may have an adverse effect on our results of operations, cash flows and financial condition.

9. ***We do not own the brand name 'Glenmark' and the trademarks for our name 'Glenmark Life Sciences' and our logo are also registered in the name of our Promoter. We use the brand name 'Glenmark' pursuant to the Trademark License Agreement which may be terminated under certain circumstances. In the event that we have to discontinue the use of the brand name 'Glenmark' or the trademark name 'Glenmark Life Sciences' or the logo, it may adversely affect our business and financial condition.***

We do not own the brand name 'Glenmark'. Pursuant to the Trademark License Agreement, entered into among our Company and our Promoter, we have been granted a license to use the name 'Glenmark" as part of the name of our Company. The Trademark License Agreement will remain in force for a period of 25 years from January 1, 2019 and shall thereafter be automatically renewed for an additional period of 25 years. However, in the event the Promoter's shareholding in our Company falls below 50% of the voting rights or equity share capital or, if in the opinion of our Promoter there is an activity undertaken by our Company which adversely affects the Promoter's reputation and goodwill or our Company is in breach of the Agreement or applicable law and such activity or breach has not been remedied within the agreed cure period, the Promoter has the right to terminate the agreement. Further, the agreement can also be terminated by either of the parties with six months written notice without any reason. Our Company has paid a one-time consideration of ₹0.50 million (exclusive of taxes) to our Promoter for using the name 'Glenmark' as a part of the name of our Company. In the event that the Trademark License Agreement is terminated, we will have to discontinue the use of the "Glenmark" trademark which may adversely affect our business and financial condition.

Further, the trademark for our name, 'Glenmark Life Sciences' and logo is also registered in the name of our Promoter. If our Promoter does not allow us to use such trademarks, we could be required to change our name and logo. Such change in name and logo will result in us having to incur expenses and to establish our new name and logo with our

customers, which could take time and management attention for significant periods, which could adversely affect our business and financial condition.

10. ***Our Company, Promoter and Directors are or may be involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.***

There are outstanding legal and regulatory proceedings involving our Company, Promoter and Directors which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert the management's time and attention and consume financial resources in their defense or prosecution. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable. Any unfavorable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations.

The summary of such outstanding material legal and regulatory proceedings as on the date of this Prospectus is set out below:

Types of Proceedings	Number of Cases	Amount (in ₹ million)*
Litigation against our Company		
Material civil litigation	5	1.21
Indirect tax	3	46.72
Litigation by our Company		
Criminal proceedings	1	Not applicable
Litigation against our Promoter		
Criminal proceedings	6	Not applicable
Actions by regulatory and statutory authorities	13	641.19
Direct tax	19	1,156.64
Indirect tax	15	1,090.87
Litigation by our Promoter		
Criminal litigation	2	4.29
Litigation against our Directors		
Actions by regulatory and statutory authorities	1	0.89

* *To the extent quantifiable.*

We cannot assure you that any of these matters will be settled in favor of our Company, Promoter or Directors, respectively, or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings may have an adverse effect on our business, financial position, prospects, results of operations and our reputation. For further details, see "*Outstanding Litigation and Material Developments*" on page 283.

Further, companies promoted by our Promoter may also be parties to legal or regulatory proceedings from time to time. For example, Glenmark Pharmaceuticals Inc., USA ("**Glenmark USA**"), is currently defending an allegation by the US Department of Justice relating to fixing of prices of generic drugs sold in the United States. Our Company is neither a party nor are there any allegations against our Company in the proceedings. For details on our related party transactions with Glenmark USA, see "*Restated Financial Information*" on page 175.

11. ***The interests of our Promoter, Glenmark, may conflict with our interests or with the best interests of our other shareholders.***

After the completion of the Offer, our Promoter, Glenmark, will own, approximately 82.84% of our post-Offer paid-up equity share capital. As a result, Glenmark will continue to exercise significant control over us, including being able to determine the outcome of director elections and decisions requiring a majority of the total voting power of our shareholders. The interests of our Promoter may conflict in material aspects with our interests or with the best interests of our other shareholders and our Promoter may not take decisions in our best interests. However, the actions taken by our Company will be subject to the approval of our Board or shareholders, as necessary under the Companies Act and the Listing Regulations and in compliance with the Listing Regulations. In addition, Glenn Saldanha, our non-executive director, is also the chairman and managing director of Glenmark and a director of certain of its affiliates. Further, V.S. Mani, our non-executive director, is also an executive director of Glenmark and certain of its affiliates, and global chief financial officer of Glenmark. For more details, see the section "*Our Management*" on page 153.

Among other situations, conflicts may arise in connection with our negotiations and dealings with Glenmark, with respect to the contractual arrangements that we may enter into with them. For the financial years 2021, 2020 and 2019, our Promoter was our largest customer. In addition, as there is no formal non-compete arrangement between Glenmark and us, Glenmark may in certain circumstances determine to have itself or other affiliates, instead of us, pursue business opportunities or cause such companies or us to undertake corporate strategies, the effect of which would be to benefit

such companies instead of us and which could be detrimental to our interests. As a result, Glenmark may have conflict of interest which may materially and adversely affect our business, results of operations and financial condition.

However, the actions taken by our Promoter, Glenmark, will be subject to board or shareholder approval, as necessary under the Companies Act and the Listing Regulations in compliance with the Listing Regulations.

12. ***Pricing pressure from customers may affect our gross margin, profitability and ability to increase our prices, which in turn may materially adversely affect our business, results of operations and financial condition.***

Pursuing cost-cutting measures while maintaining rigorous quality standards may lead to an erosion of our margins, which may have a material adverse effect on our business, results of operations and financial condition. In addition, estimating amounts of such price reductions is subject to risk and uncertainties, as any price reduction is the result of negotiations and other factors. Accordingly, API manufacturers like us must be able to reduce their operating costs in order to maintain profitability. Such price reductions may affect our sales and profit margins. If we are unable to offset customer price reductions in the future through improved operating efficiencies, new manufacturing processes, sourcing alternatives and other cost reduction initiatives, our business, results of operations and financial condition may be materially adversely affected. Our customers also negotiate for larger discounts in price as the volume of their orders increase. To maintain our profit margins, we seek price reductions from our suppliers, improved production processes to increase manufacturing efficiency and streamlined product designs to reduce costs. There can be no assurance that we will be able to avoid future customer price reductions or offset the impact of any such price reductions through continued technology improvements, improved operational efficiencies, cost-effective sourcing alternatives, new manufacturing processes, cost reductions or other productivity initiatives, which may adversely affect our business, financial condition and results of operations.

13. ***We are subject to extensive government regulation and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, results of operations and cash flows may be adversely affected.***

Our operations are subject to extensive government regulation governing the Indian and global pharmaceutical market. We are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business and for each of our manufacturing facilities. For details of applicable regulations and approvals relating to our business and operations, see "*Key Regulations and Policies*" and "*Government and Other Approvals*" on page 143 and page 291, respectively, including for details of any applications made for material approvals that have expired and have not yet been renewed. Also, many international regulatory authorities must approve our manufacturing facilities before we can sell our products, irrespective of whether these products are approved in India. As of May 31, 2021, we had filed 403 Drug Master Files ("**DMFs**") and Certificates of suitability to the monographs of the European Pharmacopoeia ("**CEPs**") across various major markets (i.e. United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia). A majority of these approvals require renewal.

We are also required to obtain and maintain a number of statutory and regulatory licenses, permits and approvals for carrying out our business including consents to establish and operate under environmental laws, which are granted for a limited duration and require renewal. While we apply for such approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be materially adversely affected.

The approvals required by our Company are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. If we fail to comply with applicable statutory or regulatory requirements, there could be a delay in the submission or grant of approval for sale of new products. In many of the international markets where our products are ultimately sold, the approval process for a new product can be complex, lengthy and expensive. The time taken to obtain regulatory approvals varies by country but generally takes between six months and several years from the date of application. If we fail to obtain, maintain or renew such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations, cash flows and financial condition may be adversely affected.

14. ***We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.***

Due to the nature of, and the inherent risks in, the agreements and arrangements with our customers, we are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our customers in respect of sale

of our API products and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. We typically have credit terms of 60 to 180 days with our customers. As of March 31, 2021, 2020 and 2019, our pro forma trade receivables were ₹6,195.00 million, ₹6,386.28 million and ₹4,480.88 million, respectively, of which 10.21%, 4.45% and 5.93%, respectively, were pending beyond 180 days. There is no assurance that we will accurately assess the creditworthiness of our customers. Further, macroeconomic conditions which are beyond our control, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. If we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our results of operations and cash flows. For details on our trade receivables, see "*Summary of Restated Financial Information – Restated Summary of Assets and Liabilities*" and "*Summary of Pro Forma Financial Information – Proforma Summary of Assets and Liabilities*" on pages 47 and 52, respectively.

15. ***Certain portion of the Net Proceeds are proposed to be paid to the Promoter of our Company.***

Our Company entered into a Business Purchase Agreement with our Promoter pursuant to which the API business was spun off into our Company from our Promoter. The aggregate consideration for the spin off in accordance with the Business Purchase Agreement is ₹11,621.94 million. As on March 31, 2021, our Company had paid ₹3,503.11 million (inclusive of interest) to the Promoter, and our outstanding liability towards the Promoter was ₹9,328.67 million (inclusive of interest) at an annual interest rate of 9.0%. As on July 9, 2021, our outstanding liability towards the Promoter was reduced to ₹8,008.30 million (inclusive of interest). As part of the objects of the Offer, our Company proposes to pay an amount of ₹8,000 million from the Net Proceeds towards payment of remaining purchase consideration to our Promoter. In addition to such payment, our Promoter shall also receive proceeds pursuant to the Offer for Sale. For further details, see "*Objects of the Offer*" on page 76.

16. ***Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations, financial condition and cash flows.***

Our business depends on our estimate of the long term demand for our APIs and other products from our customers. As is typical in the pharmaceutical industry, we maintain a reasonable level of inventory of raw materials, work-in-progress and finished goods. As of March 31, 2021, our total inventory amounted to ₹5,134.21 million. If we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. While we forecast the demand for our products and accordingly plan our production volumes, any changes in estimates could result in surplus stock, which may not be sold in a timely manner. Our customers also have the right to return or reject the product in the event that the products do not conform to the quality standards set out under the agreements, and in a few instances, our customers have rejected shipments of our products for such failure to conform to quality standards. For the financial year 2021, the total value of all shipments rejected across our Company's four manufacturing facilities was approximately ₹ 54 million, or 0.3% of our total income for the year. Further, based on the products we manufacture, or the markets we serve, the purchase orders that our customers place with us differ from quarter to quarter, which has caused our revenues, margins, profits, results of operations and cash flows to fluctuate in the past, including for one or more recent quarters, and we expect this trend to continue in the future. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations, cash flows and financial condition.

17. ***We enter into certain related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.***

We have entered into the following transactions with related parties, including our Promoter and our Group Companies, in the past and are likely to do so in the future.

(₹ in million)

Sr No	Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
1	Sale of materials & services	7,702.88	6,303.57	2,200.79
2	Purchase of materials & services	552.62	473.74	349.42
3	Expenses incurred on behalf of Glenmark Life Sciences Ltd	29.97	119.46	85.53
4	Expenditure incurred for CSR activities	42.00	26.27	1.82
5	Key management personnel Remuneration	72.51	41.11	1.67
6	Loan taken from related parties	-	-	0.38

7	Loan repaid to related parties	0.21	-	10.03
8	Conversion of loan to equity share capital	-	-	4.50
9	Business transfer transaction with parent	-	-	11,621.94
10	Interest expense on business purchase transaction	874.70	335.15	-
11	Repayment of amount due for business purchase transaction	2,137.60	1,365.51	-
12	Loan written off	-	-	0.14
13	Equity shares issued to parent	-	-	15.00

For the financial years 2021, 2020 and 2019, our transactions with related parties (including the transactions pertaining to business purchase referred to in serial no. 9, 10, 11 above) were 61%, 56%, and 161% of our total income, respectively.

Such related party transactions have been carried out in accordance with applicable laws and include the sale and purchase of materials and services, expenses incurred on our behalf by Glenmark and the business transfer transaction relating to the Spin-off. For details on our related party transactions, see "*Restated Financial Information*" on page 175. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our results of operations and financial condition.

We may continue to enter into related party transactions, including with our Promoter, which may be material to our business. Under applicable regulations, these transactions may require periodic approval of the audit committee/Board and the shareholders of each of our Company and/or our Promoter. Such approval process may require the related party (such as our Promoter) to abstain from voting. There can be no assurance that such approvals will be obtained or that we will be able to undertake the relevant related party transaction.

18. ***Our success depends on our ability to develop and commercialize new products in a timely manner. If our R&D efforts do not succeed, the introduction of new products may be hindered, which could adversely affect our business, growth and financial condition.***

Our success depends significantly on our ability to successfully commercialize our products under development in a timely manner. The development and commercialization process is both time consuming and costly, and involves a high degree of business risk. During these periods, our competitors may be developing similar products of which we are unaware of that could compete directly or indirectly with our products under development. Due to the prolonged period of time for developing a new product and delays associated with regulatory approval process, we may invest resources in developing products that will face competition of which we are currently unaware. Such unforeseen competition may hinder our ability to effectively plan the timing of our product development, which could have an adverse impact on our financial condition, cash flows and results of operations.

To develop our product pipeline, we commit substantial time, efforts, funds and other resources for R&D in areas which we believe have significant growth potential. Our R&D operations are focused on developing new products and complex molecules as well as improving the efficiency of our existing products. To accomplish this, we commit substantial effort, funds and other resources towards our R&D activities. As of March 31, 2021, we had three dedicated R&D facilities, located in Mumbai and Gujarat, and for the financial years 2021, 2020 and 2019, we have spent ₹405.17 million, ₹400.28 million and ₹375.76 million, or 2.15%, 2.60% and 2.67% of our total revenue from operations, respectively.

Our products currently under development, if and when fully developed and tested, may not perform as we expect, or necessary regulatory approvals may not be obtained in a timely manner, or at all, and we may not be able to successfully and profitably produce and market such products. Even if we are successful in developing a new product, such product may become subject to litigation by other parties claiming that our product infringes on their patents or may be seized in transit by regulatory authorities for alleged infringement of third party intellectual property rights or may be otherwise unsuccessful in the market place due to the introduction of superior products by our competitors. Moreover, it may take an extended period of time for our new products to gain market acceptance, if at all.

19. ***Our ability to adopt new technology to respond to new and enhanced products poses a challenge in our business. The cost of implementing new technologies for our operations could be significant and could adversely affect our business, results of operations, cash flows and financial condition.***

The industry in which we operate is subject to significant technological changes and novel chemical processes, with constant introduction of new and enhanced products. While we strive to keep our technology, facilities and machinery current with the latest international standards, the technologies, facilities and machinery we currently employ may

become obsolete. The cost of implementing new technologies and upgrading our manufacturing facilities as well as R&D could be significant and higher than initially anticipated and could adversely affect our business, prospects, cash flows, results of operations and financial condition.

20. ***If we are unable to patent new processes and protect our proprietary information or other intellectual property, our business may be adversely affected.***

We rely on a combination of patents, non-disclosure agreements and non-competition agreements to protect our proprietary intellectual property. As of May 31, 2021, we owned or co-owned 39 granted patents and had 41 pending patent applications in several countries and six pending provisional applications in India. See "*Our Business – Intellectual Property*" on page 141 and "*Government and Other Approvals*" on page 292. Due to the different regulatory bodies and varying requirements across the world, we may be unable to obtain intellectual property protection in those jurisdictions for certain aspects of our products or processes. Moreover, our existing patents may expire, and there can be no assurance that we will renew, or will be able to renew, them after expiry.

While we intend to defend against any threats to our intellectual property, we cannot assure you that our patents, trade secrets or other agreements will adequately protect our intellectual property. Our patent rights may not prevent our competitors from developing, using or commercializing products that are functionally equivalent or similar to our products. Further, our patent applications may fail to result in patents being issued, and our existing and future patents may be insufficient to provide us with meaningful protection or a commercial advantage. We cannot assure you that patents issued to or licensed by us in the past or in the future will not be challenged or circumvented by competitors or that such patents will be found to be valid or sufficiently broad to protect our processes or to provide us with any competitive advantage. We may be required to negotiate licenses for patents from third parties to conduct our business, which may not be available on reasonable terms or at all.

We also rely on non-disclosure agreements and non-competition agreements with certain employees, consultants and other parties to protect trade secrets and other proprietary rights that belong to us. We cannot assure you that these agreements will not be breached, that we will have adequate remedies for any breach or that third parties will not otherwise gain access to our trade secrets or proprietary knowledge. Any inability to patent new processes and protect our proprietary information or other intellectual property, could adversely affect our business.

21. ***The Pro Forma Financial Information included in this Prospectus to reflect the spin-off of the API business of Glenmark into our Company is not indicative of our expected results or operations in the future periods or our future financial position or a substitute for our past results.***

On July 10, 2018, our Company became a wholly-owned subsidiary of our Promoter, Glenmark, when Glenmark acquired 100% equity interest in our Company. On January 1, 2019, the API business of Glenmark comprising of, inter alia, the manufacturing facilities, movable assets, intellectual property, employees and all the liabilities attributable to the API business was spun off into our Company (the "**Spin-off**"). For further details on the Spin-off, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Basis of Preparation of the Pro Forma Financial Information" on page 270; "History and Certain Corporate Matters – *Material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years*" on page 151.

Our Pro Forma Financial Information as at and for the financial years 2021, 2020 and 2019 present a theoretical situation to demonstrate the effects of the Spin-off on our Company, including the results of operations and the financial position that would have resulted as if the Spin-off had taken place with effect from April 1, 2017. For further details, see "*Financial Information – Pro Forma Financial Information*" on page 226. Our Pro Forma Financial Information does not include all of the information required for financial statements under Indian GAAP or Ind AS and should be read in conjunction with the "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Basis of Preparation of the Pro Forma Financial Information*" on page 270 and "*Accounting policies*" appearing in the Restated Financial Information and Pro Forma Financial Information included in this Prospectus. Further, our Pro Forma Financial Information were not prepared in connection with an offering registered with the SEC under the U.S. Securities Act and consequently do not comply with the SEC's rules on presentation of the Pro Forma Financial Information. Accordingly, the Pro Forma Financial Information included in this Prospectus is not intended to be indicative of expected results or operations in the future periods or the future financial position of our Company or a substitute for our past results, and the degree of reliance placed by investors in other jurisdictions on our Pro Forma Financial Information should be limited.

22. ***Our inability to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations, financial condition and cash flows.***

We currently operate four manufacturing facilities with an aggregate annual total installed capacity of 726.6 KL as of March 31, 2021. We intend to increase our API manufacturing capabilities by enhancing the existing production

capacities at our Ankleshwar facility during the financial year 2022 and our Dahej facility during the financial years 2022 and 2023. Also see " *– Internal Risk Factors – We intend to utilize a portion of the Net Proceeds for funding our capital expenditure* requirements" on page 36. We intend to develop a new manufacturing facility in India for the manufacture of APIs from the financial year 2022 which is expected to become operational in the fourth quarter of the financial year 2023. The new facility will also provide a platform for the growth of our CDMO business and also add capacity for our generics API business. The enhancement of existing capacities and the opening of new manufacturing facilities are subject to certain risks that could result in delays or cost overruns, which could require us to expend additional capital and, as a result, adversely affect our business and operating results. These risks include:

- shortages and late delivery of building materials and facility equipment;
- delays in the delivery, installation, commissioning and qualification of our manufacturing equipment;
- delays or failure in securing the necessary governmental and other regulatory approvals;
- design or construction changes with respect to building spaces or equipment layout;
- insufficient demand for our products resulting in under-utilization of our expanded capacities; and
- technological capacity and other changes to our plans necessitated by changes in market conditions.

Although we have historically derived a significant percentage of our revenue from our generics API business, we intend to grow our CDMO, specialty and complex API businesses. However, we cannot assure you that we will be able to successfully compete in these business lines or that our products would gain consumer acceptance.

Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates, or our inability to optimally utilize our additional manufacturing facilities, could have an adverse effect on our business, results of operations, financial condition and cash flows.

23. ***The acquisition of other companies, businesses or technologies could result in operating difficulties, dilution and other adverse consequences.***

As part of our growth strategy, we may from time to time pursue strategic acquisitions of companies, products and technologies or enter into partnerships to strengthen our product and technology infrastructure. We cannot assure you that we will be able to identify suitable acquisition, strategic investment or joint venture opportunities at acceptable cost and on commercially reasonable terms, obtain the financing necessary to complete and support such acquisitions or investments, integrate such businesses or investments or that any business acquired or investment made will be profitable. If we attempt to acquire companies outside of India, we may not be able to satisfy certain regulatory requirements for such acquisitions.

In addition, acquisitions and investments involve a number of risks, including possible adverse effects on our operating results, exposure to future funding obligations, diversion of management's attention, failure to retain key personnel, currency risks, risks associated with unanticipated events or liabilities, possible contravention of applicable laws in relation to investment and transfer of shareholding, including any pre-emptive rights of existing shareholders of such entities and difficulties in the assimilation of the operations, technologies, systems, services and products of the acquired businesses or investments, as well as other economic, political and regulatory risks. While we have not undertaken any acquisitions historically, failure to achieve successful integration of any future acquisitions or investments could have a material adverse effect on our business, financial condition, cash flows and results of operations. Future acquisitions could result in potentially dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities or amortization expenses, or write-offs of goodwill, any of which could harm our financial condition and may have an adverse impact on the price of our Equity Shares.

24. ***Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and cash flows.***

Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. For instance, we are required to repay amounts to our Promoter only through proceeds of a fresh equity infusion. We are required to obtain prior approval from our lenders or provide prior intimation for, among other things:

- effecting any change in the ownership or control of our Company;
- effecting any change in the capital structure of our Company;

- entering into any schemes of mergers, amalgamations, demerger or reconstruction;
- declaring and paying dividends, in case of an event of default; and
- undertaking any material change in the management of business.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, results of operations, cash flows and financial condition. For details in connection with our indebtedness please see "*Financial Indebtedness*" on page 256.

25. ***Reforms in the healthcare industry and the uncertainty associated with pharmaceutical pricing and reimbursement could adversely affect the pricing and demand for our products.***

Our success will depend, in part, on the extent to which government and health administration authorities, private health insurers and other third party purchasers will pay for drugs that contain our products. Increasing expenditures for healthcare have been the subject of considerable public attention in almost every jurisdiction where we conduct business. In many countries in which we currently operate, including India, pharmaceutical prices are subject to regulation. Any restriction on the ability of our customers to freely set prices for their drugs that contain our products, may in turn adversely affect our ability to freely price our products and consequently reduce our profits.

26. ***Non-compliance with and changes in, safety, health, environmental and labor laws and other applicable regulations, may adversely affect our business, results of operations, financial condition and cash flows.***

We are subject to laws and government regulations, including in relation to safety, health, environmental protection and labor. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, safety and health. For details on regulations and policies applicable to our business, see "*Key Regulations and Policies*" on page 143. We handle and use hazardous materials in our R&D and manufacturing activities and the improper handling or storage of these materials could result in accidents, injure our personnel, property and damage the environment. We try to prevent such hazards by training our personnel, conducting industrial hygiene assessments and employing other safety measures. However, we cannot assure you that we will not experience accidents in the future. Any accident at our facilities may result in personal injury or loss of life, substantial damage to or destruction of property and equipment resulting in the suspension of operations. For example, in May 2018 and January 2019, certain of our contract employees were involved in reportable safety incidents which resulted in personal injury but not a loss of life. While we have taken remedial measures to minimize the occurrence of such incidents, we cannot assure you that such accidents will not happen in the future. Some of the measures taken in response to each particular incident are set out below:

- reviewed and updated lists of platforms and other access equipment available inside the plant;
- access equipment provided with unique identification number and covered under preventive maintenance;
- prepared and executed phase-out and repair plan for all non-standard access equipment;
- training provided to contract workmen on selection and safe use of access equipment; and
- plant engineering team conducted a survey and a prepared plan for strengthening and repairing of access equipment.

In particular, the environmental approvals obtained for our manufacturing facilities prescribe certain conditions, including limits on a facility's aggregate production output, the output of specific products and effluent discharge amounts. Any failure to comply with such conditions could result in revocation of the licenses and lead to shut down of our facilities.

Further, laws and regulations may limit the amount of hazardous and pollutant discharge that our manufacturing facilities may release into the air and water. The discharge of materials that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. Any of the foregoing could subject us to litigation, which could lower our profits in the event we were found liable, and could also adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our manufacturing plants, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

We are also subject to the laws and regulations governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labor and work permits. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. We have also made and expect to continue making capital expenditures on an on-going basis to comply with all applicable environmental, health and safety and labor laws and regulations. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. We cannot assure you that we will not be found to be in non-compliance with, or remain in compliance with all applicable environmental, health and safety and labor laws and regulations or the terms and conditions of any consents or permits in the future or that such compliance will not result in a curtailment of production or a material increase in the costs of production. We do not carry any insurance to cover environmental losses and liabilities in India.

27. ***If we inadvertently infringe on the patents or intellectual property rights of others, we may be subjected to legal action and our business and reputation may be adversely affected.***

We operate in an industry characterized by extensive patent litigation, including both litigation by innovator companies relating to purported infringement of innovative products and processes by generic pharmaceuticals and litigation by competitors or innovator companies to delay the entry of a product into the market. Patent litigation can result in significant damages being awarded and injunctions that could prevent the manufacture and sale of certain products or require us to pay significant royalties in order to manufacture or sell such products. While it is not possible to predict the outcome of patent litigation, we believe any adverse result of such litigation could include an injunction preventing us from selling our products or payment of significant damages or royalty, which would affect our ability to sell current or future products or prohibit us from enforcing our patent and proprietary rights against others. The occurrence of any of these events could subject us to legal action and adversely affect our business, reputation, cash flows and results of operations.

28. ***We are dependent on a number of key personnel, including our senior management, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations, financial condition and cash flows.***

Our performance depends largely on the efforts and abilities of our senior management and other key personnel. We believe that the inputs and experience of our senior management and key managerial personnel are valuable for the growth and development of business and operations and the strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Among our total employee base, we had attrition of 19.19%, 19.48% and 23.38% for the financial years 2021, 2020 and 2019, respectively. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, our results of operations and our cash flows. For further details, see "*Our Management*" and "*Our Promoter and Promoter Group*" on pages 153 and 166, respectively.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel, including our scientists, who have the necessary and required experience and expertise. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel may adversely affect our business, results of operations, cash flows and financial condition. In addition, plant managers at each of our manufacturing facilities, who exercise significant oversight over the operations of each facility, change from time to time, which adds to the operational risk at each facility.

29. ***Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, results of operations, financial condition and cash flows.***

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We may also be subject to product liability claims if the products that we manufacture are not in compliance with regulatory standards and the terms of our contractual arrangements. Our principal types of coverage include insurance for industrial all risk, product liability, public liability, directors' and officers' liability, group medical claim, group personal accident and business travel accident. As of March 31, 2021, our gross block of total fixed tangible assets and inventory was ₹6,562.62 million and ₹5,134.21 million, respectively, and the insurance coverage on such assets and inventory was ₹6,995.89 million and ₹5,340.00 million, respectively, or 106.60% and 104.01%, respectively.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all our

losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, for which we have not obtained or maintained insurance, or which is not covered by insurance, which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected.

30. ***We have certain contingent liabilities, which, if they materialize, may affect our results of operations, financial condition and cash flows.***

The following table sets forth our contingent liabilities as of March 31, 2021:

Particulars	**As of March 31, 2021** *(₹ in million)*
Claim against us not acknowledged as debts – Disputed taxes and duties	22.16

If a significant portion of our contingent liabilities materialize, it could have an adverse effect on our results of operations, financial condition and cash flows. For details, see "*Financial Information – Restated Financial Information – Note 29*" on page 215.

31. ***The pharmaceutical industry is intensely competitive and our inability to compete effectively may adversely affect our business, results of operations and financial condition and cash flows.***

The pharmaceutical industry is a highly competitive market with several major pharmaceutical companies present, and therefore it is challenging to improve market share and profitability. In addition, the major pharmaceutical companies may set up pure play API businesses similar to ours, which may impact our market share and profit margins on our products. Many of our competitors may have greater financial, manufacturing, R&D, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges or a stronger sales force. Our competitors may succeed in developing products that are more effective, popular or cheaper than ours, which may render our products uncompetitive and adversely affect our business, results of operations, cash flows and financial condition.

32. ***We face foreign exchange risks that could adversely affect our results of operations and cash flows.***

A significant portion of our total revenues is denominated in currencies other than Indian Rupees. For the financial year 2021, exports to regions outside India accounted for 44.40% of our revenue from operations based on the Restated Financial Information. Although we closely follow our exposure to foreign currencies and selectively enter into hedging transactions in an attempt to reduce the risks of currency fluctuations, these activities are not always sufficient to protect us against incurring potential losses if currencies fluctuate significantly. As of March 31, 2021, none of our net foreign exchange exposure is hedged. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows.

33. ***Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, our ability to pay dividends may also be restricted by the terms of financing arrangements that we may enter into. For details, see "*Financial Indebtedness*" on page 256. We cannot assure you that we will be able to pay dividends in the future. For further details, see "*Dividend Policy*" on page 174.

34. ***We are currently entitled to certain incentives and export promotion schemes. Any decrease in or discontinuation of such incentives or export promotion schemes may adversely affect our results of operations, cash flows and financial condition.***

We are currently entitled to certain incentives and export promotion schemes. According to the requirement under such schemes, we are required to export goods of a defined amount, failing which we may have to pay the Government of

India a sum equivalent to the duty benefit enjoyed by us under such schemes along with interest. We currently enjoy benefits under the Merchandise Exports from India Scheme ("**MEIS**"), the objective of which is to compensate exporters who offset infrastructural inefficiencies and associated costs involved in export of products being produced or manufactured in India, especially those having high export intensity and employment potential, thereby enhancing India's export competitiveness. Under the MEIS, the Government of India provides duty benefits depending on the product and the country of export. However, the amount available under the MEIS has been reduced to ₹20 million for the period from September 1, 2020 through December 31, 2020, and the MEIS has been discontinued since January 1, 2021. For the financial years 2021, 2020 and 2019, we availed export incentives under the MEIS on our exports of ₹109.03 million, ₹217.89 million and ₹208.54 million, respectively.

Any newly introduced or revised policies in relation to tax duties or other such levies issued by the Directorate General of Foreign Trade or relevant tax authorities may deprive us of our existing benefits. Further, our facility at Dahej is located in a special economic zone. New or revised policies in relation to the special economic zone or policies related to tax, duties or other such levies promulgated from time to time by relevant tax authorities may adversely affect our results of operations and cash flows. We cannot predict the current or future initiatives and there can be no assurance that we will continue to enjoy tax benefits. Any further reduction or withdrawal of such tax incentives or export promotion schemes or our inability to meet any of the conditions prescribed under any of the schemes would adversely affect our business, cash flows, results of operations and financial condition.

35. ***We have commissioned an industry report from Frost & Sullivan which have been used for industry related data in this Prospectus and such data has not been independently verified by us.***

We have commissioned Frost & Sullivan on February 10, 2021 to produce a report on the API industry. We commissioned Frost & Sullivan as no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's products, that may be similar to the Frost & Sullivan report that we commissioned. Frost & Sullivan has provided us with a report titled "The Active Pharmaceutical Ingredients (API) Industry Report" dated April 2021 and an addendum thereto dated July 2021 ("**Frost & Sullivan Report**"), which has been used for industry related data that has been disclosed in this Prospectus. This report uses certain methodologies for market sizing and forecasting. Neither we nor the Lead Managers have independently verified such data. Accordingly, investors should read the industry related disclosure in this Prospectus in this context. Investors should not place undue reliance on, or base their investment decision solely on this information.

36. ***Any failure in our information technology systems could adversely affect our business.***

We use information and communication technology systems for our business operations. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Although we have not experienced any significant disruptions to our information technology systems, we cannot assure you that we will not encounter disruptions in the future. Any such disruption may result in the loss of key information and disruption of production and business processes, which could adversely affect our business, results of operations and cash flows.

In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers (including information shared by our CDMO clients for contract manufacturing) and others. Any such security breaches could have an adverse effect on our business, reputation, results of operations, cash flows and financial condition.

37. ***Our Promoter and Directors may have interests other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Promoter may be interested in our Company to the extent of the Equity Shares held by it in our Company, and any dividends, bonuses or other distributions on such Equity Shares. and to the extent of the Trademark License Agreement entered into by our Company with our Promoter. For details of shareholding of our Promoter in our Company, see "*Summary of the Offer Documents – Pre-Offer Shareholding of our Promoter and the Promoter Group"* on page 18. For details regarding the Trade Mark License Agreement, see "*Our Business – Intellectual Property"* on page 141. We have also entered into business transactions with our Promoter. For details on our related party transactions, see "*Restated Financial Information*" on page 211. Further, our Directors may be interested in our Company to the extent of their shareholding, as nominees on behalf of our Promoter, in the Company, or to the extent of employee stock options granted by our Company pursuant to ESOP 2021. For details of shareholding of our directors in our Company, see "*Capital Structure- Details of Equity Shares held by our Directors, Key Managerial Personnel, Promoter Group and directors of our Promoter"* on page 70.

38. ***We intend to utilize a portion of the Net Proceeds for funding our capital expenditure requirements.***

We intend to utilize a portion of the Net Proceeds for funding our capital expenditure requirements which includes, *inter alia*, the expansion of capacity at the Dahej manufacturing site to meet the anticipated future demand of our generic API products. Such expansion of our manufacturing capacity may be subject to regulatory restrictions and we may face other challenges. Further, we cannot assure you that such expansion plans will be successfully implemented. Any delay or increase in the costs of construction and equipment could have a material adverse effect on our business or results of operations.

We have yet to place orders for the total capital expenditure. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the Offer and have relied on the quotations received from third parties for estimation of the cost. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors, including our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and interest or exchange rate fluctuations and other external factors including changes in the price of the equipment due to variation in commodity prices (including steel) which may not be within the control of our management. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. For details, see "*Objects of the Offer*" at page 75.

39. ***Our manufacturing facilities, R&D facilities, Registered Office and Corporate Office are situated on leasehold lands. Failure to comply with the conditions of the use of such land could result in an adverse impact on our business and operations. Further, there can be no assurance that these lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.***

Our manufacturing facilities located in Dahej and Ankleshwar in Gujarat, and Mohol and Kurkumbh in Maharashtra are situated on leasehold lands. Further, our R&D facilities in Dahej, Ankleshwar and Mahape are also situated on leasehold lands. For further details, see "*Our Business – Manufacturing Facilities and Approvals" and "Our Business – Immovable Properties*" on pages 134 and 141.

Under the terms of some of our lease arrangements, we are required to comply with certain ongoing conditions which include *inter alia* (i) using the leased premises for only authorized purposes (ii) complying with pollution control norms and (iii) employing local persons. If we fail to meet any such conditions, we may be required to incur liability. Termination of such lease/ license arrangements due to any breach, or our failure to renew such agreements on favorable conditions and in a timely manner, or at all, could require us to vacate such facilities, and could materially and adversely affect our business and financial results. Such lease/license agreements also include escalation clauses that provide for an increase in license fee payable by us during the term of such agreements. In addition to such terms and conditions, our facility in Dahej is also governed by the provisions of the Special Economic Zones Act, 2005 and the Special Economic Zones Rules. Any adverse change to these laws could materially affect our business and operations.

Further, our Registered Office is located on leased premises, and our Promoter has permitted us to use these premises. Our Corporate Office is located on premises leased from a third party. These arrangements may be terminated in accordance with their respective terms, and any termination or non-renewal of leases or arrangements could adversely affect our operations. We cannot assure you that we will be able to renew any such arrangements when the term of the original arrangement expires, on similar terms or on terms reasonable for us or that such arrangements will not be prematurely terminated (including for reasons that may be beyond our control). The failure to identify suitable premises for relocation of existing properties, if required, could have an adverse effect on our production, prospects, business and results of operations.

External Risk Factors

Risks Related to India

40. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business, results of operations, financial condition and cash flows.***

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. We currently manufacture only in India and, as a result, are dependent on prevailing economic conditions in India. Our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;

- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters (such as typhoons, flooding, earthquakes and fires) which may cause us to suspend our operations;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war; and
- epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India's various neighboring countries, such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 pandemic;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- financial instability in financial markets;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis;
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so; and
- other significant regulatory or economic developments in or affecting India or its pharmaceutical sector.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

41. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

For instance, the Taxation Laws (Amendment) Act, 2019, a tax legislation issued by India's Ministry of Finance effective as of September 20, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this legislation, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed, from the erstwhile 25% or 30% depending upon the total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Further, the Government of India has announced the union budget for Fiscal 2022, pursuant to which the Finance Bill, 2021 ("**Finance Bill**"), has introduced various amendments. The Finance Bill has received assent from the President of India on March 28, 2021, and has been enacted as the Finance Act, 2021 ("**Finance Act**"). We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

As such, there is no certainty on the impact that the Finance Act may have on our Company's business and operations. Further, our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on the Company's business, results of operations and financial condition.

42. ***A downgrade in credit ratings of India may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB- with a "stable" outlook to BBB- with a "negative" outlook (Fitch) in June 2020; and from BBB with a "negative" outlook to BBB (low) with a "stable" outlook by DBRS in May 2021. India's sovereign ratings from S&P is BBB- with a "stable" outlook in May 2021. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for reasons beyond our control such as, upon a change of government tax or fiscal policy. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

43. ***If inflation rises in India, increased costs may result in a decline in profits.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation in the recent past. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

44. ***Investors may have difficulty in enforcing foreign judgments against our Company or our management.***

Our Company is a limited liability company incorporated under the laws of India. All of our directors and executive officers are residents of India. All of our Company's assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons in India or to enforce judgments obtained against our Company or such parties outside India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). The United States has not been notified as a reciprocating territory.

In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record; such presumption may be displaced by proving want of jurisdiction. The Civil Procedure Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards even if such awards are enforceable as a decree or judgment. A foreign judgment rendered by a superior court (as defined under the Civil Procedure Code) in any jurisdiction outside India which the Government of India has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India.. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with public policy in Indian. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

45. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.***

Foreign investment in Indian securities is subject to regulation by Indian regulatory authorities. Under the FDI Policy notified by the DPIIT effective from October 15, 2020, as amended and the FEMA Non-debt Instrument Rules, FDI in the pharmaceutical sector is permitted (i) up to 100% in greenfield investments under the automatic route; and (ii) up to 100% (automatic route up to 74% and government route beyond 74%) in brownfield investments. Further, the Government of India may incorporate appropriate conditions for FDI in brownfield investments at the time of granting approval. FDI in the pharmaceutical sector is subject to conditions such as non-compete which is not allowed except in special circumstances with governmental approval. Further, the Government of India on April 22, 2020 amended the FEMA Non-debt Instruments Rules pursuant to which any investment into India by an entity of a country which shares a land border with India, or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall require the approval of the Government of India.

In addition, under foreign exchange regulations which are currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the valuation and reporting requirements specified under applicable law. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions, then prior approval of the relevant regulatory authority is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or, the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions.

For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 333. Our ability to raise any foreign capital under the FDI route is therefore constrained by Indian law, which may adversely affect our business, financial condition, cash flows, results of operations and prospects.

46. ***Our ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

47. ***Investors can be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares or dividend paid thereon.***

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long-term capital gains tax in India. Until March 31, 2018, any gain realized on the sale of equity shares, listed on a stock exchange and held for more than 12 months was not subject to capital gains tax in India if STT was paid on the transaction. However, with the enactment of the Finance Act, 2018 the exemption previously granted in respect of payment of long-term capital gains tax has been withdrawn and such taxes are now payable by the investors with effect from April 1, 2018. The Finance Act, 2018 provides that existing investors are eligible for relief on such capital gains accrued until January 31, 2018 and any long-term capital gains made after January 31, 2018 shall be subject to taxation.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our Company's business and operations.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident.

Further, the Government of India has announced the union budget for the fiscal 2022, pursuant to which the Finance Bill, 2021 ("**Finance Bill**") has introduced various amendments. The Finance Bill has received assent from the President of India on March 28, 2021, and has been enacted as the Finance Act, 2021 ("**Finance Act**"). We have not fully determined the impact of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer of consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Historically, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

Further, we cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows.

48. ***Increasing employee compensation in India may erode some of our competitive advantage and may reduce our profit margins, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.***

Employee compensation in India has historically been significantly lower than employee compensation in the United States and Western Europe for comparably skilled professionals, which has been one of our competitive strengths. However, compensation increases in India may erode some of this competitive advantage and may negatively affect our profit margins. Employee compensation in India is increasing at a faster rate than in the United States and Western Europe, which could result in increased costs relating to scientists and engineers, managers and other mid-level professionals. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition. Compensation increases may have a material adverse effect on our business, financial condition, cash flows and results of operations.

49. ***Rights of shareholders under Indian laws may be different from laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions.

50. ***We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.***

The Competition Act prohibits any anti competition agreement or arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India.

The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India, or CCI. Any breach of the provisions of Competition Act, may attract substantial monetary penalties.

The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. We are not currently party to any outstanding proceedings, nor have we ever received any notice in relation to non-compliance with the Competition Act. Any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, financial condition and results of operations.

51. ***Significant differences exist between Ind AS used to prepare our financial information and other accounting principles, such as IFRS and U.S. GAAP, with which investors may be more familiar.***

Our Restated Financial Information for the financial years 2021, 2020 and 2019 included in this Prospectus are presented in conformity with Ind AS, in each case restated in accordance with the requirements of Section 26 of part I of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by the ICAI. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Ind AS and Indian GAAP financial statements, which are restated as per the SEBI ICDR Regulations included in this Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should be limited accordingly.

Risks Related to the Offer

52. ***Our Equity Shares have never been publicly traded, and may experience price and volume fluctuations following the completion of the Offer. Further, our Equity Shares may not result in an active or liquid market and the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Offer Price or at all.***

We cannot guarantee that an active trading market will develop or be sustained after the offering. Nor can we predict the prices at which the Equity Shares may trade after the offering.

The Offer Price of our Equity Shares may not be indicative of the market price for the Equity Shares after the Offer. If you purchase the Equity Shares in our initial public offering, you may not be able to resell them at or above the Offer Price. We cannot assure you that the Offer Price of the Equity Shares, or the market price following our initial public offering, will equal or exceed prices in privately negotiated transactions of our shares that may have occurred from time to time prior to our initial public offering. The market price of the Equity Shares may decline or fluctuate significantly due to a number of factors, some of which may be beyond our control, including:

- developments with respect to the spread or worsening of the COVID-19 pandemic;
- the impact of COVID-19 on our business operations and our ability to be able to service customers, and the consequential impact on our operating results;
- actual or anticipated fluctuations in our operating results;
- announcements about our earnings that are not in line with analyst expectations;
- the public's reaction to our press releases, other public announcements in relation to us or our affiliates and filings with the regulator;
- significant liability claims, complaints from our customers, shortages or interruptions in the availability of raw materials, or reports of incidents of tampering of raw materials;
- changes in senior management or key personnel;
- macroeconomic conditions in India;
- fluctuations of exchange rates;
- the operating and stock price performance of comparable companies;
- changes in our shareholder base;
- changes in our dividend policy;
- issuances, exchanges or sales, or expected issuances, exchanges or sales;
- changes in accounting standards, policies, guidance, interpretations or principles; and
- changes in the regulatory and legal environment in which we operate; or
- market conditions in the construction and development industry and the domestic and worldwide economies as a whole, including in relation to the COVID-19 crisis.

Any of these factors may result in large and sudden changes in the volume and trading price of the Equity Shares. In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted securities class action litigation against that company. If we were involved in a class action suit, it could divert the attention of management, and, if adversely determined, have an adverse effect on our business, results of operations and financial condition.

53. ***Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us may dilute your shareholding and any sale of Equity Shares by our Promoter may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares or securities linked to the Equity Shares by our Company, including issuance of Equity Shares to eligible employees (as defined in ESOP 2021), may dilute your shareholding. For instance, the Nomination and Remuneration Committee of our Company granted 9,51,734 options to the employees of our Company and the employees of our Promoter, under ESOP 2021, pursuant to its resolution dated May 17, 2021. Any such future issuance of the Equity Shares or future sales of the Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares and impact our ability to raise funds through an offering of our securities. Any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. Additionally, the disposal, pledge or encumbrance of the Equity Shares by any of our significant shareholders, or the perception that such transactions may occur, may affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that our existing Shareholder (i.e. our Promoter) will not dispose of further Equity Shares after the completion of the Offer (subject to compliance with the

lock-in provisions under the SEBI ICDR Regulations) or pledge or encumber its Equity Shares. Any future issuances could also dilute the value of shareholder's investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Offer Price. We may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

54. ***Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by shareholders of such company.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

55. ***QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI Regulations, QIBs and Non-Institutional Bidders were not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders could revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, or such other timeline as may be prescribed under applicable law, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

SECTION III: INTRODUCTION

THE OFFER

The following table sets forth details of the Offer:

Equity Shares Offered	
Offer of Equity Shares of face value of ₹ 2 each	21,022,222* Equity Shares, aggregating to ₹ 15,136 million*
The Offer consists of:	
Fresh Issue[(1)]	14,722,222* Equity Shares, aggregating to ₹ 10,600 million*
Offer for Sale[(2)]	6,300,000* Equity Shares, aggregating to ₹ 4,536 million*
The Offer consists of:	
QIB Portion[(4)]	Not more than 10,511,110* Equity Shares
of which:	
– Anchor Investor Portion	6,306,660* Equity Shares
– Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	4,204,450* Equity Shares
of which:	
– Mutual Fund Portion	210,223* Equity Shares
– Balance for all QIBs including Mutual Funds	3,994,227* Equity Shares
Non-Institutional Portion[(3)]	Not less than 3,153,334* Equity Shares
Retail Portion[(3)]	Not less than 7,357,778* Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	10,78,04,950 Equity Shares
Equity Shares outstanding after the Offer	122,527,172* Equity Shares
Use of Net Proceeds of the Offer	See "*Objects of the Offer*" on page 75 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

**Subject to finalisation of the Basis of Allotment*

(1) The Fresh Issue has been authorised by our Board of Directors pursuant to the resolutions passed at their meetings dated April 6, 2021 and July 19, 2021 and our Shareholders pursuant to a resolution passed at their meeting held on April 9, 2021.

(2) The Promoter Selling Shareholder has confirmed and approved its participation in the Offer for Sale as set out below:

S. No.	Promoter Selling Shareholder	Number of Equity Shares offered in the Offer for Sale	Date of board resolution	Date of consent letter
1.	Glenmark Pharmaceuticals Limited	Up to 6,300,000	April 16, 2021	April 16, 2021 and July 16, 2021

(3) Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, and the Designated Stock Exchange, subject to applicable laws. Equity Shares shall be allocated in the manner specified in the section "Terms of the Offer" on page 309.
Allocation to all categories, except Anchor Investors and Retail Individual Bidders shall be made on a proportionate basis. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

(4) Our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion was accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the QIB Portion (excluding Anchor Investor Portion) was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) was available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 317.

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, shall be made on a proportionate basis subject to valid Bids having being received at or above the Offer Price, as applicable. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, may be allocated on a proportionate basis. For further details, see "*Offer Procedure*" on page 317.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at and for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019.

The Restated Financial Information referred to above is presented under "Financial Information" beginning on page 175. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 258.

(The remainder of this page is intentionally left blank)

RESTATED SUMMARY OF ASSETS AND LIABILITIES

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, Plant and Equipment	5,648.88	5,390.78	4,499.71
Capital work-in-progress	140.98	107.30	803.29
Intangible Assets	79.11	71.68	63.34
Intangible Assets under development	-	-	0.65
Financial Assets			
(i) Investments	0.77	0.77	0.77
(ii) Other financial assets	85.46	84.32	78.94
Current tax asset (net)	11.51	-	-
Other non-current assets	13.63	0.05	0.29
Total non- current assets	**5,980.34**	**5,654.90**	**5,446.99**
Current assets			
Inventories	5,134.21	4,127.75	4,008.43
Financial Assets			
(i) Trade receivables	6,195.00	6,386.28	4,480.88
(ii) Cash and cash equivalents	1,155.96	99.98	20.61
(iii) Other financial assets	275.89	207.70	57.87
Other current assets	1,229.35	779.43	739.17
Total current assets	**13,990.41**	**11,601.14**	**9,306.96**
Total assets	**19,970.75**	**17,256.04**	**14,753.95**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	19.60	19.60	19.60
Other Equity	7,507.87	3,997.32	861.65
Total Equity	**7,527.47**	**4,016.92**	**881.25**
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities (net)	228.88	164.48	68.56
Total non-current liabilities	**228.88**	**164.48**	**68.56**
Current liabilities			
Financial Liabilities			
(i) Borrowings	-	0.21	0.21
(ii) Trade payables			
Total outstanding dues of Micro enterprises and Small enterprises	357.71	100.66	220.92
Total outstanding dues of other than Micro enterprises and Small enterprises	1,855.34	1,910.05	1,607.96
(iii) Other current financial liabilities	9,550.87	10,736.57	11,763.14
Other current liabilities	114.53	103.72	47.93
Provisions	199.02	139.83	140.44
Current tax liabilities (net)	136.93	83.60	23.54
Total current liabilities	**12,214.40**	**13,074.64**	**13,804.14**
Total liabilities	**12,443.28**	**13,239.12**	**13,872.70**
Total equity and liabilities	**19,970.75**	**17,256.04**	**14,753.95**

RESTATED SUMMARY OF PROFIT AND LOSS

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Income			
Revenue from operations	18,851.65	15,373.13	8,864.21
Other income	8.11	119.90	4.44
Total income	**18,859.76**	**15,493.03**	**8,868.65**
Expenses			
Cost of materials consumed	9,761.98	6,951.00	6,538.87
Changes in inventories of finished goods and work-in-progress	(707.01)	(46.42)	(3,015.89)
Employee benefits expense	1,491.31	1,422.80	1,062.80
Finance costs	875.47	335.15	6.05
Depreciation and amortisation expense	333.94	293.68	192.62
Other expenses	2,394.63	2,326.15	1,801.23
Total expenses	**14,150.32**	**11,282.36**	**6,585.68**
Profit before Tax	**4,709.44**	**4,210.67**	**2,282.97**
Tax expense:			
Current tax	1,127.46	985.42	258.95
Deferred tax	66.17	94.27	68.10
Total tax expense	**1,193.63**	**1,079.69**	**327.05**
Profit for the year	**3,515.81**	**3,130.98**	**1,955.92**
Other comprehensive income:			
Items than will not be reclassified to profit or loss			
- Remeasurement of the post-employment benefit obligation	(7.03)	6.35	1.55
- Income tax relating to the above	1.77	(1.66)	(0.45)
Other comprehensive income /(loss) for the year	**(5.26)**	**4.69**	**1.10**
Total comprehensive income for the year	**3,510.55**	**3,135.67**	**1,957.02**
Earnings per equity share of Rs. 2 each			
Basic (in Rs)	32.61	29.04	24.64
Diluted (in Rs)	32.61	29.04	24.64

RESTATED SUMMARY OF CASH FLOWS

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from operating activities			
Profit before tax	4,709.44	4,210.67	2,282.97
Adjustments for:			
Depreciation and amortisation expenses	333.94	293.68	192.62
Adjustment on account of common control transaction	-	-	(1,081.29)
Adjustment in Property, plant and equipment and Intangible assets on account of common control transaction	-	-	(123.14)
Assets written off	-	-	0.44
Liabilities written off	-	-	(0.24)
Finance costs	874.70	335.15	6.05
Interest income	(4.30)	(3.55)	(4.11)
Loss on sale of Property, plant and equipment	5.84	12.30	-
Provision for gratuity and compensated absence	34.98	23.58	4.70
Unrealised foreign exchange loss/ (gain)	87.94	(93.77)	(6.51)
Operating profit before working capital changes	**6,042.54**	**4,778.06**	**1,271.49**
Adjustments for changes in working capital:			
- Decrease/(Increase) in trade receivables	81.01	(1,781.09)	(858.17)
- Decrease/(Increase) in other receivables	(491.21)	(195.24)	(72.35)
- Decrease/(Increase) in inventories	(1,006.46)	(119.32)	588.13
- Increase /(Decrease) in trade and other payables	340.89	193.02	(590.17)
Cash generated from operations	**4,966.77**	**2,875.43**	**338.93**
- Taxes paid (net of refunds)	(1,085.64)	(925.36)	(235.41)
Net cash generated from operating activities	**3,881.13**	**1,950.07**	**103.52**
Cash flow from investing activities			
Purchase of Property, plant and equipment and Intangible assets (including Capital work in progress)	(679.93)	(511.66)	(93.25)
Proceeds from sale of Property, plant and equipment and Intangible assets	16.34	2.93	-
Investment in Fixed deposit	(28.05)	-	-
Interest received	4.30	3.55	4.11
Net cash used in investing activities	**(687.34)**	**(505.18)**	**(89.14)**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Cash flow from financing activities			
Proceeds from fresh issue of share capital including securities premium (net of issue expenses)	-	-	15.00
Proceeds from /(repayment) of borrowings from related parties and Payment of business purchase liability	(2,137.81)	(1,365.52)	(9.65)
Net cash generated from/(used in) from financing activities	**(2,137.81)**	**(1,365.52)**	**5.35**
Net increase in cash and cash equivalents	**1,055.98**	**79.37**	**19.73**
Opening balance of cash and cash equivalents	**99.98**	**20.61**	**0.07**
Cash acquired on business purchase	**-**	**-**	**0.81**
Closing balance of cash and cash equivalents	**1,155.96**	**99.98**	**20.61**
Cash and cash equivalents comprise of :			
Cash on hand	1.10	1.10	0.40
Balances with banks in current accounts	1,154.86	98.88	20.21
	1,155.96	**99.98**	**20.61**

SUMMARY OF PRO FORMA FINANCIAL INFORMATION

*On July 10, 2018, we became a wholly-owned subsidiary of our Promoter, Glenmark, when Glenmark acquired 100% interest in our Company from our previous shareholders. On January 1, 2019, the API business of Glenmark was spun off into our Company (the "**Spin-off**"). The following tables provide the summary of the Pro Forma Financial Information (to be read in conjunction with the "Management's Discussion and Analysis of Financial Conditional and Results of Operations – Basis of Preparation of the Pro Forma Financial Information" on page 270) as at and for the years ended March 31, 2019, 2020 and 2021 to show the impact of the Spin-off on our Company, including the results of operations and the financial position that would have resulted had the Spin-off taken place with effect from April 1, 2017. Accordingly, our Pro Forma Financial Information may not necessarily be indicative of what our actual results of operations and financial position would have been for such periods or as of such dates, nor is it intended to be indicative of expected results or operations in the future periods or our future financial position.. For further details, see "Financial Information – Pro Forma Financial Information" on page 226; "History and Certain Corporate Matters – Material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years" on page 151; and "Risk Factors - The Pro Forma Financial Information included in this Prospectus to reflect the sale and spin-off of the API business of Glenmark into our Company is not indicative of our expected results or operations in the future periods or our future financial position or a substitute for our past results." on page 26.*

(The remainder of this page is intentionally left blank)

PROFORMA SUMMARY OF ASSETS AND LIABILITIES

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, Plant and Equipment	5,648.88	5,390.78	4,499.71
Capital work-in-progress	140.98	107.30	803.29
Intangible Assets	79.11	71.68	63.34
Intangible Assets under development	-	-	0.65
Financial Assets			
(i) Investments	0.77	0.77	0.77
(ii) Other financial assets	85.46	84.32	78.94
Current tax asset (net)	11.51	-	-
Other non-current assets	13.63	0.05	0.29
Total non- current assets	**5,980.34**	**5,654.90**	**5,446.99**
Current assets			
Inventories	5,134.21	4,127.75	4,008.43
Financial Assets			
(i) Trade receivables	6,195.00	6,386.28	4,480.88
(ii) Cash and cash equivalents	1,155.96	99.98	20.61
(iii) Other financial assets	275.89	207.70	57.87
Other current assets	1,229.35	779.43	739.17
Total current assets	**13,990.41**	**11,601.14**	**9,306.96**
Total assets	**19,970.75**	**17,256.04**	**14,753.95**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	19.60	19.60	19.60
Other Equity	7,507.87	3,997.32	861.65
Total equity	**7,527.47**	**4,016.92**	**881.25**
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities (net)	228.88	164.48	68.56
Total non-current liabilities	**228.88**	**164.48**	**68.56**
Current liabilities			
Financial Liabilities			
(i) Borrowings	-	0.21	0.21
(ii) Trade payables			
Total outstanding dues of Micro enterprises and Small enterprises	357.71	100.66	220.92
Total outstanding dues of other than Micro enterprises and Small enterprises	1,855.34	1,910.05	1,607.96
(iii) Other current financial liabilities	9,550.87	10,736.57	11,763.14
Other current liabilities	114.53	103.72	47.93
Provisions	199.02	139.83	140.44
Current tax liabilities (net)	136.93	83.60	23.54
Total current liabilities	**12,214.40**	**13,074.64**	**13,804.14**
Total liabilities	**12,443.28**	**13,239.12**	**13,872.70**
Total equity and liabilities	**19,970.75**	**17,256.04**	**14,753.95**

PROFORMA SUMMARY OF PROFIT AND LOSS

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Income			
Revenue from operations	18,851.65	15,373.13	14,050.26
Other income	8.11	119.90	4.71
Total income	**18,859.76**	**15,493.03**	**14,054.97**
Expenses			
Cost of materials consumed	9,761.98	6,951.00	7,195.45
Changes in inventories of finished goods and work-in-progress	(707.01)	(46.42)	(931.02)
Employee benefits expense	1,491.31	1,422.80	1,296.99
Finance costs	875.47	335.15	6.05
Depreciation and amortisation expense	333.94	293.68	253.74
Other expenses	2,394.63	2,326.15	2,195.37
Total expenses	**14,150.32**	**11,282.36**	**10,016.58**
Profit before Tax	**4,709.44**	**4,210.67**	**4,038.39**
Tax expense:			
Current tax	1,127.46	985.42	975.70
Deferred tax	66.17	94.27	135.96
Total tax expense	**1,193.63**	**1,079.69**	**1,111.66**
Profit for the year	**3,515.81**	**3,130.98**	**2,926.73**
Other comprehensive income:			
Items than will not be reclassified to profit or loss			
- Remeasurement of the post-employment benefit obligation	(7.03)	6.35	6.23
- Income tax relating to the above	1.77	(1.66)	(1.81)
Other comprehensive income /(loss) for the year	**(5.26)**	**4.69**	**4.42**
Total comprehensive income for the year	**3,510.55**	**3,135.67**	**2,931.15**
Earnings per equity share of Rs 2 each			
Basic (in Rs)	**32.61**	**29.04**	**27.15**
Diluted (in Rs)	**32.61**	**29.04**	**27.15**

GENERAL INFORMATION

Our Company was incorporated as 'Zorg Laboratories Private Limited', a private limited company under the Companies Act, 1956 on June 23, 2011 at Pune and was granted the certificate of incorporation by the RoC. Subsequently, our Company was acquired by Glenmark Pharmaceuticals Limited pursuant to the Share Purchase Agreement dated July 4, 2018 and the name of our Company was changed to 'Glenmark Life Sciences Private Limited' pursuant to a special resolution passed by the shareholders of our Company on July 25, 2018 and a fresh certificate of incorporation dated August 10, 2018 was issued by the RoC. A shareholders' resolution was passed on August 13, 2018 to convert our Company from a private limited company to a public limited company and a fresh certificate of incorporation dated August 28, 2018 was issued by the RoC.

Registered Office and Corporate Office

Registered Office
Glenmark Life Sciences Limited
Plot No. 170-172, Chandramouli Industrial Estate,
Mohol Bazarpeth, Solapur 413 213
Maharashtra, India
CIN: U74900PN2011PLC139963
Registration no.: 139963

Corporate Office
Glenmark Life Sciences Limited
4th Floor, OIA House,
470, Cardinal Gracious Road,
Andheri East, Mumbai – 400099,
Maharashtra, India

Address of the RoC

Our Company is registered with the RoC situated at the following address:

Registrar of Companies, Maharashtra at Pune
PCNTDA Green Building,
Block A, 1st & 2nd Floor,
Near Akurdi Railway Station,
Akurdi, Pune – 411044
Maharashtra, India

Company Secretary and Compliance Officer

Rudalf Corriea
4th Floor, OIA House,
470, Cardinal Gracious Road,
Andheri East, Mumbai – 400099,
Maharashtra, India
Email: complianceofficer@glenmarklifesciences.com
Tel: +9122 40189872

Board of Directors

As on the date of this Prospectus, our Board of Directors of the Company comprises the following:

Name	Designation	DIN	Address
Glenn Saldanha	Chairman and Non-Executive Director	00050607	91, Ritu Apts, 9th Floor, B.J. Road, Bandstand, Bandra (West), Mumbai – 400050, Maharashtra, India
V.S Mani	Non-Executive Director	01082878	A-302, Safal Twins, Off Sion Trombay Road, Deonar, Mumbai- 400088, Maharashtra, India
Yasir Rawjee	Managing Director and Chief Executive Officer	01965174	Flat No 104, Totem Banjara, H No. 8-2- 287/11/A, Road No. 14, Banjara Hills, Hyderabad, Telangana, India 500034
Sumantra Mitra	Executive Director	08748014	A-401, Bhoomi Valley, Thakur Village, Near N.G Suncity Phase 3, Kandivali East, Mumbai, Maharashtra - 400101

Name	Designation	DIN	Address
Sridhar Gorthi	Independent Director	00035824	1002, 10th Floor, June Blossoms, Manuel Gonsalves Road, Bandra (W), Mumbai - 400050
Manju Agarwal	Independent Director	06921105	14254 ATS One Hamlet, Gh 01, Sector 104, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301
Taruvai Laxminarayanan Easwar	Independent Director	03135959	Villa 19, Northstar Hillside, KLR Lane, Opp. Villa Greens, Gandipet, Hyderabad, Gandipet, K.v. Rangareddy, Telangana - 500075
Gita Nayyar	Independent Director	07128438	3403, Imperial Tower-South, B.B. Nakashe Marg, Tardeo, Mumbai – 400034

For further details of our Board of Directors, see "*Our Management*" on page 153.

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI electronically on the platform provided by SEBI and at cfddil@sebi.gov.in, in accordance with the instructions issued by SEBI on March 27, 2020 in relation to "Easing of Operational Procedure – Division of Issuances and Listing CFD' and has also been filed with the SEBI at:

Securities and Exchange Board of India
Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex
Bandra (E)
Mumbai, Maharashtra – 400051, India

The Red Herring Prospectus, along with the material contracts and documents has been filed under Section 32 of the Companies Act, 2013 with the Registrar of Companies, Maharashtra at Pune. A copy of this Prospectus required to be filed under Section 26 of the Companies Act, 2013 shall be filed with the RoC.

Global Co-ordinators and Book Running Lead Managers

Kotak Mahindra Capital Company Limited
1st Floor, 27 BKC, Plot No. C - 27
'G' Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India
Tel: +91 22 4336 0000
E-mail: gls.ipo@kotak.com
Investor grievance e-mail: kmccredressal@kotak.com
Contact Person: Ganesh Rane
Website: https://investmentbank.kotak.com
SEBI Registration No: INM000008704

BofA Securities India Limited
Ground Floor, "A" Wing, One BKC,
"G" Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
Maharashtra, India
Tel: +91 22 6632 8000
E-mail: dg.glenmark_ipo@bofa.com
Investor Grievance E-mail:
dg.india_merchantbanking@bofa.com
Contact Person: Pritish Pani
Website: www.ml-india.com
SEBI Registration Number: INM000011625

Goldman Sachs (India) Securities Private Limited
951-A, Rational House,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025
Maharashtra, India
Tel: +91 22 66169000
Email: glsipo@gs.com
Investor Grievance Email: india-client-support@gs.com
Contact Person: Chirag Jasani
Website: www.goldmansachs.com
SEBI Registration Number: MB/INM000011054

Book Running Lead Managers

DAM Capital Advisors Limited
(Formerly known as IDFC Securities Limited)
One BKC, Tower C, 15th Floor
Unit No. 1511, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051
Maharashtra, India
Tel: +91 22 4202 2500
E-mail: glenmark.ipo@damcapital.in
Investor grievance e-mail: complaint@damcapital.in
Contact Person: Chandresh Sharma
Website: www.damcapital.in
SEBI Registration No.: MB/INM000011336

BOB Capital Markets Limited
1704, B Wing, 17th Floor
Parinee Crescenzo
Plot No. C - 38/39
G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India
Tel: +91 22 6138 9300
E-mail: gls.ipo@bobcaps.in
Investor grievance email: investorgrievance@bobcaps.in
Contact Person: Ninad Jape
Website: www.bobcaps.in
SEBI Registration Number: INM000009926

SBI Capital Markets Limited
202, Maker Tower "E"
Cuffe Parade
Mumbai 400 005
Maharashtra,India
Tel: +91 22 2217 8300
Email: gls.ipo@sbicaps.com
Website: www.sbicaps.com
Investor grievance e-mail: investor.relations@sbicaps.com
Contact Person: Janardhan Wagle
SEBI Registration No: INM000003531

Syndicate Members

Kotak Securities Limited
4th Floor, 12 BKC, G Block,
Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India
Tel: 022-62185470
E-mail: umesh.gupta@kotak.com
Website: www.kotak.com
Contact Person: Umesh Gupta
SEBI Registration No.: INZ000200137

Sharekhan Limited
10th Flr., Beta Building,
Lodha Ithink Techno Campus,
Opp. Kanjurmarg Railway Station,
Kanjurmarg (E) Mumbai - 400042
Maharashtra, India
Tel: +91 22 6115 0000
Email: pravin@sharekhan.com
Website: www.sharekhan.com
Investor grievance e-mail: myaccount@sharekhan.com/ ipo@sharekhan.com
Contact person: Pravin Darji
SEBI Registration Number: INB231073330/INB011073351

SBICAP Securities Limited
Marathon Futurex, B Wing, 12th Floor,
Unit No 1201, Lower Parel, Mumbai- 400013
Tel: 022-42273300
E-mail: archana.dedhia@sbicapsec.com
Investor Grievance E-mail: complaints@sbicapsec.com
Website: www.sbismart.com
Contact Person: Ms. Archana Dedhia

SEBI Registration No.: INZ000200032

Investec Capital Services (India) Private Limited
1103-04, 11th Floor, B Wing,
Parinee Crecenzo, Bandra Kurla Complex,
Mumbai- 400051
Tel: +9122 68497400
E-mail: kunal.naik@investec.co.in
Investor Grievance E-mail: regulator-correspondence@investec.co.in
Website: http://www.investec.com/india.html
Contact Person: Kunal Naik
SEBI Registration No.: INZ000007138 (Stock Broker)

Legal Counsel to the Company and the Promoter Selling Shareholder as to Indian Law

Trilegal
Peninsula Business Park
17th Floor, Tower B
Ganpat Rao Kadam Marg
Lower Parel (West)
Mumbai 400 013
Tel: +91 22 4079 1000

Legal Counsel to the Lead Managers as to Indian Law

S&R Associates
One World Center
1403 Tower 2 B
841 Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4302 8000

International Legal Counsel to the Lead Managers

Sidley Austin LLP
Level 31, 6 Battery Road
Singapore 049909
Tel. No.: +65 6230 3900

Statutory Auditors to our Company

Walker Chandiok & Co LLP
11th Floor, Tower II, One International Centre
S B Marg, Prabhadevi (W)
Mumbai, Maharashtra, 400013
E-mail: ashish.gupta@walkerchandiok.in
Tel: +91 22 66262600
Firm Registration No.: 001076N/N500013
Peer Review No.: 011707

Change in auditors in the last three years

Name of the Auditors	Date of change	Reason for change
Walker Chandiok & Co LLP 11th Floor, Tower II, One International Centre S B Marg, Prabhadevi (W) Mumbai, Maharashtra, 400013 E-mail: ashish.gupta@walkerchandiok.in Firm registration no.: 001076N/N500013 Peer review no.: 011707	July 25, 2018*	Appointment as Statutory Auditors

Name of the Auditors	Date of change	Reason for change
Kushal Sabadra & Associates Samadhan Sharawagi Plot, Tower Road, Akola Maharashtra – 444001 Email: kushhalsabadra6789@rediffmail.com Firm registration no.: 138103W Peer review no.: Not applicable	July 7, 2018	Resignation as the statutory auditors

* Walker Chandiok & Co. LLP were appointed as the Statutory Auditors of our Company at the EGM held on July 25, 2018 for a period until the conclusion of the 12th Annual General Meeting.

Registrar to the Offer

KFin Technologies Private Limited
Selenium Tower-B
Plot No-31 and 32, Financial District
Nanakramguda, Serilingampally
Hyderabad, Rangareddi 500032
Telangana, India
Tel: +91 40 6716 2222
E-mail: glenmark.ipo@kfintech.com
Investor grievance E-mail:einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna

Banker to the Offer

Escrow Collection Bank, Public Offer Account Bank and Sponsor Bank

HDFC Bank Limited
FIG-OPS Department- Lodha
I Think Techno Campus O-3 Level
Next to Kanjurmarg, Railway Station
Kanjurmarg (East)
Mumbai- 400042, Maharashtra, India
Tel: 022- 30752927/30752928/30752914
Email: Tushar.Gavankar@hdfcbank.com, Siddharth.Jadhav@hdfcbank.com, Prasanna.Uchil@hdfcbank.com, Neerav.Desai@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Tushar Gavankar, Siddharth Jadhav, Prasanna Uchil, Neerav Desai
SEBI Registration No.: INBI00000063

Refund Bank

Bank of Baroda
3rd Floor 10/12 Mumbai Samachar Marg
Horniman Circle Fort
Mumbai- 400001
Tel: 022-43407330
Website: www.bankofbaroda.com
Email: rm10.cfsbal@bankofbaroda.co.in
Contact Person: Harshita Sharma
SEBI Registration No.: INBI00000030

Bankers to the Company

Bank of Baroda
3rd Floor 10/12 Mumbai Samachar Marg
Horniman Circle Fort
Mumbai - 400 001
Tel: 022 43407330

Email: rm10.cfsbal@bankofbaroda.co.in
Website: www.bankofbaroda.com
Contact Person: Harshita Sharma

State Bank of India
Corporate Accounts Group Branch
16th Floor, The Capital, A Wing, Bandra Kurla Complex, Bandra (east)
Mumbai -400051
Tel: 022-61709611-617
Email: dgmamt1cagbkc@sbi.co.in
Website: www.sbi.co.in
Contact Person: D. Venkateswaran

HDFC Bank Limited
FIG-OPS Department- Lodha
I Think Techno Campus O-3 Level
Next to Kanjurmarg, Railway Station
Kanjurmarg (East)
Mumbai- 400042, Maharashtra, India
Tel: 022- 30752927/30752928/30752914
Email: Tushar.Gavankar@hdfcbank.com, Siddharth.Jadhav@hdfcbank.com, Prasanna.Uchil@hdfcbank.com, Neerav.Desai@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Tushar Gavankar, Siddharth Jadhav, Prasanna Uchil, Neerav Desai

Designated Intermediaries

Self-Certified Syndicate Banks

The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.

Applications through UPI in the Offer could be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? and www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at

www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated July 19, 2021 from Walker Chandiok & Co LLP, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated July 9, 2021 on our Restated Financial Information; (ii) independent practitioner's report, dated July 9, 2021 on our Pro Forma Financial Information; and (iii) their reports, each dated July 12, 2021, on the statement of special tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

In addition, our Company has received written consent dated June 15, 2021 from Manish B Kevadiya, as chartered engineer to include their name under Section 26(5) of the Companies Act, 2013 in this Prospectus and as an "expert" as defined under Section 2(38) read with Section 26(5) of the Companies Act, 2013 in respect of his certificate on the Company's manufacturing capacity and its utilization at certain manufacturing facilities, and written consent dated June 17, 2021 from Dr. S. Padmaja, as intellectual property consultant to include their name under Section 26(5) of the Companies Act, 2013 in this Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificate on the (i) patent and trademark filings and registrations; and (ii) product filings and registrations of the Company in India and certain other jurisdictions, and such consents have not been withdrawn as on the date of this Prospectus.

In addition, our Company has received written consent dated April 15, 2021 from N.K. Mittal & Associates., Chartered Accountants, to include its name as an independent chartered accountant under Section 26(5) of the Companies Act and as an "expert" as defined under Section 2(38) of the Companies Act.

Monitoring Agency

Our Company has appointed HDFC Bank Limited as the Monitoring Agency in accordance with Regulation 41 of the SEBI ICDR Regulations. Their contact details are as follows:

HDFC Bank Limited

FIG-OPS Department- Lodha
I Think Techno Campus O-3 Level
Next to Kanjurmarg, Railway Station
Kanjurmarg (East)
Mumbai- 400042, Maharashtra, India
Tel: 022- 30752927/30752928/30752914
Email: Tushar.Gavankar@hdfcbank.com, Siddharth.Jadhav@hdfcbank.com, Prasanna.Uchil@hdfcbank.com, Neerav.Desai@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Tushar Gavankar, Siddharth Jadhav, Prasanna Uchil, Neerav Desai
SEBI Registration number: INBI00000063

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As this is an Offer of Equity Shares, there is no credit rating required.

IPO Grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As this is an offer of Equity Shares, the appointment of debenture trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Inter-se allocation of responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the Lead Managers:

S. No.	Activity	Responsibility	Coordinator
1.	Due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	GCBRLMs and BRLMs	Kotak
2.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	GCBRLMs and BRLMs	Kotak
3.	Drafting and approval of all statutory advertisement	GCBRLMs and BRLMs	Kotak
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	GCBRLMs and BRLMs	Goldman Sachs
5.	Appointment of intermediaries - Registrar to the Offer, advertising agency, Bankers to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	GCBRLMs and BRLMs	Goldman Sachs
6.	Preparation of road show presentation and frequently asked questions	GCBRLMs and BRLMs	Goldman Sachs
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	GCBRLMs and BRLMs	BoFA
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	GCBRLMs and BRLMs	Kotak
9.	Non-institutional and retail marketing of the Offer, which will cover, *inter alia*, • Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • Finalising centres for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres	GCBRLMs and BRLMs	DAM Capital
10.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor coordination, anchor CAN and intimation of anchor allocation	GCBRLMs and BRLMs	Goldman Sachs
11.	Managing the book and finalization of pricing in consultation with the Company and Selling Shareholder	GCBRLMs and BRLMs	BoFA
12.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Other post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the final post-Offer report to SEBI, release of 1% security deposit post closure of the Offer	GCBRLMs and BRLMs	BoFA

Book Building Process

Book Building Process, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band, and minimum Bid Lot size was decided by our Company and the Promoter Selling Shareholder in consultation with the Lead Managers, and have been advertised in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Solapur edition of Tarun Bharat, a Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and were made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price has been determined by our Company and the Promoter Selling Shareholder in consultation with the Lead Managers after the Bid/ Offer Closing Date.

All Bidders, except Anchor Investors, were mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the RIBs were required to participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders were not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders could have revised their Bids during the Bid/ Offer Period and withdraw their Bids on or before the Bid/ Offer Closing Date. Further, Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to the Anchor Investors was on a discretionary basis.

For further details on the method and procedure for Bidding, see "*Offer Structure*" and "*Offer Procedure*" on pages 314 and 317, respectively.

Illustration of Book Building and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "*Offer Procedure"* on page 317.

Underwriting Agreement

Our Company and the Promoter Selling Shareholder have entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated July 30, 2021. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions, as specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, Address, Telephone Number and Email Address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC, Plot No. C - 27 'G' Block, Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India **Tel**: +91 22 4336 0000 **E-mail**: gls.ipo@kotak.com	3,503,637.00	2,522.62
BofA Securities India Limited Ground Floor, "A" Wing, One BKC, "G" Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India **Tel:** +91 22 6632 8000 **E-mail:** dg.glenmark_ipo@bofa.com	3,503,637.00	2,522.62
Goldman Sachs (India) Securities Private Limited 951-A, Rational House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 **Tel:** +91 22 6616 9000 **Email:** glsipo@gs.com	3,503,637.00	2,522.62
DAM Capital Advisors Limited (Formerly known as IDFC Securities Limited) One BKC, Tower C, 15th Floor Unit No. 1511, Bandra Kurla Complex	3,503,637.00	2,522.62

Name, Address, Telephone Number and Email Address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
Bandra (East), Mumbai – 400 051 **Tel:** +91 22 4202 2500 **E-mail:** glenmark.ipo@damcapital.in		
BOB Capital Markets Limited 1704, B Wing, 17th Floor Parinee Crescenzo Plot No. C - 38/39 G Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Tel**: +91 22 6138 9300 **E-mail**: gls.ipo@bobcaps.in	3,503,637.00	2,522.62
SBI Capital Markets Limited 202, Maker Tower "E", Cuffe Parade Mumbai 400 005 Maharashtra,India **Tel**: +91 22 2217 8300 **Email**: gls.ipo@sbicaps.com	3,503,637.00	2,522.62
Kotak Securities Limited 4th Floor, 12 BKC, G Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India **Tel**: 022-62185470 **E-mail**: umesh.gupta@kotak.com	100.00	0.07
Sharekhan Limited 10th Flr., Beta Building, Lodha Ithink Techno Campus, Opp. Kanjurmarg Railway Station, Kanjurmarg (E) Mumbai - 400042 Maharashtra, India **Tel:** +91 22 6115 0000 **Email:** pravin@sharekhan.com	100.00	0.07
SBICAP Securities Limited Marathon Futurex, B Wing, 12th Floor, Unit No 1201, Lower Parel, Mumbai- 400013 **Tel**: 022-42273300 **E-mail**: archana.dedhia@sbicapsec.com	100.00	0.07
Investec Capital Services (India) Private Limited 1103-04, 11th Floor, B Wing, Parinee Crecenzo, Bandra Kurla Complex, Mumbai- 400051 **Tel**: +9122 68497400 **E-mail**: kunal.naik@investec.co.in	100.00	0.07
Total	**21,022,222.00**	**15,136.00**

The abovementioned underwriting commitments are indicative and will be finalised after finalisation of the Basis of Allotment and actual allocation will be in accordance with provisions of the SEBI ICDR Regulations. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

In the opinion of our Board, the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. The IPO Committee, at its meeting held on July 30, 2021, has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Prospectus, is set forth below.

(In ₹, except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price*
A.	**AUTHORIZED SHARE CAPITAL**	**46,00,00,000**	
	20,00,00,000 Equity Shares of face value of ₹ 2 each	40,00,00,000	-
	6,00,000 Cumulative Convertible Preference Shares of ₹100 each	6,00,00,000	
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	10,78,04,950 Equity Shares of face value of ₹ 2 each	21,56,09,900	-
C.	**PRESENT OFFER**		
	Offer of 21,022,222** Equity Shares aggregating to ₹ 15,136** million		
	of which		
	Fresh Issue of 14,722,222** Equity Shares aggregating to ₹ 10,600** million[(1)]	2,94,44,444	10,59,99,99,840
	Offer for Sale of 6,300,000** Equity Shares[(2)]	1,26,00,000	4,53,60,00,000
D.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER** *		
	12,25,27,172** Equity Shares of face value of ₹ 2 each	24,50,54,344	88,21,95,63,840
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		Nil
	After the Offer		1057,05,55,396#

* *The Offer Price is ₹ 720 per Equity Share*

** *Subject to finalization of the Basis of Allotment*

\# *Not taking into consideration the Offer expenses*

(1) The Fresh Issue has been authorized by resolutions dated April 6, 2021 and July 19, 2021 passed by our Board and a special resolution dated April 9, 2021 passed by our Shareholders.

(2) The Promoter Selling Shareholder confirms that the Equity Shares to be offered in the Offer for Sale have been held by them for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus, and are accordingly eligible for being offered in the Offer for Sale. For details on the authorizations by the Promoter Selling Shareholder, in relation to the Offered Shares, see "The Offer" on page 45.

Notes to the Capital Structure

1. **Share Capital History of our Company**

(i) *Equity Share capital*

The history of the Equity Share capital of our Company is set forth in the table below:

Date of allotment#	Number of equity shares allotted	Face value per equity share (₹)	Offer price per equity share (₹)	Nature of consideration	Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
June 15, 2011	10,000	10	10	Cash	Subscription to Memorandum of Association[(1)]	10,000	1,00,000
June 29, 2018	4,50,090	10	-	Other than cash	Allotment of equity shares pursuant to conversion of loan into capital[(2)]	4,60,090	46,00,900
July 9, 2018	15,00,000	10	10	Cash	Preferential issue[(3)]	19,60,090	1,96,00,900
Pursuant to a shareholders' resolution dated March 26, 2021, each equity share of our Company of face value ₹ 10 each and fully paid-up was sub-divided into five Equity Shares of our Company of face value of ₹ 2 each. Accordingly, 19,60,090 equity shares of our Company of face value of ₹ 10 each were sub-divided into 98,00,450 Equity Shares of our Company of face value of ₹ 2 each.							
April 6, 2021	9,80,04,500	2	-	Other than cash	Bonus issue [(4)]	10,78,04,950	21,56,09,900

(1) Allotment of 3,334 equity shares to Sanjay Shivaji Desai, 3,333 equity shares to Ashwin Dilip Jain and 3,333 equity shares to Damanjit Singh pursuant to initial subscription to the MoA.

(2) *Allotment of 4,50,090 equity shares to Sanjay Shivaji Desai, pursuant to conversion of an unsecured loan of ₹ 4,500,900 into equity shares.*

(3) *Allotment of 15,00,000 equity shares to Glenmark Pharmaceuticals Limited.*

(4) *Allotment of 9,80,04,500 Equity Shares to Glenmark Pharmaceuticals Limited in the ratio of 10 Equity Shares for every one Equity Share held as on the record date.*

2. **Offer of Equity Shares at a price lower than the Offer Price in the last year**

Other than the bonus issue of 9,80,04,500 Equity Shares in the ratio of 10 Equity Shares for every one Equity Share held as on the record date to Glenmark Pharmaceuticals Limited, our Company has not issued any Equity Shares at a price that may be lower than the Offer Price during the last one year.

3. **Offer of shares for consideration other than cash or by way of bonus issue or out of revaluation reserves**

(i) Our Company has not issued any Equity Shares out of revaluation reserves since its incorporation.

(ii) Except as stated below, our Company has not issued any Equity Shares for consideration other than cash or by way of bonus issue, as on the date of this Prospectus:

Date of allotment	No. of equity shares allotted	Face Value per equity share (₹)	Offer price per equity share (₹)	Reason for allotment	Benefits accrued to our Company
June 29, 2018	4,50,090	10	-	Allotment of equity shares pursuant to conversion of loan into capital	Reduction of debt by conversion to equity
April 6, 2021	9,80,04,500	2	-	Bonus issue	-

For further details, please see "*Capital Structure- Share Capital History of our Company"* on page 64.

4. **Offer of shares pursuant to schemes of arrangement**

Our Company has not allotted any shares in terms of any scheme of arrangement approved under sections 391- 394 of the Companies Act, 1956 or sections 230-234 of the Companies Act, 2013.

5. **History of the Equity Share capital held by our Promoter**

As on the date of this Prospectus, Glenmark Pharmaceuticals Limited (including through its nominees) holds an aggregate of 10,78,04,950 Equity Shares, aggregating to 100% of the issued, subscribed and paid-up Equity Share capital of our Company. For further details, see "*Our Promoter and Promoter Group*" on page 166.

a. **Build-up of the shareholding of our Promoter in our Company**

The details regarding the build-up of the shareholding of our Promoter in our Company since incorporation is set forth in the table below:

Date of transfer/ allotment of equity shares/ date when fully-paid up	No. of equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per equity share (₹)	Transfer price/ issue price per equity share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
July 6, 2018	3,333*	Acquisition of the shareholding of our Company from erstwhile shareholders pursuant to the Share Purchase Agreement(1)	Cash	10	0.65	0.01	0.002
July 6, 2018	4,53,418	Acquisition of the shareholding of our Company	Cash	10	0.65	2.10	0.37

Date of transfer/ allotment of equity shares/ date when fully-paid up	No. of equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per equity share (₹)	Transfer price/ issue price per equity share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
		from erstwhile shareholders pursuant to the Share Purchase Agreement[(2)]					
July 6, 2018	3,333	Acquisition of the shareholding of our Company from erstwhile shareholders pursuant to the Share Purchase Agreement[(3)]	Cash	10	0.65	0.01	0.02
July 6, 2018	6[*]	Acquisition of the shareholding of our Company from erstwhile shareholders pursuant to the Share Purchase Agreement[(4)]	Cash	10	1	Negligible	Negligible
July 9, 2018	15,00,000	Preferential issue	Cash	10	10	6.96	1.22
February 23, 2021	(1)	Transfer[(5)]	Cash	10	10	Negligible	Negligible
February 23, 2021	(1)	Transfer[(6)]	Cash	10	10	Negligible	Negligible
February 23, 2021	(1)	Transfer[(7)]	Cash	10	10	Negligible	Negligible
February 23, 2021	(1)	Transfer[(8)]	Cash	10	10	Negligible	Negligible
February 23, 2021	(1)	Transfer[(9)]	Cash	10	10	Negligible	Negligible
February 23, 2021	(1)	Transfer[(10)]	Cash	10	10	Negligible	Negligible
Pursuant to a shareholders' resolution dated March 26, 2021, each equity share of our Company of face value ₹ 10 each and fully paid-up was sub-divided into five equity shares of our Company of face value of ₹ 2 each. Accordingly, 19,60,090 equity shares of our Company of face value of ₹ 10 each were sub-divided into 98,00,450 equity shares of our Company of face value of ₹ 2 each.							
April 6, 2021	9,80,04,500	Bonus issue	Other than cash	2	-	90.91	79.99
Total	**10,78,04,950**						

* *For further details, please see, "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years - Business Purchase from Glenmark Pharmaceuticals Limited" on page 151.*

(1) *Transfer of 3,333 equity shares by Ashwin Dilip Jain to our Promoter.*

(2) *Transfer of 4,53,418 equity shares by Sanjay Shivaji Desai to our Promoter*

(3) *Transfer of 3,333 equity shares by Damanjit Singh to our Promoter.*

(4) *Transfer of one equity share by Sanjay Shivaji Desai to each of (i) our Promoter jointly with V.S. Mani; (ii) our Promoter jointly with Cherylann Pinto; (iii) our Promoter jointly with Glenn Saldanha; (iv) our Promoter jointly with Kanish Malik; (v) our Promoter jointly with Rajesh Desai; and (vi) our Promoter jointly with Sujesh Vasudevan.*

(5) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with Cherylann Pinto to Cherylann Pinto.*

(6) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with Glenn Saldanha to Glenn Saldanha.*

(7) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with Kanish Malik to Kapil Kriplani.*

(8) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with Sujesh Vasudevan to Praveen Kurkal.*

(9) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with Rajesh Desai to Rajesh Desai.*

(10) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with V.S Mani to V.S Mani.*

All the Equity Shares held by Glenmark Pharmaceuticals Limited were fully paid-up on the respective dates of allotment/ acquisition of such equity shares.

As of the date of this Prospectus, none of the Equity Shares held by our Promoter are pledged.

b. **Details of Promoter's contribution and lock-in**

(i) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post- Offer Equity Share capital of our Company held by the Promoter shall be locked in for a period of three years as minimum Promoter contribution from the date of Allotment and the shareholding of the Promoter in excess of 20% of the fully diluted post- Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment. In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by each of our Promoter, which are locked-in may be transferred to and amongst the members of the Promoter Groups or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable.

The Equity Shares held by each of our Promoter which are locked-in for a period of three years from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions or Systemically Important NBFCs or housing finance companies, as collateral security for loans granted by such banks or public financial institutions or Systemically Important NBFCs or housing finance companies in terms of Regulation 21(a) of the SEBI ICDR Regulations, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans.

The Equity Shares held by the Promoter which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions or Systemically Important NBFCs or housing finance companies, as collateral security for loans granted by such banks or public financial institutions or Systemically Important NBFCs or housing finance companies in terms of Regulation 21(b) of the SEBI ICDR Regulations, provided that pledge of the Equity Shares is one of the terms of the sanction of loans. The lock-in may continue pursuant to the invocation of pledge; however, the transferee shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period.

(ii) Details of the Equity Shares held by our Promoter to be locked-in for three years from the date of Allotment as minimum Promoter's contribution are set forth in the table below:

Name of Promoter	Number of Equity Shares locked-in[(1)(2)]	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Offer / Acquisition price per Equity Share (₹)	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)
Glenmark Pharmaceuticals Limited	2,45,05,435	April 6, 2021	Bonus issue	2	-	22.73	20.00
Total	**2,45,05,435**					**22.73**	**20.00**

(1) *For a period of three years from the date of Allotment*
(2) *All Equity Shares were fully paid-up at the time of allotment*

(iii) Our Company and the Promoter Selling Shareholder undertake that the Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

(iv) Our Promoter, Glenmark Pharmaceuticals Limited, has given its consent to include such number of Equity Shares held by it as may constitute 20% of the fully diluted post- Offer Equity Share capital of our Company as Promoter's Contribution as required under the SEBI ICDR Regulations.

(v) In this connection, please note that:

(a) The Equity Shares offered for Promoter's contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction, or (ii) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of minimum Promoter's contribution.

(b) The minimum Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer.

(c) Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm.

(d) The Equity Shares forming part of the Promoter's contribution are not subject to any pledge.

c. **Other lock-in requirements:**

(i) In addition to the 20% of the fully diluted post- Offer shareholding of our Company held by the Promoter locked in for three years as specified above, the entire pre- Offer Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment except for any Equity Shares allotted to eligible employees (whether currently employees or not) of our Company under ESOP 2021 and the Equity Shares being offered as part of the Offer for Sale in this Offer.

(ii) Our Promoter has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's contribution from the date of filing the Draft Red Herring Prospectus, until the expiry of the lock-in specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(iii) Any Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

6. **Shareholding Pattern of our Company**

The table below presents the equity shareholding pattern of our Company as on the date of this Prospectus:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights		Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Total								
(A)	Promoter and Promoter Group*	7	10,78,04,950	0	0	10,78,04,950	100.00	10,78,04,950	10,78,04,950	100.00	0	100.00	0	0.00	0	0.00	10,78,04,950
(B)	Public	0	0	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(C)	Non Promoter- Non Public	0	0	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(C1)	Shares underlying DRs	0	0	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Total	**7**	**10,78,04,950**	**0**	**0**	**10,78,04,950**	**100.00**	**10,78,04,950**	**10,78,04,950**	**100.00**	**0**	**100.00**	**0**	**0.00**	**0**	**0.00**	**10,78,04,950**

* *10,78,04,920 Equity Shares are held by Glenmark Pharmaceuticals Limited and five Equity Shares each are held by Glenn Saldanha, Cherylann Pinto, V.S Mani, Rajesh Desai, Kapil Kriplani and Praveen Kurkal in their capacity as nominees of Glenmark Pharmaceuticals Limited*

7. **Details of Equity Shareholding of the major Shareholders of our Company**

(i) The major Shareholders holding 1% or more of the paid-up Equity Share capital of the Company and the number of Equity Shares held by them as on the date of this Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares on a fully diluted basis	Percentage of the pre- Offer Equity Share capital (%) on a fully diluted basis
1.	Glenmark Pharmaceuticals Limited	10,78,04,950*	100%

***** *10,78,04,920 Equity Shares are held by Glenmark Pharmaceuticals Limited and five Equity Shares each are held by Glenn Saldanha, Cherylann Pinto, V.S Mani, Rajesh Desai, Kapil Kriplani and Praveen Kurkal in their capacity as nominees of Glenmark Pharmaceuticals Limited*

(ii) The major Shareholders who held 1% or more of the paid-up Equity Share capital of the Company and the number of Equity Shares held by them 10 days prior to the date of this Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares on a fully diluted basis	Percentage of the pre- Offer Equity Share capital (%) on a fully diluted basis
1.	Glenmark Pharmaceuticals Limited	10,78,04,950*	100%

***** *10,78,04,920 Equity Shares are held by Glenmark Pharmaceuticals Limited and five Equity Shares each are held by Glenn Saldanha, Cherylann Pinto, V.S Mani, Rajesh Desai, Kapil Kriplani and Praveen Kurkal in their capacity as nominees of Glenmark Pharmaceuticals Limited*

(iii) The major Shareholders who held 1% or more of the paid-up equity share capital of our Company and the number of equity shares held by them one year prior to the date of this Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of equity shares on a fully diluted basis	Percentage of the pre- Offer equity share capital (%) on a fully diluted basis
1.	Glenmark Pharmaceuticals Limited	19,60,090*	100%

***** *19,60,084 equity shares of face value of ₹ 10 each were held by Glenmark Pharmaceuticals Limited and one equity share each was held by Glenn Saldanha, Cherylann Pinto, V.S Mani, Rajesh Desai, Kanish Malik and Sujesh Vasudevan as joint holders with Glenmark Pharmaceuticals Limited*

(iv) The major Shareholders who held 1% or more of the paid-up equity share capital of the Company and the number of equity shares held by them two years prior to the date of this Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of equity shares on a fully diluted basis	Percentage of the pre- Offer equity share capital (%) on a fully diluted basis
1.	Glenmark Pharmaceuticals Limited	19,60,090*	100%

***** *19,60,084 equity shares of face value of ₹ 10 each were held by Glenmark Pharmaceuticals Limited and one equity share each was held by Glenn Saldanha, Cherylann Pinto, V.S Mani, Rajesh Desai, Kanish Malik and Sujesh Vasudevan as joint holders with Glenmark Pharmaceuticals Limited*

8. **Details of Equity Shares held by our Directors, Key Managerial Personnel, Promoter Group and directors of our Promoter**

(i) Except as stated below, our Directors do not hold any Equity Shares in our Company.

S. No.	Name	No. of Equity Shares	Percentage of the pre- Offer Equity Share Capital (%)	Number of employee stock options outstanding*	Percentage of the post- Offer of Equity Share Capital (%)
1.	Glenn Saldanha	5*	Negligible	-	Negligible
2.	V.S. Mani	5*	Negligible	-	Negligible

* *In their capacity as nominees on behalf of Glenmark Pharmaceuticals Limited*

(ii) Set out below are the details of the Equity Shares held by our Promoter and the members of our Promoter Group (other than the Promoter) and the directors of our Promoter in our Company:

S. No.	Name	No. of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)	Percentage of the post-Offer Equity Share Capital (%)
Promoter				
1.	Glenmark Pharmaceuticals Limited	10,78,04,950*	100.00%	87.98
Total (A)		10,78,04,950	100.00%	87.98
Promoter Group				
	Glenn Saldanha	5#	Negligible	Negligible
	Cherylann Pinto	5#	Negligible	Negligible
Total (B)		**10**	**Negligible**	Negligible
Directors of our Promoter				
1.	Glenn Saldanha	5#	Negligible	Negligible
2.	Cherylann Pinto	5#	Negligible	Negligible
3.	V.S. Mani	5#	Negligible	Negligible
4.	Rajesh Desai	5#	Negligible	Negligible
Total (C)		**20**	**Negligible**	Negligible

* *10,78,04,920 Equity Shares are held by Glenmark Pharmaceuticals Limited and five Equity Shares each are held by Glenn Saldanha, Cherylann Pinto, V.S Mani, Rajesh Desai, Kapil Kriplani and Praveen Kurkal in their capacity as nominees of Glenmark Pharmaceuticals Limited*

[#] *Glenn Saldanha, Cherylann Pinto, V.S. Mani and Rajesh Desai are directors of Glenmark Pharmaceuticals Limited and hold five Equity Shares each in their capacity as nominees of Glenmark Pharmaceuticals Limited*

9. **Employee Stock Option Plan 2021 ("ESOP 2021")**

Our Board has approved the ESOP 2021 pursuant to its resolution dated April 6, 2021 and our Shareholders have approved the ESOP 2021 pursuant to a special resolution dated April 9, 2021. Pursuant to the ESOP 2021, options to acquire Equity Shares may be granted to eligible employees (as defined in the ESOP 2021) including (i) a permanent employee who is on the payroll of the Company, working in or out of India; or (ii) a director of the Company, whether a whole time director or not but excluding an independent director; or (iii) an employee, as provided in (i) or (ii) above, of a subsidiary, in India or outside India, or of a holding company of the Company, but excludes: (a) an employee, who is a Promoter or belongs to the Promoter Group; and (b) a director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company. ESOP 2021 is compliant with the SEBI SBEB Regulations. The ESOP 2021 contemplates that the total number of Equity Shares to be issued pursuant to exercise of options under the ESOP 2021 shall not exceed 10,78,050 Equity Shares. As on the date of this Prospectus, 951,734 options have been granted by our Company under ESOP 2021. The details of the options granted, vested or exercised under ESOP 2021, as certified by N.K Mittal & Associates, Chartered Accountants, through a certificate dated July 12, 2021, are as follows:

Particulars	**Details**			
	Financial Year 2019	**Financial Year 2020**	**Financial Year 2021**	**From April 1, 2021 until the date of filing of the prospectus**
Total options outstanding as at the beginning of the period	-	-	-	Nil
Total options granted	-	-	-	9,51,734
Exercise price of options in ₹ (as on the date of grant options)	-	-	-	Rs. 461 per option and Rs. 716 per option
Options forfeited/lapsed/cancelled	-	-	-	Nil
Variation of terms of options	-	-	-	Nil
Money realized by exercise of options	-	-	-	Nil
Total number of options in force	-	-	-	9,51,734
Total options vested (excluding the options that have been exercised)	-	-	-	Nil
Options exercised (since implementation of the ESOP 2021)	-	-	-	Nil
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	-	-	-	-
Employee wise details of options granted to:				
(a) Key Managerial Personnel	-	-	-	
Yasir Rawjee - Managing Director & Chief Executive Officer				539,025
Bhavesh Pujara - Senior Vice President and Chief Financial Officer				55,866
Vinod Naik - Group Vice President and Head of the Technical Operation Department				41,900
Palle V R Acharyulu - Group Vice President of the Research and Development Department				41,900
Mr. Sumantra Mitra - Executive Director & Vice President- Human Resources Department				20,950

Particulars	Details			
	Financial Year 2019	**Financial Year 2020**	**Financial Year 2021**	**From April 1, 2021 until the date of filing of the prospectus**
(b) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year				
• Mr. V.S. Mani – Non-executive Director of GLS				111,732
• Yasir Rawjee - Managing Director & Chief Executive Officer				539,025
• Bhavesh Pujara - Senior Vice President and Chief Financial Officer				55,866
(c) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	-	-	-	-
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	-	-	-	NA as these options were granted after the date of the last audited financial statements
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company	-	-	-	NA as these options were granted after the date of the last audited financial statements
Description of the pricing formula and method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	-	-	-	NA as these options were granted after the date of the last audited financial statements
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits)	-	-	-	NA as these options were granted after the date of the last audited financial statements

Particulars	Details			
	Financial Year 2019	Financial Year 2020	Financial Year 2021	From April 1, 2021 until the date of filing of the prospectus
Regulations, 2014 had been followed, in respect of options granted in the last three years				
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their Equity Shares within three months after the listing of Equity Shares pursuant to the Offer	-	-	-	Nil
Intention to sell Equity Shares arising out of or allotted under the ESOP 2021 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP 2021, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	-	-	-	Nil

10. None of the Lead Managers or their respective associates, as defined in the SEBI Merchant Bankers Regulations, hold any Equity Shares in our Company as on the date of this Prospectus.

11. There are no partly paid up Equity Shares as on the date of this Prospectus and all Equity Shares issued pursuant to the Offer will be fully paid up at the time of Allotment.

12. Except to the extent of the Offer for Sale, our Promoter, shall not participate in the Offer. Our Promoter Group shall not participate in the Offer.

13. Our Company has not made any public issue since its incorporation and has not made any rights issue of any kind or class of securities since its incorporation.

14. Our Company has not made any bonus issue of any kind or class of securities since its incorporation other than as disclosed in "- *Share Capital History of our Company*" on page 64.

15. Except as disclosed below, none of the directors of our Promoter, our Directors, or their relatives, or our Promoter Group have purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus:

Date of transfer/ allotment of equity shares/ date when fully-paid up	No. of equity shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per equity share (₹)	Transfer price/ issue price per equity share (₹)	Percentage of the pre- Offer capital (%)
February 23, 2021	(1)	Transfer[(1)]	Cash	10	10	Negligible
February 23, 2021	(1)	Transfer[(2)]	Cash	10	10	Negligible
February 23, 2021	(1)	Transfer[(3)]	Cash	10	10	Negligible
February 23, 2021	(1)	Transfer[(4)]	Cash	10	10	Negligible
February 23, 2021	(1)	Transfer[(5)]	Cash	10	10	Negligible
February 23, 2021	(1)	Transfer[(6)]	Cash	10	10	Negligible

(1) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with Cherylann Pinto to Cherylann Pinto.*
(2) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with Glenn Saldanha to Glenn Saldanha.*
(3) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with Kanish Malik to Kapil Kriplani.*
(4) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with Sujesh Vasudevan to Praveen Kurkal.*
(5) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with Rajesh Desai to Rajesh Desai.*
(6) *Transfer of one equity share held by Glenmark Pharmaceuticals Limited jointly with V.S Mani to V.S Mani.*

16. As of the date of the filing of this Prospectus, the total number of our Shareholders is 7.

17. Our Company, our Directors and the Lead Managers have not made, or entered into any buy-back arrangements for purchase of Equity Shares.

18. There will be no further issue of Equity Shares whether by way of issue of bonus shares, rights issue, preferential issue or any other manner during the period commencing from the date of filing of this Prospectus until the listing of the Equity Shares on the Stock Exchanges pursuant to the Offer other than in connection with any issue of Equity Shares pursuant to exercise of options granted under the ESOP 2021.

19. No person connected with the Offer, including, but not limited to, the members of the Syndicate, our Company, the Directors, Promoter, members of their respective Promoter Group, shall offer or make payment of any incentive, direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.

20. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholder in consultation with the Lead Managers and the Designated Stock Exchange.

21. There have been no financing arrangements whereby our Promoter Group, the directors of our Promoter, our Directors, and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity, during a period of six months preceding the date of filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus.

22. Our Company presently does not intend or propose and is not under negotiations or considerations to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Except the options granted pursuant to ESOP 2021, there are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares as on the date of this Prospectus. Provided, however, that the foregoing restrictions do not apply to: (a) the issuance of any Equity Shares under the Offer; (b) any issuance, pursuant to the exercise of employee stock options under ESOP 2021.

23. The Equity Shares held by any person other than our Promoter and locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the Takeover Regulations.

OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue of 14,722,222* Equity Shares, aggregating to ₹ 10,600* million by our Company and an Offer for Sale of 6,300,000* Equity Shares, aggregating to ₹ 4,536* million by the Promoter Selling Shareholder.

** Subject to finalisation of the Basis of Allotment*

Offer for Sale

The Promoter Selling Shareholder will be entitled to the proceeds from the Offer for Sale. Our Company will not receive any proceeds from the Offer for Sale. All fees and expenses in relation to the Offer other than the listing fees (which shall be borne by our Company) shall be shared amongst our Company and the Promoter Selling Shareholder, pursuant to the Offer and in accordance with applicable laws. All the expenses relating to the Offer shall be paid by the Company in the first instance. Upon successful completion of the Offer, the Promoter shall, and to the extent liable, reimburse the Company for expenses incurred by the Company in relation to the Offer for Sale on its behalf; provided however, in the event the Offer is withdrawn by the Company and/ or the Promoter or is not completed for any reason whatsoever, all Offer related expenses shall be borne by the Company.

Objects of the Fresh Offer

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Payment of outstanding purchase consideration to the Promoter for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated October 9, 2018;

2. Funding capital expenditure requirements; and

3. General corporate purposes.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities and (ii) to undertake the activities proposed to be funded from the Net Proceeds. Further, our Company expects to receive the benefits of the listing of the Equity Shares including enhancing our visibility and our brand image among our existing and potential customers.

Net Proceeds

The details of the proceeds from the Fresh Issue are summarized in the following table:

Particulars	Estimated amount (*₹ in million*)*
Gross proceeds from the Fresh Issue	10,600
(Less) Fresh Issue expenses	495.61
Net Proceeds of the Fresh Issue (the "**Net Proceeds**")	**10,104.39**

**Subject to finalisation of the Basis of Allotment*

Requirement of funds, schedule of implementation and utilization of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided below:

Particulars	Amount (*₹ in million*)
Payment of outstanding purchase consideration to the Promoter for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated October 9, 2018	8,000.00[(1)]
Funding the capital expenditure requirements	1,527.64
General corporate purposes[(2)]	576.75
Total	**10,104.39**

(1) The amount is inclusive of accrued interest payable.

(2) amount utilised for general corporate purposes does not exceed 25% of the Net Proceeds of the Fresh Issue.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(*₹ in million*)

Particulars	Total estimated cost	Amount to be funded from Net Proceeds[(1)]	Estimated schedule of deployment of Net Proceeds in		
			Fiscal 2022	Fiscal 2023	Fiscal 2024
Payment of outstanding purchase consideration to the Promoter for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated October 9, 2018	8,000.00	8,000.00	8,000.00	-	-
Funding the capital expenditure requirements	1,527.64	1,527.64	663.05	403.48	461.11
General corporate purposes[(2)]	576.75	576.75	576.75	-	-
Total	**10,104.39**	**10,104.39**	**9,239.80**	**403.48**	**461.11**

(1) The amount is inclusive of interest payable.

(2) The amount utilised for general corporate purposes does not exceed 25% of the Net Proceeds of the Fresh Issue.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers, and other commercial and technical factors. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and interest or exchange rate fluctuations and other external factors including changes in the price of the equipment due to variation in commodity prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, see "*Risk Factors – We intend to use a portion of the Net Proceeds of the Fresh Issue to pay outstanding purchase consideration under the Business Purchase Agreement to our Promoter. Our Promoter will also sell Equity Shares in the Offer and we will not receive any proceeds from such sale of such Equity Shares by the Promoter. Also, management has discretion in how it may use a portion of the Net Proceeds of the Fresh Issue. Any variation in the utilization of our Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.*" To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Offer, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects.

Means of Finance

The fund requirements for all objects are proposed to be entirely funded from the Net Proceeds and internal accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals and/ or debt, as required. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Net Proceeds from the Fresh Issue in accordance with the SEBI ICDR Regulations.

Details of the objects of the Offer

1. Payment of outstanding purchase consideration for the spin-off of the API business from the Promoter into our Company

Our Company entered into a Business Purchase Agreement dated October 9, 2018 with our Promoter pursuant to which we have acquired the API business from our Promoter which comprises of, *inter alia*, the manufacturing facilities, movable assets, intellectual property, employees and corresponding liabilities by way of a slump sale. The aggregate consideration for the transfer of business in accordance with the Business Purchase Agreement dated October 9, 2018 is ₹11,621.94 million. As on March 31, 2021, our Company has paid ₹ 3,503.11 million (inclusive of an interest at the rate of 12% p.a. applicable from January 1, 2020 to March 31, 2020 and for any outstanding amount beyond April 1, 2020, at an interest rate of 9% p.a.) to the Promoter, and as on July 9, 2021, our outstanding liability towards the Promoter was reduced to ₹8,008.30 million (inclusive of interest).

Our Company was required to pay the purchase consideration within a period of 120 days from the closing date under the Business Purchase Agreement dated October 9, 2018 and any delay in connection to payment of the purchase consideration is subject to interest at the rate of 12% p.a. applicable from January 1, 2020 to March 31, 2020 and for any outstanding amount beyond April 1, 2020, at an interest rate of 9% p.a. until the total amount is outstanding. The date for payment of consideration and the terms of payment (including the interest rate) have been amended from time to time. Pursuant to a letter of extension dated March 31, 2021, *inter-alia* the period of payment of the purchase consideration has been extended to March 31, 2022.

We propose to utilise an amount of ₹8,000.00 million from the Net Proceeds towards payment of remaining purchase consideration (inclusive of interest) to our Promoter. We believe that the acquisition of API business has enabled our Company to commence business operations and manufacture specialised and profitable products including niche and technically complex molecules. We believe that such payment will help reduce our liabilities and enable utilization of our internal accruals for further investment in business growth and expand our business in the coming years.

Also see "*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years – Business Purchase from Glenmark Pharmaceuticals Limited*" on page 151 for a description of the acquisition of the API business and the Business Purchase Agreement dated October 9, 2018.

Further, other than the payment of outstanding consideration to the Promoter for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated October 9, 2018 (as discussed above) and the receipt of the proceeds of the Offer for Sale by the Promoter, there are no material existing or anticipated transactions in relation to utilisation of the proceeds of the Offer with the Promoter, Promoter Group, Directors, key managerial personnel and Group Companies.

2. Funding capital expenditure requirements of the Company

We aim to continue investing in expansion of capacity at our manufacturing facility located at Dahej, Gujarat, to meet the anticipated future demand of our generic API products. As part of such expansion, we require investment in civil work and installation of various equipment such as (i) process equipment; (ii) utility equipment; (iii) Heating, Ventilation and Air Conditioning ("**HVAC**") system; and (iv) mechanical and insulation works. For further details, see "*Our Business –Our Strategies*" on page 126.

Our Board in its meeting dated April 6, 2021 approved an amount of ₹1,527.64 million for funding the proposed capital expenditure from the Net Proceeds. Our Company has received quotations from various vendors for the proposed capital expenditure and is yet to place any orders or enter into definitive agreements for construction of the civil work and various equipment such as (i) process equipment; (ii) utility equipment; (iii) HVAC system; and (iv) mechanical and insulation works. If the construction of civil work and purchase of the equipment is not completed from the Net Proceeds, then the remaining costs shall be met from our internal accruals. No second-hand or used equipment are proposed to be purchased out of the Net Proceeds.

The break-down of such estimated costs are set forth below**:

Sr. No.	Particulars	Total Estimated cost (₹ Million)***	Amount to be funded from the Net Proceeds (₹ Million)	Quotation/cost summary received from	Date of Quotation/cost summary
1	Civil Works*	472.00	472.00	Technophil Engineers	June 18, 2021
2	Process equipment**	562.31	562.31	Graphite India Limited, Blast Carboblocks Private Limited, Nima Engineering Private Limited, Sukhras Machines Private Limited, Polman Vesnfer Private Limited, GMM Pfaudler Limited, HLE Glasscoat Limited, Myriadly Engineering & Business Solutions Private Limited , Steelcon Engineering, Dharma Engineering, Decbectochem Engineering Private Limited, BEW Engineering Private Limited, Fluoro Tech Engineering Works, Kothari Pharma Technologies Private Limited, Goel Scientific Glass Works Limited	December 15, 2020 – June 16, 2021
3	Utility equipment**	115.23	115.23	Atlas Copco (India) Limited, Frick India Limited, Polmon Vesnfer Private Limited, Citizen Industries, Regport Technologies Private Limited, Daikin Airconditioning India Private Limited, Rushabh Enterprises, Advance Cooling Towers Private Limited, Praj Hipurity Systems Limited	December 16, 2020 – June 15, 2021
4	HVAC *	101.00	101.00	Technophil Engineers	June 18, 2021
6	Mechanical and Insulation*	277.10	277.10	Technophil Engineers	June 18, 2021
		1,527.64	**1,527.64**		

* *Report dated June 18, 2021 issued by Technophil Engineers, engineering consultants.*

** *Certified by N.K Mittal & Associates, Chartered Accountant by way of certificate dated July 12, 2021.*

*** *Certain equipment quotations and cost estimates are subject to additional charges including GST and other applicable taxes, freight, transit, installation costs, forward cost, commissioning charges, transportation costs, packaging costs, insurance, duties, and other government and statutory levies, as applicable, which will be paid from Net Proceeds or our internal accruals, as applicable.*

A. Civil Works

Civil and structural works for the Dahej plant, Gujarat include site development, building of compound walls, structural works for erection of plant and machinery, creation of intermediate production and finished production areas, creation of storage area, and construction of staircases.

B. Process Equipment

Process equipment are required for actual production of intermediate and finished API products. Such equipment includes reactors of various types such as stainless-steel reactors and glass-line reactors, centrifuges, dryers, condensers, various types of filters and tanks and receivers.

C. Utility Equipment

Utilities equipment are required for air and water connection to the production lines, which are used for generating pure steam, purified water and required gases. Such equipment includes block and central utility equipment, water cooled centrifugal chiller, chilled water lines, air dryer and receiver, pipelines and fittings, brine chiller etc.

D. HVAC

HVAC refers to heating, ventilation, and air conditioning equipment used in to control the air conditions heating and cooling. Such system includes air handling units, laminated airflow, ducting, dampers, risers, filters, dehumidifier etc.

E. Mechanical and Insulation

Mechanical and insulation works include cost of pipes, pipe fittings, valves, miscellaneous line fittings including erection of these items, cost of Insulation including erection, and cost of painting.

All quotations received from the vendors mentioned above are valid as on the date of this Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or at the same costs. The quantity of equipment to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment at the manufacturing and R&D facilities, according to the business requirements of such facilities and based on the estimates of our management. The actual mode of deployment has not been finalised as on the date of this Prospectus. For further details, see "*Risk Factors - We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements.*"

3. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹576.75 million towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds of the Fresh Issue, in compliance with Regulation 7(2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise the Net Proceeds include but are not limited to funding growth opportunities, strategic initiatives, joint-ventures, partnerships, marketing and business development expenses, expansion of facilities and meeting exigencies and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any.

Offer expenses

The total expenses of the Offer are estimated to be approximately ₹718.32 million. The Offer related expenses include fees payable to the Lead Managers and legal counsel, fees payable to the auditors, brokerage and selling commission, commission

payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than the listing fees, which will be solely borne by our Company, all costs, charges, fees and expenses that are associated with and incurred in connection with the Offer including, inter-alia, filing fees, book building fees and other charges, fees and expenses of the SEBI, the Stock Exchanges, the Registrar of Companies and any other Governmental Authority, advertising, printing, road show expenses, accommodation and travel expenses, fees and expenses of the legal counsel to the Company and the Indian and international legal counsel to the Lead Managers, fees and expenses of the statutory auditors, registrar fees and broker fees (including fees for procuring of applications), bank charges, fees and expenses of the Lead Managers, syndicate members, SCSBs, other Designated Intermediaries and any other consultant, advisor or third party in connection with the Offer shall be borne by the Company and Promoter in proportion to the number of Equity Shares issued and Allotted by the Company pursuant to the Fresh Issue and/or transferred by the Promoter pursuant to the Offer for Sale. All the expenses relating to the Offer shall be paid by the Company in the first instance. Upon successful completion of the Offer, the Promoter shall, and to the extent liable, reimburse the Company for expenses incurred by the Company in relation to the Offer for Sale on its behalf; provided however, in the event the Offer is withdrawn by the Company and/ or the Promoter or is not completed for any reason whatsoever, all Offer related expenses shall be borne by the Company.

The break-up of the Offer expenses is as follows:

Activity	Estimated expenses (₹ in million)*	As a % of the total estimated Offer expenses[(1)]	As a % of the total Offer size[(1)]
Lead Managers fees	408.40	56.85%	2.70%
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs [(1) (2) (3)]	92.35	12.86%	0.61%
Fees payable to the Registrar to the Offer	4.17	0.58%	0.03%
Fees payable to the other advisors to the Offer	23.78	3.31%	0.16%
Others			
- Listing fees, SEBI filing fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	55.46	7.72%	0.36%
- Printing and stationery	19.14	2.67%	0.13%
- Advertising and marketing expenses	51.01	7.10%	0.33%
- Fee payable to legal counsels	40.29	5.61%	0.27%
- Miscellaneous	23.72	3.30%	0.16%
Total estimated Offer expenses	718.32	100.00%	4.75%

** excluding goods and service tax*

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and portion for Non-Institutional Bidders, which are directly procured and uploaded by them would be as follows:

Portion for Retail Individual Bidders	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*0.20% of the Amount Allotted* (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

No additional processing/uploading charges shall be payable to the SCSBs on the applications directly procured by them.

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal IDs as captured in the bid book of BSE or NSE.

(2) Processing fees payable to the SCSBs of ₹10 per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders and Non-Institutional Bidders procured from the Syndicate/Sub-Syndicate Members/Registered Brokers/RTAs/ CDPs and submitted to SCSBs for blocking.

(3) Brokerages, selling commission and processing/uploading charges on the portion for Retail Individual Bidders (using the UPI mechanism), portion for Non-Institutional Bidders which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Bidders	*0.20% of the Amount Allotted* (plus applicable taxes)*

** Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The selling commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

The payment of selling commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

***Uploading Charges/ Processing Charges** of ₹ 30 per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*

- *for applications made by Retail Individual Bidders using the UPI Mechanism*

***Uploading Charges/ Processing Charges** of ₹10 per valid application (plus applicable taxes) are applicable only in case of Bids uploaded by the members of the Syndicate, RTAs and CDPs:*

- *for applications made by Retail Individual Bidders using 3-in-1 type accounts*
- *for Non-Institutional Bids using Syndicate ASBA mechanism / using 3- in -1 type accounts,*

The Bidding/uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE

For Registered Brokers

Selling commission payable to the registered brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

Portion for Retail Individual Bidders & Non-Institutional Bidders	*₹ 10 per valid application* (plus applicable taxes)*

**Based on valid applications.*

For Sponsor Bank

Processing fees for applications made by Retail Individual Bidders using the UPI mechanism will be

Sponsor Bank	*₹ 1 per valid Bid cum Application Form * (plus applicable taxes).* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws*

**For each valid application.*

Bridge Financing Facilities

Our Company has not availed any bridge loans from any banks or financial institutions as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds.

Means of finance

The fund requirements set out for the aforesaid objects of the Offer are proposed to be met entirely from the Net Proceeds and internal accruals. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals as required under the SEBI ICDR Regulations.

Interim use of Net Proceeds

Pending utilisation for the purposes described above, our Company will deposit the Net Proceeds only with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board or IPO Committee. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the shares of any listed company.

Monitoring of utilization of funds

Our Company has appointed HDFC Bank Limited as the monitoring agency in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Board and the monitoring agency will monitor the utilisation of the Net Proceeds, and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations.

Our Company will disclose the utilisation of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Fresh

Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the objects of the Offer without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, being the regional language of Maharashtra, where our Registered Office is situated in accordance with the Companies Act and applicable rules. Our Promoter will be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, in accordance with our Articles of Association, and the SEBI ICDR Regulations.

Appraising entity

None of the objects of this Offer, for which the Net Proceeds will be utilized, have been appraised by any bank or financial institution.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Offer

Other confirmations

Except to the extent of the proceeds received pursuant to the Offer for Sale by our Promoter and payment of outstanding purchase consideration for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated October 9, 2018 to our Promoter out of the Net Proceeds, none of our Promoter, Directors, key managerial personnel, Promoter Group or Group Companies will receive any portion of the Offer proceeds.

BASIS FOR OFFER PRICE

The Offer Price has been determined by our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Offer Price is 360 times the face value of the Equity Shares.

Bidders should read "*Our Business*", "*Risk Factors*", "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 123, 22, 175 and 258, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Offer Price are as follows:

- Leadership in select high value, non-commoditized APIs in chronic therapeutic areas;
- Strong relationships with leading global generic companies;
- Quality-focused compliant manufacturing and R&D infrastructure;
- Strong focus on sustainability in operations;
- Cost leadership across products through careful monitoring and continuous effort;
- Experienced management team with proven track record.

For further details, see "*Our Business – Our Strengths*" on page 124.

Quantitative Factors

Certain information presented below, relating to our Company, is based on the Restated Financial Information. For details, see "*Restated Financial Information*" beginning on page 175.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings Per Share ("EPS"), as adjusted for changes in capital:

As per the Restated Financial Information of the Company:

Financial Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Financial Year 2021	32.61	32.61	3
Financial Year 2020	29.04	29.04	2
Financial Year 2019	24.64	24.64	1
Weighted Average	**30.09**	**30.09**	

Notes:

(1) Basic earnings per share (₹) = $\frac{\text{Restated profit for the year attributable to equity shareholders}}{\text{Weighted average number of equity shares in calculating basic EPS}}$

(2) Diluted earnings per share (₹) = $\frac{\text{Restated profit for the year attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares in calculating diluted EPS}}$

(3) The weighted average basic and diluted EPS is a product of basic and diluted EPS and respective assigned weight, dividing the resultant by total aggregate weight.

(4) Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

(5) Weighted average number of Equity Shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The weighted average number of equity shares outstanding during the period is adjusted for bonus issue and share split.

(6) As per recommendation of the Board of Directors dated March 10, 2021 and approval of the shareholders dated March 26, 2021, the Company at Board Meeting dated April 6, 2021, has allotted 98,004,500 bonus equity shares of face value of ₹ 2 each in ratio of 10:1 (i.e. 10 (Ten) Bonus Shares for every 1 (One) Equity Share). Consequently, the issued, subscribed and paid-up share capital has increased to ₹ 215.61 million comprising of 107,804,950 equity shares of face value of ₹ 2 each.

2. Price/Earning ("P/E") ratio in relation to Offer Price of ₹ 720 per Equity Share:

Particulars	P/E at the Offer Price (no. of times)
Based on Basic EPS for Financial Year 2021	22.08
Based on Diluted EPS for Financial Year 2021	22.08

Industry P/E ratio

	P/E Ratio
Highest	63.65
Lowest	24.28
Average	**36.74**

Notes:

(1) The industry high and low has been considered from the industry peer set provided later in this section. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see "– Comparison of Accounting Ratios with Listed Industry Peers" on page 83.

3. Average Return on Net Worth ("RoNW")

As per the Restated Financial Information of our Company:

Particulars	RoNW %	Weight
Financial Year 2021	46.71	3
Financial Year 2020	77.94	2
Financial Year 2019	99.25	1
Weighted Average	65.88	

Notes:

(1) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(2) Return on Net Worth ratio: restated profit for the year attributable to equity shareholders of the company divided by the Total Net Worth of the Company at the end of the year.

(3) Profit for the Financial Year 2019 excludes profit attributable to the Parent Company amounted to ₹ 1,081.29 million.

(4) The weighted average return on net worth is a product of return on net worth and respective assigned weight, dividing the resultant by total aggregate weight.

4. Net Asset Value per Equity Share of face value of ₹ 2 each

Fiscal year ended	NAV per Equity Share (₹)
As on March 31, 2021	69.82
Offer Price	147.95

Notes:

(1) Net asset value per Equity Share is calculated as restated net worth at the end of the year divided by the weighted average number of equity shares

(2) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(3) Weighted Average Number of Equity Shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The weighted average number of equity shares outstanding during the period is adjusted for bonus issue and share split.

(4) As per recommendation of the Board of Directors dated 10 March 2021 and approval of the shareholders dated 26 March 2021, the Company at Board Meeting dated April 6, 2021 has allotted 98,004,500 bonus equity shares of face value of ₹ 2 each in ratio of 10:1 (i.e. 10 (Ten) Bonus Shares for every 1 (One) Equity Share). Consequently, the issued, subscribed and paid-up share capital has increased to ₹ 215.61 million comprising of 107,804,950 equity shares of face value of ₹ 2 each.

5. Comparison of Accounting Ratios with Listed Industry Peers

Name of Company	Face Value (₹ Per Share)	Total Income for Financial Year 2021 (in ₹ million)	EPS (₹)		NAV[4] (₹ per share)	P/E[2]	RoNW[3] (%)
			Basic	Diluted[1]			
Glenmark Life Sciences Limited	2	18,859.76	32.61	32.61	69.82	22.08	46.71%
Peers							
Divis Laboratories Limited	2	70,319.60	74.75	74.75	350.12	63.65	21.35%
Laurus Labs Limited	2	48,358.60	18.36	18.28	48.41	36.59	37.87%
Shilpa Medicare Limited	1	9,312.72	18.13	18.13	181.37	33.37	9.99%
Aarti Drugs Limited	10	21,593.10	30.09	30.09	98.01	24.28	30.70%
Solara Active Pharma Sciences Limited	10	16,456.50	69.00	64.52	442.12	25.83	13.93%

Source: Consolidated financial statements from Annual report/quarterly results of the respective listed peer company for the year ended March 31, 2021 submitted to stock exchanges

Notes:

(1) Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements of the respective company for the year ended March 31, 2021

(2) P/E Ratio has been computed based on the closing market price of equity shares on NSE on July 16, 2021, divided by the Diluted EPS provided under Note 1 above.

(3) For listed peers, RoNW is computed as net profit after tax divided by closing net worth. Net worth has been computed as sum of equity share capital and other equity

(4) NAV is computed as the closing net worth divided by the number of equity shares outstanding as on March 31, 2021

The Offer Price of ₹ 720 has been determined by our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Bidders should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Restated Financial Information*" beginning on *page*s 22, 123, 258 and 175, respectively, to have a more informed view. The trading price of Equity Shares could decline including due to factors mentioned in "*Risk Factors*" beginning on page 22 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS

To,
The Board of Directors
Glenmark Life Sciences Limited
4th Floor, OIA House,
470, Cardinal Gracious Road,
Andheri East, Mumbai – 400099,
Maharashtra, India

Sub: Statement of Possible Special Direct Tax Benefits ('the Statement') available to Glenmark Life Sciences Limited ('Company' or 'Issuer') and the shareholders of the Company prepared to comply with the requirements of the clause 9(L) of Part A of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'SEBI ICDR Regulations').

1. This report is issued in accordance with the terms of our engagement letter dated 15 February 2021.

2. The accompanying Statement of Possible Special Direct Tax Benefits available to the Company and its Shareholders (hereinafter referred to as 'the Statement') under the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2021 applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India (hereinafter referred to as the 'Indian Income Tax Regulations') for inclusion in the Red Herring Prospectus ('RHP') and the Prospectus for the proposed initial public offering of the Company ('Offer'), has been prepared by the management of the Company in connection with the proposed Offer, which we have initialed for identification purposes.

Management's Responsibility

3. The preparation of the Statement as of the date of our report which is to be included in the RHP and the Prospectus is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on 09 July 2021 for the purpose set out in paragraph 11 below. The management's responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and presentation of the Statement, applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's Responsibility

4. Our work has been carried out in accordance with the Standards on Auditing, the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

5. Pursuant to the SEBI ICDR Regulations and the Companies Act 2013 ('Act'), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special direct tax benefits available to the Company and its shareholders in accordance with Indian Income Tax Regulations.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.

7. It is imperative to note that we have relied upon a representation from the Management of the Company with respect to the special direct tax benefits.

8. Our work is performed solely to assist the Management in meeting their responsibilities in relation to compliance with the Act and the SEBI ICDR Regulations in connection with the Offer.

Inherent Limitations

9. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

Benefits mentioned in the accompanying Statement are dependent on the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying Statement are not exhaustive. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

Further, we give no assurance that the revenue authorities/ courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Income Tax Regulations and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Opinion

10. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special direct tax benefits available, to the company and its shareholders, in accordance with the Income Tax Regulations as at the date of signing of this report.

    Considering the matter referred to in paragraph 9 above, we are unable to express any opinion or provide any assurance as to whether:

    (i) The Company or its shareholders will continue to obtain the benefits as per the Statement in future; or

    (ii) The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

Restriction on Use

11. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the RHP and the Prospectus prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India, the stock exchanges where the equity shares of the Company are proposed to be listed and the relevant Registrar of Companies in India in connection with the Offer, as the case may be. Accordingly, this report should not be reproduced or used for any other purpose without our prior written consent.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Huned Contractor
Partner
Membership No.: 41456

UDIN: 21041456AAAAAR1293

Place: Mumbai
Date: 12 July 2021

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA – THE INCOME-TAX ACT, 1961 ("the Act")

Outlined below are the Possible Special Direct Tax benefits available to Glenmark Life Sciences Limited (the "Company") and its Shareholders under the Act as amended by the Finance Act, 2021 applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India.

I. Special direct tax benefits available to the Company

As per section 115BAA of the Act, the Company has an option to pay income tax in respect of its total income at a concessional tax rate of 25.168% (including applicable surcharge and cess) subject to satisfaction of certain conditions with effect from Financial Year 2019-20 (i.e. Assessment Year 2020-21). Such option once exercised shall apply to subsequent assessment years.

In such a case, the Company will not be allowed to claim any of the following deductions/ exemptions under the Act:

1) Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)

2) Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)

3) Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)

4) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or subsection (2AB) of section 35 (Expenditure on scientific research)

5) Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)

6) Deduction under section 35CCD (Expenditure on skill development)

7) Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M

8) Deduction under Section 80LA other than deduction applicable to a Unit in the International Financial Services Centre, as referred to in sub-section (1A) of section 80LA of the Act.

9) No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause 1) to 8) above.

10) No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause 1) to 8) above.

Further, it was clarified by CBDT vide Circular No. 29/ 2019 dated 2 October 2019 that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Additionally, such Company will not be entitled to claim tax credit relating to MAT.

In this regard, from Assessment Year 2020-21 relevant to Financial Year 2019-20 onwards the Company has opted to be covered under the provisions of Section 115BAA of the Act and would be eligible for a reduced tax rate of 22% (effective rate of 25.168% along with Surcharge and Health and Education Cess) subject to fulfilment of above conditions.

Further, as per the provisions of Section 80M of the Act, dividend received by the Company from any other domestic company or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its Income-tax return for the relevant year. Since the Company has investments in India, it can avail the above-mentioned benefit under Section 80M of the Act.

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

II. Special direct tax benefits available to the Shareholders of the Company

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholder, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge would be restricted to 15%, irrespective of the amount of dividend.

As per Section 112A, long-term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfillment of prescribed conditions under the Act as well as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note, that tax shall be levied where such capital gains exceed INR 1,00,000/-.

Except for the above, the Shareholders of the Company are not entitled to any other special direct tax benefits under the Act.

Notes:

1) These special direct tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

2) The special direct tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3) The Statement has been prepared on the basis that the shares of the Company are to be listed on a recognized stock exchange in India and the Company will be issuing equity shares.

4) The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

   i. the Company or its shareholders will continue to obtain these benefits in future;

   ii. the conditions prescribed for availing the benefits have been/ would be met with; and

   iii. the revenue authorities/courts will concur with the view expressed herein.

5) This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

6) In respect of non-resident shareholders, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.

7) No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For Glenmark Life Sciences Limited

Bhavesh Pujara
Chief Financial Officer (CFO)

Place: Mumbai
Date: 09 July 2021

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS

To,

The Board of Directors
Glenmark Life Sciences Limited
4th Floor, OIA House,
470, Cardinal Gracious Road,
Andheri East, Mumbai – 400099,
Maharashtra, India

Sub: Statement of Possible Special Indirect Tax Benefits ('the Statement') available to Glenmark Life Sciences Limited ('Company' or 'Issuer') and the shareholders of the Company prepared to comply with the requirements of the clause 9(L) of Part A of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'SEBI ICDR Regulations').

1. This report is issued in accordance with the terms of our engagement letter dated 15 February 2021.

2. The accompanying Statement of Possible Special Indirect Tax Benefits available to the Company and its Shareholders (hereinafter referred to as "the Statement"), under the Central Goods and Services Tax Act, 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications), and Special Economic Zones Act, 2005 as amended by the Finance Act, 2021 applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India (together referred to as "Indian Indirect Tax Regulations") for inclusion in the Red Herring Prospectus ('RHP') and the Prospectus for the proposed initial public offering of the Company ('Offer'), has been prepared by the management of the Company in connection with the proposed Offer, which we have initialed for identification purposes.

Management's Responsibility

3. The preparation of this Statement as of the date of our report which is to be included in the RHP and the Prospectus is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on 09 July 2021 for the purpose set out in paragraph 11 below. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's Responsibility

4. Our work has been carried out in accordance with Standards on Auditing, the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

5. Pursuant to the SEBI ICDR Regulations and the Companies Act 2013 ('Act'), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special indirect tax benefits available to the Company and the shareholders of the Company, in accordance with the Indian Indirect Tax Regulations as at the date of our report.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by the ICAI.

7. It is imperative to note that we have relied upon a representation from the Management of the Company with respect to the special indirect tax benefits.

8. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI ICDR Regulations in connection with the Offer.

Inherent Limitations

9. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

Benefits mentioned in the accompanying statement are dependent on the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

Further, we give no assurance that the Revenue Authorities/ Courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes**.**

Opinion

10. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special indirect tax benefits available, to the Company and its shareholders, in accordance with the Indian Indirect Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 9 above, we are unable to express any opinion or provide any assurance as to whether:

(i) The Company or its shareholders will continue to obtain the benefits as per the Statement in future; or

(ii) The conditions prescribed for availing the benefits as per the Statement have been/ would be met with.

Restriction on Use

11. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the RHP and the Prospectus prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India, the stock exchanges where the equity shares of the Company are proposed to be listed and the relevant Registrar of Companies in India in connection with the Offer, as the case may be. Accordingly, this report should not be reproduced or used for any other purpose without our prior written consent.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662

UDIN: 21504662AAAAFD6630

Place: New Delhi
Date: 12 July 2021

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

Outlined below are the Possible Special Indirect Tax benefits available to Glenmark Life Sciences Limited (the "Company") and its Shareholders under the Act as amended by the Finance Act, 2021 applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India.

A. Special tax benefits available to Glenmark Life Sciences Limited under the Indirect Tax Regulations

1. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20)

Remission of Duties and Taxes on Exported Products (RoDTEP)

The Remission of Duties and Taxes on Exported Products (RoDTEP) scheme was announced by Government of India (GOI) on 14 September 2019 to boost exports by allowing reimbursement of taxes and duties, which are not exempted or refunded under any other scheme in accordance with World Trade Organization (WTO) norms.

RoDTEP is a combination of the current Merchandise Export from India Scheme (MEIS) and Rebate of State and Central Taxes and Levies (RoSCTL) and will replace all these schemes once come in operations. Under the scheme, rebate of these taxes will be given in the form of duty credit/electronic scrip.

RoDTEP scheme was initially proposed to be notified from April 2020. However, GOI decided to continue to allow the benefits under MEIS up to 31 December 2020, until the same is merged with RoDTEP scheme. The scheme has been now notified from 1 January 2021. However, the applicable rates of this benefit are yet to be notified. Further, the incentives under the said scheme may be available subject to eligibility conditions which would be prescribed vide press release, advisories, notifications etc. in due course of time.

Export Promotion Capital Goods (EPCG)

The objective of the EPCG Scheme is to facilitate import of capital goods for producing quality goods and services and enhancing India's manufacturing competitiveness. EPCG Scheme facilitates import of capital goods for producing quality goods and services at zero customs duty.

Import under EPCG Scheme shall be subject to a specific export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods, to be fulfilled in 6 years reckoned from date of issue of authorization.

EPCG license holder is exempted from payment of whole of Basic Customs Duty, Additional Customs Duty and Special Additional Duty In lieu of Value Added Tax/local taxes (non-GST goods), Integrated Goods and Services Tax and Compensation Cess, wherever applicable, subject to certain conditions.

Advance Authorization (AA)

The objective of the AA Scheme is to facilitate import of material for producing quality goods and services and enhancing India's manufacturing competitiveness. AA Scheme facilitates import of material for producing quality goods and services at zero customs duty.

Export Obligation (EO) in the case of Advance Authorisation is the value of export that needs to compulsorily be achieved within a prescribed time period.

AA license holder is exempted from payment of whole of Basic Customs Duty, Additional Customs Duty and Special Additional Duty In lieu of Value Added Tax/local taxes (non-GST goods), Integrated Goods and Services Tax (IGST) and Compensation Cess, wherever applicable, subject to certain conditions.

2. Benefits of Duty Drawback scheme under Section 75 of the Customs Act, 1962

As per section 75, Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such goods. Unlike drawback of a portion of the customs duty paid on imported goods, here the main principle is that the Government fixes a rate per unit of final article to be exported out of the country as the amount of drawback payable on such goods.

3. Benefits under Special Economic Zones Act, 2005

As per section 7 of Special Economic Zones Act, any goods or services exported out of, or imported into, or procured from the Domestic Tariff Area by a unit in a Special Economic Zone or a developer shall, subject to such terms, conditions and limitations, as may be prescribed shall be exempt from the payment of taxes, duties or cess.

4. Benefits under the Central Goods and Services Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

Export of goods or services

Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated which can be supplied either with or without payment of IGST.

Either exporter can export under Bond/ Letter of Undertaking (LUT) as zero-rated supply without payment of IGST and claim refund of accumulated ITC or person may export with payment of IGST and claim refund thereof as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017.

Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/ LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

B. <u>Possible special indirect tax benefits for shareholders of Glenmark Life Sciences Limited</u>

Shareholders of the Company are not eligible to special indirect tax benefits under the provisions of the the Central Goods and Services Act 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications) and Special Economic Zones Act, 2005.

Notes:

1. These special indirect tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indirect Tax Regulations. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

2. The special indirect tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for a professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications.

3. The Statement has been prepared on the basis that the shares of the Company are listed on a recognized stock exchange in India and the Company will be issuing equity shares.

4. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:

    i. The Company or its shareholders will continue to obtain these benefits in future;

    ii. The conditions prescribed for availing the benefits have been/ would be met with; and

    iii. The revenue authorities / courts will concur with the view expressed herein.

5. The above views are basis the provisions of law, their interpretation and applicability as on date, which may be subject to change from time to time.

For and on behalf of **Glenmark Life Sciences Limited**

Bhavesh Pujara
Chief Financial Officer (CFO)

Place: Mumbai
Date: 09 July 2021

SECTION IV: ABOUT OUR COMPANY

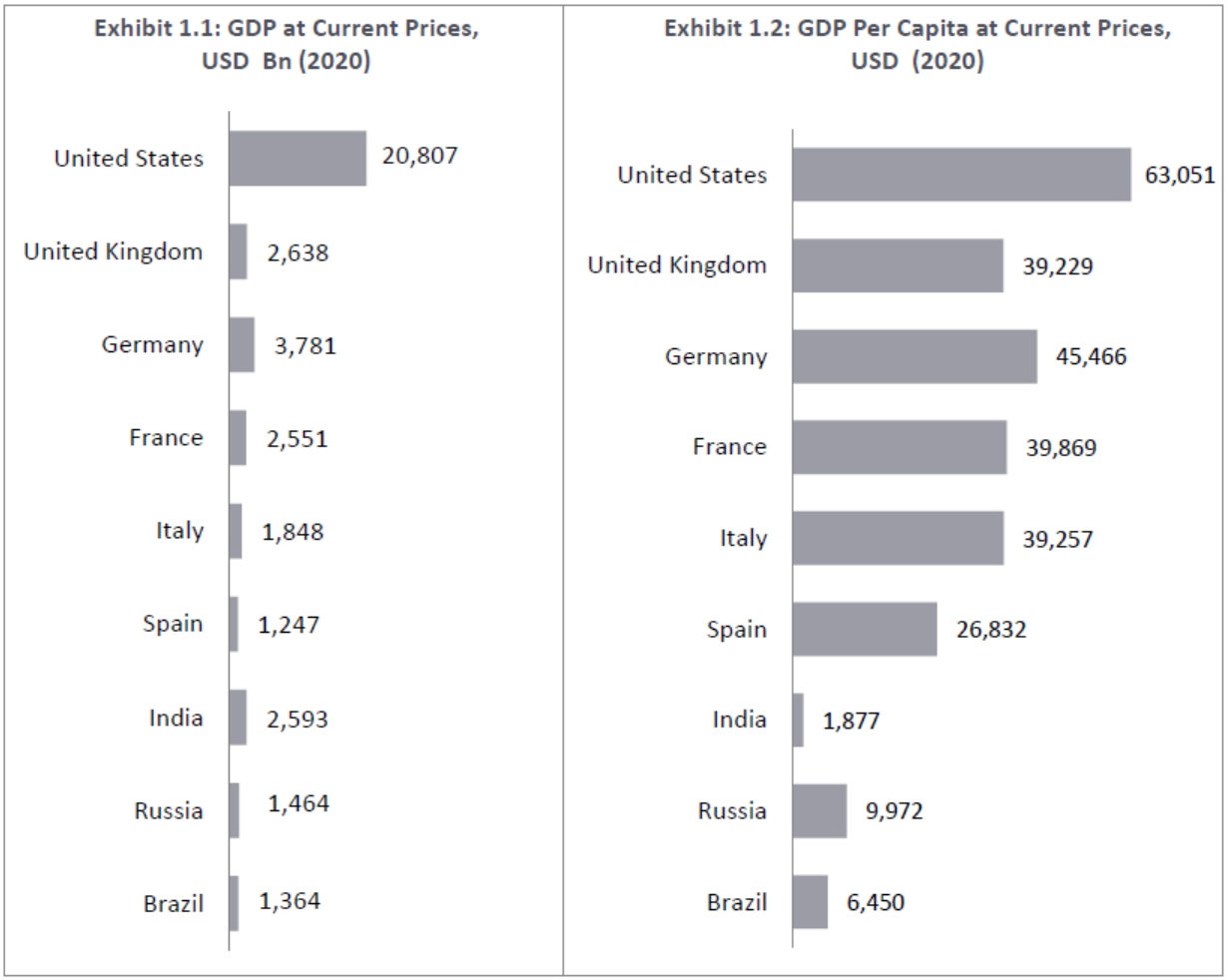
INDUSTRY OVERVIEW

The information contained in this section is derived from the Frost & Sullivan report titled "The Active Pharmaceutical Ingredients (API) Industry Report" dated April 2021 and an addendum thereto dated July 2021 (the "Frost & Sullivan Report") which were commissioned by our Company and other publicly available sources. Unless specified otherwise, all information in this section has been derived from the Frost & Sullivan Report. Neither we, nor any other person connected with this Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Macroeconomic and Demographic Overview

Macroeconomic Indicators

The United States had the highest gross domestic product ("**GDP**") (refer to Exhibit 1.1) followed by the EU5 countries (United Kingdom, Germany, France, Italy and Spain) in 2020. India had a GDP of US$2,593 billion while ROW countries (Russia and Brazil) had a GDP of US$1,464 billion and US$1,364 billion, respectively.



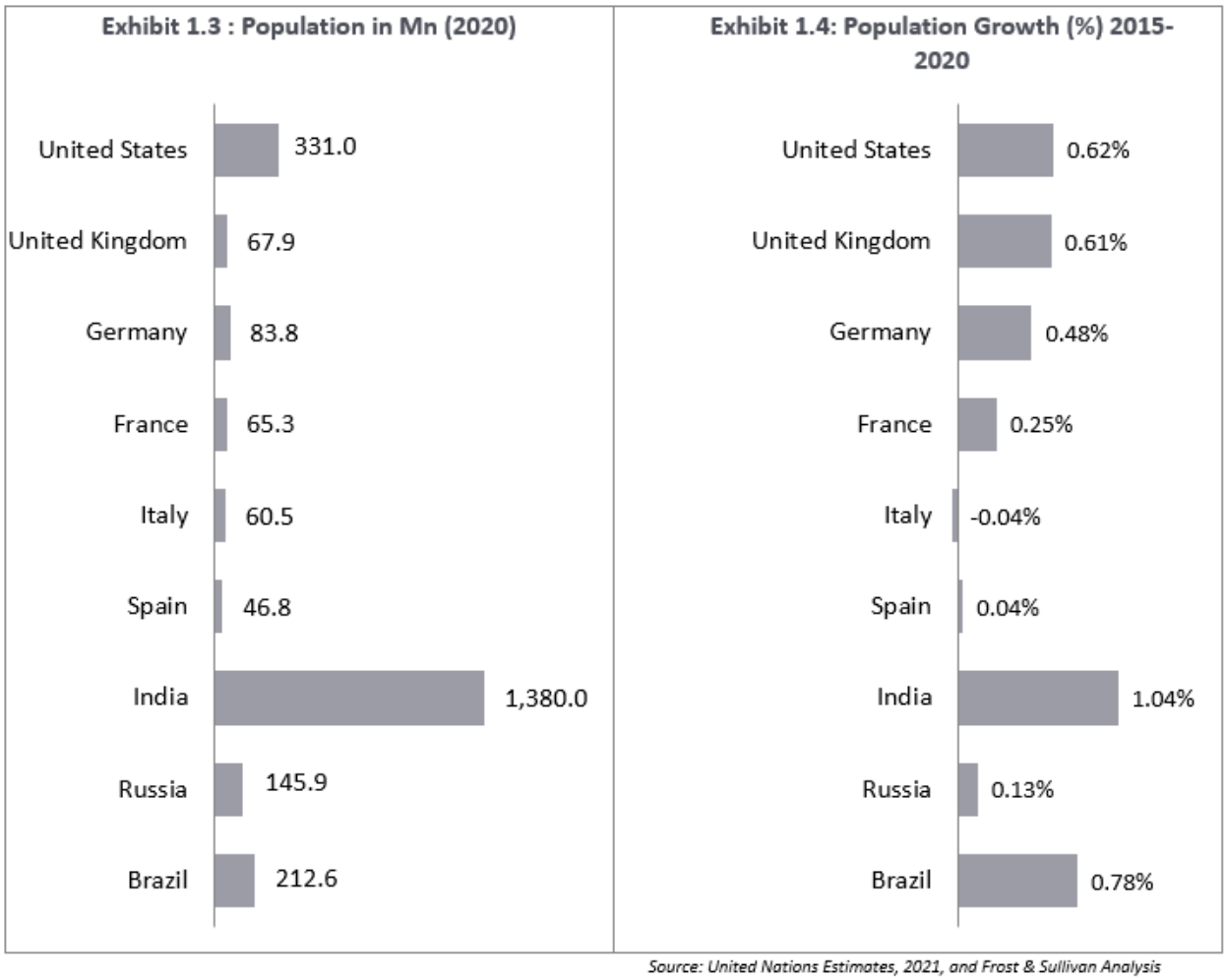
Source: World Economic Outlook, International Monetary Fund Estimates, February 2021h, and Frost & Sullivan Analysis

In terms of GDP per capita at current prices, the United States had the highest value of US$63,051 in 2020 (refer to Exhibit 1.2), followed by Germany with US$45,466 and France with US$39,869. Emerging economies like Russia, Brazil and India have GDP per capita at current prices of US$9,971, US$6,450 and US$1,877, respectively.

Demographic Indicators

Exhibits 1.3 and 1.4 show population and population growth in the major countries in the world. Amongst the group of countries, India had the highest population, followed by the United States in 2020. The EU5 countries like the United Kingdom, Germany,

France, Italy and Spain were sparsely populated with the population ranging between 46 million to 84 million, while other ROW countries like Russia and Brazil had population of 145.9 million and 212.6 million, respectively in 2020.



Source: United Nations Estimates, 2021, and Frost & Sullivan Analysis

The historical growth of population had been low within United States and EU5 countries. Asian countries like India had a population growth of 1.04% while the population decelerated for Italy (-0.04%) during 2015-20. Other ROW countries like Russia and Brazil had a population growth rate of 0.13% and 0.78%, respectively.

Regulatory and Pricing Overview

Regulatory Scenario – India

Globally, India is one of the top suppliers of bulk drugs and formulations. The country has the highest number of USFDA-approved plants outside the US as well as 44% of global abbreviated new drug applications ("**ANDA**"). The Indian generics industry can benefit substantially from the patent cliff as patents for branded molecules with cumulative global sales of over US$251 billion are expected to expire between 2018 and 2024, opening new opportunities for the industry.

India supplies a bulk of generic drugs globally not just to under-developed countries but also to the United States and UK. India supplies almost 40% of the total American generic drug demand and addresses as much as 25% of the total drug demand in the UK. India also accounts for 60% of global vaccine production, contributing 40 to 70% of the WHO demand. This success can be attributed to the advanced capabilities in the formulation development, the entrepreneurial ability and the vision of the industry to establish India's footprint in large international markets. However, within the APIs and bulk drug manufacturing segment, India lags behind China. Currently, India imports around 68% of its API consumption by value from China and is highly reliant on China for fermentation-based APIs (antibiotics), feedstock and many key starting materials ("**KSMs**").

The COVID-19 pandemic has shed light on India's excessive dependence on China for APIs and KSMs. India's pharma sector is now trying to reinvent itself and move forward from its long standing dependence on export of generics towards enabling the industry to become an end-to-end drug manufacturer. This includes a parallel thrust on localizing API and bulk drug manufacturing. The Indian government has set up a production linked incentive ("**PLI**") package focusing on APIs and the API Parks scheme to boost competitiveness of India's manufacturing and promote domestic manufacturing of critical intermediates and APIs.

In March 2020, the government approved INR 10,000 Crore PLI scheme to reduce India's dependence on China for raw materials and produce crucial antibiotics, anti-HIV drugs, vitamins and drugs for cardiovascular diseases locally. The government is expected to provide INR 10 Crore (~US$1.4 million) each to domestic companies for setting up plants to produce 41 products covering 53 crucial APIs. The government is expected to incentivize API companies which manufacture products with complete backward integration and supply only to the domestic formulation manufacturers. The government has notified a scheme to promote bulk drug parks where for selected parks, a financial assistance ranging between 70-90% of the project cost of common infrastructure facilities will be funded. In May 2021, the government issued revised guidelines for the PLI scheme. The new PLI scheme is expected to boost the existing brownfield API units in India and will bring first priority 20 molecules to be produced with scale, thereby, decreasing dependency on China. The Union cabinet cleared the new PLI scheme for the domestic pharmaceutical sector for financial years 2021 to 2029. Around INR 15,000 crore of incentives is envisaged to be provided under the scheme. Through this scheme, the government expects total incremental sales of INR 2.94 trillion and incremental exports of INR 1.96 trillion during the six years.

India is on par with other countries when it comes to technological capabilities and process efficiency. The presence of strong chemical industry, skilled workforce and high quality manufacturing standards are an added advantage to the country's growth. Some of the attributes which act as bottle-necks hindering the growth trajectory of India include inadequate infrastructure utilities, R&D support, lack of large-scale fermentation capacity, low availability of feedstock and KSMs, stringent price control and related margin pressures, delays in land acquisition and environmental clearances.

Pricing Policies – India

The Ayushman Bharat Yojana (a centrally sponsored National Health Protection programme) is estimated to benefit 10 Crore (100 million) vulnerable families (about 50 Crore (500 million) beneficiaries or about 40% of India's population). It will provide affordable access to healthcare facilities, while also improving health insurance penetration in poorer households. This is an opportunity for the industry to help India's underserved masses with affordable drugs.

Additionally, with the transition of disease burden in India towards chronic diseases, there is an increased demand for specialized drugs which are currently more expensive than drugs for acute diseases in India. The industry is well placed to address this need through affordable, high quality drugs for chronic diseases.

There are currently 376 drugs placed under the most recent National List of Essential Medicines ("**NLEM**") 2015. To make medicines affordable, all drugs listed under NLEM have been given a fixed ceiling price according to the Drug Price Control Order (DPCO) and their prices are regulated by the National Pharmaceutical Pricing Authority ("**NPPA**"). The price control in many cases adversely impacts the bulk drug industry as it doesn't allow an increase in selling price linked to the rising cost of raw materials. Most pharmaceutical companies hence, look at importing cheaper raw materials, to protect their margins – resulting in gradual erosion of domestic bulk drug manufacturing capacity.

Quality is paramount for the Indian pharmaceutical industry. As the industry expands in different geographies there has been increased concern over the quality of imported drugs globally; thereby leading to an increased scrutiny by the regulatory bodies on quality norms and compliance. Thus, Indian companies are investing significantly in current good manufacturing practices ("**cGMP**") by upgrading their facilities with process automation, high quality equipment and investments in training and up skilling their employees.

Regulatory Scenario – United States

APIs are subject to the adulteration provisions of Section 501(a)(2)(B) of the Federal Food, Drug, and Cosmetic Act, which requires all drugs to be manufactured in line with the cGMP. The USFDA expects API manufacturers to apply cGMPs to the API process beginning with the use of starting materials and to validate critical process steps that impact the quality and purity of the final API. Controls over material quality are expected to increase as the process approaches the final API. The level of control needed is highly dependent on the manufacturing process and increases throughout the process as it proceeds from early intermediate steps to final isolation and purification steps.

The appropriate level of control depends on the risk or criticality associated with each specific process step. API manufacturers must register and APIs in commercial distribution must be listed under section 510(g) of the Act unless exempted under 21 CFR 207.10. Foreign drug manufacturers are also required to register and list all drugs imported or offered for import into the United States.

The USFDA has been investigating the presence of nitrosamine impurities in certain drug products since 2018. The USFDA is concerned about exposure to nitrosamine impurities above acceptable levels over long periods of time, which may increase the risk of cancer. The USFDA's earlier investigations led to industry-wide recalls of valsartan and other "sartan" (losartan, irbesartan) angiotensin II receptor blockers (ARBs). More recently, the nitrosamine impurities findings have been extended to ranitidine, nizatidine, and metformin, leading to recalls of these drug products. In April 2020, the USFDA requested that manufacturers to remove all prescription and over-the-counter (OTC) ranitidine products (commonly known by its brand name, Zantac) from the market.

The USFDA recommends that API manufacturers prioritize evaluating their APIs based on factors such as maximum daily dose, duration of treatment, therapeutic indication, and number of patients treated. API manufacturers are expected to perform confirmatory testing with suitable analytical methods when there is any risk for the presence of nitrosamine impurities. API manufacturers should also implement changes in the manufacturing process to reduce or prevent nitrosamine impurities. The Guidance recommends a list of actions, including optimizing the design of the manufacturing process for APIs during route of synthesis (ROS) development, auditing supply chains and monitoring them for any at-risk raw materials, starting materials and intermediates and developing an appropriate control strategy.

The GDUFA II 2021 user fee rates for a domestic API facility is US$41,671 and that for a foreign API facility is US$56,671. The ANDA filing fee is US$196,868 and the DMF filing fee is US$69,921. The user fees for a program of large size (20 or more approved ANDAs) is US$1,542,993, while that for a program of medium size (between 6 to 19 approved ANDAs) is US$617,197.

Pricing Policies – United States

In the past few years, policymakers in the United States have introduced several proposals to reduce prescription drug costs in efforts to respond to ongoing concerns about high and ever rising drug prices but these attempts have largely failed. Although pricing pressure has resulted in transparency on price hikes and general margin compression, especially in the generic sector, the current transparency laws are insufficient to reveal true transaction prices. Also, the COVID-19 pandemic has further worsened the situation as legislation has stalled and the use of prescription drugs has increased which resulted in the rise in price of prescription drugs.

The percentage of people with health insurance coverage in 2019 was 92% with private health insurance coverage (68% of the population) more prevalent than the public insurance (34.1% of the population). This can be attributed to the presence of a large number of insurance companies offering health and life products. Also, the Affordable Care Act in the US makes it mandatory to have coverage.

Americans pay an average of US$1,200 per person per year on prescription drugs. While private insurers and government programs bear the biggest portion of the cost, high drug costs are eventually passed on to members through the rising premiums they pay for their insurance policies and the taxes they pay to the government. As for OTC drugs, although by definition a prescription is not required to purchase these medications, some of them are covered by insurance if they are prescribed by a physician.

Regulatory Scenario – United Kingdom

The Medicines and Healthcare products Regulatory Agency ("**MHRA**") requires the manufacturers supplying APIs to the UK to be compliant with the good manufacturing and distribution practices ("**GMP**"). All the drug approval process needs to be supported by evidence of effective GMP compliance of the API manufacturing site(s). Auditing of the API manufacturing site would be conducted once every three years to confirm the GMP status of the site.

The MHRA released a temporary guideline on good manufacturing practice flexibilities for medicine manufacturers during the pandemic. Such flexibilities help manufacturers release additional quality system capacity to focus efforts on ensuring continuity of supply using quality risk management principles and address specific hardships created by global travel restrictions. As released by the MHRA, raw material re-testing may not be carried out if the batch has been fully tested in a Pharmaceutical Inspection Co-operation Scheme (PIC/S) country. Furthermore, products may be shipped from a manufacturing site to another under quarantine whilst quality control tests and batch certification at the manufacturer are ongoing. However, the product should not be placed on the market until it has been QP certified.

Pricing Policies – United Kingdom

European countries have pushed drug prices down using a "Reference Pricing" system which has led to significant savings ranging from 7% to 24%. Reference pricing system groups drugs with identical or similar therapeutic effects into classes, whereby the insurer pays only the reference price, for any drug in a class. Setting a low reference price puts pressure on drug manufacturers to reduce prices for drugs as consumers would switch to lower-cost products. Countries set the reference price in different ways; for example the UK and Italy set the reference price at the lowest-price drug in the class; while Germany and Spain use an average price across drugs, but Spain uses an average of only the lowest-priced products that account for at least 20% of the class's market..

Regulatory Scenario – Europe

The EU mandates all imported active substances to be manufactured in compliance with the standards of GMP (ICHQ7A) and distributed under GDP. There is a mandate issued by the EU on obtaining written confirmation on the compliance and quality standards for each site for each API and not per batch or consignment.

Local API manufacturing in Europe has remained stagnant. Though the number of active CEPs has grown from 589 to around 3,800 between 2000 and 2020, these numbers are largely driven by the Asian manufacturers. In 2000, around 59% of the 589 CEPs used in Germany originated in Europe while, 31% originated from Asia. On the contrary, in 2020, around 63% of the 3,786 CEPs were from Asia, while 33% were from Europe. According to EDQM, there have been a total of 459 manufacturers registered in Asia, with China and India holding 80% of Asia's CEPs.

Pricing Policies – Europe

The European countries offer universal coverage and provide basic healthcare free of cost or through co-payments to the population. The public health expenditure in Europe currently captures around 2/3 of the total healthcare expenditure. The EU5 countries spend around 1.6% of their GDP on pharmaceuticals. European countries do a rational selection of medicines funded out of public sources via formulary listing of medicines which has a small component of co-payment. In most of the European countries, governments control the market access and/or pricing of the pharmaceuticals using direct price control, indirect price control or utilization control or a mix of all the three. All European countries use external reference pricing in order to derive the benchmark price.

Regulatory Scenario – Brazil

Brazil has developed a dynamic and complex health system based on the principle of access to health as a fundamental right of every person and a duty of the state. Although all Brazilian citizens have the right to access the public healthcare system, they also purchase a private healthcare plan. Around 22% of the Brazilian population has access to private healthcare plans due to its high cost, and 67% of those plans are derived from employers.

In April 2020, Brazil's ANVISA published new landmark regulations referring to APIs. This new set of rules consists of three separate guidelines for local pharmaceutical segment stakeholders, known as "RDCs". The paradigm shift embedded in the landmark new regulatory framework is expected to bring about a much-anticipated direct interaction between the authority and the DMF holder/API manufacturer. In addition, it is expected to streamline the process for subsequent petitions using any given prior-reviewed DMF.

Pricing Policies – Brazil

The drug price increases are limited by Câmara de Regulação do Mercado de Medicamentos (CMED), an arm of Brazil's health regulatory body known as ANVISA. The price controls were eased for some OTC drugs in Brazil, but discounts were largely maintained, which highlights that the market is competitive enough to keep prices down. Sindusfarma (Brazilian Pharmaceutical Body) is pushing for several key changes including relaxed price controls, the elimination of taxes on the production of medicines and less red tape around drug approvals. When it comes to APIs, the government is expected to begin providing incentives to bolster local production by the end of 2021. The incentives could be tied to building new production facilities for APIs and are being discussed alongside the issue of lowering or streamlining taxes. Although no new regulations have emerged yet, discussions are underway.

Regulatory Scenario – Russia

The COVID-19 pandemic has impacted every industry, causing global economic changes and consequently, extensive legislative amendments.

Healthcare in Russia is free to all residents through a compulsory state health insurance program. However, the public healthcare system has faced much criticism due to poor organizational structure, lack of government funds, outdated medical equipment, and poorly paid staff. As a result of this, many expats in Russia choose private medical treatment.

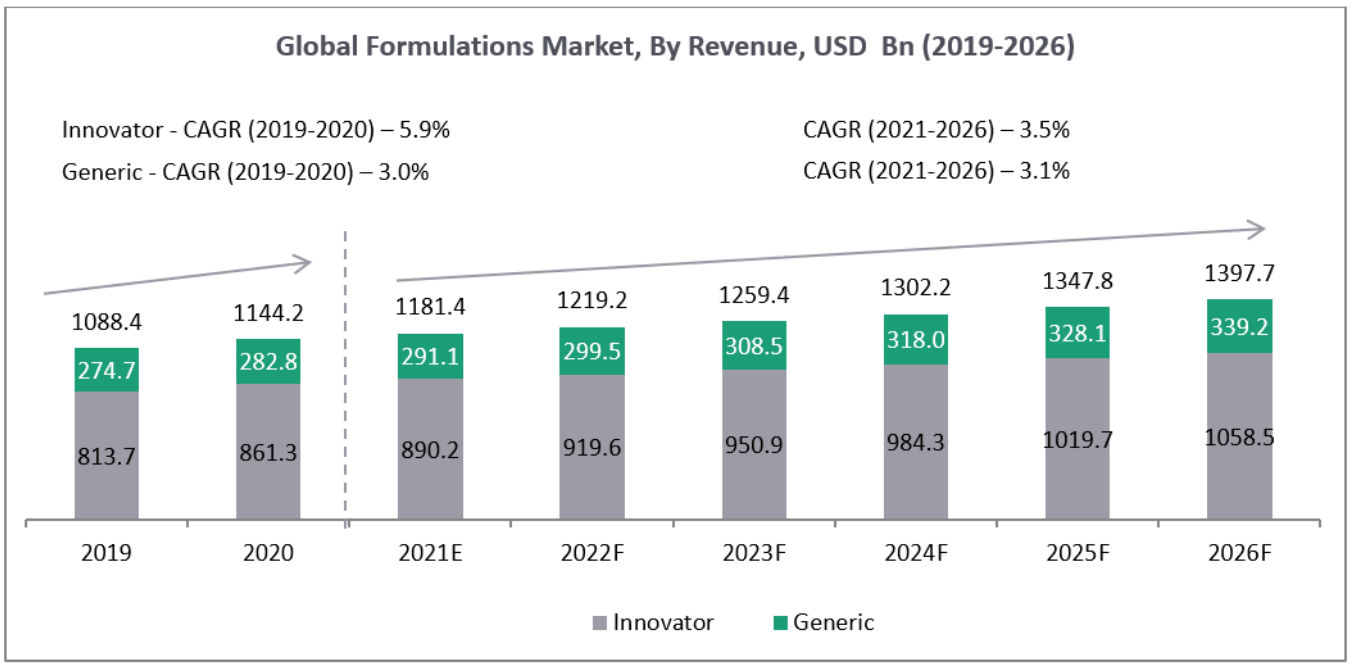
Russia 2020 pharma strategy's goals was to support the healthcare system with all essential and vital drugs produced domestically, with the aim of reaching the local industry's share of total drug sales to 50%, including medications for rare diseases. The other objectives of the strategy were to increase the competitiveness of the domestic pharma industry through harmonization of Russian standards with international standards, support the development and production of innovative drugs, increase the export of Russian drugs in the international market, develop quality certification process as well as increase quality control for drugs and simplify the registration process by erasing superfluous administrative milestones. However, due to COVID-19 pandemic and other factors, the country's 2020 plan has now been extended to be achieved by 2030.

Pricing Policies – Russia

In March 2020, the Russian Government was provided the right to set maximum selling prices (both wholesale and retail increments) for drugs. This move is expected to allow the Russian Government to regulate the prices in case of any threat of spread of diseases or during any emergency situations where a sudden increase in drug prices is observed in less than 30 days period. The maximum selling price set by the Government would only be applicable for 90 days till the situation improvises. The amendments' aim is to limit the price increase for drugs during the pandemic situation.

Overview of Global Formulations Market

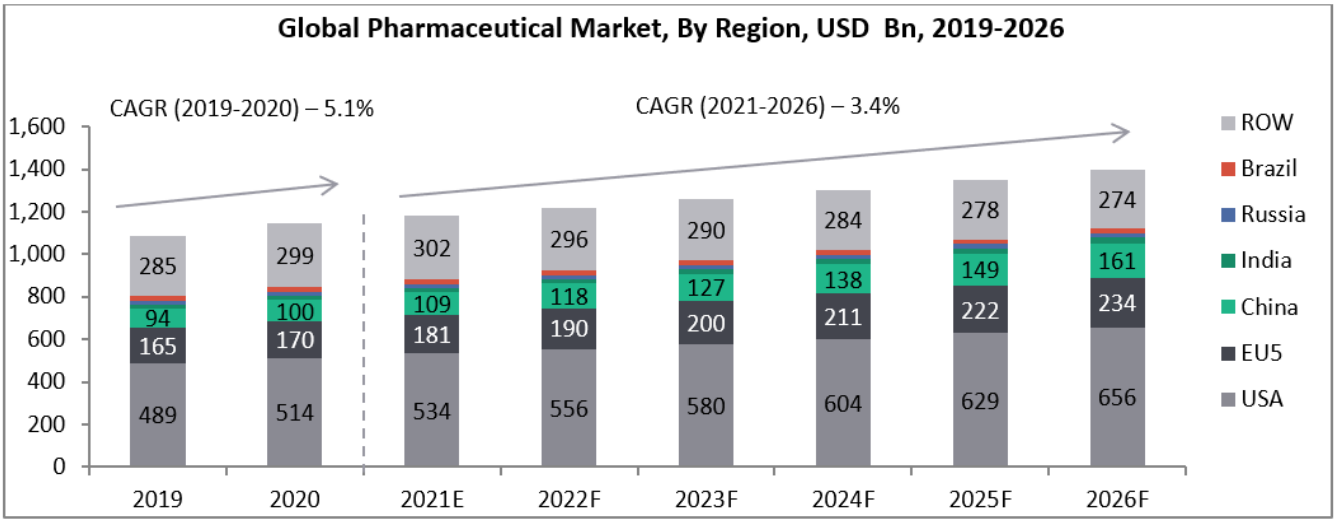
The global pharmaceutical industry is rapidly transforming across all value chains from manufacturers, providers and patients. The global formulation market was estimated to be around US$1,144 billion in 2020 and is expected to grow at a CAGR (2021–2026) of 3.4% to reach to about US$1,398 billion by 2026. Growth in the market is largely attributed to the launch of novel therapies, expansion of existing therapies, growing demand for generic medicines, biologics and personalized medicines as well as accelerated demand for effective treatments and drugs. In the global market, innovator formulations sales was around US$861.3 billion in 2020 and it is expected to grow at a CAGR of 3.5% from 2021 to 2026 to reach to about US$1,058.5 billion by 2026. Generics, which are around 25% of the current market, will increase from US$282.8 billion in 2020 to about US$339.2 billion in 2026 at a CAGR of 3.1% during the forecast period.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA, Copyright 2021. All rights reserved], Frost & Sullivan Analysis

Market Size and Estimated Growth Rate (2021-2026) – By Region

The United States is the leading country with highest market share of about 45%, followed by the EU5 countries at 15%. In the APAC region, China captured about 8.8% of the total market share in 2020 while other emerging countries like India, Russia and Brazil together captured around 3.7% of the total market share. The total growth of the formulations market in the United States was around 5.2% between 2019 and 2020, while that of India was about 9.3% during the same period. China is expected to have the highest growth rate of about 8.1% between 2021 and 2026 followed by India at 7.1%, Russia at 5.9%, EU5 countries at 5.4%, USA at 4.2%, and Brazil at 2%. While growth in developed markets is expected to slow down in the coming years, emerging markets will play a significant role in the next five years.



	Regions	2019	2020	2021	2022	2023	2024	2025	2026
Market Share by Region (%)	USA	44.9%	44.9%	45.2%	45.6%	46.0%	46.4%	46.7%	46.9%
	EU5	15.1%	14.9%	15.3%	15.6%	15.9%	16.2%	16.5%	16.8%
	China	8.6%	8.8%	9.2%	9.7%	10.1%	10.6%	11.1%	11.5%
	India	1.6%	1.7%	1.6%	1.7%	1.8%	1.8%	1.9%	2.0%
	Russia	1.4%	1.5%	1.4%	1.5%	1.5%	1.5%	1.6%	1.6%
	Brazil	2.2%	2.1%	1.7%	1.7%	1.7%	1.7%	1.6%	1.6%
	ROW	26.1%	26.1%	25.5%	24.3%	23.0%	21.8%	20.7%	19.6%

Source: IQVIA, MIDAS Database, MAT Mar 2021[IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

During the forecast period (2021-2026), the United States with a revenue share of 45% in 2020 is expected to show a strong CAGR of 4.2% and Russia is expected to have a growth rate of around 5.9%, while EU5 and China are expected to show growth of 5.4% and 8.1%, respectively.

Global Pharmaceutical Market, By Region, CAGR (%)

Global Pharmaceutical Market	CAGR (2019-2020)	CAGR (2021-2026)
US	5.2%	4.2%
EU5	3.4%	5.4%
China	6.5%	8.1%
India	9.3%	7.1%
Russia	17.4%	5.9%
Brazil	2.6%	2.0%
ROW	4.9%	-1.9%

Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

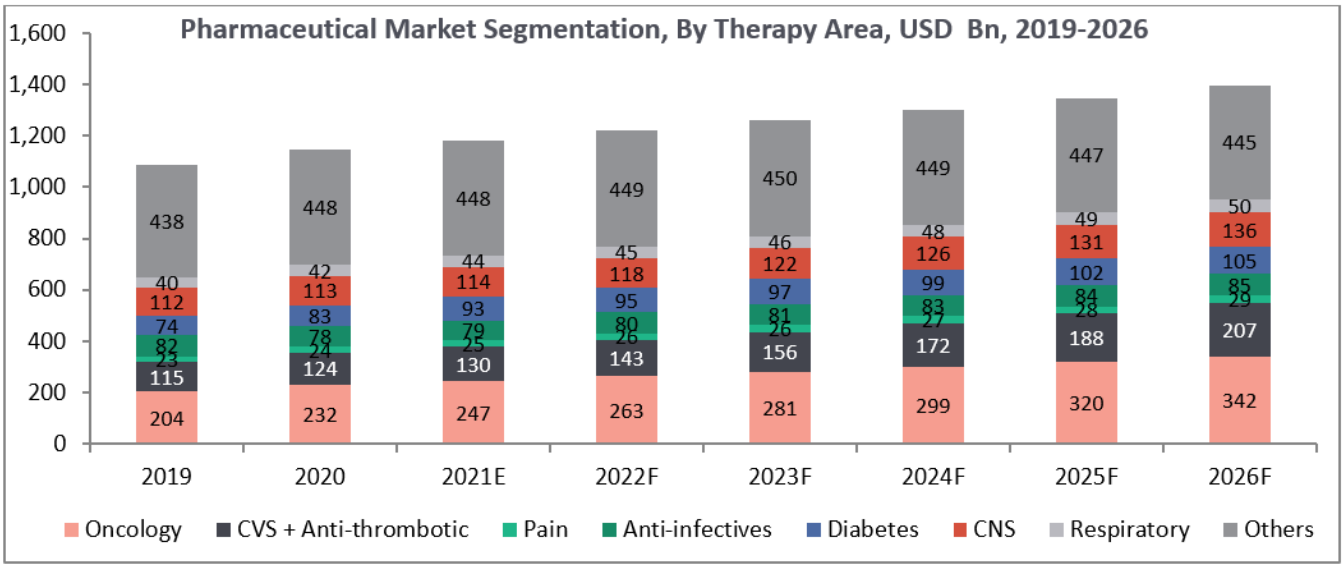
During the historic period (2019-2020), developed markets like the United States and EU5 displayed a CAGR of 5.2% and 3.4%, respectively. From 2021 to 2026, the United States and EU5 are expected to grow at a CAGR of 4.2% and 5.4%, respectively. India is expected to show a higher growth rate of 7.1% during the forecast period.

By 2026, the United States will retain the lead with 47% of the global pharmaceutical market share. Pharmerging regions would have varying shares in the global pharmaceutical market. In the global market, EU5 countries (17%) hold the top position after the United States, while China and India are expected to have around 11.5% and 2% market share, respectively.

Market Size and Estimated Growth Rate (2021-2026) – By Therapy Areas

The key therapy areas evaluated in this section include oncology, CNS, anti-infectives, CVS (including anti-thrombotics), diabetes, respiratory disorders and pain. These seven therapy area segments captured about 60.8% of the total formulations market in 2020 and are estimated to capture about 68.2% of the total formulations market by 2026. Global oncology market is the largest therapy market contributing to ~20.3% of the total formulations market in 2020 followed by CVS (including anti-thrombotics) capturing about 10.8% of the total market share. The other therapy area segments like CNS, diabetes and anti-infectives captured about 9.9%, 6.3%, and 6.8% of the total market shares, respectively in 2020.

Between 2019 and 2020, oncology therapy area and diabetes grew at about 13.8% and 12.3%, respectively. Anti-infectives market saw a decelerated growth rate of about -4.9% between 2019 and 2020; while pain and CVS (including anti-thrombotics), and respiratory segments had moderate growth rates of about 5.5%, 7.1% and 4.7% during the same period, attributed by the COVID-19 lockdown, supply chain disruptions as well as loss of patent and launch of generics. CNS therapy area had a slow growth rate of about 0.7% between 2019 and 2020; however, with rising incidence of neurological disorders and increasing number of drug launches observed, this segment is expected to grow at about 3.5% between 2021 and 2026.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

	Therapy Area	2019	2020	2021	2022	2023	2024	2025	2026
Market Share by Therapy Area (%)	*Oncology*	18.7%	20.3%	20.9%	21.6%	22.3%	23.0%	23.7%	24.5%
	CVS + Anti-thrombotics	10.6%	10.8%	11.0%	11.7%	12.4%	13.2%	14.0%	14.8%
	Pain	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.0%
	Anti-infectives	7.5%	6.8%	6.7%	6.6%	6.5%	6.3%	6.2%	6.1%
	Diabetes	6.8%	7.3%	7.9%	7.8%	7.7%	7.6%	7.6%	7.5%
	CNS	10.3%	9.9%	9.7%	9.7%	9.7%	9.7%	9.7%	9.7%
	Respiratory	3.7%	3.7%	3.8%	3.7%	3.7%	3.6%	3.6%	3.6%
	Others	40.2%	39.2%	37.9%	36.9%	35.7%	34.5%	33.1%	31.8%

In 2020, the market for the seven therapy areas (oncology, anti-infectives, pain, diabetes, CVS + anti-thrombotics, CNS and respiratory) was worth US$696.1 billion.

- The oncology market had a share of ~20%, and is the largest therapy market. It is driven by the increasing cancer incidence worldwide due to the alarming environmental changes and adoption of a sedentary lifestyle, as well as the rising awareness amongst population. Improved access to cancer care including, cancer prevention, screening, treatment, and follow-up care are also some of the major factors contributing to the growth of the oncology therapy

market. New targeted therapies for cancer are currently the focus of many anticancer drug developments and will further drive the growth of the market in the coming years.

- CVS, including anti-thrombotics, therapy area is the next biggest therapy area with a market share of 10.8% in 2020.

  With respect to CVS therapy area, increase in incidence rate of cardiovascular diseases, owing to changing demographics and rise in prevalence of stroke, diabetes, and hypertension is expected to drive the antihypertensive drugs market. Rise in aging population globally is projected to drive the global antihypertensive drugs market during the forecast period. The anti-thrombotic market captured about 4.6% of the total market in 2020 and is expected to continue growing at about 9.7% over the next five years.

- CNS therapy area is the next biggest therapy area with a market share of 9.9% in 2020. According to the World Health Organization (WHO), around 1.2 million adult-onset brain disorders diagnosed are due to Alzheimer disease. Additionally, over 60,000 people are diagnosed with Parkinson's disease every year in the United States. The increasing prevalence of neurological disorders is expected to boost the adoption of advanced central nervous system treatment solutions during the forecast period. Moreover, availability of advanced healthcare facilities is expected to contribute to the global central nervous system treatment market in the forthcoming years. Among all the regions, North America is expected to remain dominant and hold the highest position in the global central nervous system treatment market during the forecast period. This dominance is attributable to the growing pharmaceutical sector that supports the adoption of advanced central nervous system treatment solutions in the region.

- Diabetes is next in line with its 2020 market shares at 7.3%. The markets for diabetes and CVS therapy area (discussed above) are expected to grow over the coming years, driven by the rising incidence of obesity, sedentary lifestyle, poor eating habits and rising geriatric population.

  As per the International Diabetes Federation (IDF), diabetes prevalence was 463 million in 2019 and is anticipated to reach to about 578 million by 2030. Diabetes is one of the major health issues affecting about half a billion people across the globe. Treatment with a single anti-diabetic drug is insufficient. Availability of combination drug treatment with anti-diabetic agents such as sulphonylureas, DPP-IV and GLP-1 increase the overall effectiveness of the therapy. Thus, development of new drugs and combination therapies will positively impact the diabetes therapy area growth over the forecast period.

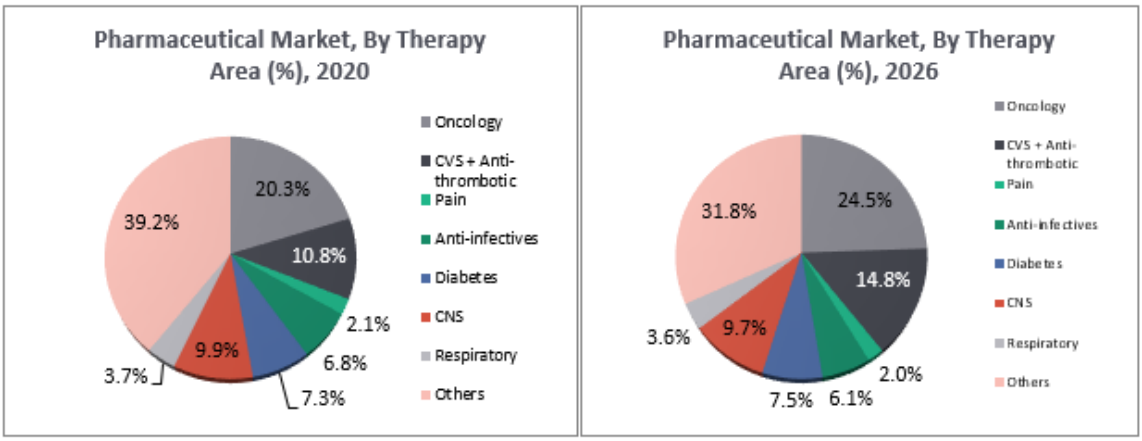
- Anti-infectives captured about 6.8% of the market share in 2020 and this segment is expected to have a slow growth rate of about 1.5% in the next five years. Over the past two decades, the incidence rate of infections and anti-microbial resistance has grown significantly, particularly across the low and middle income countries. There are a large number of companies well-established in the market with their products in the form of antifungals, antibiotics, anti-protozoans and antivirals targeting cytochrome, interleukin, interferons etc. The primary driving factor for the growth of the market is increasing burden of several infectious diseases across developed and emerging markets such as different forms of influenza, diarrhea, hepatitis, and urinary tract infections, among others, which needs more attention from pharmaceutical and biotechnology companies. Moreover, there has been a significant growth in the number of multidrug-resistant organisms across several parts of the world, which further increases the importance of innovation in the anti-infective agents.

- Pain therapy market had a market share of 2.1% in 2020 and is expected to grow at about 2.4% from 2021 to 2026. According to the estimates by the American Academy of Pain Medicine, over 100 million Americans suffer from chronic pain every year. With the growing aging population, the demand for pain relief solutions for chronic pain is increasing. The over the counter (OTC) analgesics market is expected to grow owing to the rising demand for topical analgesics and fast disintegrating tablets. Other key factors driving the market growth include rising incidence of chronic pain and musculoskeletal injuries and disorders.

Global Pharmaceutical Market, Therapy Area, CAGR (%)

Therapy Area	CAGR (2019-2020)	CAGR (2021-2026)
Oncology	13.8%	6.7%
Pain	5.5%	2.4%
Diabetes	12.3%	2.4%
CVS + Anti-thrombotics	7.1%	9.7%
CNS	0.7%	3.5%
Respiratory	4.7%	2.4%
Anti-infectives	-4.9%	1.5%

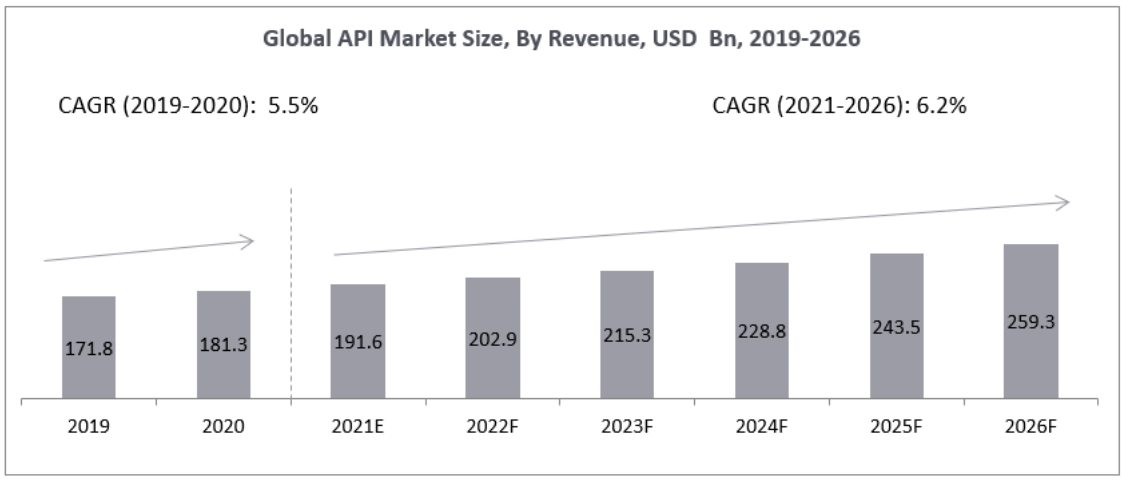
Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

Overview of Global API Market

The global API market was estimated to be around US$181.3 billion in 2020 and is expected to grow at a CAGR of 6.2% to reach to about US$259.3 billion by 2026. The market is likely to exhibit a positive outlook with the growing trend towards the development of innovative therapeutic drugs by various pharmaceutical and biotechnology companies. The rising prevalence of chronic disorders, increasing demand for personalized medicine and emergence of novel drug delivery devices are some of the key factors expected to drive the API market over the next five years.



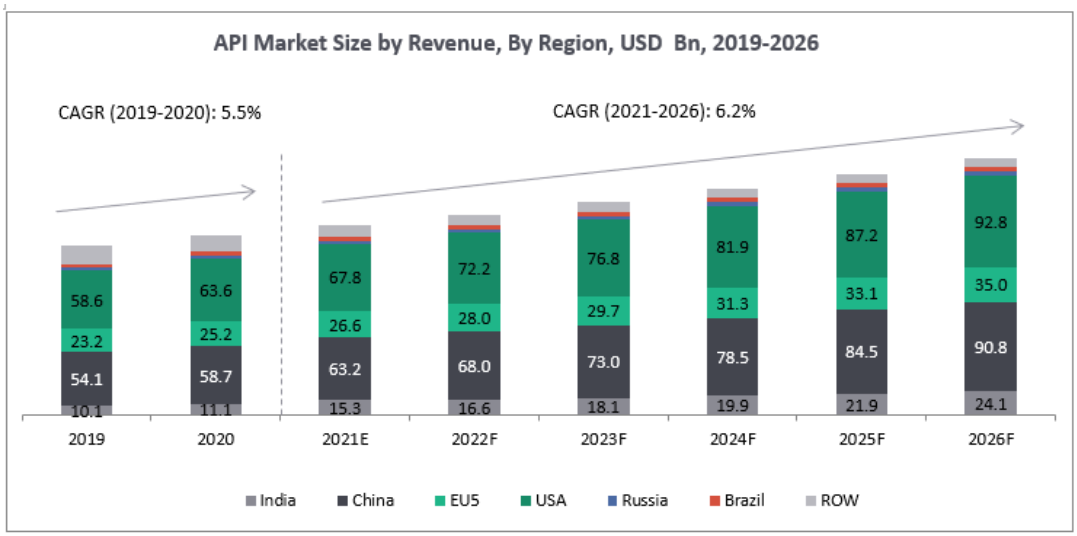
Source: Frost & Sullivan Analysis

Market Size and Estimated Growth Rate (2021-2026) – By Region

The United States captured the highest market share (from consumption point of view) of about 35% in 2020 and is expected to grow by about 6.5% between 2021 and 2026. This is followed by China with about 32% of the total market share with an estimated growth rate of about 7.5% during the same period. These two countries are followed by EU5 with about 14% market share in the global API industry. India currently holds about 6% of the market share with an estimated market size of about US$11 billion in 2020; however, India is expected to have the highest growth rate of about 9.6% in the next five years owing to the Government investments in setting up bulk drug parks encouraging self-sustainability of the Indian API industry.

As the pharmaceutical industry is moving ahead, various countries have implemented stringent regulations on developing high quality APIs, thus enhancing the potential clinical effectiveness of the final product and at the same time maintain the environmental safety standards. This mandate will further increase the overhead costs of in-house API manufacturing. Thus, many companies are outsourcing API manufacturing and APAC region has witnessed tremendous growth in API manufacturing due to its cost-effectiveness.

Currently, a large number of manufacturers have their robust footprints in China and India which is propelling many biopharmaceutical industries to seek partnerships with CDMOs. These possess the technical know-how and capabilities for large-scale manufacturing, which is anticipated to upsurge the market growth of APIs during the forecast period.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Newport, Frost & Sullivan Analysis

	Regions	2019	2020	2021	2022	2023	2024	2025	2026
Market Share by Region (%)	*India*	5.9%	6.1%	8.0%	8.2%	8.4%	8.7%	9.0%	9.3%
	China	31.5%	32.4%	33.0%	33.5%	33.9%	34.3%	34.7%	35.0%
	EU5	13.5%	13.9%	13.9%	13.8%	13.8%	13.7%	13.6%	13.5%
	USA	34.1%	35.1%	35.4%	35.6%	35.7%	35.8%	35.8%	35.8%
	Russia	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%
	Brazil	2.1%	2.0%	2.0%	1.9%	1.8%	1.7%	1.6%	1.6%
	ROW	11.2%	8.8%	6.0%	5.3%	4.7%	4.1%	3.6%	3.1%

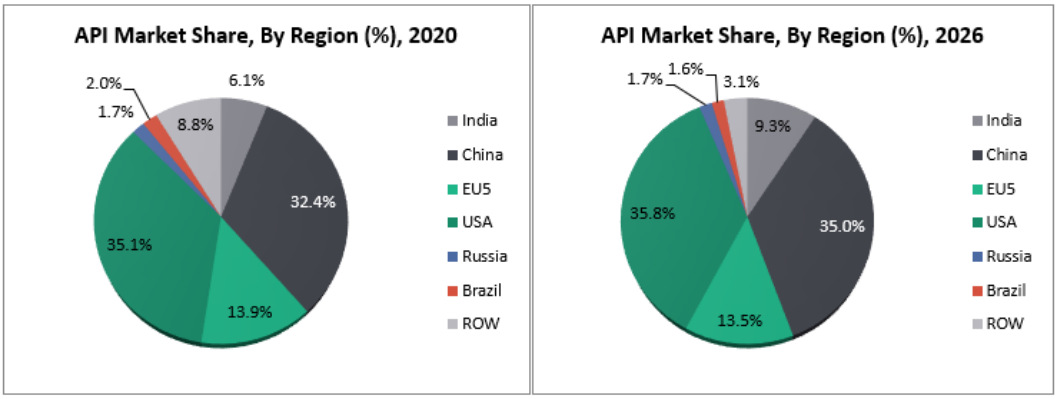
The table below shows CAGR of each region for historic and forecast period. The global API market grew at a CAGR of 5.5% during the historic period and is expected to grow at a CAGR of 6.2% in the next five years. From 2021 to 2026, India, China and USA are expected to show highest growth rates of about 9.5%, 7.5% and 6.5%, respectively. EU5 countries and Russia are also expected to show a healthy growth rate of about 5.6% and 6.2%, respectively, over the next five years.

Global API Market CAGR (%), By Region

Global API	CAGR (2019-2020)	CAGR (2021-2026)
India	9.1%	9.5%
China	8.5%	7.5%
EU5	8.6%	5.6%
USA	8.6%	6.5%
Russia	5.5%	6.2%
Brazil	0.5%	1.6%
Others	-17.1%	-6.9%

Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

The Indian API market has shown steady growth of 9.1% since financial year 2019 and is expected to further grow owing to an increased focus on newer geographies in the global pharmaceutical industry, transition to specialty segments and strong domestic demand.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

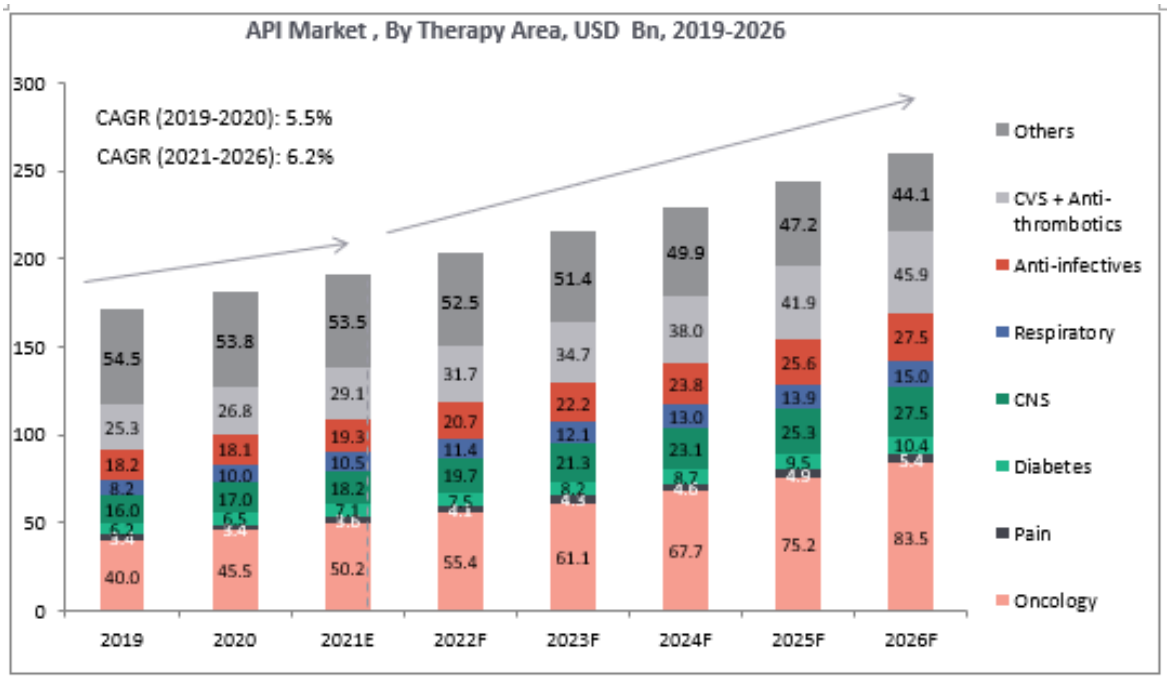
By 2026, the United States will retain the largest market share of about 35% of the global API market. Pharmemerging regions would have varying shares in the global API market. In the global market, China would hold the top position after the United States, with 35% market share, while Europe, India and other RoW countries are expected to hold around 13.5%, 9.3% and 3.1% market shares, respectively by 2026.

The North American API market is anticipated to hold major share of the global market followed by the European region through the forecast period. Many CMOs present in manufacturing of APIs and the mounting need to advance generic drugs are likely to spur the market growth.

The Asia Pacific API market is evaluated to be the fastest growing market as India, China and South Korea are developing as main hubs for outsourcing drug manufacturing.

Market Size and Estimated Growth Rate (2021-2026) – By Therapy Areas

The oncology therapy area had the highest revenue share of about 25%, followed by the anti-infectives (anti-bacterials, anti-virals, anti-fungals) therapy area segment with 10% share, CNS with 9% market share and CVS and anti-thrombotics with 15% market share from consumption point of view.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

	Therapy	2019	2020	2021	2022	2023	2024	2025	2026
Market Share by Revenue (%)	*Oncology*	23.3%	25.1%	26.2%	27.3%	28.4%	29.6%	30.9%	32.2%
	Pain	2.0%	1.9%	1.9%	2.0%	2.0%	2.0%	2.0%	2.1%
	Diabetes	3.6%	3.6%	3.7%	3.7%	3.8%	3.8%	3.9%	4.0%
	CNS	9.3%	9.4%	9.5%	9.7%	9.9%	10.1%	10.4%	10.6%
	Respiratory	4.8%	5.5%	5.5%	5.6%	5.6%	5.7%	5.7%	5.8%
	Anti-infectives	10.6%	10.0%	10.1%	10.2%	10.3%	10.4%	10.5%	10.6%
	CVS + Anti-thrombotics	14.7%	14.8%	15.2%	15.6%	16.1%	16.6%	17.2%	17.7%
	Others	31.7%	29.8%	27.9%	26.0%	23.9%	21.7%	19.4%	17.1%

Key Trends

1. *The pharmaceutical market is growing because of the aging population and an increase in global access to treatment. Financial and efficiency incentives are driving the pharma industry where a large share of the API production is being outsourced, both for generic and innovative drugs.*

2. *Rising prevalence of chronic and lifestyle diseases and changing demographic mix – The population above 65 years constitutes a large percentage of the total global population. Individuals in this group (baby boomers) typically have at least one chronic disorder such as cardiovascular diseases, diabetes, cancer and other chronic conditions, which creates pressure on the healthcare system to look for cost-effective options in the form of affordable, high-quality generic drugs. The prevalence of chronic diseases has drastically increased in the last few years compared to acute therapies leading to a shift in focus from lower-cost commoditized therapies to higher value non-commodity drugs which are usually orally administered allowing the healthcare system to handle an increasing patient pool effectively while also managing overall treatment costs.*

3. *The newest generation of APIs is extremely complex, such as peptides, high potency API, oligonucleotides, and sterile API. Thus, the R&D and certification processes are expected to become longer and more complicated.*

4. *50% of the global supply of API's are produced in Asia and this trend is expected to grow at a faster pace than the overall pace of market growth. A multitude of small producers, specializing in manufacturing niche segments of API have led to intense competition despite growing market.*

5. *The rising volume of API production from Asia has also led to issues related to quality assurance and compliance to standards. This trend has led to increased regulatory demands from the United States, European and Japanese authorities.*

The Indian API Industry

Introduction

The Indian API industry is on a high growth trajectory over the past few decades. It has contributed significantly to the global generics market fulfilling 20% of the global demand in generics in terms of volume, making India the largest provider of generic medicines globally. Currently, India has highest number of USFDA-approved plants outside of the United States as well as 44% of global abbreviated new drug applications (ANDA).

Also, ranked third in the world, the Indian bulk drug industry has grown at a CAGR of around 9% over 2016–2020. It is further expected to expand and grow at a CAGR of around 9.6% during 2021–2026, signifying its future potential and evolving global importance.

However, over the last decade, India has observed increased dependency on imports of many KSMs, intermediates and APIs. The import of APIs has risen at a CAGR of 8.3% from 2012 to 2019 and the bulk drug import reached a value of INR 249 billion (US$3.43 billion) in 2019. The increasing import dependency can be attributed primarily to the availability of low cost API imports from other countries. This has been a cause of major concern for the industry and the Government, as India has seen disruption in supply side during Beijing Olympics (2008), China's "Blue Skies" policy implementation (2018) and COVID-19 (2020).

Currently, India imports nearly 68% of API, by value, from China. The latter is also a single supplier for many of the critical intermediaries and APIs including high-burden disease categories such as cardiovascular diseases (for example, Digoxin and Losartan), diabetes (Metformin and Glimepiride) and tuberculosis (Isoniazid and Streptomycin).

High dependency of intermediates and APIs on a single supplier poses a threat to the nation's health security. The current outbreak of Coronavirus has partially disrupted the supply of KSMs, intermediates and APIs, which has started resulting in supply shortages and higher cost of import in India; however, the situation has normalized as demand for pharmaceutical products has been classified as essential goods.

Competitive advantage of India in the API industry

India has a strong API domestic market. Indian firms have several advantages over their Western rivals, including:

- *India is on par with other countries in terms of technological capabilities and process efficiency.*
- *India has a very high quality and manufacturing standards along with a strong chemical industry and skilled workforce.*
- *Experience in reverse engineering in the manufacturing of generics has aided several businesses in streamlining the process and increasing manufacturing efficiencies.*
- *The costs are very low in India – in reality, they are only two-fifths of what it costs to set up and operate a modern manufacturing plant in the West. Because of the low production and labor costs, companies can operate on considerably lower margins.*
- *Despite the difficulties, the instability in Chinese supplies due to COVID-19 pandemic has caused several major pharmaceutical countries to reconsider and reshuffle their API import sources. In 2020, an estimated 40% of all factories in China have shut down, resulting in supply disruptions and higher costs. As the emerging countries (Middle East, Africa, and Latin America) are pushing for local manufacturing of generics and formulations, India has a great opportunity to become one of the largest API suppliers in the world due to its fairly competitive labor market.*
- *The fact that India has the largest percentage of DMFs filed in the United States (15%) and the highest number of USFDA-approved API facilities is a significant 'first-mover' advantage.*
- *Over the last few years, the government has taken positive measures to change the business environment. It has also taken a number of positive measures for the pharmaceutical industry, including raising the FDI cap and developing a new intellectual property rights (IPR) strategy to encourage innovation. The government is driving the clustering programs and production-linked schemes, illustrating policy resolution. India will be at a better position if these benefits are paired with other financial incentives such as lower interest rates, capital subsidies, tax and duty exemptions, and reduced infrastructure and energy costs. These steps will help in building an encouraging ecosystem and increase competitiveness for domestic manufacturers to achieve cost competitiveness with other countries.*
- *The Indian government has announced a package worth INR 9,940 crore (US$1.4 billion) for the bulk drugs industry in March 2020, in order to improve domestic production and exports. The Cabinet has also approved INR 3,000 crore (US$413 million) to be provided over the next five years to encourage bulk drug parks and finance common infrastructure facilities. The government has also approved a Production Linked Incentive (PLI) scheme worth INR*

6,940 crore (US$955 million) to promote domestic manufacturing of essential KSMs, drug intermediates, and APIs. For a period of six years, qualifying manufacturers of 53 specified essential bulk drugs will receive a financial reward based on incremental sales over the base year (2019-20).

- *Given the effectiveness of high potency API ("**HPAPI**") therapeutic applications in treating various disorders, 10 domestic HPAPIs are likely to gain momentum now and in the post-Covid period. Biotech APIs will also benefit from an increase in biopharmaceuticals, such as vaccines, therapeutics, and diagnostics, as well as bio services. With a large number of synthetic drugs' patents set to expire, a growing number of small molecules in clinical trials, and a steady increase in contract manufacturing and research services, synthetic chemical API will continue to expand in India.*

- *In World Bank's Ease of Doing Business Ranking 2020, India jumped 14 places to reach 63rd rank in 2019 due to reforms on trading across borders. As such India made cross-border trade simpler by allowing post-clearance audits, bringing together trade stakeholders on a single electronic platform, upgrading port infrastructures, and improving electronic document submission.*

- *Wages in China have risen to a level much higher than those in India since 2007, due to a shift in demographics and economic reforms. India's manpower costs are currently lower than China's, and this cost-effective skilled labor supply advantage is expected to continue in the future. The cost of labor in China more than doubled, from 5.2% of the total direct manufacturing cost to 10.6% while in India, it has decreased from 6.1% to 5% (2015 data).*

- *Over the last few decades, the Indian pharmaceutical industry has experienced rapid growth. It has made a major contribution to the global generics industry, meeting 20% of global generics demand in terms of volume, rendering India the world's largest supplier of generic medicines.*

Key success factors

The API supply chain is shaped by changing demand in the pharmaceutical industry, with price and regulatory enforcement being two of the most significant drivers of change. Suppliers use a variety of tactics to attract sales. Some concentrate on low-cost, high-volume manufacturing; while, others focus on the development of non-commoditized, high-value APIs. Suppliers capture the largest share of a highly competitive and ever-changing global market based on their performance and strategies.

- **Cost leadership:** Most API manufacturers use cost to compete, which is becoming more difficult due to the drug pricing pressure on the overall ecosystem. API cost reductions reflect enhancements in production efficiency, procurement and economies of scale. China, for example, is the world leader in API development and export, accounting for roughly 20% of global API production. This is attributed to lower utility costs and increased government funding. Cost leadership is also achieved through backward integration to KSM level, which is extremely critical for high volume, commoditized APIs. Small changes in cost of raw materials can have high impact on margins of such products. In case of non-commoditized APIs, companies have the ability to absorb changes in cost of raw materials to maintain margins.

- **Capital investment required for economies of scale:** India, which is a major producer and exporter of generic drugs, is concerned about China's overdependence. As a result, the Indian government has taken steps to improve domestic demand. In the United States, similar efforts are being considered. This opens up a lot of opportunities for API companies willing to invest in manufacturing capacity in India and the United States.

- **Focus on specialized molecules:** The pharmaceutical industry is becoming more active in high-potency, combination, and specialty products. There is a real opportunity for API companies willing to invest in relevant expertise and capability (particularly containment). The leading industry players use a variety of tactics to dominate the specialty API market, including new product production, alliances, and distribution agreements. As such, European manufacturers have invested in capacity for the development of specialized, often highly potent, APIs to distinguish themselves from low-cost, high-volume suppliers in China and elsewhere in Asia. Furthermore, in order to keep the market substantially consolidated, the major market players in the specialty API market are developing highly creative approaches and business strategies.

- **High quality standards:** Rising demand for scrutiny and traceability to ensure quality has also become crucial in the global API industry. As an example, many are concerned about the industrial methods used in China. Repeated problems with heparin from China, as well as issues with the heart drug, valsartan, have heightened these concerns. Despite the fact that these issues have harmed China's image, the country remains a major supplier, primarily driven by the regulatory reforms that are partially offsetting the damage. In China, a new drug supply monitoring system is being developed, and the implementation of global standards by the Interagency Supply Chain Group in India will further promote more protection and transparency in the future of API supply chains.

Competition Scenario

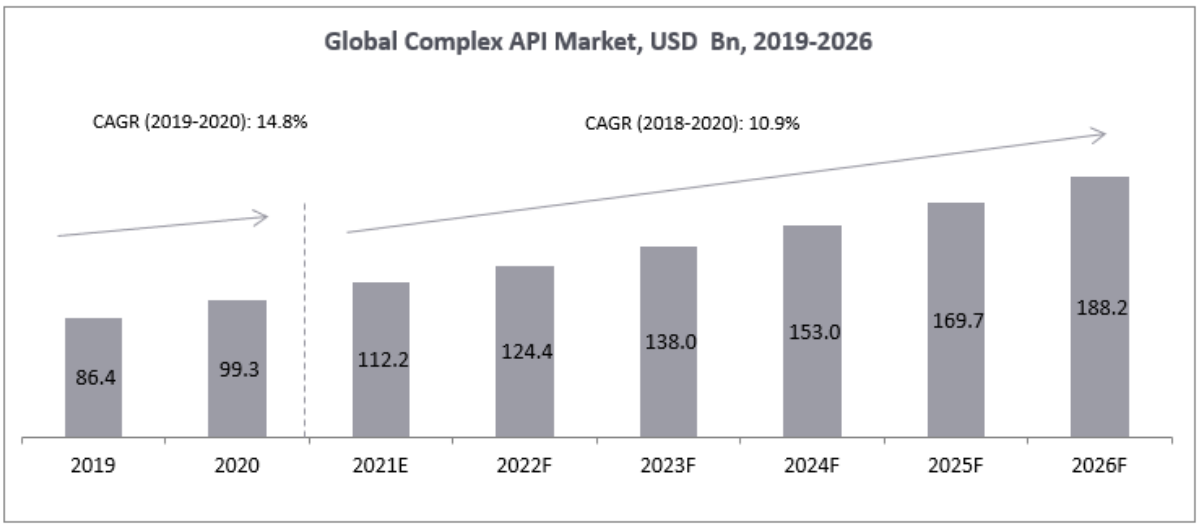
Key players in the global API market include Centrient, AMRI, Midas Pharma, TAPI, Lonza, Wuxi Apptec, Huadong, Nanjing King-friend, Livnoz Pharma, Zhejiang Jiuzhou Pharma and others.

Key players in the Indian API market include Divi's Labs, Suven, Dishman, Jubilant, Laurus Labs, Neuland, Solara, Granules India, Aarti Drugs, Shilpa Medicare and others.

Overview of Global Complex API Market

Drugs such as anti-infectives, diabetes, cardiovascular, analgesics, and pain relief drugs have historically dominated the API market. However, based on R&D trends, the market is moving toward complex APIs used in novel formulations that target niche therapeutic areas.

The global complex API market (oncology, peptides, complex injectables and iron compounds only) has grown at a CAGR of about 14.8% from US$86.4 billion in 2019 to US$99.3 billion in 2020. The market is expected to continue growing from US$112.2 billion in 2021 to US$188 billion by 2026, at a CAGR of 10.9%. Many manufacturers have shown interest in focusing on this segment to avoid high competition and obtain first mover advantage.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

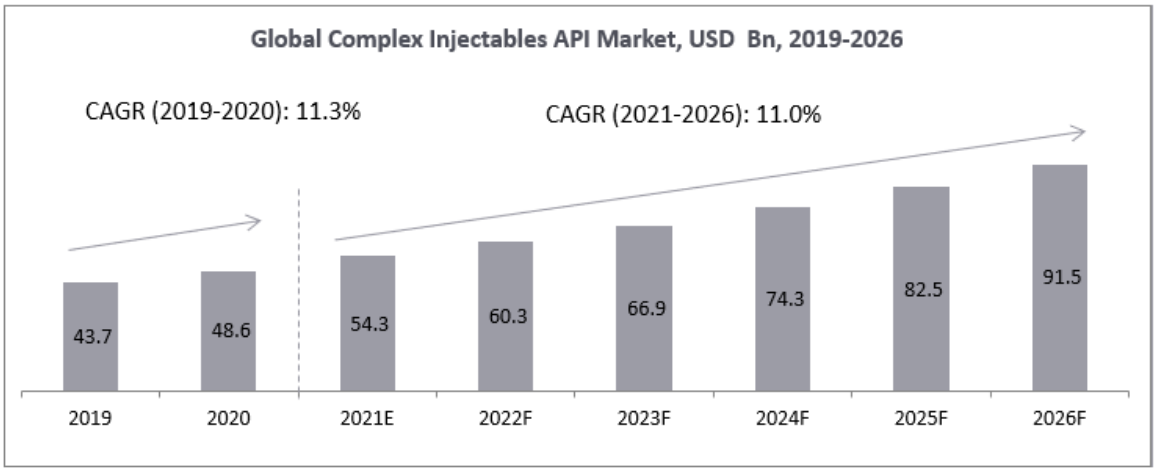
Overview of Global Injectables Market

Injectables are a specialized and niche area within the pharmaceutical industry due to high complexity involved during development and manufacturing. Sterile injectable products have a major role in treating diseases which include anesthesia, critical care, anti-infective, renal care, infusion therapy, enteral & parenteral nutrition and oncology. As life sciences firms have increasingly shifted their focus to therapeutic segments like oncology, biologics have become a larger component of the pharmaceutical industry's development pipeline. Further, novel drug delivery systems that provide targeted therapies are gaining prominence. These two factors, among others, have led to a rapid growth in the injectable technologies market.

Global complex injectables API market size by revenue

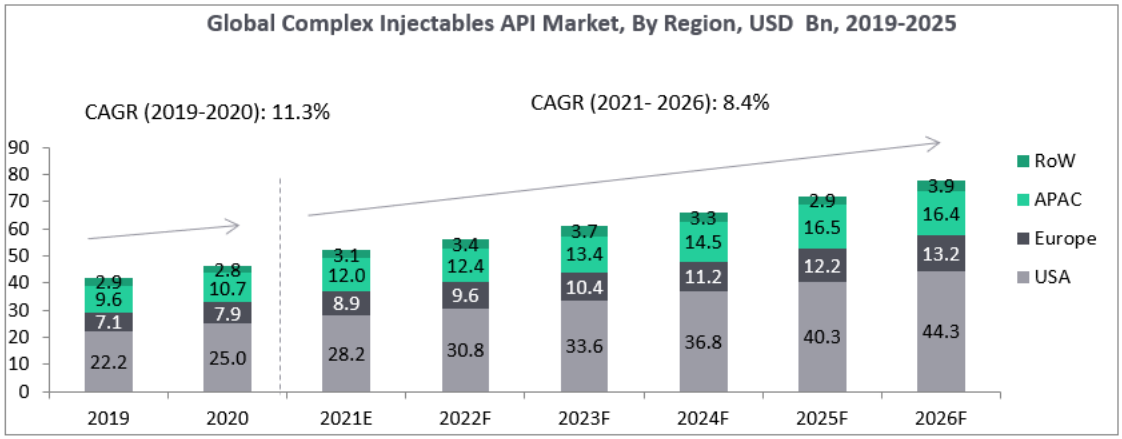
The global complex injectables API market was valued at US$48.6 billion in 2020 and grew by about 11.3% between 2019 and 2020. This segment of the market is expected to grow by about 11% over the next five years to reach to about US$91.5 billion by 2026.

Growth in the market is primarily due to increase in prevalence of chronic disease, adoption of biosimilar products, emergence of newer drug delivery devices, increase in R&D activities on drug delivery forms and accelerating investments in this segment. Additionally, development of pre-filled syringes (PFS) which increases convenience and ease of use, and growing number of partnerships are also driving this market.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

During the forecast period, developed markets like United States, EU5 are expected to grow at a CAGR of 9.4% and 8.4%, respectively. From 2021 to 2026, other regions like APAC and ROW are expected to display a CAGR of 6.4% and 4.5%, respectively.



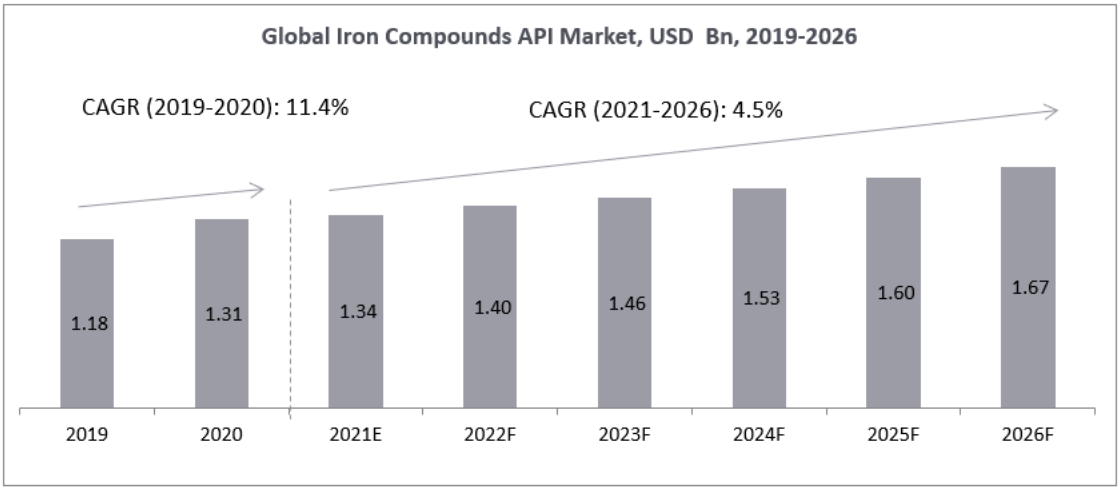
Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

	Region	2019	2020	2021	2022	2023	2024	2025	2026
Market Share by Region (%)	USA	53%	54%	54%	55%	55%	56%	56%	57%
	EU5	17%	17%	17%	17%	17%	17%	17%	17%
	APAC	23%	23%	23%	22%	22%	22%	23%	21%
	RoW	7%	6%	6%	6%	6%	5%	4%	5%

The United States accounted for the largest share of about 54% in 2020 followed by APAC (23%) and Europe (17%). ROW countries constitute only 6% of the global complex injectables API market.

Overview of Iron Compounds Market

The global iron compounds API market was estimated to be worth US$1.3 billion in 2020 and is expected to grow at a CAGR of 4.5% from 2021 to 2026 to reach US$1.7 billion by 2026. During the historic period, the iron compounds market shows a CAGR of 11.4% and it is expected to further grow in future due to the rising incidence of anemia in patients with chronic kidney disease, number of cases of patients with postpartum anemia and number of patients undergoing elective surgeries.



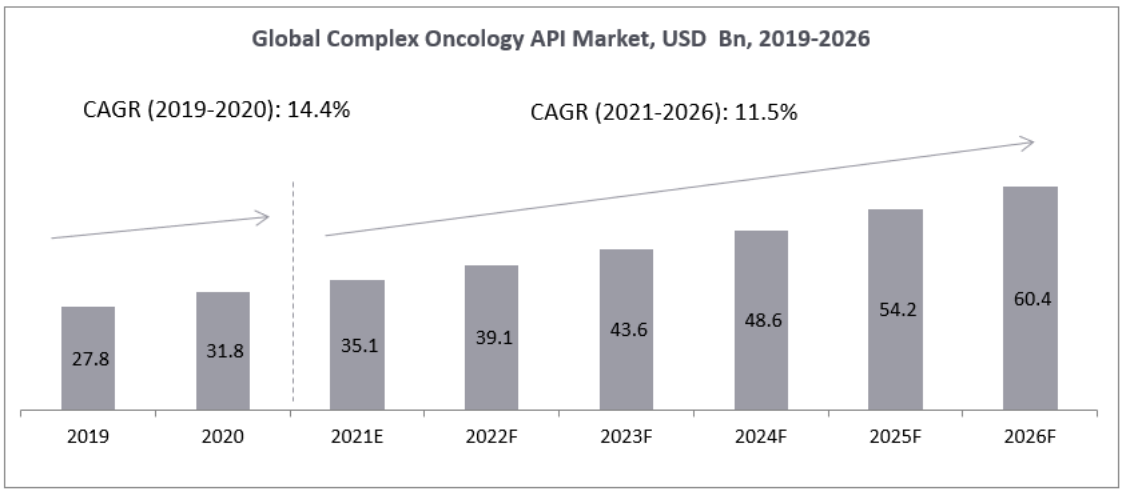
Source: Newport, IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

Overview of Global Complex Oncology API Market

Between 2019 and 2020, the global complex oncology APIs market grew at a rapid pace. The demand for oncology APIs is primarily driven by increasing cancer incidences and a growing number of R&D activities related to anti-cancer drugs, growing demand for biologics and biosimilars for oncology indications.

Global complex oncology API market size by revenue

The global complex oncology API market was estimated to be worth US$32 billion in 2020 and is expected to grow at a CAGR of 11.5% from 2021 to 2026 to reach US$60.4 billion by 2026. During the historic period, the oncology market showed a CAGR of 14% and it is expected to grow with a healthy double digit growth rate. The rising investments of many pharmaceutical and biotech companies in anti-cancer drug discovery and development are driving this market.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

Overview of Peptides Market

There are currently more than 60 peptide-based products on the market. These drugs, in particular, are one of the earliest groups of biologics and have shown a great promise in the treatment of a wide range of metabolic and oncological disorders. Peptide drugs are in high demand due to their demonstrated pharmacological value and high therapeutic profiles. Such efforts in this field, combined with the increasing clinical and preclinical pipeline of therapeutic peptides, are expected to further boost overall demand for peptide APIs.

Examples of popular, marketed therapeutic peptides include Victoza, Lupron Depot, Zoladex, Sandostatin and Somatuline. Further, according to experts, more than 600 pharmacological leads based on peptides are currently being investigated across various phases of development. Owing to their proven pharmacological value and favorable safety profiles, the demand for peptide drugs is on the rise. As a result, there is an increasing interest in manufacturing solutions for large quantities of such molecules, often requiring complex manipulations of long macromolecular structures, chemical modifications and thorough purification, for both clinical and basic research applications.

Although a lot has been achieved in terms of improvements in peptide synthesis and purification methods, there are certain challenges, especially those related to large-scale manufacturing capabilities, which continue to plague drug developers in this domain. Additionally, there are certain technical complications related to the synthesis of complex, long chain macromolecules, which are known to compromise both product yield and purity. In order to optimize production processes and associated expenses, leverage superior expertise and infrastructure, and expedite time to market, many innovator companies have demonstrated the preference to work with specialty service providers. Presently, there are a number of CMOs and contract development and manufacturing organizations (CDMOs) that offer elaborate portfolios of services focused on peptide design, manufacturing and purification. Given the historical and prevalent trends in demand for peptide synthesis and purification services, several CMOs/CDMOs are actively expanding their capabilities and capacity to ensure consistent supply.

It has been observed that sponsor companies are likely to continue relying on contract manufacturing service providers over the coming decade. Large peptides can be generated in a cost-effective manner on both a small and large scale. Trimeris and Roche, for example, were active in commercializing enfuvirtide.

The majority of peptide buyers are based in the United States, Europe, and Japan and are being driven by creative United States biotech firms. Demand in emerging markets is currently lower, as generic products are still being reviewed, and the NCE segment is not seeing much development.

Peptides market trends

The peptide API market is expected to be consolidated in order to meet increasing industry demand and growing number of clinical peptides in production. Key players in this segment include Bachem, Corden, Ambiopharma and Polypeptide, all of whom have made significant investments. Large CMO players are investing in infrastructure, R&D, strategically positioning their facility (near a raw material supply market), and novel manufacturing methods to boost their capabilities.

The demand for conjugated peptides (lipidations, PEG-ylations, and glycosylation) is increasing, resulting in increased drug bioavailability. As a result, pharmaceutical firms are looking for CMOs that have expertise in this field. Targeted synthesis of specifically glycosylated proteins and peptides is also becoming more common, and CMOs who can handle it are in high demand.

Despite the fact that the current market is oligopolistic, new suppliers are emerging in Asia, such as Aurobindo Pharma especially in the United States, Europe, and Japan. It is also notable that Asia is expected to be the fastest-growing region in the peptide API space in another five years.

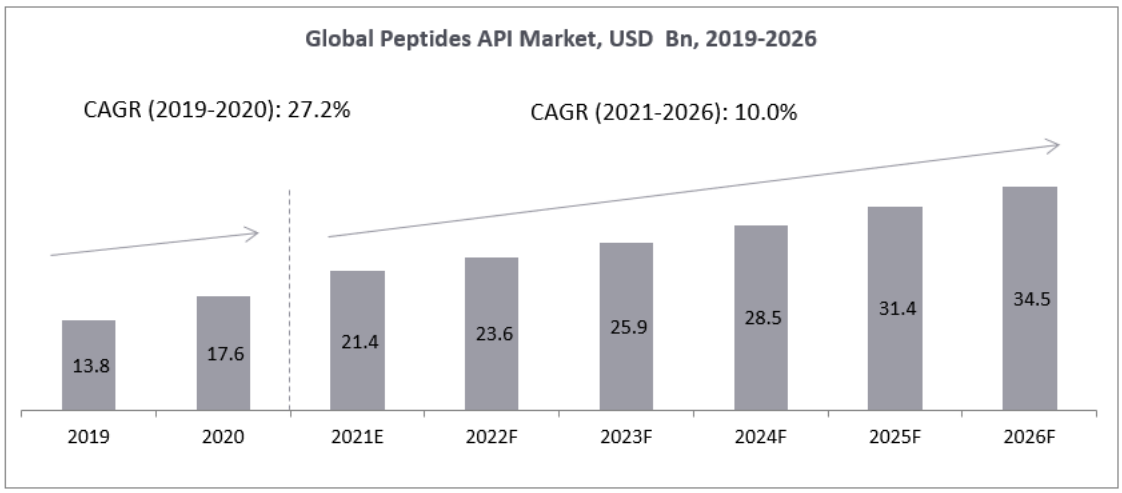
In terms of technology, new technologies have been on the rise by peptide CMOs to increase yield, lower production costs, and improve drug delivery. Currently, peptides are manufactured primarily using SPSS, LPSS, and mixed phase synthesis by CMOs. Recombinant DNA technology is now competing with such chemical synthesis. In addition, Sosei has developed a new technology called Molecular Hiving, which lowers API manufacturing costs to a tenth of what they are now (SPSS and LPSS). Fermentation and recombinant are also new methods but still have few drawbacks.

Global peptides API market scenario

The global peptides API market was estimated to be worth US$17.6 billion in 2020 and is expected to grow at a CAGR of 10% from 2021 to 2026 to reach US$34.5 billion by 2026. During the historic period, the peptides API market showed a CAGR of 27% and it is expected to further grow in future due to its proven effectiveness in treatment of a wide range of metabolic and oncological disorders.

More manufacturers will add peptide products as CMO capabilities improve and more dosage types become available on the market. Currently, the three most popular clinical fields where peptide APIs is used are oncology, diabetes, and obesity. They are also in high demand for antibiotics, vaccines and for treating respiratory, renal, and other diseases.

Currently, injection is used to administer more than 80% of approved peptide drugs. Oral and other forms of distribution are becoming more common. Approximately 9% of the peptide can now be taken orally, and manufacturers are working with pharmaceutical companies to improve this percentage. Nasal delivery of peptide drugs is another choice. Other methods, such as sublingual and transdermal dosage types, are still in the research and development stage.



Source: Newport, IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

The increasing prevalence of cancer and metabolic disorders, rising investments in research and development of novel drugs, and technological advancements in peptide therapeutics are the major factors driving the market growth. According to WHO, chronic diseases such as cancer, cardiovascular diseases, and diabetes are the leading causes of death and disability. Disease rates from chronic conditions are accelerating globally, advancing across every region and pervading all socioeconomic classes and in 2020, the contribution of chronic diseases is estimated to have caused 73% of all deaths and 60% of the global burden of disease. Thus, the increasing incidence of chronic diseases accelerates the need for effective therapeutics, which in turn is expected to drive the growth of the peptide therapeutics market. However, instability issues of peptide therapeutics and the high cost of developing drugs, and stringent regulatory requirements for drug approval are expected to restraint market growth.

Cancer application is expected to register the highest CAGR over the forecast period. Peptides offer favorable prospects in targeted drug delivery for cancer due to their high specificity, discernment, small sizes, ease of modification, and high biocompatibility. The increasing frequency of cancer globally and increasing prescription of peptide therapeutics for cancer treatment are the key factors responsible for the dominance of this segment.

However, according to the research article published in Nature Cancer, 2020, the COVID-19 pandemic is expected to have disrupted the spectrum of cancer care, including delayed diagnoses, treatment, and halting clinical trials aimed at developing efficient therapeutics for cancer treatment, within which peptide therapeutics for cancer treatment is of no exception. Hence, the studied segment is predicted to be significantly impaired during the pandemic.

The peptide therapeutics market is moderately competitive and consists of several major players. Some of the companies which are currently dominating the market are Eli Lilly, Pfizer, Amgen, BMS, Ever Neuro Pharma, Takeda and many others. The major players are involved in strategic alliances such as acquisitions and collaborations, along with research activities for the global expansion of the product portfolio.

Growth Drivers

- ***Demand for self-administered medications has increased:*** *Rising demand for self-administered medications using new drug delivery systems (DDS), such as nasal sprays, auto-injectors, pen injectors, prefilled syringes, and needle-free injectors that offer convenience, will further drive growth in the specialty generics market.*

- ***Cost rationalization giving impetus to generic injectable drugs:*** *As the pharmaceutical industry has grown, governments around the world have become more conscious of associated costs. In many countries, pharmaceutical cost controls set by government reimbursement agencies have affected the direction and profitability of the pharmaceutical industry. Manufacturing of generic drugs are now supported by governments of various countries which has helped in reducing the healthcare costs. This has given momentum to the market growth.*

- ***Growing sterile contract manufacturing organization ("CMO")/CDMO market:*** *Specialized technologies and dedicated capacities in aseptic API manufacturing and terminal sterilization of manufactured API are required for sterile injectables which leads to high outsourcing of these products. As emerging markets are growing, global companies lacking robust manufacturing capabilities would look for competent CMOs/CDMOs that can provide readily available expertise and infrastructure to support their growing need for both customized and generic APIs.*

- ***Growing clinical supplies market for injectables****: There were 194 therapeutic injectable NDA/BLA approvals in the 2012–2017 period, an average of 33 per year (Source: USFDA). That was a 43% increase over the average of 23 per year in the previous five-year period. The number of approvals ranged from a low of 13 in 2013 to 47 in 2017. Injectable drugs' share of all therapeutic NDA/BLA approvals has increased in recent years i.e. 38% share of NDA/BLA approvals*

during 2014-17 from 28% share in the 2006-2011 period. So, as the number of drug approvals is largely injectables, the demand for injectables would continue to grow in the future. Companies who conduct clinical trials require smaller batches of production and they look for smaller CDMOs for clinical supplies. So, this would generate the demand for CDMOs who have the ability to manufacture clinical supplies and present in this space.

- ***Mergers and acquisitions ("M&A"):*** *M&A activities have resulted in closures of many manufacturing sites as part of synergy realization leading to single supply sources and capacity shrinkage. Furthermore consolidations of captive/in-house manufacturing capacities in large pharmaceutical companies have resulted in the closure of many manufacturing sites, which in turn has led to product shortages. For example in the United States, there have been a high percentage of drug shortages for the sterile injectables in the United States from 2014 to 2017 (68% to 74%) (Source: USFDA). Some of these global drug shortages can be attributed to sterile injectables due to consolidation through acquisition and partnerships and are emerging as a supply opportunity in the global complex injectables API market. Companies have extended their offerings in generic injectables due to a huge demand for complex injectables globally.*

- ***Expansion of specialty API manufacturing facilities:*** *To retain or gain market share, the majority of specialty API companies are expanding their manufacturing facilities for APIs in the peptides, carbohydrates and small molecules segments. One of the major factors among established players in the specialty API market towards this significant investment for expansion is the lack of serious competition in this space.*

- ***Pharmaceutical companies are investing heavily in developing new complex molecules*** *to target niche ailments that are currently being treated through high-cost drugs and complex treatment procedures. This is being done to overcome a lesser number of new opportunities in the traditional generic segment via successful patent challenges.*

- *Although there is high competition in the traditional API manufacturing segment, many manufacturers that are interested in focusing on the complex API segment do not have sufficient expertise. Specialty API development has a high entry barrier but provides competitive differentiation to successful companies compared to those focused only on traditional APIs.*

Key Success Factors

- *The essence and degree of portfolio differentiation, the size and age of manufacturing facilities, the level of manufacturing and quality assurance talent, and the ability to optimize the commercial model are the main success factors in the complex API market.*

- *Over time, a strategic player with the right product will outperform. Big players with wide portfolios and low prices, as well as small players with genuinely differentiated products, are likely to win in this product class.*

- *Understanding local rules and tailoring the approach to local requirements while capturing regional synergies is another very crucial aspect for manufacturers of complex APIs to consider.*

- *To ensure uninterrupted API supply and comply with increasing environmental regulations, complex APIs must invest in green and sustainable manufacturing.*

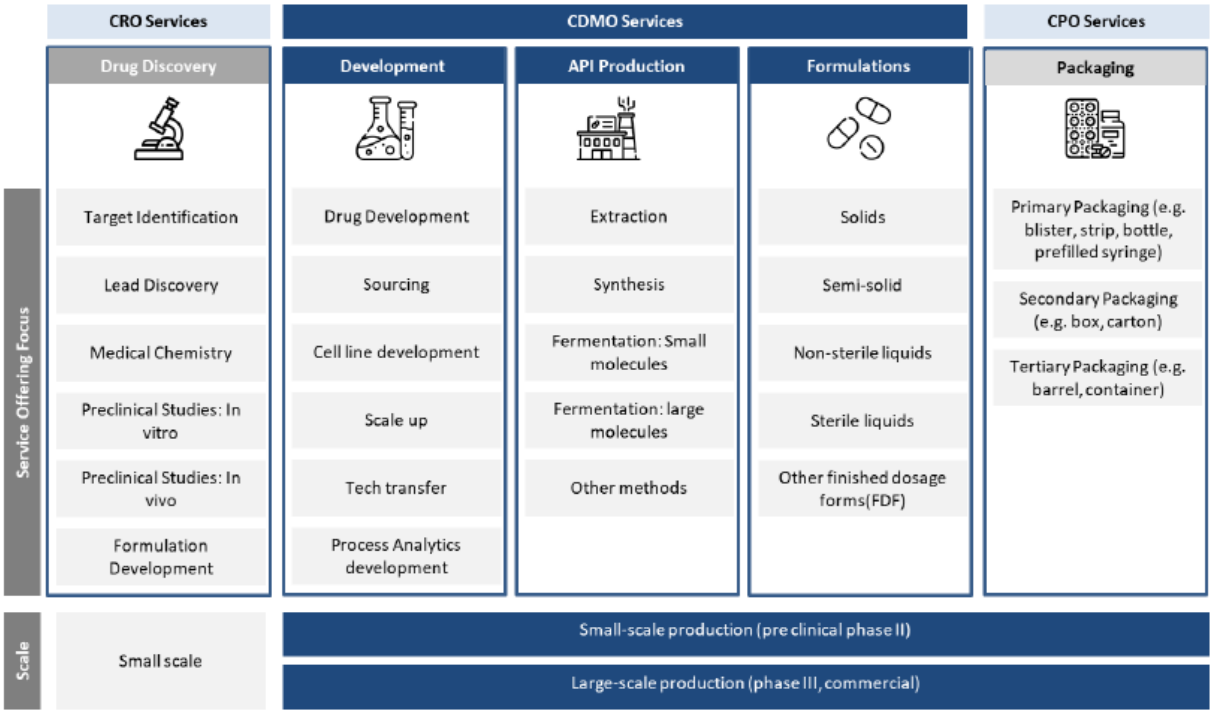
Overview of Global CDMO Market

CDMO Value Chain

The CDMO value chain includes drug development, API and formulations services. API manufacturing is a multinational industry, with various businesses pursuing success in different ways. Some API companies focus on low-cost, high-volume APIs, while others specialize in niche APIs. European API companies are main suppliers of high-potency; niche APIs due to their inability to compete on high volume APIs due to higher costs. India is the world leader in DMF filings, accounting for 46% of all DMF filings in the United States (*Source: USFDA*). In contrast, API companies in China and Italy own 12% and 9% of DMFs in the United States, respectively (*Source: USFDA*). Given its cost competitiveness, China has a monopoly on high-volume, low-margin commodity APIs. Due to its strong technical capacity and fermentation, China is a dominant player in the global API industry, with large-scale manufacturing capacities (supplying 40% of global APIs), cost efficiency, and sufficient supply of commodity bulk drugs and intermediates. The global API industry is changing, with more rigorous domestic and foreign inspections and a greater emphasis on following environmental regulations.

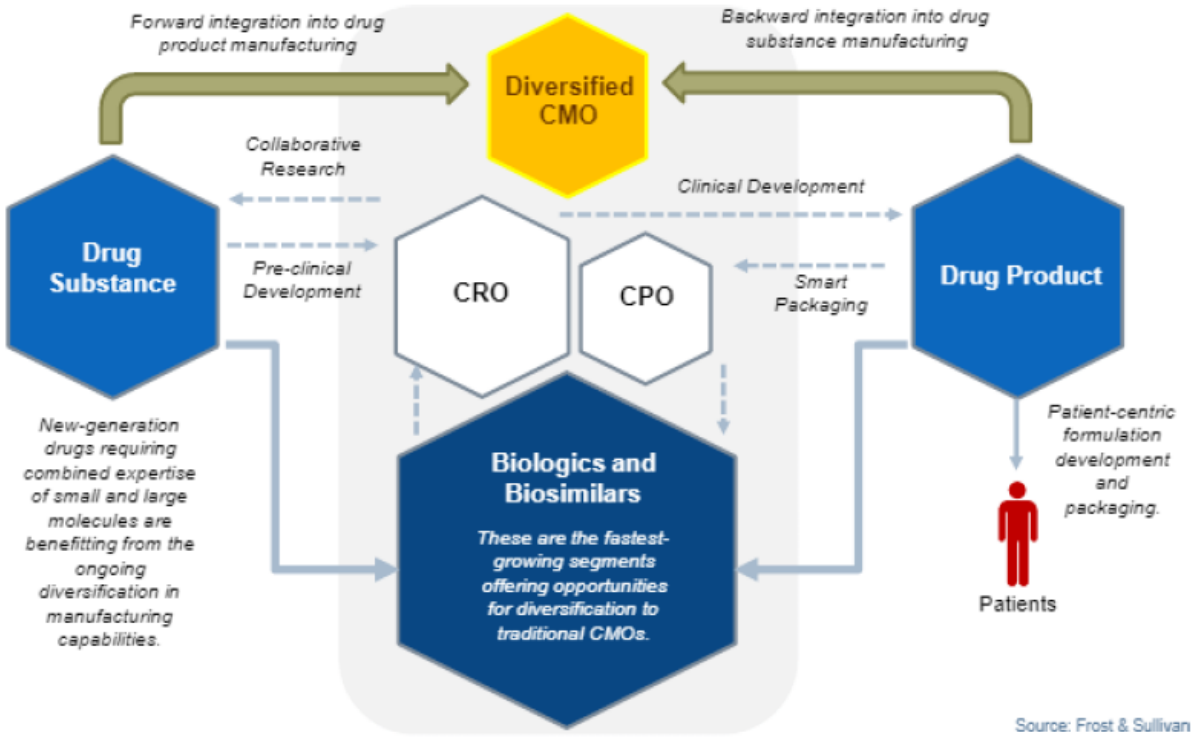
Traceability is another aspect affecting the global API industry. There are attempts being made around the world to improve traceability. A rapid increase in labor and raw material prices has also resulted in an overall increase in operating costs for Chinese API companies. In addition, an unreliable intermediate supply chain has increased the risk of Chinese API companies failing to meet supply requirements on time, eroding client trust. Therefore, the focus on reducing over-reliance on China is expected to favor India's volume API firms, owing to factors such as API sourcing from multiple geographically diversified sources to ensure supply protection and geopolitical tensions. At the same time, high-potency, combination and niche APIs

continue to gain popularity. Indian API companies with relevant experience, track records, and ability is likely to benefit from API sector tailwinds in the near- to medium-term. Those that can secure their supply chain from raw materials to ingredients, in particular, are likely to see increased demand.



Source: EY, Macquarie Research

Evolving CDMO Business Models



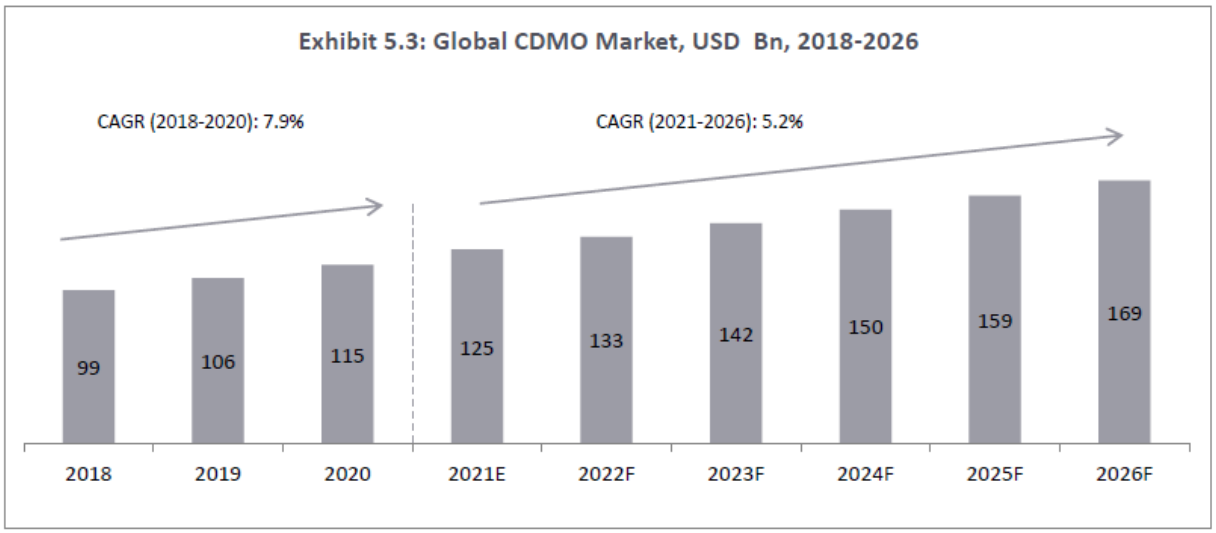
Traditionally aggregating demand has proffered CMOs their unique advantages, but the future will demand business model alignment for diversification of products and specialized services (e.g., R&D). A lot of competitors have been evaluating backward integration strategies to lower dependence on China, especially after the pandemic. Furthermore, there is an increasing adherence to a one-stop-shop risk-sharing CMO business model, as CMOs are evolving from contract service providers to strategic innovation partners.

Global CDMO Market

Overview of the global CDMO market

Traditionally, CMOs have thrived by aggregating demand and delivering benefits of economies of scale. However, with the fading era of blockbuster drugs dispensed to large patient pools and shift to precision medicine, focus on niche indications, and increased R&D in biologics, pharma sponsors are increasingly turning to CMOs as strategic partners instead of contractors. Sponsors are looking for partnerships to not only append their existing capacity and get access to new markets, but also to mitigate risk and bring overhaul in manufacturing technologies. Consequently, safety, efficacy, and product quality are outweighing cost-saving considerations.

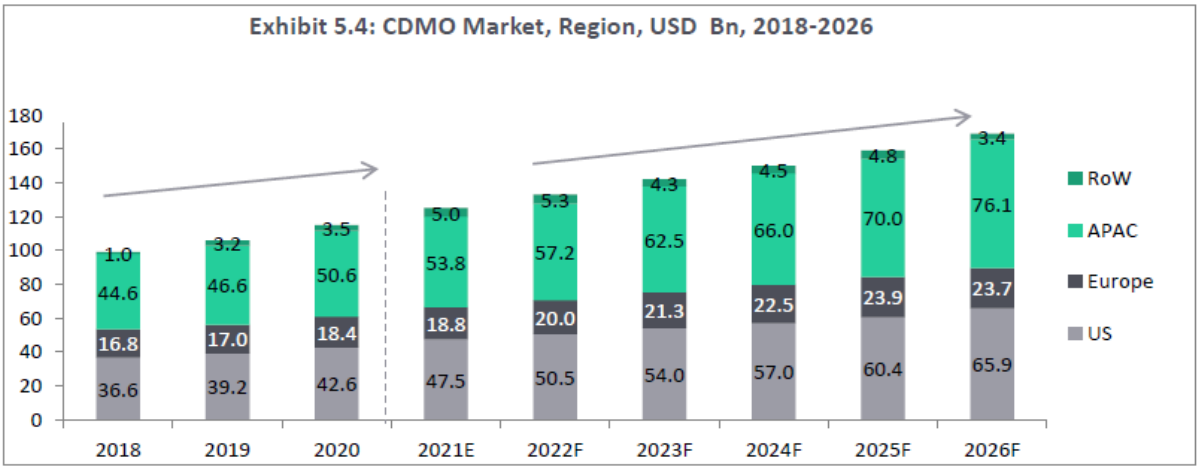
The global CDMO market has grown at a CAGR of 7.9% from US$99 billion in 2018 to US$115 billion in 2020. The market is expected to continue growing from US$125 billion in 2021 to US$169 billion in 2026, at a CAGR of about 5.2%. The world's aging population, increasing healthcare conditions in developing countries, and expensive breakthrough therapies are among the main factors driving this level of demand for pharmaceutical products. Companies are facing higher R&D costs and a need to invest in new capabilities as a result of the rapid growth in demand. As a result, lowering the cost of pharmaceuticals becomes more complicated, leading some companies to seek outsourcing partners to generate savings.



Source: Frost & Sullivan Analysis

Global CDMO market by region

Total growth in the United States, Europe, APAC, and India was around 7.1% between 2018 and 2020 and is expected to further grow by a CAGR of 7.6% between 2021 and 2026. The United States had the highest growth rate of 8.2% between 2018 and 2020 followed by APAC at 7.0%, Europe and ROW at 5.0%. Being the biggest pharmaceutical market in the world, United States holds the highest potential for revenue growth. This market is expected to see a steady growth rate of 7.7% from 2021 to 2026, largely from new drug development. APAC, with India and China in focus, will see the highest growth rate of about 8.5% from 2021 to 2026. APAC has been leading the market in pharma production; it has faced headwinds in the form of trade wars, environmental concerns leading to factory shutdowns, and continued quality-related concerns.



	Regions	2018	2019	2020	2021	2022	2023	2024	2025	2026
Market Share by Region (%)	USA	37%	37%	37%	38%	38%	38%	38%	38%	39%
	Europe	17%	16%	16%	15%	15%	15%	15%	15%	14%
	APAC	45%	44%	44%	43%	43%	44%	44%	44%	45%
	RoW	1%	3%	3%	4%	4%	3%	3%	3%	2%

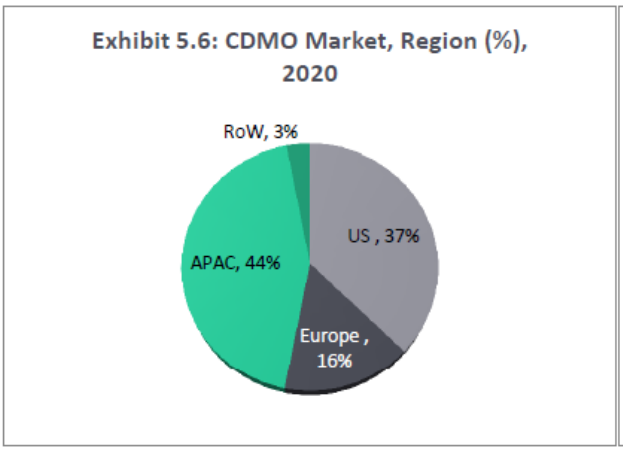
Source: Frost & Sullivan Analysis

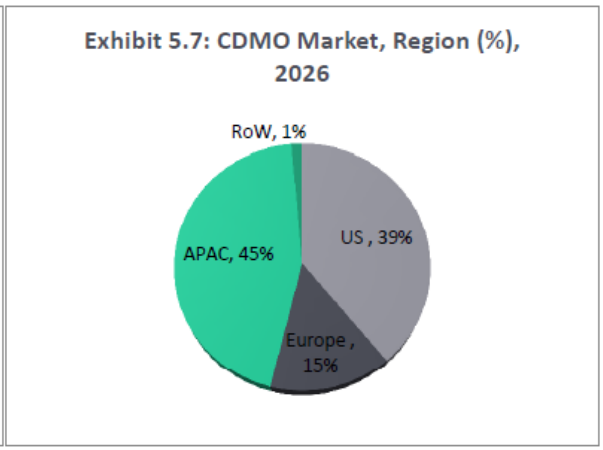
APAC with a revenue share of 44% in 2020 is expected to show a strong CAGR (2021-2026) of 8.5%, followed by the United States with a market share of 37% expected to grow at 7.7%. As for Europe and ROW countries with their 2020 market shares of 16% and 3% respectively, they are expected to grow at 5.0% during the same period.

Exhibit 5.5: Global CDMO Market, Region, CAGR (%)

Global Pharmaceutical Market	CAGR (2018-2020)	CAGR (2021-2026)
US	8.2%	7.1%
Europe	5.0%	5.0%
APAC	7.0%	7.0%
RoW	5.0%	5.0%

Source: Frost & Sullivan Analysis





Source: Frost & Sullivan Analysis

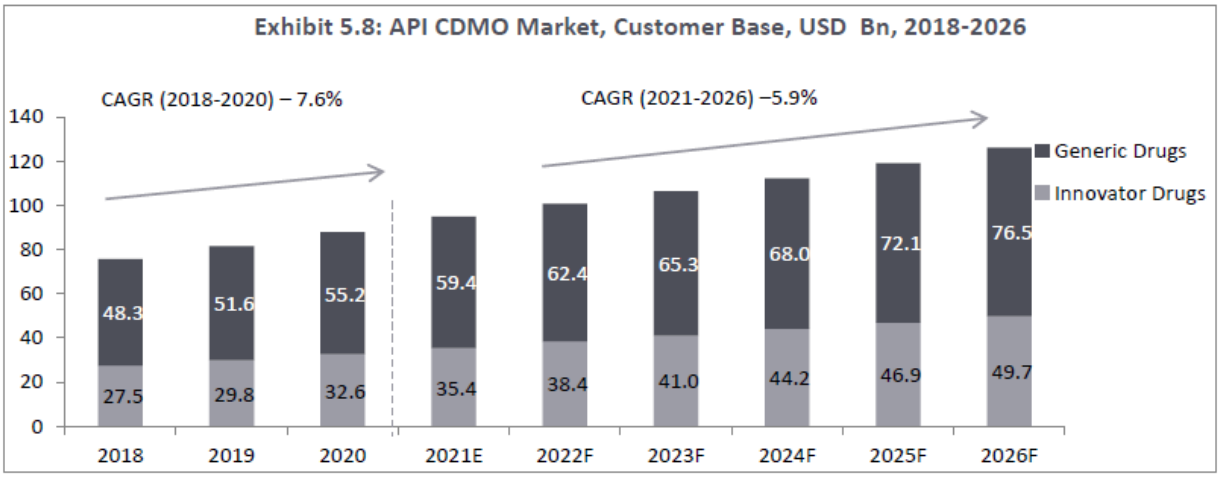
By 2026, APAC will retain the lead with 45% of the global CDMO market. Pharmemerging regions would have varying shares in the global pharmaceutical market. In the global market, the United States (39%) is expected to hold the top positions after APAC, while Europe and ROW are expected to have a 15% and 1% shares, respectively.

Global CDMO market by product type

Total growth in the API market was 7.9% between 2018 and 2020 and is expected to further grow at a CAGR of 5.2% between 2021 and 2026. The global CMO market for small molecules is growing at almost double the pace of the total pharma market, owing to the growing demand for generics in pharmerging economies, new high-value drugs requiring low volume of manufacturing and, thus, demanding economies of scale, and, finally, CMOs investing in sophisticated technology to improve manufacturing efficiency and product quality.

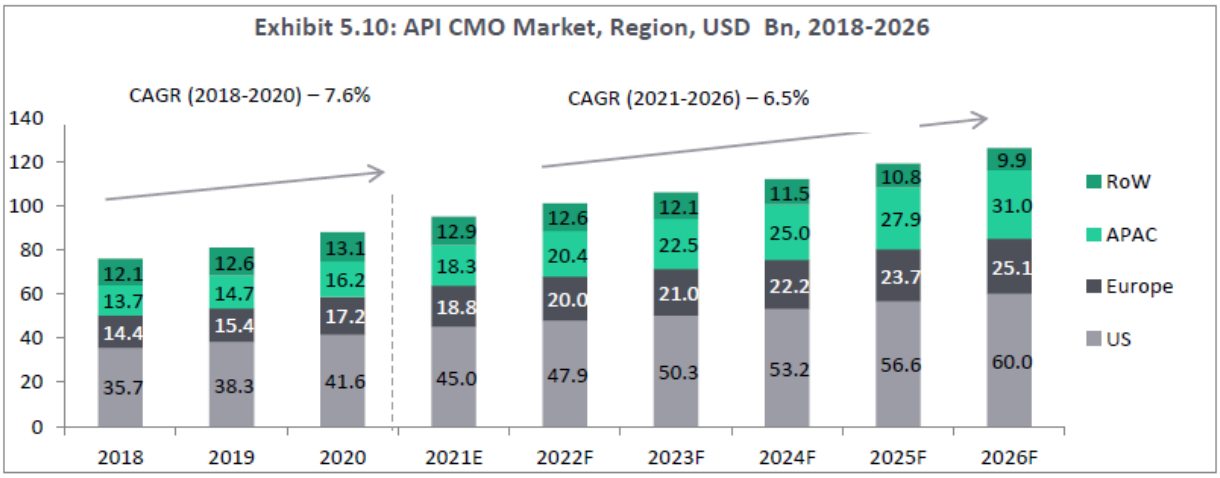
Global API CDMO market by customer base

The rate of outsourcing has historically been higher for generic drugs and, therefore, it accounts for 63.7% of the market. However, as drug complexity increases and CMOs evolve as strategic partners, there will be higher growth in the innovator drug API segment, and the market share will shift in favor of innovator drugs to account for 39.4% of the market by 2024.



Source: Frost & Sullivan Analysis

Global API CDMO Market by Region



The API CDMO market in the United States captured about 47% market share in 2020 and is expected to grow by about 6.7% to capture about 48% of the overall API CDMO market share by 2026. The API CDMO market in the APAC region is expected to see the highest growth rate of 10.8% from 2021 to 2016. This growth is driven by the growth of the Indian API industry and increasing outsourcing of drug manufacturing from the Western companies.

Growth Drivers

- *The cost of developing a new drug by innovation-led pharmaceutical companies is around US$2.6 billion. These costly breakthrough therapies which drive higher demand for pharmaceutical products increasingly face higher R&D costs due to investment in new capabilities, high attrition and rising clinical costs. Consequently, companies have resorted to outsourcing the development part of R&D to lower the cost of pharmaceutical and clinical development, thereby creating companies to seek outsourcing opportunities across the development and manufacturing spectrum. Large*

Indian CDMO players with a proven track record and integrated service offerings are likely to be beneficiaries of this future growth in outsourcing as the decline in API manufacturing capacities in developed countries continues due to higher costs of infrastructure, operations and manpower.

- *Biotech and Specialty companies that work with much tighter budgets apply their resources only for research purposes while completely relying on outsourcing for development and manufacturing from the very beginning of the R&D life-cycle.*

- *Increasing pressure to lower drug prices has led to a prevalence of CMOs that can manufacture both, branded and generic drugs on a large scale and sell them to innovator and generic customers globally. This trend is even more prevalent in the API space where CMOs cater to both the innovator and the generic segment.*

- *Disruption by COVID-19 pandemic: The production and supply chains of major pharmaceutical companies were slowed by the COVID-19 pandemic. It has demonstrated the world's reliance on China for APIs for a number of biologics and generic drugs. For example, due to government-imposed lockout restrictions in China, 44 companies were considered non-operational during the pandemic. As a result, different countries have initiated initiatives to create their own APIs, and countries across the EU and have re-evaluated their healthcare models in order to fight the virus and maintain a stable supply of APIs.*

- *Apart from China, India is the only country that offers similar advantages of a low-cost manufacturing base. In addition, most Indian companies have an established track record in maintaining world-class Quality systems that adhere to cGMP. Also Indian companies are the leader in DMF and ANDA filings with multiple regulatory agencies. This unique position allows Indian API and Formulation companies to become part of a de-risked supply chain sought by European and Canadian companies.*

- *Pharmaceutical manufacturers have realigned their models to serve a large patient pool as a result of increasing healthcare costs and the recent COVID-19 outbreak. For example, pharmaceutical companies in Canada are ramping up their efforts to establish alliances with countries other than China in order to gain access to new markets. Other countries are strengthening their domestic manufacturing capabilities. For example, Brains Bioceutical Corp., based in Vancouver, has passed the ANVISA regulatory agency's test for producing cannabidiol-based products in the region.*

- *The last 5 years have seen stricter environmental controls from Chinese authorities on fine chemical and API manufacturers. Many fines have been imposed and licenses have been withdrawn or suspended, leading to a shrinking supply base of important APIs and KSMs. These supply related shortages have led to hiked prices and also disrupted supply chains for some key drugs. This situation is likely to continue due to a strong policy push from the Chinese government to achieve improved and air and water quality. This situation creates an opportunity for Indian players to ramp up investments in the API space to service customers that were solely dependent on Chinese companies for their API.*

- *The top 10 CDMOs own less than 30% of the market, with the biggest players owning just 2-4% of the total market share. The CDMO market is highly fragmented. However, there have been many consolidations in the form of mergers and acquisitions. Pharmaceutical companies are trying to work with a smaller number of suppliers in order to reduce costs and save time. This also helps CDMO's to strengthen their competitiveness by extending their range of services offered or entering the market for another dosage form.*

Key Success Factors

- *In addition to the shift toward continuous manufacturing with digital integration, API CMOs, in particular, need to invest in green and sustainable manufacturing to ensure uninterrupted API supply and compliance with growing environmental regulations.*

- *Increased use of highly potent compounds will require CMOs to invest in improved containment, process automation, and closed-loop product transfers between processes, and in skilling the labor to handle potent compounds.*

- *The API industry needs to restructure its manufacturing process in order to be able to mobilize operations in the event of future pandemic or other unforeseeable circumstances.*

Competitive Intensity

CMOs are consolidating as a means to improve profitability in this crowded and competitive market and offer turnkey solutions. Through consolidation, large CMOs aim to expand their geographic presence and penetrate niche markets, whereas small CMOs can leverage on the technical expertise and resources of larger CMOs.

Total Pharmaceutical CMO Market: Competitive Structure, Global, 2018	
Number of Companies in the Market	>400
Competitive Factors	Price, geographical presence, regulatory compliance, supply reliability, breadth of experience, existing sponsor base, adoption of new technology, ancillary service suite
Key End-user Groups	Pharmaceutical companies, contract research organizations, academic institutes, research institutes
Major Market Participants	Patheon, Cambex, Catalent, Lonza, Recipharm, Fareva, DPT Labs, Vetter, AMRI
Other Notable Market Participants	Corden Pharma, NextPharma, Bachem, Novasep, Piramal, Almac
Notable Collaborations	Thermo Fisher's acquisition of Patheon, Catalent's acquisition of Cook Pharmica, and Lonza's acquisition of Caspugel

Competitive Advantages of India

India is amongst the preferred destinations for outsourcing of research as well as manufacturing activities as it offers several distinct advantages, such as lower manufacturing cost, ample talent pool to deal with ever increasing drug complexities, strong R&D capabilities and high IP adherence. Besides, India has already established itself as a significant player in the global pharmaceutical industry, especially in solid dosage form manufacturing.

It is expensive and time-consuming for pharmaceutical and biotech companies to switch CDMO once a manufacturing process is established, making it a long term and sticky relationship. For small biotech companies the decision is even more critical as they typically tend to partner very early, and outsource the end to end process, starting with drug discovery to development and later manufacturing. Factors such as fully integrated services, large scale manufacturing capabilities, R&D infrastructure, USFDA approval, access to newer technologies, and track record of regulatory compliance, quality standards and financial strength play a significant role in influencing the decision of the R&D partner. Large Indian CDMO players with a proven track record and fully integrated services offerings are likely to be the beneficiaries of this future growth in outsourcing.

The Indian CDMO industry has seen several success stories in the recent past. Players like Syngene, Anthem Biosciences, GVK BIO and Sai Life Sciences have demonstrated strong revenue growth and established track record of quality and delivery. Syngene, a subsidiary of Biocon Limited, started operations in 1993 and today has revenues of more than US$260 million. It has established a name in the global biopharma industry and boasts of having eight of the top ten pharma companies globally as its customers. Similarly, Anthem Biosciences which started operations in 2007-2008 as a drug discovery service provider is today a fully integrated platform with state-of-the-art manufacturing plants, 700 plus scientists and capabilities across chemical as well as biopharma drugs. Both these companies also cater to specialty chemicals, animal health, agrochemical, consumer goods and nutrition companies along with the pharmaceutical clients.

The top Indian CDMO companies have grown at a CAGR of 14.1% over the last 5-year period compared to the top global CDMO companies which grew at a CAGR of 9.7%. Even in terms of profitability, the Indian companies outperformed global peers, with the top Indian companies having EBITDA margins in the range of 20-30% as compared to the 10-25% range for the top global ones, thus delivering excellent returns for their stakeholders.

Biologics are one of the top selling drugs worldwide with 11 of the top 15 drugs globally being biologics. However, a major drawback of biologics is high development costs, making them unaffordable and inaccessible to many patients worldwide. Biosimilars are generic versions of biologic drugs which have no clinically meaningful difference in term of safety and effectiveness but cost much less than the innovator biologic drug. Given their cost advantages, biosimilar market is expected to witness an exponential growth of over 30% CAGR in the next five years.

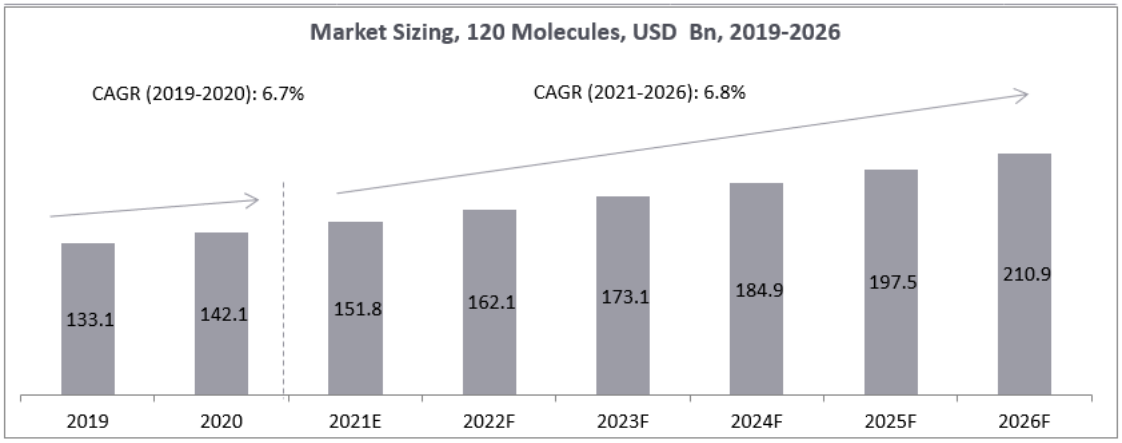
Emergence of bio-pharma in the overall pharmaceutical market has led to an increased R&D spend by the large pharma companies and increased funding for emerging biotech companies. Thus, outsourcing of R&D in bio-pharma segment is expected to grow at 19% CAGR from 2016 to 2024. India has a thriving ecosystem for biopharma, low cost of operations and ample talent and infrastructure to reduce time to market for development and large-scale manufacturing of biologics and biosimilars, thus making Indian CDMO companies an ideal partner for R&D in bio-pharma segment.

Global pharmaceutical players continuing to witness cost pressures and looking for ways to shorten time to market would look for well-established CDMO partners, particularly in India and China. Regulatory headwinds in China, incidences like Covid-19 and political confrontations with the developed economies of the world are likely to dent confidence in partnering with CDMO players in China. On the other hand, Indian CDMO companies in the last decade have demonstrated their capabilities on the global platform and are best positioned to benefit from increased R&D outsourcing in the pharmaceutical industry.

Conclusion

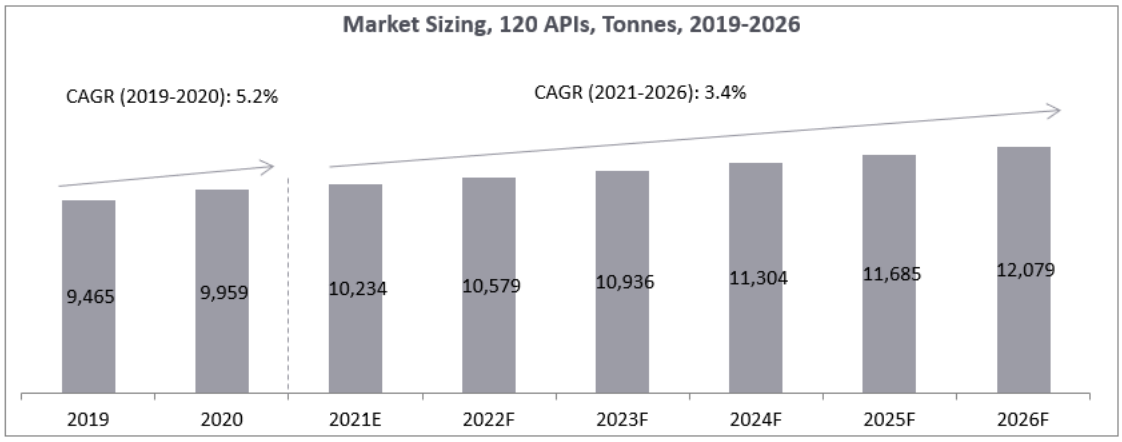
Overview of Glenmark Life Sciences' ("GLS") Product Portfolio

GLS is a leading developer and manufacturer of high value, non-commodotized APIs and its portfolio comprises of 120 products (10 products in laboratory development; 4 products in laboratory validation and 106 products being commercialized) ranging across various therapy areas like cardiovascular, CNS, diabetes, anti-infectives and others. The total market size in terms of sales for the 120 products globally, was estimated to be around US$142 billion in 2020 and is expected to grow by about 6.8% over the next five years to reach to about US$211 billion by 2026. The future growth of these products is expected to remain stable driven by the rising prevalence of non-communicable diseases, growing demand from the regulated markets for drugs indicated for hypertension, diabetes and cancer, and ageing population.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

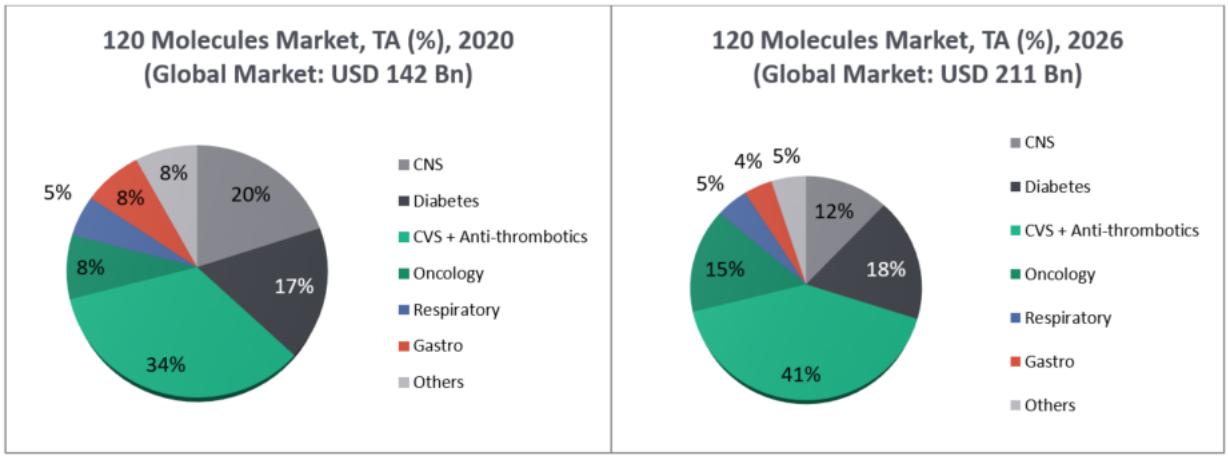
The market size in terms of volume for the APIs of 120 products was estimated to be at 9,959 tonnes in 2020 and is expected to grow at a rate of 3.4% over the next five years to reach to about 12,079 tonnes by 2026.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

Market Segmentation by Therapy Areas

GLS' portfolio of 120 niche, highly profitable and technically-complex products cater to large chronic therapy areas, such as CNS, diabetes, CVS (including anti-thrombotics) and oncology. These comprise of 84% of the US$142 billion end-market size for the GLS portfolio, which is expected to become 91% by 2026.



Source: IQVIA, MIDAS Database, MAT Mar 2021 [IQVIA. Copyright 2021. All rights reserved], Frost & Sullivan Analysis

Competitive Scenario

The API market is highly fragmented with approximately 1,500 API manufacturing plants. As of 2017, the top 14-16 API players comprised just 16-17% of the total market share. Key players playing in the API market include Laurus Labs, Divis, Glenmark Life Sciences, Shilpa Medicare, Aarti Drugs and Solara Active Pharma Sciences.

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-looking Statements" on page 15 for a discussion of the risks and uncertainties related to those statements and the section "Risk Factors" on page 22 for a discussion of certain risks that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements.

*On July 10, 2018, our Company became a wholly-owned subsidiary of our Promoter, Glenmark, when Glenmark acquired 100% equity interest in our Company. On January 1, 2019, the API business of Glenmark comprising of, inter alia, the manufacturing facilities, movable assets, intellectual property, employees and all the liabilities attributable to the API business was spun off into our Company (the "**Spin-off**"). We have included in this Prospectus, the Pro Forma Financial Information (to be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations – Basis of Preparation of the Pro Forma Financial Information" on page 270) as of and for the financial years 2021, 2020 and 2019, to demonstrate the effects of the Spin-off on our Company, including the results of operations and the financial position that would have resulted as if the Spin-off had taken place with effect from April 1, 2017. For further details, see "Financial Information – Pro Forma Financial Information" on page 226; "History and Certain Corporate Matters – Material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years" on page 151; and "Risk Factors – Internal Risk Factors – The Pro Forma Financial Information included in this Prospectus to reflect the spin-off of the API business of Glenmark into our Company is not indicative of our expected results or operations in the future periods or our future financial position or a substitute for our past results" on page 31.*

Industry and market data used in this section have been extracted from the Frost & Sullivan Report which has been commissioned by us as no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's products, that may be similar to the Frost & Sullivan Report. For further details and risks in relation to commissioned reports, see "Risk Factors – Internal Risk Factors – We have commissioned an industry report from Frost & Sullivan which has been used for industry related data in this Prospectus and such data has not been independently verified by us" on page 36.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Pro Forma Financial Information included in this Prospectus on page 226.

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in "Risk Factors", "Industry Overview", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 22, 94, 175 and 258, respectively.

Overview

We are a leading developer and manufacturer of select high value, non-commoditized active pharmaceutical ingredients ("**APIs**") in chronic therapeutic areas, including cardiovascular disease ("**CVS**"), central nervous system disease ("**CNS**"), pain management and diabetes (*Source: Frost & Sullivan Report*). We also manufacture and sell APIs for gastro-intestinal disorders, anti-infectives and other therapeutic areas. Our API portfolio comprises specialized and profitable products, including niche and technically complex molecules, which we believe reflects our capability to branch into other high value products. We have strong market share in select specialized APIs such as Telmisartan (anti-hypertensive), Atovaquone (anti-parasitic), Perindopril (anti-hypertensive), Teneligliptin (diabetes), Zonisamide (CNS) and Adapalene (dermatology) (*Source: Frost & Sullivan Report*). We are also increasingly providing contract development and manufacturing operations ("**CDMO**") services to a range of multinational and specialty pharmaceutical companies. We are a research and development ("**R&D**")-driven API manufacturer, focused on undertaking dedicated R&D in our existing products and in areas where we believe there is growth potential in the future. We believe that maintaining high standards of process innovation and quality in our R&D and manufacturing operations is critical to our brand and maintenance of long-term relationships with our customers.

We are a wholly-owned subsidiary of our Promoter, Glenmark Pharmaceuticals Limited ("**Glenmark**"), a research-oriented, innovation led, global pharmaceutical company, which was established in 1977 and is listed on the BSE and NSE. In 2001-2002, Glenmark launched the API manufacturing business by setting up a manufacturing facility in Kurkumbh in the state of Maharashtra, India and focused on growing this business over the next 18 years. In 2019, the API manufacturing business of Glenmark was sold and spun off into our Company as part of a broader reorganization designed to place Glenmark on an accelerated trajectory to attain its objectives in three different verticals, with our Company focusing on the API business. Following the Spin-off, we operate as an independent, professionally-managed global API business.

Enabled by our high standards of quality and process innovation, our products are sold in both regulated markets and emerging markets. For the financial years 2021, 2020 and 2019, our revenue from regulated market products was ₹12,374.06 million, ₹10,966.21 million and ₹9,685.07 million, or 65.64%, 71.33% and 68.93% of our total revenue from operations, respectively.

As of March 31, 2021, we had a portfolio of 120 molecules globally and sold our APIs in India and exported our APIs to multiple countries in Europe, North America, Latin America, Japan and the rest of the world ("**ROW**"). As of May 31, 2021, we had filed 403 Drug Master Files ("**DMFs**") and Certificates of suitability to the monographs of the European Pharmacopoeia ("**CEPs**") across various major markets (i.e. United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia). As of March 31, 2021, 16 of the 20 largest generic companies globally were our customers (*Source: "A Year of Surprises Shakes Up Off-Patent Industry" | Informa, 2020*) and believe that we enjoy a reputation of trust and reliability with such companies.

We currently operate four multi-purpose manufacturing facilities which are situated on leasehold properties located at Ankleshwar and Dahej in the state of Gujarat, India, and Mohol and Kurkumbh in the state of Maharashtra, India with an aggregate annual total installed capacity of 726.6 KL as of March 31, 2021. Since 2015, our facilities have been subject to 38 inspections and audits by regulators including the USFDA, PMDA, COFEPRIS, Health Canada, MFDS (Korea), EDQM, other European regulatory agencies and CDSCO conducted on a periodic basis. We have not received any warning letters or import alerts from such regulatory authorities. Our facilities have also been subject to 432 inspections and audits by our customers during this period. We have been consistently implementing current Good Manufacturing Practices ("**cGMPs**") across each of our manufacturing facilities, which are monitored by a comprehensive Quality Management System ("**QMS**") encompassing all areas of business processes from R&D and raw material procurement to manufacturing, packaging and delivery. We focus on building quality into our products through compliance with global regulatory standards as well as local and state laws. We are focused on sustainability in our operations through meaningful interventions in environment management, safety initiatives in our operations and occupational health of our workforce, and have undertaken various initiatives relating to energy efficiency, recovery and reuse of solvents and water conservation to reduce our carbon footprint.

We intend to increase our API manufacturing capabilities by enhancing the existing production capacities at our Ankleshwar facility during the financial year 2022 and our Dahej facility during the financial years 2022 and 2023 by an aggregate annual total installed capacity of 200 KL. This additional production capacity is expected to help us further expand our generic API production and also grow our oncology product pipeline. We intend to develop a new manufacturing facility in India for the manufacture of generic APIs from the financial year 2022 which is expected to become operational in the fourth quarter of the financial year 2023. The new facility will also provide a platform for the growth of our CDMO business and also add capacity for our generic API business. This facility will be a greenfield project built on a 40-acre footprint with a plan to manufacture both APIs and intermediates and will house several multi-purpose manufacturing blocks with mid to high-volume capacity. It will include a high degree of automation and comply with global regulatory standards, and will have an aggregate capacity of 800 KL over the next three to four years. This facility is intended to be funded from internal accruals and debt financing (if required).

Our R&D laboratories focus on new product development and complex molecules, cost improvement programs, process improvements and oncology product development. To assist us with our R&D initiatives, we have established dedicated teams for new product development, complex products, oncology product development, technology transfer, life cycle management and project management. We also believe in a thorough and systematic approach to product selection for our development grid, from a detailed commercial evaluation of the market opportunity of a particular API, its development complexity, intellectual property landscape and the potential competitive scenario. We regularly work on developing eight to 10 molecules each year. As of March 31, 2021, we employed 213 personnel at our R&D laboratories, which constituted 13.86% of our total permanent employee strength. For the financial years 2021, 2020 and 2019, our total expenditure for R&D activities was ₹405.17 million, ₹400.28 million and ₹375.76 million, or 2.15%, 2.60% and 2.67% of our total revenue from operations, respectively. As of May 31, 2021, we owned or co-owned 39 granted patents and had 41 pending patent applications in several countries and six pending provisional applications in India.

We have a professional and experienced management team. Our management team has demonstrated the ability to successfully build and integrate our businesses with various operating activities through their cumulative years of work experience. In particular, they have led the process through which we have created value through organic growth, built brand recognition and loyalty and identified new business opportunities. This has been achieved through a portfolio buildup which we believe can be commercialized within the next five to seven years, efficiency enhancement measures, effective capacity utilization and talent improvement. In addition, we have a strong corporate governance system to monitor, guide and support our operations, with oversight by an experienced Board.

We have an established track record of delivering strong financial performance. Our total revenue from operations for the financial years 2021, 2020 and 2019 was ₹18,851.65 million, ₹15,373.13 million and ₹14,050.26 million, respectively. Our profit before tax for the financial years 2021, 2020 and 2019 was ₹4,709.44 million, ₹4,210.67 million and ₹4,038.39 million, respectively. Our EBITDA and EBITDA Margin for the financial years 2021, 2020 and 2019 were ₹5,918.85 million and 31.40%, ₹4,839.50 million and 31.48%, and ₹4,298.18 million and 30.59%, respectively. For a reconciliation of our profit for the period to EBITDA and a calculation of EBITDA Margin, see "*Financial Information – Other Financial Information*."

Our Strengths

Leadership in Select High Value, Non-Commoditized APIs in Chronic Therapeutic Areas

We are a leading developer and manufacturer of select high value, non-commoditized APIs in chronic therapeutic areas, including CVS, CNS and pain management and diabetes (*Source: Frost & Sullivan Report*), and continue to branch into other APIs. Our API portfolio comprises specialized and profitable products, including niche and technically complex molecules, which we believe reflects our ability to branch into other high value products. As of March 31, 2021, we sold our APIs in India and exported our APIs to multiple countries in Europe, North America, Latin America, Japan and ROW. For the financial years 2021, 2020 and 2019, our revenue from regulated market products was ₹12,374.06 million, ₹10,966.21 million and ₹9,685.07 million, or 65.64%, 71.33% and 68.93% of our total revenue from operations, respectively.

The total market size in terms of sales for our portfolio of 120 molecules globally was estimated to be around US$142 billion in 2020 and is expected to grow by about 6.8% over the next five years to reach to about US$211 billion by 2026. The future growth of these products is expected to remain stable driven by the increasing prevalence of non-communicable diseases (including heart disease, stroke, cancer, diabetes and chronic lung disease), growing demand from the regulated markets for drugs indicated for hypertension, diabetes and cancer, and an aging population. The market size in terms of volume for our 120 molecules was estimated to be at 9,959 tonnes in 2020 and is expected to grow at a rate of 6% over the next five years to reach to about 12,079 tonnes by 2026. The chronic therapeutic areas covered by our portfolio of 120 molecules accounted for 84% of the US$142 billion end-market size and is expected to become 91% by 2026. (S*ource: Frost & Sullivan Report*)

We have gradually built scale and reach in our API offerings through economies of scale in our manufacturing operations and a portfolio buildup which has enabled us to service new markets and explore new product and service offerings to our customers. We work towards developing eight to 10 molecules each year, which include both high value and high volume APIs. As of May 31, 2021, we had filed 403 DMFs and CEPs across various major markets (i.e. United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia). As of March 31, 2021, we had a portfolio of 120 molecules globally. Our business positioning is strengthened by our service offerings across markets, which enables us to act as a one-stop shop for pharmaceutical product companies. Our product and service lines together enable us to support our customers through all stages of the product lifecycle and be present across the value chain from product identification, R&D, impurity identification, methods development and controls, setting specifications and laboratory validation followed by technology transfer via pilot scale-up in the commercial plant. This is followed by plant validation enabling commercialization and large scale manufacturing. Our capabilities and experience have helped us perform well in regulated markets and have enabled us to successfully partner with customers, including offering our customers a first mover advantage with respect to various products.

Strong Relationships with Leading Global Generic Companies

Over the years, we have established strong relationships with leading global generic pharmaceutical companies that has helped us expand our product offerings and geographic reach. As of March 31, 2021, 16 of the 20 largest generic companies globally were our customers (*Source: "A Year of Surprises Shakes Up Off-Patent Industry" | Informa, 2020*) and believe that we enjoy a reputation of trust and reliability with such companies. We believe that we have been able to build and strengthen our relationships with them on account of our strong brand equity, high quality products, R&D skills, knowledge of the regulatory environment in the markets where we supply our products and track record of manufacturing APIs at different scales at our facilities, which have been inspected/audited by Indian and key global regulatory bodies such as the USFDA, MHRA, Health Canada and PMDA Japan.

As a result, we have been able to maintain high customer loyalty with a high rate of repeat customers. For the financial years 2021, 2020 and 2019, approximately 69% of our customers were period-on-period repeat customers. We also have a long history with many of our key customers, including Glenmark, Teva Pharmaceutical Industries, Torrent Pharmaceuticals, Aurobindo Pharma, Krka and another company which is a global leader in generic pharmaceuticals and biosimilars. For the financial year 2021, Glenmark, Teva Pharmaceutical Industries, Torrent Pharmaceuticals and Aurobindo Pharma were among our 10 largest customers by revenue contribution, while these four key customers and Krka were among our 10 largest customers by revenue contribution for the financial years 2020 and 2019. The term of our relationship with our seven largest customers averages approximately five to 15 years, and approximately 41% of our customers for the financial year 2021 were also our customers in each of the financial years 2020 and 2019. On account of these relationships and our focus on customer service, we have been able to increase our sales volumes. During the financial years 2021, 2020 and 2019, we sold 467.7 MT, 404.3 MT and 403.5 MT of APIs, respectively.

Quality-Focused Compliant Manufacturing and R&D Infrastructure

We currently operate four multi-purpose manufacturing facilities which are situated on leasehold properties located at Ankleshwar and Dahej in the state of Gujarat, India, and Mohol and Kurkumbh in the state of Maharashtra, India with an aggregate annual total installed capacity of 726.6 KL as of March 31, 2021. Since 2015, our facilities have been subject to 38 inspections and audits by regulators including the USFDA, PMDA, COFEPRIS, Health Canada, MFDS (Korea), EDQM, other European regulatory agencies and CDSCO conducted on a periodic basis. We have not received any warning letters or import alerts from such regulatory authorities. Our facilities have also been subject to 432 inspections and audits by our customers during this period. We believe that maintaining highest standards of quality and process innovation in our R&D and manufacturing operations is critical to our brand and maintenance of long-term relationships with our customers. We have been consistently implementing cGMPs across each of our manufacturing facilities, which are monitored by a comprehensive QMS

encompassing all areas of business processes from R&D and raw material procurement to manufacturing to packaging and delivery. We focus on building quality into our products through compliance with global regulatory standards as well as compliance with local and state laws that encompass manufacturing regulations, environmental clearance norms and other statutory norms.

Further, we are focused on undertaking dedicated R&D in our existing products and in areas where we believe there is significant growth potential. Our R&D laboratories focus on new product development and the development of complex molecules, cost improvement programs, process improvements and oncology product development. To assist us with our R&D initiatives, we have established dedicated teams for new product development, complex products development, oncology product development, technology transfer, life cycle management and project management. For the financial years 2021, 2020 and 2019, our total expenditure for R&D activities was ₹405.17 million, ₹400.28 million and ₹375.76 million, or 2.15%, 2.60% and 2.67% of our total revenue from operations, respectively. As of May 31, 2021 we owned or co-owned 39 granted patents and had 41 pending patent applications in several countries and six pending provisional applications in India. As of March 31, 2021, we employed 213 personnel at our R&D laboratories, which constituted 13.86% of our total permanent employee strength. We believe that our strong process research, analytical research and process chemistry research capabilities provide us significant competitive advantages.

Strong Focus on Sustainability in Operations

We are focused on sustainability in our operations through meaningful interventions in environment management, safety initiatives in our operations and occupational health of our workforce. We have undertaken various initiatives relating to energy efficiency, recovery and reuse of solvents and water conservation, recovery and reuse to reduce our carbon footprint and be a responsible corporate citizen in our endeavor to address global environment issues. See " - *Our Comprehensive Compliance Framework*" on page 139. All of our manufacturing facilities currently have zero liquid discharge ("**ZLD**") capabilities. We have an internal framework and governance structure in place for adherence to compliance standards.

We have established various standard operating procedures ("**SOPs**"), including SOPs to handle different categories of waste, and our waste management strategy includes monitoring and control procedures for waste categorization, segregation, minimization, safe handling, transport and disposal of waste. In our efforts to ensure resource usage conservation, we have implemented solvent recovery systems at our Ankleshwar and Dahej facilities. The solvent recovery system enables us to recover and recycle spent solvent while also minimizing the volume of solvent being disposed. Our manufacturing facilities at Ankleshwar and Dahej are certified ISO 14001:2015 and ISO 45001:2018 for environment management and occupational health and safety management systems, which reflects our commitment to enhancing our environmental performance.

Cost Leadership across Products through Careful Monitoring and Continuous Effort

We strive to achieve cost leadership across many of our products through the careful application of operations initiatives, sourcing initiatives and R&D initiatives supported through a continuous effort by our Quality and Regulatory Affairs teams. Our long-term relationships with global generic companies also help us plan our capital expenditure, enhance our ability to benefit from increasing economies of scale with stronger purchasing power for raw materials and a lower overall cost base, thereby maintaining a competitive cost structure to achieve sustainable growth and profitability.

Our operations initiatives include solvent recovery and recycling, increase in batch sizes, the utilization of new downstream equipment for filtration or drying techniques and yield improvement. Our sourcing initiatives include ongoing negotiations with vendors based on the prevailing market environment and alternate vendor qualification. Our R&D initiatives include productivity improvement of existing processes through constant optimization, process cycle time reduction, qualifying lower-cost processes for regulated markets, better recovery and recycling and backward integration of key starting materials. We implement these measures to reduce costs, improve efficiencies and reallocate resources to support identified growth opportunities in diverse markets.

Experienced Management Team with Proven Track Record

We have a professional and experienced management team led by our Managing Director and Chief Executive Officer, Dr. Yasir Rawjee, who has over 25 years of experience in the global API industry. Our operations team is headed by Mr. Vinod Naik who has over two decades of industry experience, our R&D team is headed by Dr. Palle V R Acharyulu with several years of industry experience and our Chief Financial Officer, Mr. Bhavesh Pujara has over 15 years of experience in finance. Our management team has demonstrated the ability to successfully build a global API business across diverse markets supported by strong R&D, Operations, Quality & Regulatory functions and have integrated our businesses with various operating activities through their cumulative years of work experience. In particular, they have led the process through which we have created value through organic growth, built brand recognition and loyalty and identified new business opportunities. They have also helped us in developing long-term relationships with our key customers. We believe that the knowledge and experience of our senior and mid-level management team members provides us with a significant competitive advantage as we seek to grow our business.

Our Strategies

Expand the Geographic Focus, API Portfolio and Scope of our Operations

We intend to expand the size and scope of our business by diversifying our customer base in existing markets and increasing our geographic market coverage. We intend to expand our presence in countries/regions that are adopting a more stringent regulatory framework and are moving towards becoming well-regulated markets such as South Korea, Taiwan, Russia, Brazil, Mexico and Saudi Arabia. We also intend to create new opportunities in ROW markets by utilizing manufacturing in the least developed countries through local partnerships.

We aim to continue growing our base generic business by focusing on (i) continued growth in our top existing products through increased market share and (ii) new generic product launches which will ensure growth in our top-line and retention of our bottom-line, which will enable us to deepen our presence in our existing markets. We expect revenue contribution from our newly-commercialized products to increase over the next five years and narrow the proportion of revenue attributable to sales of our top existing products. In addition, we see the complex API business as a key growth opportunity and intend to leverage our expertise in the area of synthetic chemistry and analytical characterization to expand our existing technology platforms to manufacture and grow our complex API portfolio in oncology, peptides and iron compounds, thereby expanding our existing portfolio of API products.

According to Frost & Sullivan, the growth drivers for the global complex API market include:

- Increase in demand for self-administered medications – Rising demand for self-administered medications using new drug delivery systems ("**DDS**") such as nasal sprays, auto-injectors, pen injectors, prefilled syringes, and needle-free injectors that offer convenience, will drive the specialty generics market.

- Cost rationalization giving impetus to generic injectables – As the pharmaceutical industry has grown, governments around the world have become more conscious of associated costs. In many countries, pharmaceutical cost controls set by government reimbursement agencies have affected the direction and profitability of the pharmaceutical industry. Manufacturing of generic injectables are now supported by governments of various countries which has helped in reducing the healthcare costs. This has provided momentum to the market growth.

- Growing sterile contract manufacturing organization ("**CMO**")/CDMO market – Specialized technologies and dedicated capacities are required for sterile injectables which leads to high outsourcing of these products. As the emerging market is growing, local companies lacking robust manufacturing capabilities would look for competent CMOs/CDMOs that can provide readily available expertise and infrastructure to support their growing need for both customized and generic APIs.

- Growing clinical supplies market for injectables – There were 194 therapeutic injectable new drug application ("**NDA**")/biologics license application ("**BLA**") approvals in the 2012–2017 period, an average of 33 per year (*Source: USFDA*). This was a 43% increase over the average of 23 per year in the previous five-year period. The number of approvals ranged from a low of 13 in 2013 to 47 in 2017. Injectable drugs' share of all therapeutic NDA/BLA approvals has increased in recent years i.e. 38% share of NDA/BLA approvals during 2014-17 from 28% share in the 2006-2011 period. As the number of drug approvals is largely injectables, the demand for injectables would continue to grow in the future. Companies who conduct clinical trials require smaller batches of production and they look for smaller CDMOs for clinical supplies. As such, this will generate demand for CDMOs which have the ability to manufacture clinical supplies and present in this space.

- Mergers and acquisitions ("**M&A**") – M&A activities have resulted in single supply sources and capacity constraints. Consolidations of captive/in-house manufacturing capacities have resulted in the closure of many sterile manufacturing sites, which in turn has led to product shortages. In the United States, there have been a high percentage of drug shortages for the sterile injectables in the United States from 2014 to 2017 (68% to 74%) (*Source: USFDA*). A majority of the global drug shortages can be attributed to sterile injectables. Consolidation through acquisition and partnerships are emerging as prominent trends in the global complex injectables market. Companies have extended their offerings in generic injectables due to a huge demand for complex injectables globally.

- Expansion of specialty API manufacturing facilities – To retain or gain market share, the majority of specialty API companies are expanding their manufacturing facilities for APIs in the peptides, carbohydrates and small molecules segments. One of the major factors among established players in the specialty API market towards this significant investment for expansion is the lack of serious competition in this space.

- Pharmaceutical companies are investing heavily in developing new complex molecules to target niche ailments that are now being treated through high-cost drugs and complex treatment procedures to overcome a lesser number of new opportunities in the traditional generic segment through successful patent challenges.

- Competitive differentiation – Although there is high competition in the traditional API manufacturing market, many manufacturers that are interested in focusing on the complex API segment do not have sufficient expertise. Specialty

API development has a high entry barrier but provides competitive differentiation to companies compared to those focused only on traditional APIs.

Further, where appropriate and advantageous for our business, we intend to selectively pursue acquisition opportunities that will strengthen our market position, enhance our technical capabilities, acquire new products in existing or different therapeutic areas and increase our sales, customers and geographic reach.

Grow our CDMO Business

In the last three years, we have started working with innovator pharmaceutical companies in the area of CDMO. Given our capabilities in process chemistry research, and our manufacturing and analytical research capabilities, we have the ability to attract innovator pharmaceutical companies to partner with us for providing unique solutions tailored to the needs of innovator and specialty pharmaceutical companies. We can continue to partner with such customers to provide lifecycle management solutions for their mature portfolio where genericization has happened or is impending. In our current portfolio of 120 molecules globally, we believe that many molecules offer such opportunities to a new set of customers.

We will leverage our process research, analytical research and chemistry capabilities to provide CDMO services for a range of multinational corporations and specialty companies. We believe that innovators prefer to select vendors with a strong track record such as us and maintain a concentrated supplier base. Our continuous focus on quality and on the sustainability of our operations make us a serious contender to grow this business opportunity.

According to Frost & Sullivan, the growth drivers for the global CDMO market include:

- Costly breakthrough therapies which drive higher demand for pharmaceutical products – As a result of costly breakthrough therapies, companies increasingly face higher R&D costs due to investment in new capabilities, high attrition and rising clinical costs. Consequently, companies have resorted to outsourcing the development part of R&D to lower the cost of pharmaceutical and clinical development, and seek outsourcing opportunities across the development and manufacturing spectrum. Large Indian CDMO players with a proven track record and integrated service offerings are likely to be beneficiaries of this future growth in outsourcing.

- Increasing pressure to lower drug prices – This has led to a prevalence of CMOs that can manufacture branded and generic drugs on a large scale and sell them to innovator and generic customers globally.

- Disruption by COVID-19 pandemic – The production and supply chains of major pharmaceutical companies were slowed by the COVID-19 pandemic. It has demonstrated the world's reliance on China for APIs for a number of biologics and generic drugs. For example, due to government-imposed lockout restrictions in China, 44 companies were considered non-operational during the pandemic. As a result, different countries have initiated initiatives to create their own APIs, and countries across the EU and have re-evaluated their healthcare models in order to fight the virus and maintain a stable supply of APIs.

- *Apart from China, India is the only country that offers similar advantages of a low-cost manufacturing base. In addition, most Indian companies have an established track record in maintaining world-class quality systems that adhere to cGMP. In addition, Indian companies are the leader in DMF and ANDA filings with multiple regulatory agencies. This unique position allows Indian API and formulation companies to become part of a de-risked supply chain sought by European and Canadian companies.*

- Realignment of business models – Pharmaceutical manufacturers have realigned their models to serve a large patient pool as a result of increasing healthcare costs and the recent COVID-19 outbreak. For example, pharmaceutical companies in Canada are ramping up their efforts to establish alliances with countries other than China in order to gain access to new markets. Other countries are strengthening their domestic manufacturing capabilities.

- *The last five years have seen stricter environmental controls from Chinese authorities on fine chemical and API manufacturers. Many fines have been imposed and licenses have been withdrawn or suspended, leading to a shrinking supply base of important APIs and key starting materials. These supply-related shortages have led to hiked prices and also disrupted supply chains for some key drugs. This situation is likely to continue due to a strong policy push from the Chinese government to achieve improved and air and water quality. This situation creates an opportunity for Indian players to ramp up investments in the API space to service customers that were solely dependent on Chinese companies for their APIs.*

- Highly fragmented CDMO market – The top 10 CDMOs own less than 30% of the market, with the biggest players owning just 2-4% of the total market share. However, there have been many consolidations in the form of mergers and acquisitions. Pharmaceutical companies are trying to work with a smaller number of suppliers in order to reduce costs and save time. This also helps CDMOs to strengthen their competitiveness by extending their range of services offered or entering the market for another dosage form.

We intend to grow our CDMO business and believe that our relationships with leading global generic pharmaceutical provide opportunities to maximize the value of our product development and manufacturing platforms. We seek to continue to explore opportunities to enhance our existing relationships by undertaking contract development and manufacturing for new molecules across their various product segments.

We see the specialty business as a key growth opportunity and an added lever for our API market expansion, with multiple companies in the United States and Europe currently focused on developing products under Section 505(b)(2) of the Federal Food, Drug and Cosmetic Act ("**FD&C Act**"). In addition, the specialty business offers higher business stability with relatively higher margins due to the complex nature of the products which leads to high customer stickiness.

According to Frost & Sullivan, the growth drivers for the global specialty market include:

- Strong sales and low development costs lead to significant return on investment – Costs for development can range from as little as US$3 million for those with no clinical trials to as high as US$50 million when additional trials are required. As such, the development of products and filing under Section 505(b)(2) of the FD&C Act offers lower risk and high returns.

- Convenience and lower product costs – Products offer a greater dosing convenience, lower costs and new formulations as compared to their existing referenced products.

To this end, we aim to continue developing customized solutions for specialty pharmaceutical companies focused on creating niche markets through novel formulations, thereby expanding the market for existing therapies. As an API provider to such customers, we have helped create value through a blend of product customization and regulatory strategy to allow market access. We aim to tap all possible opportunities in the specialty business, both from our existing portfolio as well as new development opportunities.

Expand our Production Capacities

We currently operate four multi-purpose manufacturing facilities with an aggregate annual total installed capacity of 726.6 KL as of March 31, 2021. We intend to increase our API manufacturing capabilities by enhancing the existing production capacities at our Ankleshwar facility during the financial year 2022 and our Dahej facility during the financial years 2022 and 2023 by an aggregate annual total installed capacity of 200 KL. This additional production capacity is expected to help us further expand our generic API production and also grow our oncology product pipeline. We intend to develop a new manufacturing facility in India for the manufacture of generic APIs from the financial year 2022 which is expected to become operational in the fourth quarter of the financial year 2023. The new facility will provide a platform for the growth of our CDMO business and also add capacity for our generic API business. This facility will be a greenfield project built on a 40-acre footprint with a plan to manufacture both APIs and intermediates and will house several multi-purpose manufacturing blocks with mid to high-volume capacity. It will include a high degree of automation and comply with global regulatory standards, and will have an aggregate capacity of 800 KL over the next three to four years. This facility is intended to be funded from internal accruals and debt financing (if required).

In connection with the expansion of our production capacity, we also plan to invest in backward integration of key starting materials to become more self-reliant and less dependent on our vendors for raw materials, as such dependence on vendors may sometimes impact our timely manufacture and delivery of APIs to our customers. We also plan to expand our technology platform and manufacturing footprint at our Dahej facility to grow our oncology product portfolio, and implement the use of more automation in our processes to increase efficiency and improve compliance.

Improving Financial Performance through Focus on Operational Efficiencies

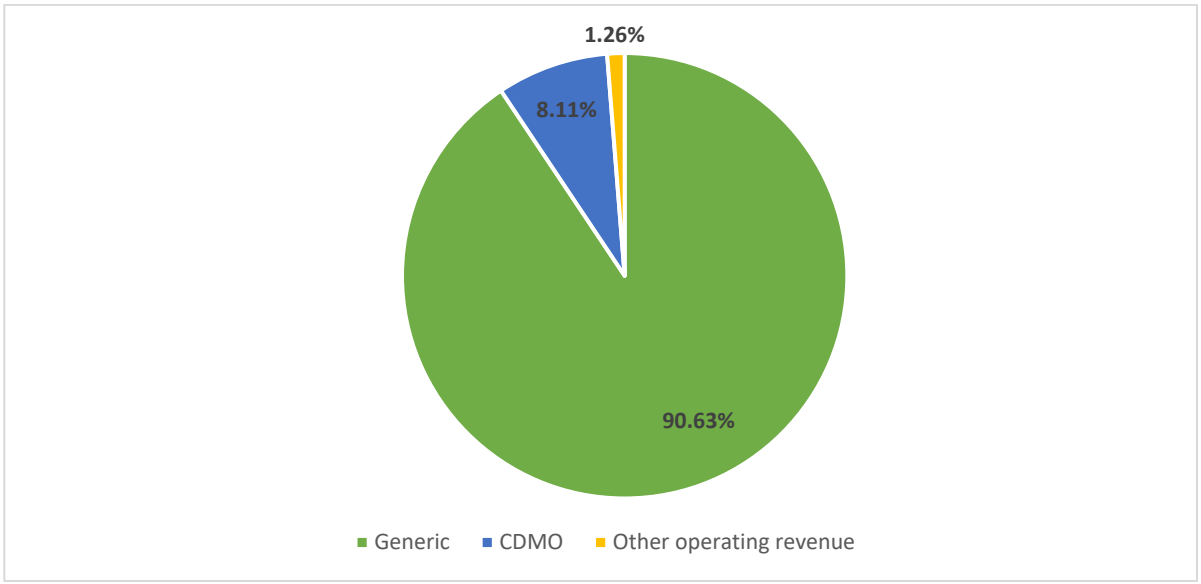
We continually aim to improve our financial performance by focusing on enhancing our operational efficiencies through initiatives such as solvent recovery and recycling, increase in batch sizes, the utilization of new downstream equipment for filtration or drying techniques and yield improvement. We will also continue to implement sourcing initiatives include ongoing negotiations with vendors based on the prevailing market environment and alternate vendor qualification. We also intend to reinforce our R&D capabilities through prudent investments aimed at sustainable business opportunities and expect our R&D initiatives to support development of new, innovative processes aimed at improving production efficiencies and to also address strategic business opportunities in the global pharmaceuticals industry. Our R&D initiatives include productivity improvement of existing processes through constant optimization, process cycle time reduction, qualifying lower-cost processes for regulated markets, better recovery and recycling and backward integration of key starting materials. We believe that these initiatives will allow us to de-risk our operations by continuing to diversify our procurement base, reduce the amount of materials that we import and procure more materials from Indian suppliers.

Description of Our Business

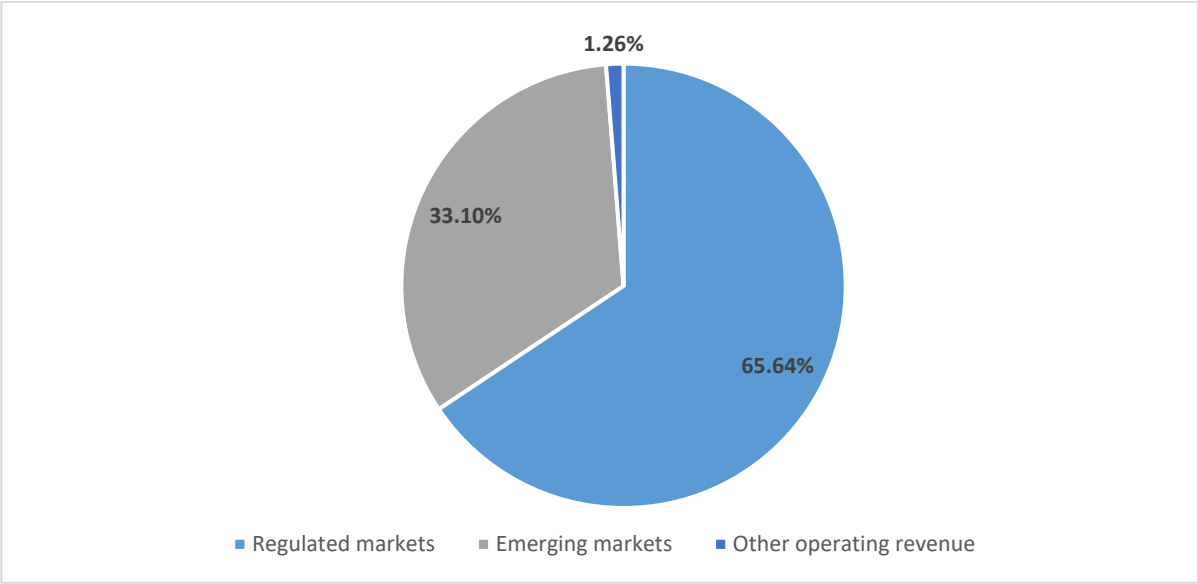
We are a leading developer and manufacturer of select high value, non-commoditized APIs in chronic therapeutic areas, including CVS, CNS, pain management and diabetes (*Source: Frost & Sullivan Report*). We also manufacture and sell APIs for gastro-intestinal disorders, anti-infective and other therapeutic areas. APIs are the principal ingredients for finished dosages and are also known as bulk actives or bulk drugs. APIs become formulations when the dosage is administered by using additional inactive ingredients either in oral forms such as tablets, capsules, dry syrups or liquid orals or in sterile forms like injectable dry powder vials or liquid injectables. Our API product portfolio comprises Atovaquone, Perindopril, Adapalene, Zonisamide, Teneligliptin, Desloratadine, Riluzole, Telmisartan, Etoricoxib, Voriconazole, Olmesartan, Rosuvastatin and Oxcarbazepine, among others. Our API portfolio comprises specialized and profitable products, including niche and technically complex molecules, which we believe reflects our ability to branch into other high value products.

We are a wholly-owned subsidiary of our Promoter, Glenmark, a research-oriented, innovation led, global pharmaceutical company, which was established in 1977 and is listed on the BSE and NSE. In 2001-2002, Glenmark launched the API manufacturing business by setting up a manufacturing facility in Kurkumbh in the state of Maharashtra, India and focused on growing this business over the next 18 years. In 2019, the API manufacturing business of Glenmark was sold and spun off into our Company in 2019 as part of a broader reorganization designed to place Glenmark on an accelerated trajectory to attain its objectives in three different verticals, with our Company focusing on the API business. Following the Spin-off, we operate as an independent, professionally-managed global API business.

We operate two business lines – Generic APIs (generics and complex APIs) and CDMO (including specialty). The chart below sets out the split of our revenue from Generic APIs and CDMO for the financial year 2021 by business line:



Enabled by our high standards of quality and process innovation, our products are sold in both regulated markets and emerging markets. For the financial years 2021, 2020 and 2019, our revenue from regulated market products was ₹12,374.06 million, ₹10,966.21 million and ₹9,685.07 million, or 65.64%, 71.33% and 68.93% of our total revenue from operations, respectively. As of March 31, 2021, we had a portfolio of 120 molecules globally and sold our APIs in India and exported our APIs to multiple countries in Europe, North America, Latin America, Japan and ROW. The chart below sets out the split of our revenue from operations for the financial year 2021 between regulated markets and emerging markets:

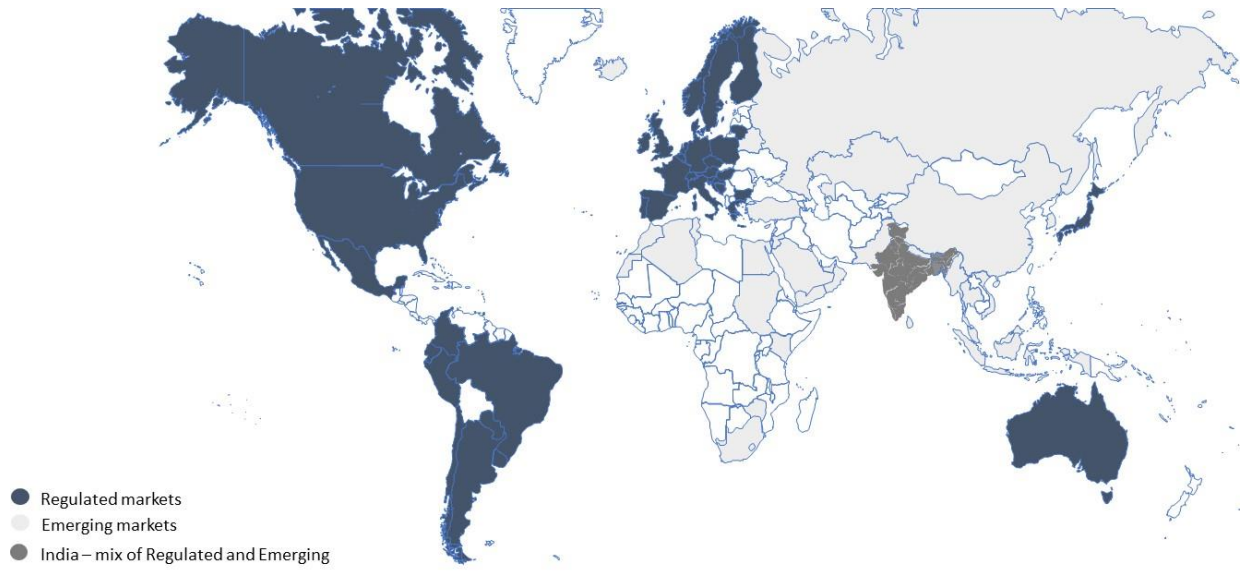


API Business

Our API business comprises of the development, manufacture and sale of select high value, non-commoditized APIs in chronic therapeutic areas, including CVS, CNS, pain management and diabetes. We also manufacture and sell APIs for gastro-intestinal disorders, anti-infective and other therapeutic areas. As of May 31, 2021, we had filed 403 DMFs and CEPs across various major markets (i.e. United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia). As of March 31, 2021, we had a portfolio of 120 molecules globally.

In addition, we see the complex API business as a key growth opportunity and intend to leverage our expertise in the area of synthetic chemistry and analytical characterization to expand our existing technology platforms to manufacture and grow our complex API portfolio in oncology, peptides and complex injectables compounds, thereby expanding our existing portfolio of API products.

The map below reflects the global footprint of our API business:



Region	Number of DMF/CEP filings	Approximate number of customers serviced in the financial year 2021
North America	142	30+
Europe	79*	50+
India	--	100+
Japan	15	10+
Latin America	59 (Brazil)	50+
ROW	108	300

As of May 31, 2021.
* *Including three CEPs under review.*

For the financial years 2021, 2020 and 2019, revenue from our API business was ₹17,084.23 million, ₹12,938.51 million and ₹12,627.33 million, or 90.63%, 84.16% and 89.87% of our total revenue from operations, respectively.

Product Portfolio

Our API product portfolio spans across therapeutic areas including CVS, CNS, pain management, diabetes and others. Enabled by our high standards of quality and process innovation, our API products are sold in both regulated markets and emerging markets.

CVS Therapeutic Area

As of March 31, 2021, our commercialized API portfolio comprised 21 CVS products. Key products include Olmesartan, Amiodarone, Telmisartan, Perindopril, Rosuvastatin and Cilostazol.

For the financial years 2021, 2020 and 2019, our revenue from the sale of products in the CVS therapeutic area was ₹7,763.23 million, ₹6,681.61 million and ₹5,438.54 million, or 45.44%, 51.64% and 43.07% of our revenue from operations from our generic API business, respectively.

CNS Therapeutic Area

As of March 31, 2021, our commercialized API portfolio comprised 27 CNS products. Key products include Oxcarbazepine, Zonisamide, Topiramate, Bupropion, Ropinirole, Riluzole and Lacosamide.

For the financial years 2021, 2020 and 2019, our revenue from the sale of products in the CNS therapeutic area was ₹1,677.15 million, ₹1,279.82 million and ₹1,219.51 million, or 9.82%, 9.89% and 9.66% of our revenue from operations from our generic API business, respectively.

Diabetes Therapeutic Area

As of March 31, 2021, our commercialized API portfolio comprised nine diabetes products. Key products include Glimepiride, Teneligliptin, Vildagliptin and Linagliptin.

For the financial years 2021, 2020 and 2019, our revenue from the sale of products in the diabetes therapeutic area was ₹618.67 million, ₹571.36 million and ₹795.02 million, or 3.62%, 4.42% and 6.30% of our revenue from operations from our generic API business, respectively.

Pain Management Therapeutic Area

As of March 31, 2021, our commercialized API portfolio comprised two pain management products, namely Etoricoxib and Lornoxicam.

For the financial years 2021, 2020 and 2019, our revenue from the sale of products in the pain management therapeutic area was ₹705.74 million, ₹726.97 million and ₹684.97 million, or 4.13%, 5.62% and 5.42% of our revenue from operations from our generic API business, respectively.

APIs in Other Therapeutic Areas

Our other generic API business is focused on manufacturing APIs for other therapeutic areas, such as gastro-intestinal disorders, anti-infective, respiratory, anti-emetic and other therapeutic areas. Key products include Atovaquone, Voriconazole, Mirabegron, Desloratadine, Esomeprazole Magnesium, Adapalene and Fluconazole.

For the financial years 2021, 2020 and 2019, our revenue from the sale of APIs in other therapeutic areas was ₹6,319.44 million, ₹3,678.75 million and ₹4,489.29 million, or 36.99%, 28.43% and 35.55% of our revenue from operations from our generic API business, respectively.

The following table sets forth the volume of key APIs that we manufactured and sold and our global market share position in respect of each key product for the financial year 2021:

Market Share Range	Quantity Contribution to Sales from API business in Financial Year 2021	Value Contribution to Sales from API business in Financial Year 2021	Key Products
<10%	27.26%	35.58%	Olmesartan, Rosuvastatin, Oxcarbazepine, Voriconazole
10-20%	30.97%	17.82%	Telmisartan, Etoricoxib, Teneligliptin
20-30%	1.04%	2.99%	Desloratadine, Riluzole, Cilazapril
>30%	40.73%	43.61%	Atovaquone, Perindopril*, Adapalene, Zonisamide

Source: IQVIA, MIDAS Database, MAT March 2021 IQVIA. Copyright 2021. All rights reserved.
** Numbers reflected for Perindopril Erbumine*

CDMO Business

In the last three years, we have started working with innovator pharmaceutical companies in the area of CDMO. Our CDMO business currently comprises of applying for and procuring permission to market products in regulated markets as well as contract manufacturing of APIs for utilization by pharmaceutical companies to make formulations.

Given our process chemistry research, manufacturing and analytical research capabilities, we have the ability to attract innovator pharmaceutical companies to partner with us for providing unique solutions tailored to the needs of innovator and specialty pharmaceutical companies. We can continue to partner with such customers to provide lifecycle management solutions for their mature portfolio where genericization has happened or is impending. In our current portfolio of 120 molecules globally, we believe that many molecules offer such opportunities to a new set of customers.

We will leverage our process research, analytical research and chemistry capabilities to provide CDMO services for a range of multinational corporations and specialty companies. We believe that innovators prefer to select vendors with a strong track record such as us and maintain a concentrated supplier base. Our continuous focus on quality and on the sustainability of our operations make us a serious contender to grow this business opportunity.

According to Frost & Sullivan, the growth drivers for the global CDMO market include:

- Aging global population, healthcare conditions in developing countries and costly breakthrough therapies which drive higher demand for pharmaceutical products – Companies are facing higher R&D costs and are investing in new capabilities to cater to the rapid growth in demand. Consequently, this makes it more difficult to lower the cost of pharmaceuticals, thereby forcing some companies to seek outsourcing partners. Large Indian CDMO players with a proven track record and fully integrated service offerings are likely to be beneficiaries of this future growth in outsourcing.

- Increase in drug prices and prevalence of chronic diseases – CMOs have risen in popularity as they can manufacture branded and generic drugs on a large scale and sell them to consumers in developing countries.

- Major CMOs are expected to follow continuous manufacturing approaches as a result of the development of small molecule APIs and the move toward personalized medicines.

- Disruption by COVID-19 pandemic – The production and supply chains of major pharmaceutical companies were slowed by the COVID-19 pandemic. It has demonstrated the world's reliance on China for APIs for a number of biologics and generic drugs. For example, due to government-imposed lockout restrictions in China, 44 companies were considered non-operational during the pandemic. As a result, different countries have initiated initiatives to create their own APIs, and countries across the EU and have re-evaluated their healthcare models in order to fight the virus and maintain a stable supply of APIs.

- Realignment of business models – Pharmaceutical manufacturers have realigned their models to serve a large patient pool as a result of increasing healthcare costs and the recent COVID-19 outbreak. For example, pharmaceutical companies in Canada are ramping up their efforts to establish alliances with countries other than China in order to gain access to new markets. Other countries are strengthening their domestic manufacturing capabilities.

- Highly fragmented CDMO market – The top 10 CDMOs own less than 30% of the market, with the biggest players owning just 2-4% of the total market share. However, there have been many consolidations in the form of mergers and acquisitions. Pharmaceutical companies are trying to work with a smaller number of suppliers in order to reduce costs and save time. This also helps CDMOs to strengthen their competitiveness by extending their range of services offered or entering the market for another dosage form.

We intend to grow our CDMO business and believe that our relationships with leading global generic pharmaceutical provide opportunities to maximize the value of our product development and manufacturing platforms. We seek to continue to explore opportunities to enhance our existing relationships by undertaking contract development and manufacturing for new molecules across their various product segments.

Specialty API is an important sub-segment of our CDMO business. Within our specialty API business, we offer customized support to pharmaceutical companies from making regulatory filings, providing research and technological support to manufacturing specialty APIs. As an API provider to such customers, we have helped create value through a blend of product customization and regulatory strategy to allow market access.

We see the specialty business as a key growth opportunity and an added lever for our API market expansion, with multiple companies in the United States and Europe currently focused on developing products under Section 505(b)(2) of the FD&C Act. In addition, the specialty business offers higher business stability with relatively higher margins due to the complex nature of the products which leads to high customer stickiness.

According to Frost & Sullivan, the growth drivers for the global specialty market include:

- Strong sales and low development costs lead to significant return on investment – Costs for development can range from as little as US$3 million for those with no clinical trials to as high as US$50 million when additional trials are required. As such, the development of products and filing under Section 505(b)(2) of the FD&C Act offers lower risk and high returns.

- Convenience and lower product costs – Products offer a greater dosing convenience, lower costs and new formulations as compared to their existing referenced products.

To this end, we aim to continue developing customized solutions for specialty pharmaceutical companies focused on creating niche markets through novel formulations, thereby expanding the market for existing therapies. As an API provider to such customers, we have helped create value through a blend of product customization and regulatory strategy to allow market access. We aim to tap all possible opportunities in the specialty business, both from our existing portfolio as well as new development opportunities.

For the financial years 2021, 2020 and 2019, revenue from our CDMO business was ₹1,529.72 million, ₹2,004.90 million and ₹980.61 million, or 8.11%, 13.04% and 6.98% of our total revenue from operations, respectively.

Manufacturing Facilities and Approvals

We currently operate four multi-purpose manufacturing facilities in India which are situated on leasehold land. GSK assigned the lease over the land and transferred ownership of the property and equipment in respect of the Ankleshwar facility to Glenmark in 2004 and Glenmark upgraded the facility to comply with USFDA certification requirements in the same year. All of our manufacturing facilities currently have ZLD capabilities for their aqueous streams and have additional facilities to recover solvents and effectively treat waste from both liquid and gaseous streams. All of our manufacturing facilities have received several major regulatory approvals and accreditations, which enables us to supply our products in regulated and other markets.

The following table sets forth certain key details of our manufacturing facilities:

Location	Description	Top Products (Therapeuti Area)	Approvals	Last Inspection
Ankleshwar, Gujarat	API manufacturing facility with manpower of 900 personnel Annual total installed capacities as of March 31, 2021 – 511.0 KL	Amiodarone (CVS), Olmesartan (CVS), Perindopril (CVS), Oxcarbazepine (CNS)	Food and Drugs Control Administration, Gujarat	May 2021
			USFDA	July 2019
			MHRA (United Kingdom)	November 2006
			FIMEA (Finland)	July 2014

Location	Description	Top Products (Therapeuti Area)	Approvals	Last Inspection
			Romania (Europe)	February 2014
			PMDA (Japan)	August 2019
			COFEPRIS (Mexico)	February 2016
			Health Canada	July 2019
			KFDA (South Korea)	April 2011
Dahej, Gujarat	API manufacturing facility with manpower of 259 personnel Annual total installed capacities as of March 31, 2021 – 141.9 KL	Amiodarone (CVS), Etoricoxib (Pain management), Omeprazole (Gastro-intestinal), Fluconazole (anti-infective), Cilostazol (CVS)	USFDA	October 2018
			EDQM (Europe)	March 2018
			PMDA (Japan)	December 2016
			KFDA (South Korea)	May 2017
Mohol, Maharashtra	API manufacturing facility with manpower of 78 personnel Annual total installed capacities as of March 31, 2021 – 49.1 KL	Telmisartan (CVS), Rosuvastatin (CVS), Vildagliptin (diabetes)	USFDA	March 2018
			Maharashtra FDA	January 2021
Kurkumbh, Maharashtra	API manufacturing facility with manpower of 70 personnel Annual total installed capacities as of March 31, 2021 – 24.6 KL	Glimepiride (diabetes), Sertaconazole (dermatology), Adapalene (dermatology)	Maharashtra FDA	January 2021

Our Growth Plans

We intend to increase our API manufacturing capabilities by enhancing the existing production capacities at our Ankleshwar facility during the financial year 2022 and our Dahej facility during the financial years 2022 and 2023 by an aggregate annual total installed capacity of 200 KL. This additional production capacity is expected to help us further expand our generic API production and also grow our oncology product pipeline. We intend to develop a new manufacturing facility in India for the manufacture of generic APIs from the financial year 2022 which is expected to become operational in the fourth quarter of the financial year 2023. The new facility will provide a platform for the growth of our CDMO business and also add capacity for our generic API business. This facility will be a greenfield project built on a 40-acre footprint with a plan to manufacture both APIs and intermediates and will house several multi-purpose manufacturing blocks with mid to high-volume capacity. It will include a high degree of automation and comply with global regulatory standards, and will have an aggregate capacity of 800 KL over the next three to four years. This facility is intended to be funded from internal accruals and debt financing (if required).

In connection with the expansion of our production capacity, we also plan to invest in backward integration of key starting materials to become more self-reliant and less dependent on our vendors for raw materials, as such dependence on vendors may sometimes impact our timely manufacture and delivery of APIs to our customers. We also plan to expand our technology platform and manufacturing footprint at our Dahej facility to grow our oncology product portfolio, and implement the use of more automation in our processes to increase efficiency and improve compliance.

See "*Risk Factors – Internal Risk Factors – Our inability to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations, financial condition and cash flows*" on page 31.

Production Capacity, Production Volumes and Capacity Utilization

The following tables set forth the annual production capacity, actual production volumes and capacity utilization of each of our manufacturing facilities for the periods indicated:

Ankleshwar

	Financial Year		
	2021	2020	2019
Annual production capacity (MT)*	301.2	246.0	251.2
Actual production volumes (MT)	259.0	214.0	206.0
Capacity utilization (%)	86.0	87.0	82.0

Dahej

	Financial Year		
	2021	2020	2019
Annual production capacity (MT)*	151.1	111.5	121.7
Actual production volumes (MT)	133.0	97.0	101.0
Capacity utilization (%)	88.0	87.0	83.0

Mohol

	Financial Year		
	2021	2020	2019
Annual production capacity (MT)*	54.8	33.3	27.3
Actual production volumes (MT)	47.0	27.7	21.2
Capacity utilization (%)	85.8	82.9	77.6

Kurkumbh

	Financial Year		
	2021	2020	2019
Annual production capacity (MT)*	56.3	43.2	42.7
Actual production volumes (MT)	38.0	32.4	31.6
Capacity utilization (%)	67.5	75.0	74.0

* *Represents annual production capacity on product mix at the end of the relevant year/period.*

Calculations based on (i) a total of 28 working days in a month and 339 days production in a year, and (ii) three shifts of eight hours each per day and an assumption of 24 hours manufacturing. Commercial production efficiency is directly related to the product mapped for the particular month/quarter/year.

Product Selection and Development Process

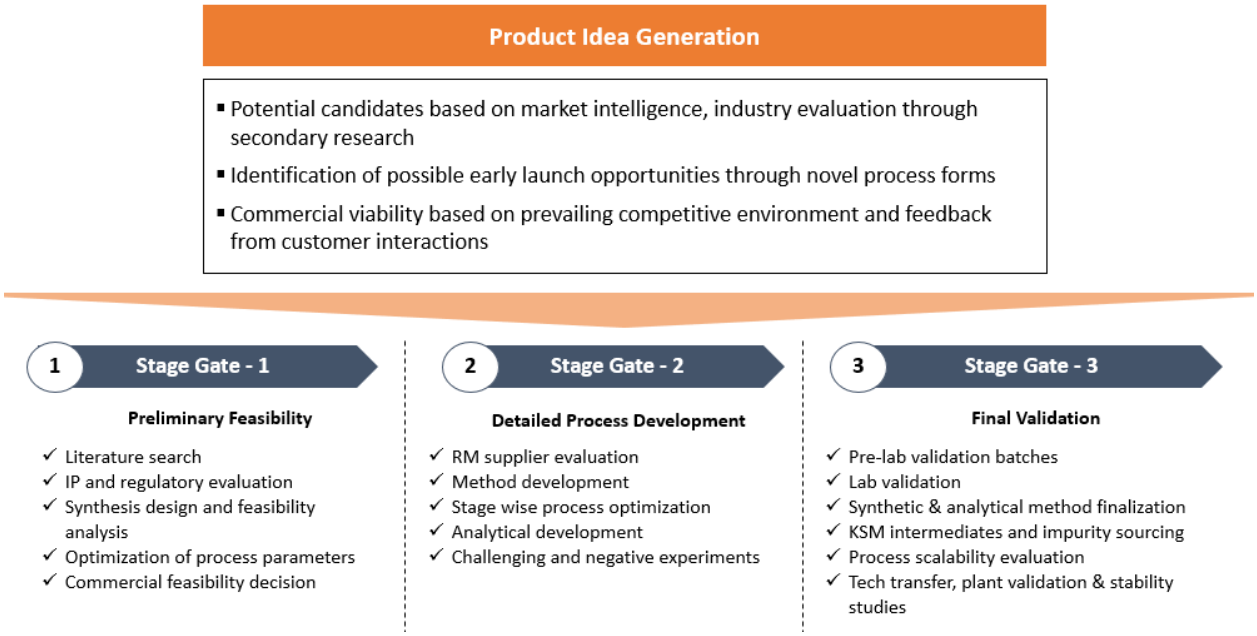
We initiate our product selection process with a clear rationale for inclusion of each product into the development grid. Our team conducts detailed study of the market through secondary research and also incorporates customer feedback/requests to build a repository of products which are then jointly evaluated across various commercial parameters. Through a detailed business model generation, there are specific product opportunities identified and included in the development grid. We ensure that products which are selected for development are aligned with our capabilities and available capacities. In addition, we look to build additional capabilities if the commercial potential of a product is extremely high and can support the incremental investment.

Once the product enters the development stage, it passes through three stage gates as described below. At each stage, the commercial feasibility is re-validated before moving on to next stage.

- Stage Gate 1: Preliminary Feasibility – In this stage, the various activities conducted include literature search, intellectual property and regulatory evaluation, synthesis design and feasibility analysis and optimization of process parameters.

- Stage Gate 2: Detailed Product Development – In this stage, the various activities conducted include raw material supplier evaluation, method development, stage-wise process optimization, analytical development and challenging and negative experiments.

- Stage Gate 3: Final Validation – In this stage, the various activities conducted include pre-laboratory validation batches, laboratory validation, synthetic and analytical method finalization, key starting material intermediates and impurity sourcing, process scalability evaluation, tech-transfer, plant validation and stability studies.



Research and Development

We are focused on undertaking dedicated R&D in areas which we believe have significant growth potential. Our R&D operations are focused on developing new products and complex molecules as well as improving the efficiency of our existing products.

The following table sets forth certain key details of our three dedicated R&D facilities as of March 31, 2021:

Location	Description
Mahape, Navi Mumbai	• R&D for new product development and complex molecules • High-end analytical equipment for characterization
Ankleshwar, Gujarat	• Cost improvement programs and process improvements
Dahej, Gujarat	• Oncology product development • Cost improvement programs and process improvements

As of March 31, 2021, we employed 213 personnel at our R&D laboratories, which constituted 13.86% of our total permanent employee strength. We have R&D capabilities across process research comprising (i) portfolio evaluation; (ii) process development comprising feasibility studies, cost optimization studies, laboratory validation and development history report; (iii) process scale-up and validation; and (iv) regulatory filings and approvals. We also offer analytical research capabilities such as (i) literature search; (ii) method development and optimization; (iii) characterization of impurities and standards; (iv) method validation; (v) non-carry over studies and (vi) stability/hold-time studies. Our key chemistry capabilities include (i) polymorphism screening and optimization; (ii) pharmaceutical salt screening and optimization; (iii) cryogenic reactions; (iv) high pressure reactions; (v) high temperature reactions; (vi) asymmetric hydrogenation; (vii) enzymatic transformations; and (viii) particle size distribution studies. We have dedicated teams for new product development, complex products, oncology product development, technology transfer, life cycle management and project management. Our R&D capabilities have resulted in filing of 403 DMFs and CEPs as of May 31, 2021, and a portfolio of 120 molecules globally as of March 31, 2021. Further, our R&D facility at Mahape has been registered and recognized by the Department of Scientific and Industrial Research, Ministry of Science and Technology of India ("**DSIR**").

We believe that our R&D has led, and will continue to lead to new, innovative processes that can increase the efficiencies of production including developing cost effective manufacturing processes, as well as address opportunities that we have identified in the global market for our businesses. For the financial years 2021, 2020 and 2019, our total expenditure for R&D activities was ₹405.17 million, ₹400.28 million and ₹375.76 million, or 2.15%, 2.60% and 2.67% of our total revenue from operations, respectively.

Raw Materials and Utilities

The key raw materials that we use for our manufacturing operations include key starting materials for our API manufacturing and other critical intermediates such as 2-butyl-3-(3,5-diiodo-4-hydroxybenzoyl), 6-Flouro-3-Hydroxypyrazine, 6-bromo-3-hydroxypyrazine-2-carboxamide and Trans-4-(4-Chlorophenyl) cyclohexane. We have a strict onboarding process for third party vendors. We identify and approve multiple vendors to source our key raw materials and we place purchase orders with them

from time to time. We currently source most of our key raw materials from vendors in China and India. We seek to de-risk our operations by continuing to diversify our procurement base, reduce the amount of materials that we import and procure more materials from Indian suppliers. We also conduct tests and analyses on raw materials supplied by our vendors periodically to maintain quality standards.

For the financial years 2021, 2020 and 2019, our three largest suppliers accounted for 40.26%, 31.07% and 27.34% of our total purchases of key starting materials. We cannot assure you that we will be able to continue to obtain adequate supplies of our raw materials, in a timely manner, in the future. In addition, as we may not be a major customer of some of our vendors, they may prioritize the orders of other customers over us. Further, in the event of an increase in the price of raw materials, we cannot assure you that we will be able to correspondingly increase the price of our products. Our vendors may also encounter financial hardships unrelated to our demand for raw materials, which could impede their ability to fulfil our orders and meet our requirements. We are also dependent on third-party transport agencies to supply raw materials purchased from our vendors and products to our customers in a timely manner. See "*Risk Factors – Internal Risk Factors – Any delay, interruption or reduction in the supply of raw materials to manufacture our products may adversely affect our business, results of operations, financial condition and cash flows*" on page 24.

Our manufacturing operations require a significant amount of power and water.

Quality Control and Quality Assurance

The pharmaceutical industry is highly regulated and accordingly our manufacturing facilities are regularly inspected and/or audited by regulatory authorities such as the USFDA, PMDA, COFEPRIS, Health Canada, MFDS (Korea), EDQM, other European regulatory agencies and CDSCO. In addition, we have strong internal audit and control procedures which help us adhere to the highest standards of quality across the supply chain.

We believe that maintaining highest standards of quality in our R&D and manufacturing operations is critical to our brand and maintenance of long-term relationships with our customers. We have been consistently implementing cGMPs across each of our manufacturing facilities, which are monitored by a comprehensive QMS encompassing all areas of business processes from R&D and raw material procurement to manufacturing to packaging and delivery.

As of March 31, 2021, we had 412 personnel or 26.81% of our permanent employee total performing quality control and quality assurance functions. Our quality assurance team has dedicated qualified professionals with significant industry experience that is responsible for maintaining our required quality standards. See "*Risk Factors – Internal Risk Factors – Any manufacturing or quality control problems may subject us to regulatory action, damage our reputation and have an adverse effect on our business, results of operations, financial condition and cash flows*" on page 22.

Customers

Over the years, we have established strong relationships with leading global generic pharmaceutical companies that has helped us expand our service offerings and geographic reach. As of March 31, 2021, 16 of the 20 largest generic companies globally were our customers (*Source: "A Year of Surprises Shakes Up Off-Patent Industry" | Informa, 2020*) and believe that we enjoy a reputation of trust and reliability with such companies.

We have been able to maintain high customer loyalty with a high rate of repeat customers. For the financial years 2021, 2020 and 2019, approximately 69% of our customers were period-on-period repeat customers, respectively. We also have a long history with many of our key customers, including Glenmark, Teva Pharmaceutical Industries, Torrent Pharmaceuticals, Aurobindo Pharma, Krka and another company which is a global leader in generic pharmaceuticals and biosimilars. For the financial year 2021, Glenmark, Teva Pharmaceutical Industries, Torrent Pharmaceuticals and Aurobindo Pharma were among our 10 largest customers by revenue contribution, while these four key customers and Krka were among our 10 largest customers by revenue contribution for the financial years 2020 and 2019. The term of our relationship with our seven largest customers averages approximately five to 15 years, and approximately 41% of our customers for the financial year 2021 were also our customers in each of the financial years 2020 and 2019.

We conduct most of our business on a purchase order basis where the terms of the sale are determined by mutual agreement and depend on factors such as volumes, competition and market share of the product. For a few key customers, we may enter into long-term contracts for specific products with them.

For the financial years 2021, 2020 and 2019, our top five customers contributed to more than 50% of our total revenue.

Sales and Marketing

As of March 31, 2021, our sales and marketing team comprised 27 personnel who are based in India, the United States, the United Kingdom and Brazil, and who interact regularly with our customers for the sale of our API products. We participate regularly in various international trade exhibitions and meetings to promote our Company and portfolio of products to

pharmaceutical companies. Our sales team has established strong relationships with our customers through regular interactions on all aspects of supply of API products. In certain cases, we may utilize services of selling and marketing agents from time to time, and pay them a sales commission for their services.

In addition to India, we sell our products to multiple countries in Europe, North America, Latin America, Japan and ROW. A significant portion of our revenue is generated from sale of our products to customers in the regulated markets of North America and Europe.

Our Comprehensive Compliance Framework

We are committed to complying with regulatory standards of countries where our APIs are exported to. We also focus on emerging issues, such as nitrosamine risk assessment and elemental impurity assessment, and maintain readiness across plant functions. Our manufacturing facilities are inspected/audited by our customers and a variety of overseas regulatory authorities, including USFDA, MHRA (United Kingdom), PMDA (Japan) and EDQM (Europe), to assess compliance with their respective regulatory requirements. To varying degrees, each of these agencies requires us to adhere to laws and regulations governing the development, testing, manufacturing, labeling, marketing, and distribution of our APIs in their respective regions.

We focus on building quality into our products through compliance with global regulatory standards as well as local and state laws across manufacturing regulations, environmental clearance norms and other statutory norms. We are also focused on sustainability in our operations through meaningful interventions in environment management, safety initiatives in our operations and occupational health of our workforce. We have undertaken various initiatives relating to energy efficiency, recovery and reuse of solvents and water conservation to reduce our carbon footprint. We have installed equipment in our Ankleshwar and Dahej manufacturing facilities which have reduced our electricity consumption from financial year 2019 to financial year 2021. We have also reduced water consumption at our Ankleshwar and Dahej manufacturing facilities from 1.02 KL/KG in financial year 2019 to 0.73 KL/KG in financial year 2021. In addition, in the financial year 2021, we reused or recycled 3,277 MT of hazardous waste through co-processing at our Ankleshwar and Dahej manufacturing facilities. Further, we have modified our existing processes and implemented solvent recovery systems at our Ankleshwar and Dahej manufacturing facilities. As result, we have reduced our waste generated by recovering process solvents, thereby acting as an alternate to virgin solvent, and increased solvent recovery from 7,452 KL in financial year 2019 to 10,734 KL in financial year 2021. All of our manufacturing facilities currently have ZLD capabilities.

We have an internal framework and governance structure in place for adherence to compliance standards. We are committed to equal employment opportunities for our workforce globally.

Environmental, Health and Safety Matters

We are subject to significant Indian national and state environmental laws and regulations, including regulations relating to the prevention and control of water pollution and air pollution, environmental protection, hazardous waste management and noise pollution. These laws and regulations govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations.

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted an environmental, health and safety policy that is aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our facilities or under our management. Periodic assessment of working conditions of our employees is carried out to ensure a safe working environment at our manufacturing facilities. We won the GreenTech Safety Award in 2019, 2018 and 2017.

We have undertaken various initiatives on energy efficiency, renewable energy and water conservation to reduce our carbon footprint. The key facets of our sustainability initiatives include shifting to renewable sources of energy to decarbonize our operations, creating carbon sinks through tree plantations, reducing our carbon footprint by enhancing energy efficiency and enhancing the resilience of our operations to the physical impacts of climate change. For example, in our efforts to decarbonize our operations, we are in the process of shifting to bio-fuel instead of traditional diesel, which has a higher carbon footprint and have also installed solar LED lights at our Kurkumbh and Mohol facilities. We also focus on water conservation and all of our manufacturing facilities currently have ZLD capabilities.

Further, we have established SOPs to handle different categories of waste and our waste management strategy includes monitoring and control procedures for waste categorization, segregation, minimization, safe handling, transport and disposal of waste. In our efforts to ensure resource usage conservation, we have implemented solvent recovery systems at our Ankleshwar and Dahej facilities. The solvent recovery system enables us to recover and recycle spent solvent while also minimizing the volume of solvent being disposed. Our manufacturing facilities at Ankleshwar and Dahej are certified ISO 14001:2015 and ISO 45001:2018 for environment management and occupational health and safety management systems, which reflects our commitment to enhancing our environmental performance.

Failure to comply with the applicable laws, regulations and directions may subject us to penalties and may also result in the closure of our facilities. See "*Risk Factors – Internal Risk Factors – Non-compliance with and changes in, safety, health, environmental and labor laws and other applicable regulations, may adversely affect our business, results of operations, financial condition and cash flows*" on page 33.

Our CSR Initiatives

We have adopted a Corporate Social Responsibility ("**CSR**") policy in compliance with the requirements of applicable law. We have undertaken various active CSR initiatives to contribute to the community in which we have operations.

Through our CSR activities, we have a vision of "Enriching lives to create a healthier and happier world". Our CSR activities are also aligned to multiple Sustainable Development Goals ("**SDGs**"), and we are currently contributing to six key SDGs (Zero Hunger, Good Health and Well-being, Quality Education, Gender Equality, Clean Water and Sanitization, Reduced Inequalities) through our CSR activities. Our focus areas in CSR are water management, access to healthcare, community development, sustainable livelihood and employee volunteering programs. We see our CSR strategy as a means of further aligning our business to the global sustainable development agenda. We have a robust monitoring system that tracks the progress and effectiveness of our interventions. Our CSR activities are monitored by the CSR Committee of our Board. For details of the constitution of our CSR Committee, see "*Our Management – Committees of the Board – Corporate Social Responsibility Committee*" on page 161.

Insurance

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We may also be subject to product liability claims if the products that we manufacture are not in compliance with regulatory standards and the terms of our contractual arrangements.

We maintain insurance policies that we believe are customary for companies operating in our industry. Our principal types of coverage include insurance for industrial all risk, product liability, public liability, directors' and officers' liability, group medical claim, group personal accident and business travel accident. Our insurance policies may not be sufficient to cover our economic loss. See "*Risk Factors – Internal Risk Factors – Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, results of operations, financial condition and cash flows*" on page 34.

Employees

Our work force is a critical factor in maintaining quality and safety, which strengthen our competitive position. As of March 31, 2021, we had 1,537 permanent employees, across operations, quality, R&D, sales and marketing, regulatory, intellectual property and other departments. We train our employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety.

The following table sets forth the function wise split of our permanent employees as of March 31, 2021:

Particulars	Number of Employees
Operations	830
Quality	412
R&D	213
Sales and Marketing	27
Regulatory	17
Intellectual Property	6
Others	32
Total	**1,537**

None of our employees are unionized. We have not experienced any work disruptions to date.

Competition

The API market is highly fragmented with approximately 1,500 API manufacturing plants. As of 2017, the top 14-16 API players comprised just 16-17% of the total market share (*Source: Frost & Sullivan Report*). Our key competitors in the API market include Laurus Labs, Divis Labs, Shilpa Medicare, Aarti Drugs and Solara Active Pharma Sciences.

We operate in the global pharmaceutical industry which can be generally divided into regulated and emerging markets. The emerging markets have low barriers to entry regarding regulatory requirements, concerning the qualification process, quality controls and intellectual property rights. The regulated markets such as the United States, Europe and Japan, by contrast have higher barriers to entry as a result of more stringent regulatory practices.

To stay ahead of our competitors, we regularly update our existing facilities/technology and develop new technology for our manufacturing facilities. We aim to keep our costs of production low to maintain our competitive advantage and our profit margins. We continuously seek new product registrations, marketing authorizations and other approvals from regulatory authorities to increase our product offerings

Intellectual Property

We have a dedicated intellectual property team, which enables us to file for a number of patents in both the Indian and overseas markets in our research, process and platform technology areas. We expect to continue to file patent applications seeking to protect our innovations and novel processes in both developed markets and emerging markets. Existing or future patents issued or licensed to us may provide some competitive advantages for our products, however, they may also be challenged, invalidated or circumvented by our competitors. In addition, such patent rights may not prevent our competitors from developing, using or commercializing products that are similar or functionally equivalent to our products. The trademarks for our name 'Glenmark Life Sciences' and our logo are registered in the name of our Promoter. We do not own the brand name 'Glenmark' and have entered into the Trademark License Agreement with our Promoter pursuant to which we have been granted a license to use the name 'Glenmark' as part of the name of our Company. We have paid a one-time up-front license fee of ₹0.5 million (exclusive of taxes). For further details, please see "*Risk Factors – Internal Risk Factors – We do not own the brand name 'Glenmark' and the trademarks for our name 'Glenmark Life Sciences' and our logo are also registered in the name of our Promoter. We use the brand name 'Glenmark' pursuant to the Trademark License Agreement which may be terminated under certain circumstances. In the event that we have to discontinue the use of the brand name 'Glenmark' or the trademark name 'Glenmark Life Sciences' or the logo it may materially and adversely affect our reputation, business, financial condition, results of operation and prospects*" on page 26. In addition, we market several products under licenses in certain countries. As of May 31, 2021, we owned or co-owned 39 granted patents and had 41 pending patent applications in several countries and six pending provisional applications in India. See "*Government and Other Approvals*" on page 292.

Information Technology

Our IT systems are vital to our business and in accordance with prevailing laws, we have adopted an IT policy to assist us in our operations. There are multiple automation systems implemented at our manufacturing facilities which help us in our day-to-day operations. We have also implemented the use of enterprise resource planning in managing our financial accounting, material management, sales and distribution. We consistently make efforts to upgrade our systems to ensure business continuity.

Immovable Properties

Our registered office is situated at Plot No 170 - 172, Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur - 413 213, Maharashtra, India and is held by our Company on a leasehold basis. Our registered office is owned by our Promoter which has issued a no-objection letter to us to utilize the office.

Our corporate office is situated at 4th Floor, OIA House, 470, Cardinal Gracious Road, Andheri East, Mumbai – 400099, Maharashtra, India.

All our manufacturing facilities and R&D facilities are situated on leasehold land.

We carry out our business operations from the following leasehold properties:

Sr. no.	Location	Tenure/ Term	Usage
1.	Dahej, Gujarat	A period of 30 years from July 20, 2010	Manufacturing and R&D facilities
2.	Ankleshwar, Gujarat	A period of 99 years from May 30, 1980	Manufacturing and R&D facilities
3.	Mohol, Maharashtra	A period of 90 years from April 17, 1989	Manufacturing facility and Registered Office
4.	Kurkumbh, Maharashtra	A period of 95 years from March 21, 1995	Manufacturing facility
5.	Mumbai, Maharashtra	A period of 30 months from June 7, 2021	Corporate Office
6.	Mahape, Maharashtra	A period of 36 months from January 1, 2019	R&D facility

Awards and Accreditations

Calendar Year	Awards
2021	• Ankleshwar plant received ISO 45001:2018 certifying the quality management system of the manufacturing facility. • Ankleshwar plant received ISO 14001:2015 re-certifying the quality management system of the manufacturing facility.
2020	• Dahej plant received ISO 45001:2018 certifying the quality management system of the manufacturing facility. • Dahej plant was declared the winner of the Greentech Environment Award for the year 2020 for outstanding achievements in environment protection.
2019	• Ankleshwar plant was awarded Greentech Safety Award as the winner in the pharmaceutical sector by the Greentech Foundation for outstanding achievements in safety management. • Dahej plant was awarded Greentech Safety Award for the year 2019 as the runner-up in the pharmaceutical sector by the Greentech Foundation for outstanding achievements in safety management. • Dahej plant was declared the winner of the Greentech Environment Award for the year 2019 for outstanding achievements in environment management in the pharmaceutical sector.
2018	• Ankleshwar plant received ISO 14001:2015 re-certifying the management system of manufacturing facility.* • Dahej plant received ISO 14001:2015 re-certifying the management system of manufacturing facility.* • Ankleshwar plant was awarded Greentech Safety gold award by the Greentech Foundation for outstanding achievements in safety management.*
2017	• Ankleshwar plant was awarded Greentech Safety silver award by the Greentech Foundation for outstanding achievements in safety management.*
2016	• Dahej plant received ISO 14001:2015 certifying the management system of manufacturing facility.* • Ankleshwar plant received BS OHSAS 18001:2017 certifying the management system of the manufacturing facility.*
2015	• Ankleshwar plant received ISO 14001:2015 certifying the management system of manufacturing facility.*

* *Prior to the API business being transferred to our Company pursuant to the Business Purchase Agreement.*

In addition to the above, our Promoter, Glenmark, has been listed in the Dow Jones Sustainability Index ("**DJSI**"), under the category of emerging markets for the third consecutive year. The DJSI is one of the world's most respected and widely accepted sustainability benchmarks globally with only the top ranked companies in terms of Corporate Sustainability within each industry featured in the index. The DJSI analyzes companies on their corporate economic, environmental and social performance, to assess issues including corporate governance, risk management, environmental policy and management systems, supply chain management, occupational health and safety, labor practices, innovation and cyber security amongst others. Inclusion in this list is considered highly prestigious by global investors, financial analysts and other stakeholders and serves as a benchmark for investors who integrate sustainability considerations into their portfolios.

KEY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to us. The information detailed in this section has been obtained from publications available in the public domain. The regulations and their descriptions set out below may not be exhaustive and are only intended to provide general information to the bidders and are neither designed nor intended to substitute for professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.

Our Company is engaged in the business of developing and manufacturing active pharmaceutical ingredients. Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations in India, including for its operations in special economic zones. For information regarding regulatory approvals required by our Company, see *"Government and Other Approvals"* on page 291.

The following is an overview of some of the important laws and regulations, which are relevant to our business of manufacturing and dealing in active pharmaceutical ingredients.

INDIAN LAWS APPLICABLE TO OUR COMPANY

Drugs and Cosmetics Act, 1940 ("DCA") and the Drugs and Cosmetics Rules, 1945 ("DCA Rules")

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics and prohibits the import, manufacture and sale of certain drugs and cosmetics which are, *inter alia*, misbranded, adulterated, spurious or harmful. The DCA Rules specify the requirement of a license for the manufacture or sale of any drug or cosmetic including for the purpose of examination, testing or analysis. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities.

Drugs (Prices Control) Order, 2013 ("DPCO")

The DPCO prescribes *inter alia* the ceiling price of scheduled formulations, retail price of a new drug for existing manufacturers of scheduled formulations, maximum retail price of scheduled formulations. Under the DPCO, the Central Government may issue directions to the manufacturers of active pharmaceutical ingredients or bulk drugs and formulations to increase production or sell such active pharmaceutical ingredient or bulk drug to such manufacturers of formulations and direct the formulators to sell the formulations to institutions, hospitals or any agency. The DPCO specifies procedures for fixing the ceiling price of scheduled formulations of specified strengths or dosages, retail price of new drug for existing manufacturers of scheduled formulations, and penalties for contravention of its provisions.

The Narcotic Drugs and Psychotropic Substances Act, 1985 ("NDPS Act")

The NDPS Act is a legal framework which seeks to control and regulate operations relating to narcotic drugs and psychotropic substances. It prohibits, *inter alia*, the cultivation, production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, transshipment and import and export of narcotic drugs and psychotropic substances, except for medical or scientific purposes. It also controls and regulates controlled substances which can be used in the manufacturing of narcotic drugs and psychotropic substances. Offences under the NDPS Act are essentially related to violations of the various prohibitions imposed under the NDPS Act, punishable by both imprisonment and monetary fines.

The Boilers Act, 1923 ("Boilers Act")

Under the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use. The Boilers Act also provide for penalties for illegal use of boilers.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009, as amended (the "**Metrology Act**") aims to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. Any transaction/contract relating to goods/class of goods or undertakings shall be as per the weight/measurement/numbers prescribed by the Metrology Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in rules by each state.

Special Economic Zones Act, 2005 ("SEZ Act") and Special Economic Zones Rules, 2006 ("SEZ Rules")

The SEZ Act and SEZ Rules were enacted for the establishment, development and management of Special Economic Zones ("**SEZs**") for promotion of exports. An SEZ is a specifically delineated duty-free enclave, deemed to be a territory outside the customs territory of India for the purposes of trade as well as duties and tariffs. A board of approval has been set up under the SEZ Act, which is responsible for promoting the SEZ and ensuring its orderly development. The SEZ Board has a number of

powers, including the authority to approve proposals for the establishment of SEZs, the operations to be carried out in the SEZ by the developer, foreign collaborations and foreign direct investments.

The SEZ Rules provide a procedure for obtaining clearance from central and state governments for setting up SEZs and 'units' in SEZs. The SEZ Rules also prescribe the procedure for the operation and maintenance of an SEZ, the setting up of a SEZ and conducting business within SEZs. The SEZ Rules also provide for the terms and conditions subject to which entrepreneurs and developers shall be entitled to exemptions, drawbacks, concessions and certain other benefits, etc. The SEZ Rules stipulate the minimum area requirement for various categories of SEZs.

Information Technology Act, 2000 (the "IT Act") and the rules made thereunder

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information generated, transmitted, received or stored in any computer source in the interest of sovereignty, integrity, defence and security of India, among other things.

The IT Act recognizes contracts expressed in electronic for or by means of electronic records, protects intermediaries in respect of third party information liability, subject to certain conditions, and creates liability for failure to implement and maintain reasonable security practices in relation to handling and protecting sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems. The IT Act empowers the GoI to formulate rules with respect to reasonable security practices and procedures and sensitive personal data.

Environment Regulations

We are subject to various environment regulations as the operation of our establishments might have an impact on the environment in which they are situated. The basic purpose of the statutes given below is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards ("**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state and in the Centre. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries are required to obtain consent orders from the PCBs, which are required to be periodically renewed.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board ("**State PCB**"). The Water Act also provides that the consent of the State PCB must be obtained prior to establishing any industry, operation or process or any treatment and disposal system, opening of any new outlets or making any new discharges, which are likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act requires that all persons responsible for emitting smoke or gases must apply in a prescribed form and obtain consent from the State PCB prior to establishing or operating any industrial plant in an air pollution control area. The State PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to, *inter-alia*, specifications of pollution control equipment to be installed.

Environment Protection Act, 1986 ("EP Act") and the Environment Protection Rules, 1986 ("EP Rules")

The EP Act has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process. The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations or processes, for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution.

Bio-Medical Waste Management Rules, 2016 ("BMW Rules")

The BMW Rules apply to all persons who generate, collect, receive, store, transport, treat, dispose or handle bio-medical waste in any form. The BMW Rules mandate every occupier of an institution generating bio-medical waste to take all necessary steps to ensure that such waste is handled without any adverse effect to human health and environment and *inter alia* to make a provision within the premises for a safe, ventilated and secured location for storage of segregated bio-medical waste, pre-treat laboratory waste and provide training to workers involved in handling bio-medical waste. The BMW Rules further require every occupier or operator handling bio-medical waste to apply to the prescribed authority for grant of authorization and submit an annual report to the prescribed authority and also to maintain records related to the generation, collection, receipt, storage, transportation, treatment, disposal, or any form of handling of bio-medical waste in accordance with the BMW Rules and the guidelines issued thereunder.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")

The Hazardous Waste Rules define the term 'hazardous waste' to include any waste which by reason of physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive characteristics cause danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances including waste specified in the schedules to the Hazardous Waste Rules. In terms of the Hazardous Waste Rules, occupiers, being persons who have control over the affairs of a factory or premises or any person in possession of hazardous or other waste, have been, *inter alia*, made responsible for safe and environmentally sound management of hazardous and other wastes generated in their establishments and are required to obtain license/ authorisation from the respective State PCB for handling, generation, collection, storage, packaging, transportation, usage, treatment, processing, recycling, recovery, pre-processing, co-processing, utilising, selling, transferring or disposing hazardous or other waste.

The Manufacturing, Storage and Import of Hazardous Chemicals Rules, 1989 ("MSIHC Rules")

The MSIHC Rules stipulate that an occupier in control of an industrial activity has to provide evidence to show that he has identified the major accident hazards and taken adequate steps to prevent such major accidents and to limit their consequences to persons and the environment. Further, the occupier has an obligation to show that he has provided necessary information, training and equipment, including antidotes, to the persons working on the site to ensure their safety. Also, the occupier is under an obligation to notify the concerned authority of the occurrence of a major accident upon the site or in a pipeline within 48 hours of such accident.

Noise Pollution (Regulation and Control) Rules, 2000 ("Noise Pollution Rules")

The Noise Pollution Rules regulate and control the noise producing and generating sources including from industrial activity, and sets ambient air quality standards in respect of noise for different areas/zones. The Noise Pollution Rules provide for penalties in accordance with the EP Act for use of loud speakers, public address system, among others, in a silence zone or area.

Public Liability Insurance Act, 1991 ("Public Liability Act")

The Public Liability Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of 'hazardous substances' covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to obtain an insurance policy insuring against liability under the Public Liability Act. The rules made under the Public Liability Act mandate that the owner has to contribute towards the Environment Relief Fund, a sum not exceeding the premium payable to the insurer under the insurance policies.

The Explosives Act, 1884 ("Explosives Act") and the Explosives Rules, 2008 ("Explosives Rules")

The Explosives Act regulates the manufacture, possession, use, sale, transport, import and export of explosives and empowers the Central Government to make rules for the regulation and prohibition of these activities in relation to any specified class of explosives. Persons lawfully involved in these activities are required to obtain a license from the appropriate authority in terms of the provisions of the Explosives Act. In furtherance to the purpose of this Act, the Central Government has notified the Explosive Rules in order to regulate the manufacture, import, export, transport and possession for sale or use of explosives.

Foreign Investment Regulations

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time (the "**Consolidated FDI Policy**"). Under the current Consolidated FDI Policy, foreign direct investment in companies engaged in the pharmaceutical sector is permitted up to 100% of the paid-up share capital in greenfield projects and up to 74% of the paid-up share capital in brownfield projects under the automatic route, subject to compliance with certain prescribed pricing guidelines and reporting requirements. Investment in brownfield projects beyond 74% is permissible through government approval route.

Foreign Trade Regulations

Imports and exports are governed by the Foreign Trade (Development and Regulation) Act, 1992, as amended (the "**FTDR**") and the Export and Import Policy (the "**EXIM Policy**") formulated by the Central Government from time to time. FTDR provides for an Importer Exporter Code ("**IEC**") to be granted to those persons licensed to carry out imports and exports, which may be suspended or cancelled in case of violation of the provisions of the FTDR or the EXIM Policy.

Laws related to Intellectual Property

Trade Marks Act, 1999 ("Trade Marks Act")

The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement of such marks. Application for the registration of trademarks has to be made to Controller-General of Patents, Designs and Trade Marks who is the Registrar of Trademarks for the purposes of the Trade Marks Act. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks and using them to cause confusion among the public.

The Patents Act, 1970 ("Patents Act")

The Patents Act governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights ("**TRIPS**") and recognizes both product as well as process patents. The Patents Act provides for the following, among other things:

- Patent protection period of 20 years from the date of filing the patent application;
- Recognition of product patents in respect of medicine and drugs;
- Import of patented products will not be considered as an infringement; and
- Under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer. An application for a patent can be filed in any of the four patent offices in India.

Laws Relating to Taxation

The Goods and Services Tax ("**GST**") is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 ("**CGST**"), relevant state's Goods and Services Act, 2017 ("**SGST**"), Union Territory Goods and Services Act, 2017 ("**UTGST**"), Integrated Goods and Services Act, 2017 ("**IGST**"), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 (the "**Income Tax Act**") is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under depending upon its "Residential Status" and "Type of Income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Customs Act, 1962 **("Customs Act")**

The Customs Act, as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods in accordance with the Customs Tariff Act, 1975. Any Company requiring to import or export goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code under FTDR. Customs duties are administrated by Central Board of Indirect Tax and Customs under the Ministry of Finance.

Indian Stamp Act, 1899 **(*"Stamp Act"*)**

The Stamp Act requires stamp duty to be paid on all instruments specified in Schedule 1 of the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, cannot be admitted in court as evidence of the transaction contained therein. The Stamp Act also

provides for impounding of instruments that are not sufficiently stamped or not stamped at all by the collector and he may impose a penalty of the amount of the proper stamp duty, or the amount of deficient portion of the stamp duty payable.

In addition to the above, the following is an indicative list of taxation laws which are applicable to our Company due to the nature of the business activities:

(i) Gujarat Goods and Services Act, 2017.

(ii) Maharashtra Goods and Services Tax Act, 2017.

Labour law legislations

Factories Act, 1948

The Factories Act, 1948, as amended (the "**Factories Act**"), defines a "factory" to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

In addition to the Factories Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws which may be applicable to our Company due to the nature of the business activities:

(i) Contract Labour (Regulation and Abolition) Act, 1970.
(ii) Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
(iii) Employees' State Insurance Act, 1948.
(iv) Minimum Wages Act, 1948 and Minimum Wages (Gujarat) Rules, 1961.
(v) Payment of Bonus Act, 1965.
(vi) Payment of Gratuity Act, 1972.
(vii) Payment of Wages Act, 1936.
(viii) Maternity Benefit Act, 1961.
(ix) Industrial Disputes Act, 1947.
(x) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
(xi) The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.
(xii) The Industries (Development and Regulation) Act, 1951.
(xiii) Employees' Compensation Act, 1923.
(xiv) The Industrial Employment Standing Orders Act, 1946.
(xv) The Child Labour (Prohibition and Regulation) Act, 1986.
(xvi) The Equal Remuneration Act, 1976.
(xvii) The Trade Unions Act, 1926 and the Trade Union (Amendment) Act, 2001.
(xviii) Building and Other Construction Workers Regulation of Employment and Conditions of Service Act, 1996.
(xix) The Code on Wages, 2019*.
(xx) The Occupational Safety, Health and Working Conditions Code, 2020**.
(xxi) The Industrial Relations Code, 2020***.
(xxii) The Code on Social Security, 2020****.
(xxiii) Industrial Employment (Standing Order), Act, 1946

* *The Government of India enacted 'The Code on Wages, 2019' which received the assent of the President of India on August 8, 2019. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. Certain provisions of this code pertaining to central advisory board, have been brought into force by the Ministry of Labour and Employment through a notification dated December 18, 2020 and other provisions of this code will be brought into force on a date to be notified by the Central Government.*

** *The Government of India enacted 'The Occupational Safety, Health and Working Conditions Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code have not yet been brought into force. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.*

*** *The Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code have not yet been brought into force. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.*

**** *The Government of India enacted 'The Code on Social Security, 2020' which received the assent of the President of India on September 28, 2020. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. Section 142 of the Code on Social Security, 2020 has been brought into force from May 3, 2021 by the Ministry of Labour and Employment through a notification dated April 30, 2021 and other provisions of this code will be brought into force on a date to be notified by the Central Government.*

The Shops and Establishment Acts

In addition, the shops and establishments legislations of the states where our facilities and offices are located are also applicable to our Company. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

Our Company is also required to comply with other applicable laws and regulations imposed by the central and state governments and other authorities for its day-to-day operations, including municipal laws, fire safety laws, food license laws and legal metrology laws, to the extent applicable.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as 'Zorg Laboratories Private Limited', a private limited company under the Companies Act, 1956 on June 23, 2011 at Pune and was granted the certificate of incorporation by the RoC. Our Company was acquired by Glenmark Pharmaceuticals Limited pursuant to the Share Purchase Agreement dated July 4, 2018. For further details, please see – "*Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years - Acquisition by Glenmark Pharmaceuticals Limited*" on page 151. Pursuant to the acquisition, the name of our Company was changed to 'Glenmark Life Sciences Private Limited' by way of a special resolution passed by the shareholders of our Company on July 25, 2018 and a fresh certificate of incorporation dated August 10, 2018 was issued by the RoC. A shareholders' resolution was passed on August 13, 2018 to convert our Company from a private limited company to a public limited company and a fresh certificate of incorporation dated August 28, 2018 was issued by the RoC. Thereafter, the business of active pharmaceutical ingredients was acquired by our Company from our Promoter pursuant to the Business Purchase Agreement. For further details, please see – "*Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years – Business Purchase from Glenmark Pharmaceuticals Limited*" on page 151.

Changes in the registered office

Except as disclosed below, there has been no change in the registered office of our Company since the date of incorporation.

Date of change of registered office	Details of change of registered office	Reasons for change in the registered office
July 25, 2018	Shifting of registered office of the Company from Vitthal Gajanan Nagar, Gajanan Maharaj Mandir Road, Phursungi, Pune, Maharashtra - 412308 to Plot No. 170-172, Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur, Maharashtra - 413213	To improve operational efficiency by locating closer to our manufacturing plant at Mohol.

Main objects of our Company

The main object contained in our Memorandum of Association is as follows:

(a) "*To carry on the business of Manufacturers, Producers, Inventors, Refiners, Importers, Exporters, Manipulators, Dealers, Purchasers, Sellers, Suppliers, Wholesalers, Retailers, Stockists, Agents, Sub Agents, Consignment Agents and Handling Agents, Distributors, Packers and consultant for Pharmaceuticals, Drugs, Medicines, medicaments, intermediates and their raw-materials, surgical equipment, apparatus and devices, cosmetics, soaps, shampoos, toiletries and health care products, Chemicals, Food Products, Alkalis, Acids, Tannis, Essences, Biological Products, Health Foods, Tonics, Minerals and other waters, oils, fats, milk products, proteins, paints, varnishes, Dyestuffs, compounds, salts, all types of non-prescribed drugs, food preservatives and additives, fast foods, artificial flavourings, artificial dyes and colouring agents, beauty and skin care products, birth control medicines and device, marine materials, hospital products and items of personal hygiene whether prepared by ayurvedic, homeopathic, unani, allopathic, nature cure, herbal or any other medicinal system for human beings, birds, animals, insects or other purpose and to run hospitals and diagnostic centers and research centers.*"

The main object as contained in our Memorandum of Association enables our Company to carry on the business presently being carried out and proposed to be carried out by it.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the last 10 years:

Date of Shareholders' resolution/Effective date	Particulars
June 23, 2018	Amendment to clause V of the Memorandum of Association to reflect increase in authorised share capital of the Company from ₹ 1,00,000 divided in to 10,000 equity shares of ₹ 10 each to ₹ 2,00,00,000 divided in to 20,00,000 equity shares of ₹ 10 each
July 25, 2018	Amendment to clause III of the Memorandum of Association to reflect the change in objects of the Company. Amendment to clause I of the Memorandum of Association to reflect the change in name of the Company from 'Zorg Laboratories Private Limited' to 'Glenmark Life Sciences Private Limited'.

Date of Shareholders' resolution/Effective date	Particulars
August 13, 2018	Amendment to clause I of the Memorandum of Association to reflect the change in name of the Company from 'Glenmark Life Sciences Private Limited' to 'Glenmark Life Sciences Limited' consequent upon conversion from a private limited company to a public limited company.
June 27, 2019	Amendment to clause V of the Memorandum of Association to reflect increase in authorised share capital of the Company from ₹ 2,00,00,000 divided into 20,00,000 equity shares of ₹ 10 each to ₹20,00,00,000 divided into 1,40,00,000 equity shares of ₹ 10/- each and 6,00,000 cumulative convertible preference shares of ₹ 100 each.
March 8, 2021	Amendment to clause V of the Memorandum of Association to reflect increase in authorised share capital of the Company from ₹20,00,00,000 divided into 1,40,00,000 equity shares of ₹ 10/- each and 6,00,000 cumulative convertible preference shares of ₹ 100 each to ₹46,00,00,000 divided into 4,00,00,000 equity shares of ₹ 10/- each and 6,00,000 cumulative convertible preference shares of ₹ 100 each.
March 26, 2021	Amendment to clause V of the Memorandum of Association to reflect the sub-division in the authorized share capital such that 4,00,00,000 equity shares of ₹ 10 each were reclassified as 20,00,00,000 Equity Shares of ₹ 2 each aggregating to ₹ 40,00,00,000.

Major events and milestones of our Company

The table below sets forth some of the key events in the history of our Company:

Calendar year	Event
2021	• Achieved milestone of 403 cumulative drug master files (DMF) registrations across multiple markets globally
2019	• The API business was spun off into our Company • Ankleshwar plant inspected by US-FDA, Health Canada and PMDA, Japan
2018	• Dahej plant inspected by EDQM, ANSM and US-FDA* • Mohol plant inspected by US-FDA*
2016	• Dahej plant inspected by PMDA Japan*
2015	• Dahej plant inspected by US-FDA*
2013	• Commenced manufacturing at Dahej, Gujarat* • Ankleshwar plant inspected by COFEPRIS*
2012	• Ankleshwar plant inspected by PMDA and AFSSAPS*
2008	• Ankleshwar plant at Gujarat inspected by US-FDA*
2004	• Commenced manufacturing at Mohol, Maharashtra*
2003	• First product registered with US-FDA* • Acquired GlaxoSmithKline's (GSK) API manufacturing plant in Ankleshwar, Gujarat *
2001 - 2002	• Our Promoter established its API business* • Established manufacturing plant at Kurkumbh, Maharashtra*

* *These events occurred prior to the API business being spun off to our Company pursuant to the Business Purchase Agreement.*

Awards, accreditations and recognitions received by our Company

Calendar year	Awards
2021	• Ankleshwar plant received ISO 45001:2018 certifying the management system of the manufacturing facility • Ankleshwar plant received ISO 14001:2015 re-certifying the management system of the manufacturing facility
2020	• Dahej plant received ISO 45001:2018 certifying the management system of the manufacturing facility • Dahej plant was declared the winner of the Greentech Environment Award for the year 2020 for outstanding achievements in environment protection
2019	• Ankleshwar plant was awarded Greentech Safety Award as the winner in the pharmaceutical sector by the Greentech Foundation for outstanding achievements in safety management • Dahej plant was awarded Greentech Safety Award for the year 2019 as the runner-up in the pharmaceutical sector by the Greentech Foundation for outstanding achievements in safety management • Dahej plant was declared the winner of the Greentech Environment Award for the year 2019 for outstanding achievements in environment management in the pharmaceutical sector
2018	• Ankleshwar plant received ISO 14001:2015 re-certifying the management system of manufacturing facility* • Dahej plant received ISO 14001:2015 re-certifying the management system of manufacturing facility*

Calendar year	Awards
	• Ankleshwar plant was awarded Greentech Safety gold award by the Greentech Foundation for outstanding achievements in safety management*
2017	• Ankleshwar plant was awarded Greentech Safety silver award by the Greentech Foundation for outstanding achievements in safety management*
2016	• Dahej plant received ISO 14001:2015 certifying the management system of manufacturing facility* • Ankleshwar plant received BS OHSAS 18001:2017 certifying the management system of the manufacturing facility*
2015	• Ankleshwar plant received ISO 14001:2015 certifying the management system of manufacturing facility*

***** *These awards were received prior to the API business being transferred to our Company pursuant to the Business Purchase Agreement.*

Time and cost over-runs

There have been no time and cost over-runs in respect of our business operations.

Defaults or re-scheduling, restructuring of borrowings with financial institutions/banks

There have been no defaults or re-scheduling/ re-structuring in relation to borrowings availed by our Company from any financial institutions or banks.

Significant financial or strategic partners

As of the date of this Prospectus, our Company does not have any significant financial or strategic partners.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation or location of plants

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, location of our manufacturing facilities, see "*Our Business*" on page 123.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years

Except as disclosed below, our Company has not acquired any business or undertaking and has not undertaken any merger, amalgamation or revaluation of assets in last 10 years:

Acquisition of our Company by Glenmark Pharmaceuticals Limited

Our Company entered into a share purchase agreement ("**Share Purchase Agreement**") dated July 4, 2018 with the Promoter and Mr. Sanjay Desai, Mr. Ashwin Jain and Mr. Damanjit Singh (collectively referred to as the "**Sellers**"). Pursuant to the Share Purchase Agreement, the Sellers transferred an aggregate of 4,60,090 shares, amounting to 100% of the shareholding of our Company, to the Promoter (and certain individuals holding shares jointly with the Promoter) for an aggregate consideration of ₹ 0.3 million. The shares were transferred pursuant to share transfer deed dated July 5, 2018 and the transfer was approved by our Board on July 6, 2018.

Business Purchase from Glenmark Pharmaceuticals Limited

Our Company entered into a business purchase agreement ("**Business Purchase Agreement**") dated October 9, 2018 with the Promoter. Pursuant to the Business Purchase Agreement, the API business from the Promoter was spun off into our Company ("**Specified Undertaking**") as a going concern to the Company on a slump sale basis for an aggregate consideration of ₹ 11,621.94 million. Our Company was required to pay the purchase consideration within a period of 120 days from the closing date under the Business Purchase Agreement and any delay in connection to payment of the purchase consideration is subject to additional interest on the total amounts outstanding. The date for payment of consideration and the terms of payment (including the interest rate) have been amended from time to time. Pursuant to a letter of extension dated March 31, 2021, the period of payment of the purchase consideration is extended to March 31, 2022.

As of July 9, 2021, an amount of ₹8,008.30 million (inclusive of interest) is outstanding towards purchase consideration under the Business Purchase Agreement. Such amount is proposed to be paid out of the Net Proceeds of the Offer. For further details, see "*Objects of the Offer*" on page 76.

Our Company and the Promoter have also agreed to certain indemnity provisions, which are limited on account of monetary and time limits among other limitations.

The Business Purchase Agreement dated October 9, 2018 provides that Promoter shall indemnify our Company for any direct loss resulting from breach of any warranties or any covenant provided by the Promoter. The aggregate liability of the Promoter shall not exceed the purchase consideration paid by the Company in case of breach of title warranty, however in the event of breach of any other warranty or covenant the Promoter's liability is limited to 10% of the purchase consideration paid by the Company. The Promoter shall only be liable to indemnify the Company in relation to any claims arising out of breach of any warranty (not being a title warranty) and covenant under the Business Purchase Agreement if the claim or action is brought by the Company within 24 months from the closing date.

Further, the Company shall indemnify the Promoter for any direct loss or liabilities that may arise on or after the closing date in connection with any past tax liabilities associated with the specified undertaking (as defined in the Business Purchase Agreement) that have been assumed by the Company pursuant to the Business Purchase Agreement. Such indemnity is neither capped nor subject to any time limit.

Under the Business Purchase Agreement, the Specified Undertaking including intellectual property, manufacturing facilities, contracts, employees, data and records, tangible assets, trade receivables, fixed assets and inventories, along with its liabilities such as trade payables and certain litigation were transferred to the Company. As per the terms of the Business Purchase Agreement, the Company as well as the Promoter shall not make any disclosure in relation to the terms or contents of the agreement without obtaining prior written approval of the other party. The Promoter has pursuant to letter dated April 12, 2021 provided its consent to the Company to disclose the terms of the Business Purchase Agreement.

Holding Company

Glenmark Pharmaceuticals Limited is our holding company. For further details, including in relation to its nature of business and capital structure, see "*Our Promoter and Promoter Group*" on page 166.

Our subsidiaries and joint ventures

As of the date of this Prospectus, our Company has no subsidiaries and joint ventures.

Details of guarantees given to third parties by the Promoter Selling Shareholder

The Promoter Selling Shareholder has provided corporate guarantees to our Company's lenders as security for the working capital facilities availed by us. The details of such guarantees are as follows:

S.No.	Name of the lender	Type of facility	Sanctioned guarantee amount (₹ in million)
1.	Bank of Baroda	Working capital facility	3,000
2.	Emirates NBD Bank (P.J.S.C)	Working capital facility	850

The abovementioned guarantees are effective for a period till the underlying loan is repaid by our Company. The facilities are unsecured. The financial implications in case of default by our Company would entitle the lenders to invoke such guarantees to the extent of the outstanding loan amount. Our Company has not paid any consideration to the Promoter Selling Shareholder for providing these guarantees. For details, see "*Financial Indebtedness*" on page 256.

Shareholders' agreements

There are no subsisting shareholders' agreements.

Agreements with Key Managerial Personnel, Director, Promoter or any other employee

There are no agreements entered into by a Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

OUR MANAGEMENT

Board of Directors

In accordance with our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Prospectus, our Board comprises eight Directors which includes our Managing Director, one Executive Director, four Independent Directors (including two women directors) and two Non-Executive Directors (including our Chairman).

The following table sets forth details regarding our Board of Directors as of the date of this Prospectus:

S. No.	Name, DIN, designation, address, occupation, term, period of directorship and date of birth	Age (years)	Other directorships
1.	**Glenn Saldanha** ***DIN*:** 00050607 ***Designation*:** Chairman and Non-Executive Director ***Address*:** 91, Ritu Apts, 9th Floor, B.J. Road, Bandstand, Bandra (West), Mumbai – 400050, Maharashtra, India ***Occupation*:** Business ***Term*:** Liable to retire by rotation ***Period of Directorship***: Since July 6, 2018 ***Date of birth:*** November 26, 1969	51	*Indian Companies* 1. Glenmark Pharmaceuticals Limited *Foreign Companies* 1. Glenmark Holding S.A. 2. Glenmark Specialty SA 3. Ichnos Sciences Inc., USA
2.	**V.S Mani** ***DIN*:** 01082878 ***Designation*:** Non-Executive Director ***Address*:** A-302, Safal Twins, Off Sion Trombay Road, Deonar, Mumbai- 400088, Maharashtra, India ***Occupation*:** Service ***Term*:** Liable to retire by rotation ***Period of Directorship***: Since July 6, 2018 ***Date of birth:*** October 20, 1964	56	*Indian Companies* 1. Glenmark Pharmaceuticals Limited *Foreign Companies* 1. Ichnos Sciences S.A. (formerly known as Glenmark Pharmaceuticals S.A.) 2. Glenmark Holding S.A. 3. Glenmark Specialty SA 4. Ichnos Sciences Biotherapeutics SA (formerly known as Glenmark Biotherapeutics SA) 5. Ichnos Sciences Inc. USA 6. Glenmark Pharmaceuticals Inc., USA
3.	**Yasir Rawjee** ***DIN*:** 01965174 ***Designation*:** Managing Director and Chief Executive Officer ***Address*:** Flat No 104, Totem Banjara, H No. 8-2-287/11/A, Road No. 14, Banjara Hills, Hyderabad, Telangana, India 500034 ***Occupation*:** Service	55	-

S. No.	Name, DIN, designation, address, occupation, term, period of directorship and date of birth	Age (years)	Other directorships
	Term**:** Five years with effect from August 13, 2019 ***Period of Directorship***: Since August 13, 2019 ***Date of birth:*** December 25, 1965		
4.	**Sumantra Mitra** ***DIN*****:** 08748014 ***Designation*****:** Executive Director ***Address*****:** A-401, Bhoomi Valley, Thakur Village, Near N.G Suncity Phase 3, Kandivali East, Mumbai, Maharashtra - 400101 ***Occupation*****:** Service ***Term*****:** Five years with effect from June 26, 2020 ***Period of Directorship***: Since June 26, 2020 ***Date of birth:*** August 26, 1974	46	-
5.	**Sridhar Gorthi** ***DIN*****:** 00035824 ***Designation*****:** Independent Director ***Address*****:** 1002, 10th Floor, June Blossoms, Manuel Gonsalves Road, Bandra (W), Mumbai - 400050 ***Occupation*****:** Legal Advisor ***Term*****:** Five years with effect from October 30, 2020 ***Period of Directorship***: Since October 30, 2020 ***Date of birth:*** July 31, 1972	48	*Indian Companies* 1. Glenmark Pharmaceuticals Limited 2. Hathway Cable and Datacom Limited 3. Aurous Communications and Events India Private Limited
6.	**Manju Agarwal** ***DIN*****:** 06921105 ***Designation*****:** Independent Director ***Address*****:** 14254 ATS One Hamlet, Gh 01, Sector 104, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301 ***Occupation*****:** Consultant and Advisor ***Term*****:** Five years with effect from October 30, 2020 ***Period of Directorship***: Since October 30, 2020 ***Date of birth:*** December 30, 1957	63	*Indian Companies* 1. Gulf Oil Lubricants India Limited 2. IFFCO Kisan Finance Limited 3. Hinduja Leyland Finance Limited 4. Vistaar Financial Services Private Limited 5. IndiaIdeas.Com Limited 6. Paytm Payments Bank Limited 7. Inspira Enterprises India Limited
7.	**Taruvai Laxminarayanan Easwar** ***DIN*****:** 03135959	61	-

S. No.	Name, DIN, designation, address, occupation, term, period of directorship and date of birth	Age (years)	Other directorships
	Designation*:** Independent Director ***Address*:** Villa 19, Northstar Hillside, KLR Lane, Opp. Villa Greens, Gandipet, Hyderabad, Gandipet, K.v. Rangareddy, Telangana - 500075 ***Occupation*:** Self-employed ***Term*:** Five year with effect from January 8, 2021 ***Period of Directorship: Since January 8, 2021 ***Date of birth:*** August 11, 1959		
8.	**Gita Nayyar** ***DIN*:** 07128438 ***Designation*:** Independent Director ***Address*:** 3403, Imperial Tower-South, B.B. Nakashe Marg, Tardeo, Mumbai – 400034 ***Occupation*:** Self-occupied ***Term*:** Five years with effect from February 17, 2021 ***Period of Directorship***: Since February 17, 2021 ***Date of birth:*** October 11, 1963	57	*Indian Companies* 1. Oriental Hotels Limited 2. Transport Corporation of India Limited 3. Taj Sats Air Catering Limited 4. PNB Housing Finance Limited

Relationship between our Directors and our Directors and KMPs

None of our Directors are related to each other or the KMPs.

Brief Biographies of Directors

Glenn Saldanha is the Chairman and non-executive director of our Company. He holds a bachelor's degree in pharmaceutical sciences from University of Bombay. He also holds a master's degree in business administration from the Leonard N. Stern School of Business at New York University. He is also the chairman and managing director of our Promoter, Glenmark Pharmaceuticals Limited.

V.S Mani is a non-executive director of our Company. He is a qualified chartered accountant. Prior to joining our Company, he was the president (finance) at the Bhartiya City Developers Private Limited. He was also the chief financial officer at Cipla Limited. He is also an executive director and global chief financial officer of our Promoter, Glenmark Pharmaceuticals Limited.

Yasir Rawjee is the Managing Director and Chief Executive Officer of our Company. He leads the overall operations of our Company and is responsible for the overall business strategy of our Company. He holds a bachelor's degree in science from St. Xavier's College, University of Bombay and a bachelor's degree in science (technology) from University Department of Chemical Technology, University of Bombay. He also holds a PhD from Texas A&M University, U.S.A. Prior to joining our Company, he was the head of global API operations at Mylan Laboratories Limited. He was also the senior vice president at Matrix Laboratories Limited and has worked in GlaxoSmithKline in the USA.

Sumantra Mitra is the executive director and vice president – human resources department of our Company and has been associated with our Company since October 11, 2018. He is responsible for talent acquisition, talent management, capability development, organizational development and industrial relations, besides other aspects of the human resources agendas for our Company. He holds a bachelor's degree in social work from Visva Bharati University and a master's degree in social work from University of Pune. He holds a diploma in labour law and labour welfare from Symbiosis Society's Law College, Pune. Prior to joining our Company he was the vice president – human resources at Nilkamal Limited. He has also worked with Mahindra & Mahindra in the automotive sector and with Glenmark Pharmaceuticals Limited.

Sridhar Gorthi is an independent director of our Company. He holds a bachelor's degree in law from the National Law School of India University, Bangalore. He is a partner at Trilegal. His areas of expertise at Trilegal include mergers and acquisitions, joint ventures, private equity and venture capital. He has been described as a 'distinguished practitioner' for mergers and acquisitions and private equity by Asialaw Profiles. He is also a 'Leading Individual – Corporate/M&A' as per the Asia-Pacific Legal 500 and has been recognized as 'Highly Regarded' by IFLR1000 Asia Pacific 2020.

Manju Agarwal is an independent director of our Company. She holds a post graduate degree from the University of Allahabad. She is an associate of the Indian Institute of Bankers. She is currently serving on the boards of various entities including Gulf Oil Lubricants India Ltd, IFFCO Kisan Finance Limited, Hinduja Leyland Finance Limited, Vistaar Financial Services Private Limited, IndiaIdeas.Com Limited, Paytm Payments Bank Limited and Inspira Enterprises India Limited. She has approximately 34 years of experience in State Bank of India.

Taruvai Laxminarayanan Easwar is an independent director of our Company. He holds a bachelor's degree in technology – chemical engineering from the Indian Institute of Technology, Kanpur. Prior to joining our Company, he was the president of operations in Aurobindo Pharma Limited. He has also been the chief operating officer in Porus Laboratories Private Limited and the head of API manufacturing operations in Mylan Laboratories Limited. He is currently engaged as an advisor to the Boston Consulting Group (BCG) and is also a consultant with pharmaceutical companies.

Gita Nayyar is an independent director of our Company. She holds a master's in business administration from Amos Tuck School of Business Administration, Dartmouth College, U.S.A. She is also serving as an independent director on the board of Taj-SATS Air Catering Limited, Transport Corporation of India, Oriental Hotels Limited and PNB Housing Finance Limited.

Confirmations

None of our Directors is, or was a director of any listed company during the last five years preceding the date of this Prospectus, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorship in such company.

None of our Directors is, or was a director of any listed company which has been, or was delisted from any stock exchange during the term of their directorship in such company.

Terms of appointment of Directors

1. Remuneration to Executive Directors:

The remuneration paid to our Managing Director and Chief Executive Officer, Yasir Rawjee, during Financial Year 2021 was ₹ 45.71 million. In addition to the yearly remuneration, our Managing Director and Chief Executive Officer, Yasir Rawjee is also entitled to a one-time pay out of ₹ 25.71 million towards a cumulative long term incentive loss in his previous organization (payable in installments up to July 2021). He is also entitled to an extension in relation to the date of retirement based on the vesting date of any employee stock options granted to him.

The remuneration paid to Sumantra Mitra, an executive director of our Company during Financial Year 2021 was ₹ 8.02 million.

2. Compensation to Non- Executive Directors and Independent Directors:

Pursuant to a resolution dated February 23, 2021 adopted by our Board, each non-executive director and each independent director is entitled to receive sitting fees of ₹ 0.1 million for attending every meeting of our Board and its committees.

The details of the sitting fees and total remuneration paid to the non-executive independent directors during Financial Year 2021 are as disclosed below:

S.No.	Name of non-executive director	Sitting fees (in ₹ million)
1.	Taruvai Laxminarayanan Easwar	0.2
2.	Manju Agarwal	0.2
3.	Gita Nayyar	0.2

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others.

Shareholding of Directors in our Company

None of our Directors are required to hold any qualification shares.

For details of the shareholding of our Directors, see "*Capital Structure – Details of the Equity Shares held by our Directors , Key Managerial Personnel, Promoter Group and directors of our Promoter*" on page 70.

Interests of Directors

All Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of our Board as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Except as stated in "*Restated Financial Information*" on page 175, and as disclosed in this section, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company preceding the date of this Prospectus or proposed to be acquired by our Company or of our Company, as on the date of this Prospectus or in the promotion or formation of our Company.

Our Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Directors or to such firm or company in cash or shares or otherwise by any person either to induce him/ her to become, or to help him/ her qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he/ she is interested, in connection with the promotion or formation of our Company other than as disclosed in "*Our Promoter and Promoter Group*" on page 167.

None of our Directors have any interest in any property acquired in the three years immediately preceding the date of this Prospectus or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

No loans have been availed by our Directors from our Company.

None of the Directors is party to any bonus or profit-sharing plan of our Company. The Executive Directors are entitled to performance-linked bonus as part of their remuneration.

Certain of our Directors may be deemed to be interested to the extent of options granted to them pursuant to ESOP 2021. For details, see "*Capital Structure- Employee Stock Option Plan ("ESOP 2021")*" on page 71.

Changes in the Board in the last three years

Name	Date of Appointment/ Change/Cessation	Reason
Glenn Saldanha	July 6, 2018	Appointment
V S Mani	July 6, 2018	Appointment
Kanish Malik	July 6, 2018	Appointment
Damanjit Singh	July 16, 2018	Resignation
Ashwin Dilip Jain	July 16, 2018	Resignation
Sanjay Desai	July 16, 2018	Resignation
Kanish Malik	June 6, 2019	Resignation
Yasir Rawjee	August 13, 2019	Appointment
Cherylann Pinto	March 16, 2020	Appointment
Sumantra Mitra	June 26, 2020	Appointment
Sridhar Gorthi	October 30, 2020	Appointment
Manju Agarwal	October 30, 2020	Appointment
Taruvai Laxminarayanan Easwar	January 8, 2021	Appointment
Gita Nayyar	February 17, 2021	Appointment
Cherylann Pinto	February 22, 2021	Resignation

Borrowing Powers of Board

Pursuant to a resolution of the Shareholders dated June 27, 2019, the Board of Directors has been authorized to raise or borrow any sums of money from time to time, which money, together with the money already borrowed by the Company, may exceed aggregate of its paid-up capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, provided however, the total amount so borrowed shall not exceed ₹10,000 million in excess of the aggregate of the paid-up capital of our Company and free reserves.

Corporate Governance

The corporate governance provisions of the Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the Listing Regulations, the Companies Act in respect of corporate governance including constitution of the Board and committees thereof and formulation of policies. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and the Listing Regulations and the guidelines issued thereunder from time to time. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides the Board of Directors detailed reports on its performance periodically. The SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 with effect from May 5, 2021 requires the top 1000 companies as per market capitalization (as at the end of the immediate previous financial year) to constitute a risk management committee. Our Company being an unlisted company cannot ascertain its market capitalization and therefore has not constituted such a committee. Post listing, our Company will comply with such requirements under the Listing Regulations, to the extent applicable.

Committees of the Board

1. Audit Committee

The members of the Audit Committee are:

a) Ms. Manju Agarwal (Chairman)

b) Mr. Sridhar Gorthi

c) Mr. V. S. Mani

The Audit Committee was constituted by the Board of Directors at their meeting held on February 23, 2021. The terms of reference of the Audit Committee include the following:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the board of directors of the Company (the "**Board**") the appointment, remuneration and terms of appointment of the auditor of the Company;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Approving payments to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
    b) Changes, if any, in accounting policies and practices and reasons for the same;
    c) Major accounting entries involving estimates based on the exercise of judgment by management;
    d) Significant adjustments made in the financial statements arising out of audit findings;
    e) Compliance with listing and other legal requirements relating to financial statements;
    f) Disclosure of any related party transactions; and
    g) Modified opinion(s) in the draft audit report.

- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;

- Approval or any subsequent modifications of transactions of the Company with related parties;

- Scrutinising of inter-corporate loans and investments;

- Valuation of undertakings or assets of the Company, wherever it is necessary;

- Evaluating of internal financial controls and risk management systems;

- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances

- Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

- Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- Discussing with internal auditors on any significant findings and follow up thereon;

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

- Reviewing the functioning of the whistle blower mechanism;

- Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act (including Section 177), the Listing Regulations or by any other regulatory authority; and

- Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law.

The Audit Committee shall mandatorily review the following information:

1. Management's discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;

3. Management letters / letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses;

5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

6. Examination of the financial statements and the auditors' report thereon; and

7. Statement of deviations:

   - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations; and

   - annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations

2. Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

a) Mr. Sridhar Gorthi (Chairman)

b) Ms. Gita Nayyar

c) Mr. Glenn Saldanha

The Nomination and Remuneration Committee was constituted by the Board of Directors at their meeting held on February 23, 2021. The terms of reference of the Nomination and Remuneration Committee include the following:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the board of directors of the Company ("**Board**") a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

- Formulating of criteria for evaluation of the performance of the independent directors and the Board;

- Devising a policy on Board diversity;

- Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance and specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

- Analysing, monitoring and reviewing various human resource and compensation matters;

- Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

- Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

- Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended;

- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

(i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or

(ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.

- Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act (including Section 178), the Listing Regulations or by any other regulatory authority; and
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

3. Stakeholders Relationship Committee

The members of the Stakeholders Relationship Committee are:

a) Mr. T. L. Easwar (Chairman)

b) Dr. Yasir Rawjee

c) Ms. Manju Agarwal

The Stakeholders Relationship Committee was constituted by the Board of Directors at their meeting held on February 23, 2021. The terms of reference of the Stakeholders Relationship Committee include the following:

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. To approve, register, refuse to register transfer or transmission of shares and other securities;
7. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. Allotment and listing of shares;
9. To authorise affixation of common seal of the Company;
10. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
11. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. To dematerialize or rematerialize the issued shares;
13. Ensure proper and timely attendance and redressal of investor queries and grievances;
14. Carrying out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and
15. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

4. Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. Sridhar Gorthi (Chairman)

2. V. S. Mani

3. Yasir Rawjee

4. Gita Nayyar

The Corporate Social Responsibility Committee was last reconstituted by the Board of Directors at their meeting held on February 23, 2021. The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the board of directors, the CSR Policy, indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act, 2013, as amended;

2. To recommend the amount of expenditure to be incurred on the activities referred to in (i) above;

3. To monitor the CSR Policy of the Company from time to time and its implementation by the Company from time to time; and

4. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013, as amended and the rules framed thereunder.

Other committees of our Company

In addition to the committees mentioned in "- *Committees of the Board*" on page 158, our Company has constituted the operations committee and an IPO Committee.

Management Organisation Chart

Key Managerial Personnel

The details of the Key Managerial Personnel of our Company are as follows:

Yasir Rawjee is the Managing Director and Chief Executive Officer of our Company. For details of the profile of Yasir Rawjee, see "*Brief Biographies of our Directors*" on page 155.

Sumantra Mitra is an Executive Director of our Company. For details of the profile of Sumantra Mitra, see "*Brief Biographies of our Directors*" on page 155.

Bhavesh Pujara is the Senior Vice President and Chief Financial Officer of our Company and has been associated with our Company since December 1, 2020. He is responsible for managing the overall finance function of our Company. He is a chartered accountant from the Institute of Chartered Accountants of India. He also has a degree in bachelor of commerce from the Maharaja Sagajirao University of Baroda. Prior to joining our Company, he has worked with Lupin Limited. He has also been associated with Eli Lilly and Company (India) Private Limited and Dr. Reddy's Laboratories Limited. During Financial Year 2021, since his joining, he was paid a compensation of ₹ 4.63 million.

Vinod Naik is the group vice president and head of the technical operation department of our Company and has been associated with our Company since March 12, 2020. He oversees the daily operations of the manufacturing plants such as production and manufacturing of APIs and intermediates. He is also responsible for the supply chain function of our Company. He holds a bachelor's of science degree and a master's of science degree from the Karnatak University, Dharwad. He has also completed a masters program in business administration with a specialization in financial management from the National Institute of Management. Prior to joining our Company, he was working with Sun Pharmaceutical Industries Limited. He has also been associated with Cipla Limited where was heading a manufacturing unit and has worked with Micro Labs Limited, as vice president of the technical and operations department.. During Financial Year 2021, he was paid a compensation of ₹ 22.33 million.

Palle V R Acharyulu is the group vice president of the research and development department and has been associated with our Company since July 14, 2020. He leads the research and development team to plan and execute API research and development. He also leads the project management and intellectual property functions of our Company. He holds a masters of sciences degree in chemistry from the University of Hyderabad and has completed the senior management programme from the Indian Institute of Management, Calcutta. He holds a PhD in chemistry from the University of Hyderabad. Prior to joining our Company, he has worked with Biocon Limited. He was also a director at Dr Reddy's Laboratories Limited. He has also been associated with Sun Pharmaceutical Industries Limited as a senior executive of the research and development department (organic synthesis) department. During Financial Year 2021, he was paid a compensation of ₹ 7.52 million.

Rudalf Corriea is the Company Secretary and Compliance Officer of our Company since February 23, 2021. He is an associate of the Institute of Company Secretaries of India. He also has a degree in bachelor's of laws and a masters of commerce from University of Mumbai. Prior to joining our Company, he has worked with Glenmark Pharmaceuticals Limited as an executive in the company secretary and insurance department. During Financial Year 2021, since his joining, he was paid a compensation of ₹ 0.13 million.

Relationship between our Key Managerial Personnel and Directors

None of the Key Managerial Personnel are either related to each other or to the Directors.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others.

Shareholding of Key Managerial Personnel

None of our Key Managerial Personnel hold any Equity Shares in our Company.

Bonus or Profit Sharing Plans of the Key Managerial Personnel

None of our Key Managerial Personnel are party to any bonus or profit-sharing plan of our Company, other than the performance-linked bonus given to the Key Managerial Personnel.

Status of Key Managerial Personnel

All the Key Managerial Personnel are permanent employees of our Company.

Interests of Key Managerial Personnel

Our Key Managerial Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. None of the Key Managerial Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Certain of our Key Managerial Personnel may be deemed to be interested to the extent of options granted to them pursuant to ESOP 2021. For details, see "*Capital Structure- Employee Stock Option Plan 2021 ("ESOP 2021")*" on page 71.

Changes in the Key Managerial Personnel

Except as disclosed below, there have been no changes in the Key Managerial Personnel in the last three years.

Name	Date of change	Reason for change
Ruchita Govindlal Gandhi	January 1, 2019	Appointment
Sumantra Mitra	April 11, 2019	Appointment
Yasir Rawjee	May 2, 2019	Appointment
Vinod Naik	March 12, 2020	Appointment
Palle V R Acharyulu	July 14, 2020	Appointment
Ruchita Govindlal Gandhi	December 1, 2020	Resignation as the chief financial officer
Bhavesh Pujara	December 1, 2020	Appointment
Rudalf Corriea	February 23, 2021	Appointment

Service Contracts with Directors and Key Managerial Personnel

None of our Directors or Key Managerial Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Contingent and deferred compensation payable to our Directors and Key Managerial Personnel

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel, which does not form a part of their remuneration.

Payment or benefit to Key Managerial Personnel

No amount or benefit has been paid or given within the preceding two years or is intended to be paid or given to any officers of our Company, including our Key Managerial Personnel, other than normal remuneration for services rendered as officers of our Company.

Employee Stock Option/Purchase Schemes

For details on the ESOP 2021, see "*Capital Structure – Employee Stock Option Plan 2021("ESOP 2021")"* on page 71.

OUR PROMOTER AND PROMOTER GROUP

Glenmark Pharmaceuticals Limited is the Promoter of our Company, as on the date of this Prospectus. Our Promoter, along with its nominees, currently holds an aggregate of 10,78,04,950 Equity Shares, aggregating to 100% of the pre- Offer issued, subscribed and paid-up Equity Share capital of our Company.

For details of the build-up of the Promoter's shareholding in our Company, see "*Capital Structure – History of the Equity Share capital held by our Promoter*", on page 65.

Glenmark Pharmaceuticals Limited

Corporate information

Glenmark Pharmaceuticals Limited was incorporated as a private limited company under the Companies Act, 1956, on November 18, 1977 and has a CIN L24299MH1977PLC019982. The registered office of Glenmark Pharmaceuticals Limited is located at B-2, Mahalaxmi Chambers, 22 Bhulabhai Desai Road, Mumbai, Maharashtra – 400026, India.

The principal activity of Glenmark Pharmaceuticals Limited is manufacturing and selling pharmaceutical products.

Change in activity

On January 1, 2019, the API Business of our Promoter was spun off into our Company. For further details see *"History and Certain Corporate Matters- Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, in the last 10 years - Business Purchase from Glenmark Pharmaceuticals Limited"* on page 151.

Board of directors

The board of directors of Glenmark Pharmaceuticals Limited comprise the following:

1) Glenn Saldanha, Chairman and Managing Director

2) Blanche Saldanha, Non-Executive Director

3) Cherylann Pinto, Executive Director- Corporate Services

4) V.S Mani, Executive Director and Global Chief Financial Officer

5) Rajesh Desai, Independent Director

6) Sridhar Gorthi, Independent Director

7) D.R Mehta, Independent Director

8) Brian W. Tempest, Independent Director

9) Bernard H. Munos, Independent Director

10) Sona Saira Ramasastry, Independent Director

11) Dipankar Bhattacherjee, Independent Director

Shareholding pattern

The shareholding pattern of Glenmark Pharmaceuticals Limited as of March 31, 2021 is as follows:

Sr. No	Category of shareholder	No. of shareholders	No. of fully paid up equity shares	Total no. of shares held	Shareholder as a % of total no. of shares (calculated as per SCRR) as a % of (A+B+C)	No. of voting rights	Total as a % of total voting rights	No. of equity shares held in dematerialized form
(A)	Promoter and Promoter Group	6	13,15,67,217	13,15,67,217	46.63	13,15,67,217	46.63	13,15,67,217
(B)	Public	2,50,845	15,06,00,939	15,06,00,939	53.37	15,06,00,939	53.37	14,95,93,395

Sr. No	Category of shareholder	No. of shareholders	No. of fully paid up equity shares	Total no. of shares held	Shareholder as a % of total no. of shares (calculated as per SCRR) as a % of (A+B+C)	No. of voting rights	Total as a % of total voting rights	No. of equity shares held in dematerialized form
(C1)	Shares underlying DRs	-	-	-	NA	-	0.00	-
(C2)	Shares held by Employee Trust	-	-	-	0.00	-	0.00	-
(C)	Non Promoter-Non Public	-	-	-	0.00	-	0.00	-
	Total	2,50,851	28,21,68,156	28,21,68,156	100.00	28,21,68,156	100.00	28,11,60,612

Promoters of our Promoter

The promoters of Glenmark Pharmaceuticals Limited are Saldanha Family Trust, Blanche Elizabeth Saldanha, Glenn Saldanha and Cherylann Pinto.

Change in control of our Promoter

There has been no change in the control of Glenmark Pharmaceuticals Limited in the last three years preceding the date of this Prospectus.

Our Company confirms that the permanent account number, bank account number, company registration number and the address of the registrar of companies where Glenmark Pharmaceuticals Limited is registered, were submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

Change of control of our Company

Our Promoter acquired control of our Company pursuant to the Share Purchase Agreement dated July 4, 2018 and has been identified as a promoter of our Company in certain public filings and agreements entered into by our Company in the past. For further details, see "*History and Certain Corporate Matters – Acquisition of our Company by Glenmark Pharmaceuticals Limited*" on page 151 and "*Capital Structure - Build-up of the shareholding of our Promoter in our Company*" on page 65.

Interests of our Promoter

Our Promoter is interested in our Company to the extent it has promoted our Company and to the extent of its shareholding in our Company and dividend payable, if any, other distributions in respect of the securities held by it and to the extent of the Trademark License Agreement entered into by our Company with our Promoter. For details of shareholding of our Promoter in our Company, see "*Summary of the Offer Document-Pre-Offer Shareholding of our Promoter and the Promoter Group"* on page 18**.** For details regarding the Trade Mark License Agreement see "*Our Business- Intellectual Property"* on page 141**.** Our Promoter has no interest in any property acquired in the three years preceding the date of this Prospectus or is proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No sum has been paid or agreed to be paid to our Promoter or to the firms or companies in which our Promoter is interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as promoters or otherwise for services rendered by such promoter or by such firms or companies in connection with the promotion or formation of our Company.

Payment or benefits to our Promoter and its Promoter Groups

Other than as stated in "*Financial Information*" beginning on page 175**,** there has been no payment of benefits to our Promoter or the Promoter Group during the two years immediately preceding the date of filing of this Prospectus. Other than as stated in "*Financial Information*" beginning on page 175, the payment of outstanding purchase consideration to the Promoter for the acquisition of the API business and the payment of consideration to our Promoter under the Trademark License Agreement, there is no intention to pay or give any benefit to our Promoter or any members of our Promoter Group. For further details regarding the payment of outstanding purchase consideration to the Promoter for the acquisition of the API business, see "*Objects of the Offer*" on page 75. For details regarding the Trademark License Agreement see "*Our Business- Intellectual Property"* on page 141**.**

Material guarantees given by our Promoter to third parties with respect to Equity Shares

Our Promoter has not provided any material guarantees to third parties with respect to the Equity Shares.

Companies or firms with which our Promoter has disassociated in the last three years

Except as stated below, our Promoter has not disassociated itself from any company or firm in the three years immediately preceding the date of this Prospectus:

Name of company or firm from which Promoter has disassociated	Reasons for and circumstances leading to disassociation	Date of disassociation
Glenmark Pharmaceuticals S.R.L.	Liquidation	July 30, 2020
Glenmark Therapeutics A.G.	Liquidation	December 2, 2019
Glenmark Distribuidora De Medicamentos E Produtos Cosmeticos Ltda.	Divestment	December 23, 2020

Our Promoter Group

Other than Glenmark Pharmaceuticals Limited, members of our Promoter Group are:

I. Natural persons forming part of the Promoter Group

1. Blanche Elizabeth Saldanha
2. Glenn Saldanha
3. Cherylann Pinto
4. Robin Pinto
5. Neha Saldanha

II. Entities forming part of the Promoter Group

1. Glenmark Pharmaceuticals (Europe) R&D Ltd.
2. Glenmark Pharmaceuticals Europe Ltd.
3. Glenmark Pharmaceuticals S.R.O.
4. Glenmark Pharmaceuticals SK, S.R.O.
5. Ichnos Sciences SA (Formerly known as Glenmark Pharmaceuticals S. A.)
6. Glenmark Holding S.A.
7. Glenmark Pharmaceuticals SP z.o.o.
8. Glenmark Pharmaceuticals Inc.,
9. Glenmark Therapeutics Inc.
10. Glenmark Farmaceutica Ltda.
11. Glenmark Generics S.A
12. Glenmark Pharmaceuticals Mexico, S.A. DE C.V.
13. Glenmark Pharmaceuticals Peru SAC
14. Glenmark Pharmaceuticals Colombia SAS
15. Glenmark Uruguay SA

16. Glenmark Pharmaceuticals Venezuela, C.A
17. Glenmark Dominicana SRL
18. Glenmark Pharmaceuticals Egypt S.A.E
19. Glenmark Pharmaceuticals F.Z.E.
20. Glenmark Impex L.L.C
21. Glenmark Philippines Inc.
22. Glenmark Pharmaceuticals (Nigeria) Ltd
23. Glenmark Pharmaceuticals (Malaysia) SDN. BHD
24. Glenmark Pharmaceuticals (Australia) Pty Limited
25. Glenmark South Africa (Pty) Ltd.
26. Glenmark Pharmaceuticals South Africa (Pty) Limited
27. Glenmark Pharmaceuticals (Thailand) Co. Ltd.
28. Glenmark Pharmaceuticals B.V.
29. Glenmark Arzneimittel Gmbh
30. Glenmark Pharmaceuticals Canada Inc.
31. Glenmark Pharmaceuticals (Kenya) Limited
32. Glenmark Specialty S.A.
33. Glenmark Pharmaceuticals Distribution SRO
34. Glenmark Pharmaceuticals Nordic AB
35. Glenmark Ukraine LLC
36. Glenmark-Pharmaceuticals Ecuador S.A.
37. Glenmark Pharmaceuticals Singapore Pte. Ltd.
38. Ichnos Sciences Biotherapeutics SA (Formerly known as Glenmark Biotherapeutics SA)
39. Ichnos Sciences Inc.
40. Saldanha Family Trust
41. Viso Farmaceutica SLU, Spain

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of group companies, our Company has considered (i) the companies (other than our Promoter) with which there are related party transactions, as disclosed in the Restated Financial Information; and (ii) the companies considered material by our Board.

Accordingly, in terms of the policy adopted by our Board on April 6, 2021 for determining group companies and pursuant to the resolution dated July 9, 2021, our Board has identified the following as group companies of our Company ("**Group Companies**"):

1. Glenmark Pharmaceuticals Inc.;
2. Glenmark Pharmaceuticals Egypt S.A.E.;
3. Glenmark Pharmaceuticals B.V.;
4. Viso Farmaceutica S.L.U
5. Glenmark Pharmaceuticals Europe Limited; and
6. Glenmark Farmaceutica Ltda

I. Details of our five largest Group Companies by turnover

Our top five Group Companies in accordance with the SEBI ICDR Regulations, comprise Glenmark Pharmaceuticals Inc., Glenmark Pharmaceuticals B.V., Viso Farmaceutica S.L.U, Glenmark Pharmaceuticals Europe Limited and Glenmark Farmaceutica Ltda, which are the largest unlisted Group Companies based on turnover in the last audited financial year. Set out below are details of such top five Group Companies:

1. Glenmark Pharmaceuticals Inc. ("**GPI**")

Corporate Information

GPI was incorporated on December 11, 2002 and its registered office is situated at 750 Corporate Drive, Mahawa, NJ 07430, USA.

Nature of Activities

GPI is engaged in the business of sale of formulation products.

Financial Performance

The financial information derived from the audited financial results of GPI for the Fiscals 2021, 2020 and 2019 are set forth below:

(Figures in USD ($))

Particulars	Fiscal		
	2021	2020	2019
Equity capital	6.67	6.67	6.67
Reserves (excluding revaluation reserve)	365,730,080	36,45,13,430	35,74,97,853
Sales	401,813,597	42,68,67,884	45,66,28,834
Profit/ (loss) after tax	12,16,649	7,015,577	60,73,797
Earnings per share (Basic)	1,824	10,518	10,371
Earnings per share (Diluted)	1,824	10,518	10,371
Net asset value	548,320.97	5,46,496.90	6,10,064.60

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

2. Glenmark Pharmaceuticals Europe Ltd. ("**GPEL**")

Corporate Information

GPEL was incorporated on February 10, 2004 and its registered office is situated at Laxmi House, 2B Draycott Avenue, Kenton, Middlesex HA3 0BU, England, U.K.

Nature of Activities

GPEL is engaged in the business of sale of formulation products.

Financial Performance

The financial information derived from the audited financial results of GPEL for the Fiscals 2021, 2020 and 2019 are set forth below:

(Figures in GBP (£))

Particulars	Fiscal		
	2021	2020	2019
Equity capital	62,85,121	62,85,121	62,85,121
Reserves (excluding revaluation reserve)	75,93,528	70,00,379	67,05,823
Sales	7,02,61,235	6,86,54,276	5,33,43,182
Profit/ (loss) after tax	5,93,149	2,94,556	58,277
Earnings per share (Basic)	0.09	0.05	0.01
Earnings per share (Diluted)	0.09	0.05	0.01
Net asset value	2.21	2.11	2.07

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

3. Glenmark Farmaceutica Ltda. ("**GFL**")

Corporate Information

GFL was incorporated on July 13, 2005 and its registered office is situated at Rua Gomes de Carvalho, 1.195, CJ 31- Vila Olimpia, CEP: 04547-004, Sao Paulo.

Nature of Activities

GFL is engaged in the business of sale of formulation products.

Financial Performance

The financial information derived from the audited financial results of GFL for the Fiscals 2020, 2019 and 2018 are set forth below:

(Figures in BRL (R$))

Particulars	Fiscal		
	2021	2020	2019
Equity capital	48,56,96,178	48,56,96,178	47,95,23,760
Reserves (excluding revaluation reserve)	(35,11,97,522)	(30,26,99,517)	(27,40,60,174)
Sales	16,26,26,718	19,82,59,732	14,10,92,980
Profit/ (loss) after tax	(4,84,98,005)	(2,86,39,343)	(57,98,166)
Earnings per share (Basic)	(0.10)	(0.06)	(0.01)
Earnings per share (Diluted)	(0.10)	(0.06)	(0.01)
Net asset value	0.28	0.38	0.42

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

4. Glenmark Pharmaceuticals B.V. ("**GPBV**")

Corporate Information

GPBV was incorporated on June 03, 2010 and its registered office is situated at Joop Geesinkweg 901, 1114 AB Amsterdam- Duivendrecht.

Nature of Activities

GPBV is engaged in the business of sale of formulation products.

Financial Performance

The financial information derived from the audited financial results of GPBV for the Fiscals 2020, 2019 and 2018 are set forth below:

(Figures in Euro (€))

Particulars	Fiscal		
	2021	2020	2019
Equity capital	18,000	18,000	18,000
Reserves (excluding revaluation reserve)	12,58,704	9,41,626	7,03,580
Sales	99,99,198	1,12,14,637	91,83,312
Profit/ (loss) after tax	3,17,078	2,38,046	2,70,207
Earnings per share (Basic)	17.62	13.22	15.01
Earnings per share (Diluted)	17.62	13.22	15.01
Net asset value	70.928	53.31	40.09

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three Fiscals.

5. Viso Farmaceutica S.L.U ("**VFS**")

Corporate Information

VFS was incorporated on April 28, 2015 and its registered office is situated at Ribera del Loira 46, Campo de las Naciones, 28042 Madrid, Spain.

Nature of Activities

VFS is engaged in the business of sale of formulations products.

Financial Performance

The financial information derived from the audited financial results of VFS for the Fiscals 2021, 2020 and 2019 are set forth below:

(Figures in Euro (€))

Particulars	Fiscal		
	2021	2020	2019
Equity capital	3,000	3,000	3,000
Reserves (excluding revaluation reserve)	12,55,422.74	10,24,485.23	8,07,548.73
Sales	66,53,653.65	66,12,634.29	33,13,755.91
Profit/ (loss) after tax	230,937.51	2,16,936.50	2,64,060.03
Earnings per share (Basic)	76.98	72.31	88.02
Earnings per share (Diluted)	76.98	72.31	88.02
Net asset value	419.47	342.49	270.18

There are no significant notes of the auditorsin relation to the aforementioned financial statements for the last three Fiscals.

II. Details of our other Group Company

Glenmark Pharmaceuticals Egypt S.A.E. ("**GPES**")

Corporate Information

GPES was incorporated on January 15, 2008 and as currently engaged in the business of sale of formulation products. Its registered office is situated at 22, Soliman Azmy street, from Abdel Hamid Badawy street, in front of AL Shams, Squash building, Heliopolis, Egypt.

A. Litigation

Our Group Companies are not party to any pending litigation which has a material impact on our Company.

B. Group Companies that have become sick or under winding-up/insolvency proceedings

Our Group Companies have neither become a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor are under winding-up or insolvency proceedings under the Insolvency and Bankruptcy Code, 2016.

C. Loss making Group Companies

Details of the losses made by our Group Companies in the immediately preceding Financial Years are as set out in the table below:

#(Figures in EGP (E£))
**(Figures in BRL (R$))*

Name of the Group Company	Profit/(Loss) after Tax		
	Financial Year 2021	Financial Year 2020	Financial Year 2019
Glenmark Farmaceutica Ltda.	(4,84,98,005)*	(2,86,39,343)*	(57,98,166)*
Glenmark Pharmaceuticals Egypt S.A.E.	(38,01,238)#	(34,16,117)#	(67,16,061)#

D. Defunct Group Companies

Our Group Companies are not defunct and no applications have been made to the concerned registrar of companies for striking off the name of our Group Companies in the five years immediately preceding the date of filing of this Prospectus.

E. Nature and extent of interest of Group Companies

In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three years prior to filing this Prospectus or proposed to be acquired by our Company

Our Group Companies are not interested in the properties acquired by our Company in the three years preceding the filing of this Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building, supply of machinery, etc.

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery, etc.

F. Common pursuits between our Group Companies and our Company

Our Group Companies are not in the same line of business as our Company and there are no common pursuits between our Group Companies and our Company.

G. Related business transactions within the Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in *"Financial Information"* on page 211, there are no other related business transactions between the Group Companies and our Company.

H. Business interests or other interests

There are related party transactions between the Group Companies and our Company as disclosed in *"Financial Information"* on page 211. Other than the related party transactions, our Group Companies do not have any business interest or other interest in our Company.

I. Other confirmations

The equity shares of our Group Companies are not listed on any stock exchange. For details, see *"Other Regulatory and Statutory Disclosures"* on page 299. Our Group Companies have not made any public or rights issue of securities in the preceding three years.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividend distribution policy of our Company was approved and adopted by our Board on March 10, 2021.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see "*Financial Indebtedness*" on page 256.

Our Company has not declared or paid any dividend during the three immediately preceding Financial Years and until the date of filing of this Prospectus.

See "*Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*" on page 35.

SECTION V: FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

(*The remainder of this page is intentionally left blank*)

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors
Glenmark Life Sciences Limited
4th Floor, OIA House,
470, Cardinal Gracious Road,
Andheri East, Mumbai – 400099,
Maharashtra, India

Dear Sirs,

1. We, Walker Chandiok & Co LLP, have examined the attached Restated Financial Information of Glenmark Life Sciences Limited (the "**Company**" or the "**Issuer**"), comprising the Restated Statement of Assets and Liabilities as at 31 March 2021, 31 March 2020 and 31 March 2019, the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Cash Flow Statement for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "**Restated Financial Information**"), as approved by the Board of Directors of the Company (the "**Board**") at their meeting held on 09 July 2021 for the purpose of inclusion in the Red Herring Prospectus **("RHP")** and the Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("**IPO**"), prepared in terms of the requirements of:

   a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Companies Act**");

   b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**"); and

   c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the RHP and the Prospectus to be filed with Securities and Exchange Board of India (the "**SEBI**"), National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**") and the Registrar of Companies, as applicable, in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2 to the Restated Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Companies Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

   a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 15 February 2021 in connection with the proposed IPO of equity shares of the Issuer;

   b. The Guidance Note which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

   d. The requirements of Section 26 of the Companies Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Companies Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO.

4. These Restated Financial Information have been compiled by the management from Audited Ind AS financial statements of the Company as at and for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 26 May 2021, 26 June 2020 and 29 May 2019, respectively.

5. For the purpose of our examination, we have relied on auditors' reports issued by us dated 26 May 2021, 26 June 2020 and 29 May 2019 on the financial statements as at and for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 respectively as referred in Paragraph 4 above.

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

   a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2020 and 31 March 2019 to reflect the same accounting treatment as per the accounting policies and grouping/ classifications followed as at and for the year ended 31 March 2021; and

   b. have been prepared in accordance with the Companies Act, ICDR Regulations and the Guidance Note.

7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited Ind AS financial statements mentioned in paragraph 4 above.

8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. Our report is intended solely for use of the Board of Directors for inclusion in the RHP and the Prospectus to be filed with Securities and Exchange Board of India, the Stock Exchanges and the Registrar of Companies, as applicable, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership No: 504662

UDIN: 21504662AAAAFA4722

Place: New Delhi
Date: 09 July 2021

Glenmark Life Sciences Limited
Restated Balance Sheet
(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	5,648.88	5,390.78	4,499.71
Capital work-in-progress	3	140.98	107.30	803.29
Intangible Assets	3	79.11	71.68	63.34
Intangible Assets under development	3	-	-	0.65
Financial Assets	4			
(i) Investments		0.77	0.77	0.77
(ii) Other financial assets		85.46	84.32	78.94
Current tax asset (net)	5	11.51	-	-
Other non-current assets	7	13.63	0.05	0.29
Total non- current assets		**5,980.34**	**5,654.90**	**5,446.99**
Current assets				
Inventories	8	5,134.21	4,127.75	4,008.43
Financial Assets	9			
(i) Trade receivables		6,195.00	6,386.28	4,480.88
(ii) Cash and cash equivalents		1,155.96	99.98	20.61
(iii) Other financial assets		275.89	207.70	57.87
Other current assets	10	1,229.35	779.43	739.17
Total current assets		**13,990.41**	**11,601.14**	**9,306.96**
Total assets		**19,970.75**	**17,256.04**	**14,753.95**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	11 &12	19.60	19.60	19.60
Other Equity		7,507.87	3,997.32	861.65
Total Equity		**7,527.47**	**4,016.92**	**881.25**
LIABLITIES				
Non-current liabilities				
Deferred tax liabilities (net)	6	228.88	164.48	68.56
Total non-current liabilities		**228.88**	**164.48**	**68.56**
Current liabilities				
Financial Liabilities	13			
(i) Borrowings		-	0.21	0.21
(ii) Trade payables				
(a) Total outstanding dues of Micro enterprises and Small enterprises		357.71	100.66	220.92
(b) Total outstanding dues of other than Micro enterprises and Small enterprises		1,855.34	1,910.05	1,607.96
(iii) Other current financial liabilities		9,550.87	10,736.57	11,763.14
Other current liabilities	14	114.53	103.72	47.93
Provisions	15	199.02	139.83	140.44
Current tax liabilities (net)	16	136.93	83.60	23.54
Total current liabilities		**12,214.40**	**13,074.64**	**13,804.14**
Total liabilities		**12,443.28**	**13,239.12**	**13,872.70**
Total equity and liabilities		**19,970.75**	**17,256.04**	**14,753.95**

See accompanying notes to the restated financial information.

As per our report of even date.
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership Number - 504662

Place: New Delhi
Date: 9 July 2021

For and on behalf of the Board of Directors
Glenmark Life Sciences Limited

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

V S Mani
Director
DIN: 01082878

Bhavesh Pujara
Chief Financial officer

Rudalf Corriea
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 9 July 2021

Glenmark Life Sciences Limited
Restated Statement of profit and loss
(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Income				
Revenue from operations	17	18,851.65	15,373.13	8,864.21
Other income	18	8.11	119.90	4.44
Total income		**18,859.76**	**15,493.03**	**8,868.65**
Expenses				
Cost of materials consumed	19	9,761.98	6,951.00	6,538.87
Changes in inventories of finished goods and work-in-progress	20	(707.01)	(46.42)	(3,015.89)
Employee benefits expense	21	1,491.31	1,422.80	1,062.80
Finance costs	22	875.47	335.15	6.05
Depreciation and amortisation expense	3	333.94	293.68	192.62
Other expenses	23	2,394.63	2,326.15	1,801.23
Total expenses		**14,150.32**	**11,282.36**	**6,585.68**
Profit before Tax		**4,709.44**	**4,210.67**	**2,282.97**
Tax expense:	6			
Current tax		1,127.46	985.42	258.95
Deferred tax		66.17	94.27	68.10
Total tax expense		**1,193.63**	**1,079.69**	**327.05**
Profit for the year		**3,515.81**	**3,130.98**	**1,955.92**
Other comprehensive income:				
Items than will not be reclassified to profit or loss				
- Remeasurement of the post-employment benefit obligation	24	(7.03)	6.35	1.55
- Income tax relating to the above	6	1.77	(1.66)	(0.45)
Other comprehensive income for the year		**(5.26)**	**4.69**	**1.10**
Total comprehensive income for the year		**3,510.55**	**3,135.67**	**1,957.02**
Earnings per equity share of Rs. 2 each	27			
Basic (in Rs)		32.61	29.04	24.64
Diluted (in Rs)		32.61	29.04	24.64

See accompanying notes to the financial information.

As per our report of even date.
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors
Glenmark Life Sciences Limited

Ashish Gupta
Partner
Membership Number - 504662

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

V S Mani
Director
DIN : 01082878

Place: New Delhi
Date: 9 July 2021

Bhavesh Pujara
Chief Financial officer

Rudalf Corriea
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 9 July 2021

Glenmark Life Sciences Limited
Restated Statement of Changes in Equity for the year ended
(All amounts in million of Indian Rupees, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 31 March 2018	**0.10**
Add: Conversion of loan into equity shares	4.50
Add: Fresh equity shares issued	15.00
Balance as at 31 March 2019	**19.60**
Add: Fresh equity shares issued	-
Balance as at 31 March 2020	**19.60**
Add: Fresh equity shares issued	-
Balance as at 31 March 2021	**19.60**

Refer notes 11 and 12 for details on equity share capital

B. Other Equity

Particulars	Reserves	Total
Balance as at 1 April, 2018	**(14.08)**	**(14.08)**
Add: profit for the year (includes profit presented on account of common control transaction)	1,955.92	1,955.92
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax) (Refer Note 24)	1.10	1.10
Less: Adjustment on account of common control transaction (Refer note 35)	(1,081.29)	(1,081.29)
Balance as at 1 April, 2019	**861.65**	**861.65**
Add: Profit for the year	3,130.98	3,130.98
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax) (Refer Note 24)	4.69	4.69
Balance as at 1 April, 2020	**3,997.32**	**3,997.32**
Add: Profit for the year	3,515.81	3,515.81
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax) (Refer Note 24)	(5.26)	(5.26)
Balance as at 31 March 2021	**7,507.87**	**7,507.87**

See accompanying notes to the restated financial information.

As per our report of even date.
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors
Glenmark Life Sciences Limited

Ashish Gupta
Partner
Membership Number - 504662

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

V S Mani
Director
DIN: 01082878

Place: New Delhi
Date: 9 July 2021

Bhavesh Pujara
Chief Financial officer

Rudalf Corriea
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 9 July 2021

Glenmark Life Sciences Limited
Restated Statement of Cash Flows
(All amounts in million of Indian Rupees, unless otherwise stated)

Sr. No.	Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
A.	**Cash flow from operating activities**			
	Profit before tax	4,709.44	4,210.67	2,282.97
	Adjustments for:			
	Depreciation and amortisation expenses	333.94	293.68	192.62
	Adjustment on account of common control transaction (Refer note 35)	-	-	(1,081.29)
	Adjustment in Property, plant and equipment and Intangible assets on account of common control transaction	-	-	(123.14)
	Assets written off	-	-	0.44
	Liabilities written off	-	-	(0.24)
	Finance costs	874.70	335.15	6.05
	Interest income	(4.30)	(3.55)	(4.11)
	Loss on sale of Property, plant and equipments	5.84	12.30	-
	Provision for gratuity and compensated absence	34.98	23.58	4.70
	Unrealised foreign exchange loss/ (gain)	87.94	(93.77)	(6.51)
	Operating profit before working capital changes	**6,042.54**	**4,778.06**	**1,271.49**
	Adjustments for changes in working capital:			
	- Decrease/(Increase) in trade receivables	81.01	(1,781.09)	(858.17)
	- Decrease/(Increase) in other receivables	(491.21)	(195.24)	(72.35)
	- Decrease/(Increase) in inventories	(1,006.46)	(119.32)	588.13
	- Increase /(Decrease) in trade and other payables	340.89	193.02	(590.17)
	Cash generated from operations	**4,966.77**	**2,875.43**	**338.93**
	- Taxes paid (net of refunds)	(1,085.64)	(925.36)	(235.41)
	Net cash generated from operating activities	**3,881.13**	**1,950.07**	**103.52**
B.	**Cash flow from investing activities**			
	Purchase of Property, plant and equipment and Intangible assets (including Capital work in progress)	(679.93)	(511.66)	(93.25)
	Proceeds from sale of Property, plant and equipment and Intangible assets	16.34	2.93	-
	Investment in Fixed deposit	(28.05)	-	-
	Interest received	4.30	3.55	4.11
	Net cash used in investing activities	**(687.34)**	**(505.18)**	**(89.14)**
C.	**Cash flow from financing activities**			
	Proceeds from fresh issue of share capital including securities premium (net of issue expenses)	-	-	15.00
	Proceeds from/(repayment) of borrowings from related parties and Payment of business purchase liability	(2,137.81)	(1,365.52)	(9.65)
	Net cash generated from/(used in) financing activities	**(2,137.81)**	**(1,365.52)**	**5.35**
	Net increase in cash and cash equivalents	**1,055.98**	**79.37**	**19.73**
	Opening balance of cash and cash equivalents	**99.98**	**20.61**	**0.07**
	Cash acquired on business purchase	**-**	**-**	**0.81**
	Closing balance of cash and cash equivalents	**1,155.96**	**99.98**	**20.61**
	Cash and cash equivalents comprise of :			
	Cash on hand	1.10	1.10	0.40
	Balances with banks in current accounts	1,154.86	98.88	20.21
		1,155.96	**99.98**	**20.61**

Glenmark Life Sciences Limited
Restated Statement of Cash Flows
(All amounts in million of Indian Rupees, unless otherwise stated)

Note :

1 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.
2 Figures in bracket indicate cash outflow.
3 For changes in liability arising from financing activities - Refer note 13(iv)

See accompanying notes to the restated financial Information.

As per our report of even date.
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership Number - 504662

Place: New Delhi
Date: 9 July 2021

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

V S Mani
Director
DIN : 01082878

Bhavesh Pujara
Chief Financial officer

Rudalf Corriea
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 9 July 2021

NOTE 1 – BACKGROUND INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1 COMPANY INFORMATION

Glenmark Life Sciences Limited (the "Company") is a public limited company incorporated in Pune, India. The registered office of the Company is at Plot No 170-172 Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur - 413213, Maharashtra, India.

The Company is primarily engaged in the business of development, manufacture and marketing of active pharmaceutical ingredients. The Company`s research and development facilities are located at Mahape, Ankleshwar and Dahej in India and manufacturing facilities are located at Ankleshwar, Dahej, Mohol, and Kurkumbh.

NOTE 2 - BASIS OF PREPARATION AND MEASUREMENT AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 The Restated Financial Information relates to the Company and has been specifically prepared for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with the proposed Initial Public Offer ('IPO') of equity shares of the Company (referred to as the "Issue"). The Restated Financial Information comprise of the Restated Balance Sheet as at 31 March 2021, 31 March 2020, and 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Restated Cash Flow Statement, the Restated Statement of Changes in Equity and Statement of Significant Accounting Policies and other explanatory information for the year ended 31 March 2021, 31 March 2020, and 31 March 2019 (hereinafter collectively referred to as "Restated Financial Information").

The Restated Financial Information has been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act") read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations")

The Restated Financial Information has been compiled by the Management from:
The audited financial statements of the Company for the years ended and as at March 31, 2021, March 31, 2020 and March 31, 2019, on which the auditors have expressed unmodified audit opinion vide their reports dated May 26, 2021, June 26, 2020 and May 29, 2019 respectively.

The preparation of these financial information in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or area where assumptions and estimates are significant to these financial statements are disclosed in section 2.18.

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including investments), defined benefit plans, plan assets and share-based payments.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act and Ind AS 1, Presentation of Financial Statements

2.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.3 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the date of such transactions. Monetary assets and liabilities as at the balance sheet date are translated at the rates of exchange prevailing at the date of the balance sheet. Gain/loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognised in the statement of profit and loss, unless they are considered as an adjustment to borrowing costs, in which case they are capitalised along with the borrowing cost.

2.4 Revenue recognition

The Company applies principles provided under Ind AS 115 'Revenue from contracts with customers' which provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognised when or as those performance obligations are satisfied.

Company receives revenue for supply of goods to external customers against orders received. The majority of contracts that Company enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical products. The average duration of a sales order is less than 12 months.

Revenue (other than sale)

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured

Export benefits

Export benefits/incentives constituting Duty Draw back, incentives under FPS/FMS/MEIS and duty free advance license scheme are accounted for on accrual basis where there is reasonable assurance that the Company will comply with the conditions attached to them and the export benefits will be received.

Revenue from Sale of Products

Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined by each customer arrangement, but generally occurs on delivery to the customer.

Product revenue represents net invoice value including fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.
The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.

Goods and Service Tax and other value added taxes are excluded from revenue.

2.5 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have significant cost in relation to total cost and different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Profits and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within "other income/expense in the statement of profit and loss".

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, its cost can be measured reliably and it has a useful life of atleast twelve months. The costs of other repairs and maintenance are recognised in the statement of profit and loss as incurred.

Depreciation

Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or their useful lives, unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The below given useful lives best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Factory and other buildings	26 - 61 years
Plant and machinery	1 – 21 years
Furniture, fixtures and office equipment	1 – 10 years
Vehicles	1– 8 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

2.6 Borrowing costs

Borrowing costs primarily comprise interest on the Company's borrowings. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported under 'finance costs'. Borrowing costs are recognised using the effective interest rate method.

2.7 Intangible assets

Research and development
Expenses on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised in the statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the assets are controlled by the Company and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the statement of profit and loss as incurred.

The Company's internal drug development expenditure is capitalised only if they meet the recognition criteria as mentioned above. Where uncertainties exist that the said criteria may not be met, the expenditure is recognised in the statement of profit and loss as incurred. Where the recognition criteria are met, intangible assets are recognised. Based on the management estimate of the useful lives, indefinite useful life assets are tested for impairment and assets with limited life amortised on a straight-line basis over their useful economic lives from when the asset is available for use. During the periods prior to their launch (including periods when such products have been out-licensed to other companies), these assets are tested for impairment on an annual basis, as their economic useful life is indeterminable till then.

De-recognition of intangible assets
Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use or disposal. Losses arising on such de-recognition are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are subject to impairment testing at each reporting date. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Any impairment losses are recognised immediately in the statement of profit and loss.

Other intangible assets
Other intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which they relate.

Software for internal use, which is primarily acquired from third-party vendors, including consultancy charges for implementing the software, are capitalised. Subsequent costs are charged to the statement of profit and loss as incurred. The capitalised costs are amortised over the estimated useful life of the software.

Amortisation
Amortisation of intangible assets, intangible assets not available for use and intangible assets having indeterminable life, is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives from the date that they are available for use.

The estimated useful lives of intangible assets are 1 - 10 years.

2.8 Impairment Testing of property, plant and equipment, and intangible assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets that have indefinite lives or that are not yet available for use are tested for impairment annually; their recoverable amount is estimated annually each year at the reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("cash-generating unit"). The recoverable amount of an asset or cash-generating unit is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Intangibles with indefinite useful lives are tested for impairment individually.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.9 Investments and financial assets

Classification

The Company classifies its financial assets in the following measurement categories:
• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
• those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Measurement of debt instruments
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

• Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other income/expenses. Interest income from these financial assets is included in other income using the effective interest rate method.

• Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other income/expenses in the period in which it arises. Interest income from these financial assets is included in other income.

Measurement of equity instruments
The Company subsequently measures all equity investments other than those elected to be at cost under Ind AS 27 at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets
A financial asset is derecognised only when
• The Company has transferred the rights to receive cash flows from the financial asset or
• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Interest income from financial assets
Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

2.10 Financial liabilities

Non derivative financial liabilities include trade and other payables.

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables are recognised initially at their transaction values which also approximate their fair values and subsequently measured at amortised cost less settlement payments.

2.11 Inventories

Inventories of finished goods, stock in trade, work in process, consumable stores and spares, Raw material, Packing material are valued at cost or net realisable value, whichever is lower. Cost of inventories is determined on a weighted moving average basis. Cost of work-in-process and finished goods include the cost of materials consumed, labour, manufacturing overheads and other related costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory includes estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

2.12 Accounting for income taxes

Income tax expense consists of current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised in other comprehensive income, in which case it is recognised in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences:
- The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and

- Taxable temporary differences relating to investments in subsidiaries to the extent it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised/ settled simultaneously.

2.13 Leases

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:
– Fixed payments, including in-substance fixed payments;
– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
– Amounts expected to be payable under a residual value guarantee; and
– The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets
The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.14 Equity

Share capital is determined using the nominal value of shares that are issued. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Securities premium includes any premium received on the issue of share capital. Any transaction costs associated with the issue of shares is deducted from Securities premium, net of any related income tax benefits.

Retained earnings include all current and prior period results, as disclosed in the statement of profit and loss.

2.15 Employee benefits

Short-term benefits
Short-term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognised provident funds, approved superannuation schemes and other social securities, which are defined contribution plans, are recognised as an employee benefit expense in the statement of profit and loss as incurred.

Defined benefit plans
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of an approved gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each material plan by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation performed annually by a qualified actuary using the projected unit credit method.

The benefit is discounted to determine the present value of the defined benefit obligation and the current service cost. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The fair value of any plan assets is deducted from the present value of the defined benefit obligation to determine the amount of deficit or surplus. The net defined benefit liability/ (asset) is determined as the amount of the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The net defined benefit liability/(asset) is recognised in the balance sheet.

Defined benefit costs are recognised as follows:
- Service cost in the statement of profit and loss
- Net interest on the net defined benefit liability (asset) in the statement of profit and loss
- Remeasurement of the net defined benefit liability/ (asset) in other comprehensive income

Service costs comprise of current service cost, past service cost, as well as gains and losses on curtailment and settlements. The benefit attributable to current and past periods of service is determined using the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the benefit is attributed on a straight-line basis. Past service cost is recognised in the statement of profit and loss in the period of plan amendment. A gain or loss on the settlement of a defined benefit plan is recognised when the settlement occurs.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period, taking account of any changes in the net defined benefit liability/(asset) during the period as a result of contribution and benefit payments.

Remeasurement comprises of actuarial gains and losses, the return on plan assets (excluding interest), and the effect of changes to the asset ceiling (if applicable). Remeasurement recognised in other comprehensive income is not reclassified to the statement of profit and loss.

Compensated leave of absence
Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Company's policy and receive cash in lieu thereof. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the date of the balance sheet. Such measurement is based on actuarial valuation as at the date of the balance sheet carried out by a qualified actuary.

Termination benefits
Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

2.16 Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of past events will probably lead to an outflow of economic resources from the Company and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the best estimate of expenditure required to settle the present obligation at the reporting date, based on the most reliable evidence, including the risks and uncertainties and timing of cashflows associated with the present obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the balance sheet.

Any amount that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset up to the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets are not recognised.

2.17 Share based compensation

All employee services received in exchange for the grant of any equity-settled share-based compensation are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based compensation is ultimately recognised as an expense in the statement of profit and loss with a corresponding credit to equity (Stock compensation reserve). If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to expense recognised in prior periods if fewer share options are ultimately exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as Securities premium.

2.18 Critical accounitng estimates and significant judgement in applying accounting policies

When preparing these financial statements, management undertakes a number of judgments', estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

In the process of applying the Company's accounting policies, the following judgments have been made apart from those involving estimates, which have the most significant effect on the amounts recognised in the financial statement. Judgments are based on the information available at the date of balance sheet.

Leases

Ind AS 116 requires Company to make certain judgements and estimations, and those that are significant are disclosed below.

Critical judgements are required when an entity is,

- determining whether or not a contract contains a lease
- establishing whether or not it is reasonably certain that an extension option will be exercised
- considering whether or not it is reasonably certain that a termination option will not be exercised

Key sources of estimation and uncertainty include:

- calculating the appropriate discount rate
- estimating the lease term

Deferred tax

The assessment of the probability of future taxable profit in which deferred tax assets can be utilized is based on the Company's latest approved budget forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilise without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Research and developments costs

Management monitors progress of internal research and development projects by using a project management system. Significant judgement is required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred.

Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary due to inherent uncertainty in the economic success of any product development.

Estimation Uncertainty

The preparation of these financial statements is in conformity with Ind AS and requires the application of judgment by management in selecting appropriate assumptions for calculating financial estimates, which inherently contain some degree of uncertainty. Management estimates are based on historical experience and various other assumptions that are believed to be reasonable in the circumstances, the results of which form the basis for making judgments about the reported carrying values of assets and liabilities and the reported amounts of revenues and expenses that may not be readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Estimates of life of various tangible and intangible assets, and assumptions used in the determination of employee-related obligations and fair valuation of financial and equity instrument, impairment of tangible and intangible assets represent certain of the significant judgements and estimates made by management.

Useful lives of various assets
Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Company. The useful life are specified in note 2.5 and 2.7

Post-employment benefits
The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Current and deferred income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Expected credit loss
The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:
i Trade receivables.
ii Financial assets measured at amortised cost other than trade receivables.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. In case of other assets (listed as ii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

The financial statements have been prepared using the measurement basis specified by Ind AS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.19 Standards issued but not yet effective

All the Ind AS issued and notified by the Ministry of Corporate Affairs ('MCA') under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial information.

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards. However, there are no such notifications which have been issued but are not yet effective or applicable from 1 April 2021.

Glenmark Life Sciences Limited
Notes to the Restated Financial Information
(All amounts in million of Indian Rupees, unless otherwise stated)

Note 3 - Property, Plant and Equipment
Property, plant and equipment comprise the following:

Particulars	Leasehold land**	Factory building	Other building	Plant and equipment	Furniture and fixture	Office equipment	Vehicles	Total	Capital work-in-progress
Cost									
Balance as at 1 April 2018	**-**	**-**	**-**	**-**	**-**	**0.01**	**-**	**0.01**	**-**
- Other acquisitions*	120.99	1,464.07	3.24	2,877.07	81.51	19.73	0.09	4,566.70	805.89
- Disposals/ Transfers/ adjustments	1.58	14.49	0.11	93.37	7.24	3.64	0.04	120.47	(2.60)
Balance as at 31 March 2019	**122.57**	**1,478.56**	**3.35**	**2,970.44**	**88.75**	**23.38**	**0.13**	**4,687.18**	**803.29**
- Acquisitions	43.59	396.62	-	704.56	38.99	10.68	-	1,194.44	29.30
- Disposals/ Transfers/ adjustments	-	(11.78)	-	(3.39)	(0.70)	-	-	(15.87)	(725.29)
Balance as at 31 March 2020	**166.16**	**1,863.40**	**3.35**	**3,671.61**	**127.04**	**34.06**	**0.13**	**5,865.75**	**107.30**
- Acquisitions	7.18	169.27	87.08	322.31	9.73	10.82	0.37	606.76	362.27
- Disposals/ Transfers/ adjustments	-	(3.88)	-	(43.06)	(2.35)	(1.20)	(0.38)	(50.87)	(328.59)
Balance as at 31 March 2021	**173.34**	**2,028.79**	**90.43**	**3,950.86**	**134.42**	**43.68**	**0.12**	**6,421.64**	**140.98**
Accumulated Depreciation									
Balance as at 1 April 2018	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Depreciation charge for the year	0.77	7.15	0.02	53.80	3.43	1.81	0.02	67.00	-
- Disposals/ Transfers/ adjustments	1.58	14.49	0.11	93.37	7.24	3.64	0.04	120.47	-
Balance as at 31 March 2019	**2.35**	**21.64**	**0.13**	**147.17**	**10.67**	**5.45**	**0.06**	**187.47**	**-**
- Depreciation charge for the year	3.20	30.45	0.07	229.24	17.61	7.41	0.07	288.05	-
- Disposals/ Transfers/ adjustments	-	(0.32)	-	(0.06)	(0.17)	-	-	(0.55)	-
Balance as at 31 March 2020	**5.55**	**51.77**	**0.20**	**376.35**	**28.11**	**12.86**	**0.13**	**474.97**	**-**
- Depreciation charge for the year	3.59	36.29	0.08	261.50	16.19	8.47	0.37	326.49	-
- Disposals/ Transfers/ adjustments	-	(0.97)	-	(23.98)	(2.17)	(1.20)	(0.38)	(28.70)	-
Balance as at 31 March 2021	**9.14**	**87.09**	**0.28**	**613.87**	**42.13**	**20.13**	**0.12**	**772.76**	**-**
Carrying value									
As at 1 April 2018	**-**	**-**	**-**	**-**	**-**	**0.01**	**-**	**0.01**	**-**
As at 31 March 2019	**120.22**	**1,456.92**	**3.22**	**2,823.27**	**78.08**	**17.93**	**0.07**	**4,499.71**	**803.29**
As at 31 March 2020	**160.61**	**1,811.63**	**3.15**	**3,295.26**	**98.93**	**21.20**	**0.00**	**5,390.78**	**107.30**
As at 31 March 2021	**164.20**	**1,941.70**	**90.15**	**3,336.99**	**92.29**	**23.55**	**-**	**5,648.88**	**140.98**

Note:
Addition to Property, Plant and Equipment for the year ended 31 March 2021 includes capital expenditure of Rs. 19.25 (31 March 2020 - Rs. 22.76, 31 March 2019 - Rs. 83.34) incurred at approved R&D centres.
*Acquisitions include assets acquired as part of the purchase of Active Pharmaceutical Ingredients (API) business from Holding Company i.e Glenmark Pharmaceuticals Limited (Refer note 35)
**Upfront lease premium paid to respective Industrial Development Corporations at the time of execution of lease deed represents the present value of total consideration related to lease payments for the entire tenure of lease

NOTE 3- INTANGIBLE ASSETS

Intangible assets comprise the following

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
Cost				
Balance as at 1 April 2018	**-**	**-**	**-**	**-**
- Additions	19.82	46.01	65.83	0.65
- Disposals/ Transfers/ adjustments	2.66	-	2.66	**-**
Balance as at 31 March 2019	**22.48**	**46.01**	**68.49**	**0.65**
- Additions	13.97	-	13.97	1.00
- Disposals/ Transfers/ adjustments	-	-	**-**	(1.65)
Balance as at 31 March 2020	**36.45**	**46.01**	**82.46**	**-**
- Additions	9.76	5.12	14.88	-
- Disposals/ Transfers/ adjustments	-	-	**-**	-
Balance as at 31 March 2021	**46.21**	**51.13**	**97.34**	**-**
Amortisation and impairment				
Balance as at 1 April 2018	**-**	**-**	-	**-**
- Amortisation for the year	2.49	-	2.49	-
- Disposals/ Transfers/ adjustments	2.66	-	2.66	-
Balance as at 31 March 2019	**5.15**	**-**	**5.15**	**-**
- Amortisation for the year	5.63	-	5.63	-
- Disposals/ Transfers/ adjustments	-	-	-	-
Balance as at 31 March 2020	**10.78**	**-**	**10.78**	**-**
- Amortisation for the year	7.41	0.04	7.45	-
- Disposals/ Transfers/ adjustments	-	-	-	-
Balance as at 31 March 2021	**18.19**	**0.04**	**18.23**	**-**
Carrying value				
As at 1 April 2018	**-**	**-**	**-**	**-**
As at 31 March 2019	**17.33**	**46.01**	**63.34**	**0.65**
As at 31 March 2020	**25.67**	**46.01**	**71.68**	**-**
As at 31 March 2021	**28.02**	**51.09**	**79.11**	**-**

At the year end, the intangible with indefinite or indeterminable lives were tested for impairment based on conditions at that date. In performing the impairment testing management considers various factors such as the size of the target market, competition, future possible price/volume erosion.

NOTE 4 - NON-CURRENT FINANCIAL ASSETS
(i) INVESTMENTS

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Unquoted			
Equity shares (FVTPL)			
76,800 shares of Narmada Clean Tech	0.77	0.77	0.77
Total	**0.77**	**0.77**	**0.77**

Note - The fair values of investments in equity shares being carried at Rs. 0.77 (31 March 2020 - Rs. 0.77, 31 March 2019 - Rs. 0.77) cannot be reliably determined and therefore the company is carrying these investments at cost less impairment charge if any being the management's best estimate of their fair values.

(ii) OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Unsecured considered good			
Security deposits*	85.46	84.32	78.94
Total	**85.46**	**84.32**	**78.94**

*Security deposits represent utility deposit given in the normal course of business realisable after twelve months from the reporting date.

NOTE 5 - CURRENT TAX ASSET (NET)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Advance tax paid (net of provision for tax)	11.51	-	-
Total	**11.51**	**-**	**-**

NOTE 6- TAXES

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Current income tax expense	1,127.46	985.42	258.95
Deferred income tax expense	66.17	71.71	90.66
Minimum Alternate Tax (MAT) Credit (Entitlement)/Utilization	-	22.56	(22.56)
Total	**1,193.63**	**1,079.69**	**327.05**

Pursuant to the Taxation Law (Amendment) Ordinance 2019 ('Ordinance') Issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, domestic companies have the option to pay corporate Income tax rate at 22% plus applicable surcharge and cess subject to certain conditions. The Company, upon the amendment, made an assessment of the Impact of the Ordinance and decided to go ahead with the new tax structure from the financial year ended 31 March 2020. The Company has also re-measured its deferred tax liability following the clarification issued by Technical Implementation Group of Ind AS implementation Committee by applying the lower tax rate in measurement of all the component of deferred taxes.

The relationship between the expected tax expense based on the applicable tax rate of the Company and the tax expense actually recognised in the statement of profit and loss can be reconciled as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Income tax expense at tax rates applicable	**1,185.27**	**1,059.74**	**349.93**
Tax adjustments			
- Additional deduction for research and development expenditure	-	-	(21.73)
- Change in tax rate impact (reduction in DTL)	-	(13.10)	-
- Change in tax regime (loss of MAT credit)	-	22.56	-
- Disallowance of donation/corporate social responsibility expenses	11.33	6.65	0.54
- Income exempt from tax	-		(1.69)
- Other (Allowances)/ Disallowance	(2.97)	3.84	-
Actual tax expense (net)	**1,193.63**	**1,079.69**	**327.05**

The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities and a description of the items that create those differences are given below:

For the year ended 31 March 2021:

Particulars	As at 31 March 2020	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2021
Deferred tax assets				
Provision for sales return	-	8.15	-	8.15
Other items	1.31	9.03	1.77	12.11
Total	**1.31**	**17.18**	**1.77**	**20.26**
Deferred tax liabilities				
Difference in depreciation on Property, plant and equipment	163.68	85.46	-	249.14
Other taxable temporary differences	2.11	(2.11)	-	-
Total	**165.79**	**83.35**	**-**	**249.14**
Net deferred income tax asset / (liabilities)	**(164.48)**	**(66.17)**	**1.77**	**(228.88)**

For the year ended 31 March 2020:

Particulars	As at 31 March 2019	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2020
Deferred tax assets				
MAT credit entitlement	22.56	(22.56)	-	-
Other items	0.29	1.02	-	1.31
Total	**22.85**	**(21.54)**	**-**	**1.31**
Deferred tax liabilities				
Difference in depreciation on Property, plant and equipment	90.96	72.72	-	163.68
Other taxable temporary differences	0.45	-	1.66	2.11
Total	**91.41**	**72.72**	**1.66**	**165.79**
Net deferred income tax asset / (liabilities)	**(68.56)**	**(94.26)**	**(1.66)**	**(164.48)**

For the year ended 31 March 2019:

Particulars	As at 31 March 2018	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2019
Deferred tax assets				
MAT credit entitlement	-	22.56	-	22.56
Other items	-	0.29	-	0.29
Total	**-**	**22.85**	**-**	**22.85**
Deferred tax liabilities				
Difference in depreciation on property, plant and equipment	-	90.96	-	90.96
Other taxable temporary differences	-	-	0.45	0.45
Total	**-**	**90.96**	**0.45**	**91.41**
Net deferred income tax asset / (liabilities)	**-**	**(68.11)**	**(0.45)**	**(68.56)**

In assessing the reliability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable including taxable temporary difference in the future periods are reduced.

NOTE 7 - OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Capital advances	13.63	0.05	0.29
Total	**13.63**	**0.05**	**0.29**

NOTE 8 - INVENTORIES

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Raw material	1,170.22	864.86	799.62
Packing material	11.51	10.59	10.31
Work-in-progress	3,418.94	2,716.98	2,826.53
Stores and spares	182.78	189.61	182.23
Finished goods	350.76	345.71	189.74
Total	**5,134.21**	**4,127.75**	**4,008.43**

NOTE 9 - CURRENT FINANCIAL ASSETS
(i) TRADE RECEIVABLES

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Unsecured			
Considered good* (Refer note 32)	6,195.00	6,386.28	4,480.88
Total	**6,195.00**	**6,386.28**	**4,480.88**
*Includes amount receivable from related parties (Refer Note 25)	2,833.90	3,390.10	1,407.11

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a short period from the date of balance sheet. All of the Company's trade receivables have been reviewed for indications of impairment.

(ii) CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Balances with banks in current accounts	1,154.86	98.88	20.21
Cash on hand	1.10	1.10	0.40
Total	**1,155.96**	**99.98**	**20.61**

(iii) OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good			
Export incentives	241.64	207.70	57.87
Bank Deposit	28.05	-	-
Other receivable	6.20	-	-
Total	**275.89**	**207.70**	**57.87**

NOTE 10 - OTHER CURRENT ASSETS

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Advances recoverable	621.35	560.98	135.91
Input taxes receivable	445.85	126.07	558.74
Advance to vendors	152.73	89.03	44.52
Prepaid expenses	9.42	3.35	-
Total	**1,229.35**	**779.43**	**739.17**

NOTE 11 - EQUITY AND RESERVES

a) Ordinary shares

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

The Company has an authorised share capital of 200,000,000 shares of Rs. 2 each (31 March 2020 - 14,000,000 shares of Rs 10 each, 31 March 2019 - 2,000,000 shares of Rs 10 each).

b) Preference shares

The Company has an authorised share capital of 600,000 (31 March 2020 - 600,000, 31 March 2019 - NIL) Cumulative Convertible Preference Shares of Rs. 100 each

c) Reserves

Reserves – Accumulated earnings include all current and prior years profits as disclosed in the statement of profit and loss.

Glenmark Life Sciences Limited
Notes to the Restated Financial Information
(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 12 - EQUITY SHARE CAPITAL

	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
(a) Share capital	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
Authorised						
Equity Shares (31 March 2021 - Rs. 2 each, 31 March 2020- Rs 10 each, 31 March 2019 - Rs. 10 each)	200,000,000	400.00	14,000,000	140.00	2,000,000	20.00
Cumulative Convertible Preference Shares of Rs. 100 each	600,000	60.00	600,000	60.00	-	-
Issued, subscribed and fully paid-up equity shares						
At the beginning of the year (Rs. 10 each)	**19,60,090**	**19.60**	**19,60,090**	**19.60**	**10,000**	**0.10**
Add: Increase in share on account of sub-division	78,40,360	-	-	-	-	-
Add: Issued during the year						
-Loan conversion to Equity	-	-	-	-	4,50,090	4.50
-Preferential Issue	-	-	-	-	15,00,000	15.00
At the end of the year of Rs. 2 each (31 March 2020- Rs 10 each, 31 March 2019 - Rs. 10 each) (A)	**98,00,450**	**19.60**	**19,60,090**	**19.60**	**19,60,090**	**19.60**
Other equity (B)		**7,507.87**		**3,997.32**		**861.65**
Total Equity (A+B)		**7,527.47**		**4,016.92**		**881.25**

(b) List of shareholders holding more than 5% shares	As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	% of Holding	**No. of Shares**	**% of Holding**	**No. of Shares**	**% of Holding**	**No. of Shares**
Glenmark Pharmaceuticals Limited	100%	98,00,450	100%	19,60,090	100%	19,60,090

(c) Right, Preference and restriction on shares

The Company presently has only one class of ordinary equity shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary equity shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

(d) Sub-division of shares and Issue of bonus shares

i) As per recommendation of Board of directors dated 23 February 2021 and approval of Shareholders dated 8 March 2021, the Company has increased its authorised share capital to Rs. 460 million consisting of 40,000,000 equity shares of face value of Rs. 10 each and 600,000 Cumulative Convertible Preference Shares of Rs. 100 each.

ii)Further, as per the recommendation of the Board of Directors dated 10 March 2021 and approval of the shareholders dated 26 March 2021, the existing equity shares are sub-divided into 200,000,000 equity shares of face value of Rs. 2 each. Pursuant to this resolution the existing issued, paid up and subscribed share capital of the Company stands subdivided to 9,800,450 equity shares of Rs. 2 each.

iii) Further, as per recommendation of the Board of Directors dated 10 March 2021 and approval of the shareholders dated 26 March 2021, the Company at its board meeting held on 6 April 2021 has allotted 98,004,500 bonus equity shares of face value of Rs. 2 each in ratio of 10:1 (i.e. 10 Bonus Shares for every 1 Equity Share). Consequently, the issued, subscribed and paid-up share capital has increased to Rs. 215.61 million comprising of 107,804,950 equity shares of face value of Rs. 2 each.

These shares are retrospectively considered for the computation of basic and diluted EPS.

NOTE 13 - CURRENT FINANCIAL LIABILITIES

(i) BORROWINGS

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Unsecured loans			
Loan from related Parties (Refer Note 25)	-	0.21	0.21
Total	**-**	**0.21**	**0.21**

(ii) TRADE PAYABLES

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Trade payables outstanding dues to Micro, small and medium enterprises under MSMED Act, 2006 (Refer Note (i) below)	357.71	100.66	220.92
Trade payables outstanding dues to creditors other than micro, small and medium enterprises	1,629.91	1,691.70	1,479.71
Trade payables to related party (Refer note 25)	225.43	218.35	128.25
Total	**2,213.05**	**2,010.71**	**1,828.88**

Note (i)
The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows :

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
a) The principal amount remaining unpaid to any supplier at the end of the year	357.71	100.62	220.92
b) Interest due remaining unpaid to any supplier at the end of the year	-	0.04	-
c) The amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
d) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on request made by the Company. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year, except stated above.

(iii) OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Employee dues	4.99	0.02	0.02
Sundry creditors for capital goods	12.90	23.96	45.05
Accrued expenses	204.31	121.02	96.13
Payable to related parties (Refer note 25)	9,328.67	10,591.57	11,621.94
Total	**9,550.87**	**10,736.57**	**11,763.14**

(iv) CHANGES IN LIABILITY ARISING FROM FINANCING ACTIVITY ARE AS FOLLOWS-

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Opening balance	**10,591.78**	**11,622.15**	**14.50**
Interest Accrued	874.70	335.15	-
Proceeds from/ (Repayment of) Borrowings during the year	(0.21)	-	0.37
Liability on account of business purchase	-	-	11,621.94
Amount written off	-	-	(0.14)
Loan converted to equity	-	-	(4.50)
Amount repaid during the year	(2,137.60)	(1,365.52)	(10.02)
Closing balance	**9,328.67**	**10,591.78**	**11,622.15**
Represented by-			
Payable to related parties			
Borrowings	-	0.21	0.21
Other current financial liability	9,328.67	10,591.57	11,621.94
	9,328.67	**10,591.78**	**11,622.15**

NOTE 14 - OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Statutory dues	41.63	49.62	19.65
Advance from customers	72.90	54.10	28.28
Total	**114.53**	**103.72**	**47.93**

NOTE 15 - PROVISIONS

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Provision for sales return	32.40	-	-
Provisions for employee benefits :			
Provision for gratuity (Refer note 24)	102.76	84.57	81.06
Provision for compensated absences (Refer note 24)	63.86	55.26	59.38
Total	**199.02**	**139.83**	**140.44**
Movement in provision for sale return			
Opening balance	**-**	**-**	**-**
Additions during the year	32.40	**-**	**-**
Closing balance	**32.40**	**-**	**-**

NOTE 16 - CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Provision for income tax (net of advance tax)	136.93	83.60	23.54
Total	**136.93**	**83.60**	**23.54**

NOTE 17- REVENUE FROM OPERATIONS

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Sale of products	18,613.95	14,943.41	8,521.99
Other operating revenue*	237.70	429.72	342.22
Total	**18,851.65**	**15,373.13**	**8,864.21**

*Other Operating revenue primarily comprises of Export incentives of Rs. 118.46 (31 March 2020 - Rs. 282.78, 31 March 2019 - Rs. 342.22), and Sale of scrap and others of Rs. 119.24 (31 March 2020 - Rs. 146.94).

Disaggregation of revenue :

The Company's revenue disaggregated by primary geographical markets is as follows:

Geographical area	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Within India	10,480.71	7,874.10	3,559.20
Outside India	8,370.94	7,499.03	5,305.01
Total	**18,851.65**	**15,373.13**	**8,864.21**

Reconciliation of the amount of revenue recognised in the income statement with the contracted price

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Revenue as per contracted price	18,897.55	15,393.59	8,864.21
Less: Trade discounts, sales and expiry returns	45.90	20.46	-
Revenue from contract with customers	18,851.65	15,373.13	8,864.21

Contract liabilities from contracts with customers :

The Company records a contract liability when cash payments are received or due in advance of its performance.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Advance from Customer	72.90	54.10	28.28

NOTE 18 -OTHER INCOME

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Interest income	4.30	3.55	4.11
Exchange gain (net)	-	112.39	-
Miscellaneous income	3.81	3.96	0.33
Total	**8.11**	**119.90**	**4.44**

NOTE 19- COST OF MATERIALS CONSUMED

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Consumption of raw material and packing material	9,481.65	6,686.61	6,335.60
Consumption of stores and spares	280.33	264.39	203.27
Total	**9,761.98**	**6,951.00**	**6,538.87**

NOTE 20- CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
(Increase)/Decrease in stock of finished goods, work-in-progress	(707.01)	(46.42)	(3,015.89)
Total	**(707.01)**	**(46.42)**	**(3,015.89)**
(Increase)/Decrease in stocks			
At the year end			
Finished goods	350.76	345.71	189.74
Work-in-progress	3,418.94	2,716.98	2,826.53
	3,769.70	3,062.69	3,016.27
At the beginning of the year			
Finished goods	345.71	189.74	0.38
Work-in-progress	2,716.98	2,826.53	-
	3,062.69	3,016.27	0.38
Changes	**(707.01)**	**(46.42)**	**(3,015.89)**

NOTE 21- EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus	1,389.57	1,331.03	987.92
Contribution to provident and other funds and retirement benefits (Refer note 24)	95.02	79.18	58.85
Staff welfare expenses	6.72	12.59	16.03
Total	**1,491.31**	**1,422.80**	**1,062.80**

NOTE 22 - FINANCE COSTS

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Interest expenses on			
- Business Purchase Consideration	874.70	335.15	-
- Others	0.77	-	6.05
Total	**875.47**	**335.15**	**6.05**

NOTE 23 - OTHER EXPENSES

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Power, fuel and water charges	741.90	767.48	578.13
Labour charges	403.56	429.41	248.88
Stores and spares consumed	83.74	94.89	72.49
Repairs and maintenance - plant and machinery	55.60	48.36	42.64
Repairs and maintenance - building	34.99	55.92	35.61
Repairs and maintenance - others	196.86	160.57	148.25
Rent (Refer note - 31)	1.63	0.57	11.11
Other manufacturing expenses	18.16	26.81	19.76
Selling and Marketing expenses	9.72	15.02	(5.44)
Sales promotion expenses	60.55	121.26	95.47
Commission on Sales	127.74	31.64	33.51
Travelling expenses	45.63	62.74	50.47
Freight outward	139.87	95.32	150.17
Telephone expenses	1.67	1.62	1.75
Rates and taxes	21.96	22.33	17.72
Insurance premium	33.12	33.16	2.96
Auditors remuneration	-		
- Audit Fees	4.00	2.50	3.43
- Out of pocket expenses	0.72	0.20	0.19
Loss on sale of assets	5.84	12.30	6.26
Exchange loss (net)	34.59	-	67.19
Corporate Social Responsibility Activities and Donations (Refer Note 34)	44.97	26.28	11.80
Test and Trials and Development Expenses	2.90	-	1.44
Legal & professional expenses	35.45	34.17	80.67
Other expenses	289.46	283.60	126.77
Total	**2,394.63**	**2,326.15**	**1,801.23**

NOTE 24 - EMPLOYEE POST- RETIREMENT BENEFITS

The following are the employee benefit plans applicable to the employees of the Company.

a) Gratuity (defined benefit plan)

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment of amounts that are based on salary and tenure of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation.

The Company recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	**31 March 2021**	**31 March 2020**	**31 March 2019**
Current service cost	12.34	12.53	4.08
Net interest on defined benefit schemes	5.78	6.13	1.67
Net periodic expense	18.12	18.66	5.75

The remeasurement components recognised in other comprehensive income for the Company's defined benefit plans comprise the following:

Particulars	**31 March 2021**	**31 March 2020**	**31 March 2019**
Actuarial (gains)/losses			
Based on adjustment of financial assumptions	3.30	(7.65)	-
Based on adjustment of demographic assumptions	-	(0.06)	-
Due to liability experience adjustment	4.06	1.26	(1.55)
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	(0.33)	0.10	-
Total remeasurement gain recognised in the statement of other comprehensive income	7.03	(6.35)	(1.55)

The following table shows the change in present value of defined benefit obligations, the change in plan assets and the funded status recognised in the financial statements for the Company's defined benefit plans.

Particulars	**31 March 2021**	**31 March 2020**	**31 March 2019**
Present value of funded obligations	105.54	87.01	81.06
Fair value of plan assets	(2.78)	(2.45)	-
Net defined benefit liability	102.76	84.56	81.06
Being:			
Retirement benefit assets	(2.78)	(2.45)	-
Retirement benefit liabilities	105.54	87.01	81.06

The movements in the net defined benefit liability recognised within the balance sheet are as follows:

Particulars	**31 March 2021**	**31 March 2020**	**31 March 2019**
Beginning balance	84.57	81.06	-
Cost recognised in statement of profit and loss	18.12	18.65	5.75
Remeasurement (gains) / losses recognised in other comprehensive income	7.03	(6.35)	(1.55)
Acquired through business transfer	-	-	76.86
Actual employer contributions	-	(2.50)	-
Benefits paid	(6.96)	(6.29)	-
Closing balance	102.76	84.57	81.06

The change in the present value of defined benefit obligations is as follows:

Particulars	**31 March 2021**	**31 March 2020**	**31 March 2019**
Beginning balance	87.01	81.06	-
Current service cost	12.34	12.53	4.08
Interest cost on the defined benefit obligations	5.78	6.16	1.67
Acquired through business transfer	-	-	76.87
Actual benefit payments	(6.96)	(6.30)	-
Actuarial (gains)/losses	7.37	(6.44)	(1.55)
Closing balance	105.54	87.01	81.06

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2021	31 March 2020	31 March 2019
Beginning balance	2.45	-	-
Interest income on plan assets	-	0.05	-
Actual employer contributions	-	2.50	-
Actual return on assets (excluding interest income on plan assets)	0.33	(0.10)	-
Closing balance	2.78	2.45	-

The principal actuarial assumptions used for the defined benefit obligations are as follows:

Particulars	31 March 2021	31 March 2020	31 March 2019
Discount Rate	6.25%	6.65%	7.60%
Salary Escalation rate (%)	3.00%	3.00%	5.00%

Mortality rates have been set in accordance with current best practices. The average remaining working life in years on the balance sheet date is as

Particulars	31 March 2021	31 March 2020	31 March 2019
Average remaining working life (years)	25.16	25.38	25.81

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2021	31 March 2020	31 March 2019
Assets administered by respective insurance companies	100%	100%	100%

A breakup of the defined benefit plan related balance sheet amounts is shown below.

Particulars	31 March 2021	31 March 2020	31 March 2019
Present value of funded obligations	105.54	87.01	81.06
Fair value of plan assets	(2.78)	(2.45)	-
Net defined benefit liability	102.76	84.56	81.06

A feature all plans have in common is that the discount rate has a significant impact on the present value of obligations. The other assumptions have varying impacts on the different plans in different geographic regions. In the breakup presented below, the varying impact of changes in the key assumptions is shown as below.

Particulars	31 March 2021	31 March 2020	31 March 2019
Discount rate +0.5 % p.a.	(4.11)	(3.42)	(3.36)
Discount rate - 0.5 % p.a.	4.41	3.67	3.61
Rate of compensation increase + 0.5 % p.a.	4.30	3.60	3.51
Rate of compensation decrease - 0.5 % p.a.	(4.05)	(3.38)	(3.29)

Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows)	9 years

Expected cash flows over the next (valued on undiscounted basis):	**31 March 2021**
1 year	12.80
2 to 5 years	30.22
6 to 10 years	40.10
More than 10 years	110.05

b) Compensated leave of absence plan (other long term benefit plan)

The Company permits encashment of leave accumulated by their employees on retirement and separation. The liability for encashment of privilege leave is determined and provided on the basis of actuarial valuation performed by an independent actuary at the date of the balance sheet .

The Company recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	**31 March 2021**	**31 March 2020**	**31 March 2019**
Current service cost	10.26	10.36	2.92
Personnel expenses	**10.26**	**10.36**	**2.92**
Net interest on long term benefit schemes	3.83	4.47	1.31
Actuarial (gains)/losses	-	-	-
Based on adjustment of financial assumptions	2.23	(5.88)	-
Based on adjustment in demographic assumptions	-	(0.04)	-
Due to liability experience adjustment	0.87	(4.09)	(5.28)
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	(0.33)	0.10	-
Net periodic expense	**16.86**	**4.92**	**(1.05)**

The following table shows the change in present value of long term benefit obligations, the change in plan assets and the funded status recognised in the financial statements for the Company's long term benefit plans.

Particulars	**31 March 2021**	**31 March 2020**	**31 March 2019**
Present value of funded obligations	66.64	57.71	59.38
Fair value of plan assets	(2.78)	(2.45)	-
Net long term benefit liability	63.86	55.26	59.38
Being:			
Retirement benefit assets	(2.78)	(2.45)	-
Retirement benefit liabilities	66.64	57.71	59.38

The movements in the net long term benefit liability recognised within the balance sheet are as follows:

Particulars	**31 March 2021**	**31 March 2020**	**31 March 2019**
Beginning balance	55.26	59.38	-
Cost recognised in the statement of profit and loss	16.86	4.92	(1.05)
Business transfer	-	-	60.43
Actual employer contributions	-	(2.50)	-
Benefits paid	(8.26)	(6.54)	-
Closing balance	63.86	55.26	59.38

The change in the present value of long term benefit obligations is as follows:

Particulars	**31 March 2021**	**31 March 2020**	**31 March 2019**
Beginning balance	57.71	59.38	-
Current service cost	10.26	10.36	2.92
Interest cost on the long term benefit obligations	3.83	4.52	1.31
Actual benefit payments	(8.26)	(6.54)	-
Actuarial (gains)/losses - Financial assumptions	2.23	(5.88)	-
Actuarial (gains)/losses - Demographic assumptions	-	(0.04)	-
Actuarial (gains)/losses - Liability experience adjustment	0.87	(4.09)	(5.28)
Business transfer	-	-	60.43
Closing balance	66.64	57.71	59.38

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2021	31 March 2020	31 March 2019
Beginning balance	2.45	-	-
Actual employer contributions	-	2.50	-
Interest income on plan assets	-	0.05	-
Return on plan assets	0.33	(0.10)	-
Closing balance	2.78	2.45	-

The principal actuarial assumptions used for the long term benefit obligations are as follows:

Particulars	31 March 2021	31 March 2020	31 March 2019
Discount rate (weighted average)	6.25%	6.65%	7.60%
Rate of compensation increase (weighted average)	3.00%	3.00%	5.00%

Mortality rates have been set in accordance with current best practices. The average remaining working life in years on the balance sheet date is as

Particulars	31 March 2021	31 March 2020	31 March 2019
Average remaining working life (in years)	25.16	25.38	25.81

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2021	31 March 2020	31 March 2019
Insurance contracts	100%	100%	100%

A breakup of the long term benefit plan related balance sheet amounts, is shown below .

Particulars	31 March 2021	31 March 2020	31 March 2019
Present value of obligations	66.64	57.71	59.38
Fair value of plan assets	(2.78)	(2.45)	-
Net long term benefit liability	63.86	55.26	59.38

A feature all plans have in common is that the discount rate has a significant impact on the present value of obligations. The other assumptions have varying impacts on the different plans in different geographic regions. In the breakup presented below, the varying impact of changes in the key assumptions is shown below.

Particulars	31 March 2021	31 March 2020	31 March 2019
Discount rate + 0.5 % p.a.	(2.77)	(2.39)	(2.60)
Discount rate - 0.5 % p.a.	2.97	2.56	2.80
Rate of compensation increase + 0.5 % p.a.	3.06	2.64	2.85
Rate of compensation decrease - 0.5 % p.a.	(2.87)	(2.48)	(2.67)

c) Provident fund and others (defined contribution plan)

Apart from being covered under the gratuity plan described earlier, employees participate in a provident fund plan; a defined contribution plan. The Company makes annual contributions based on a specified percentage of salary of each covered employee to a government recognised provident fund. The Company does not have any further obligation to the provident fund plan beyond making such contributions. Upon retirement or separation an employee becomes entitled for this lump sum benefit, which is paid directly to the concerned employee by the fund. During the year ended 31 March 2021, the Company contributed approximately Rs. 60.04 (31 March 2020 - Rs. 55.60, 31 March 2019 - 11.63) towards the provident fund plan.

NOTE 25 - RELATED PARTY DISCLOSURES

a) Parent entity

Name	Type	Place of incorporation	Ownership interest		
			31 March 2021	31 March 2020	31 March 2019
Glenmark Pharmaceuticals Ltd.	Immediate and ultimate parent entity	India	100%	100%	100%

b) Entities under common control (Fellow subsidiary companies)

Glenmark Pharmaceuticals (Europe) R&D Ltd., U.K.
Glenmark Pharmaceuticals Europe Ltd., U.K.
Glenmark Pharmaceuticals S.R.O., Czech Republic
Glenmark Pharmaceuticals SK, s.r.o., Slovak Republic
Ichnos Sciences SA (Formerly known as Glenmark Pharmaceuticals S. A.)
Glenmark Holding S. A., Switzerland
Glenmark Pharmaceuticals S.R.L., Romania (liquidated with effect from 30 July 2020)
Glenmark Pharmaceuticals SP z.o.o., Poland
Glenmark Pharmaceuticals Inc., USA
Glenmark Therapeutics Inc., USA
Glenmark Farmaceutica Ltda., Brazil
Glenmark Generics SA., Argentina
Glenmark Pharmaceuticals Mexico, S.A. DE C.V., Mexico
Glenmark Pharmaceuticals Peru SAC., Peru
Glenmark Pharmaceuticals Colombia SAS, Colombia
Glenmark Uruguay S.A., Uruguay
Glenmark Pharmaceuticals Venezuela., C.A , Venezuela
Glenmark Dominicana, SRL, Dominican Republic
Glenmark Pharmaceuticals Egypt S.A.E., Egypt
Glenmark Pharmaceuticals FZE., United Arab Emirates
Glenmark Impex L.L.C., Russia
Glenmark Philippines Inc., Philippines
Glenmark Pharmaceuticals (Nigeria) Ltd., Nigeria
Glenmark Pharmaceuticals Malaysia Sdn Bhd., Malaysia
Glenmark Pharmaceuticals (Australia) Pty Ltd., Australia
Glenmark South Africa (Pty) Ltd., South Africa
Glenmark Pharmaceuticals South Africa (Pty) Ltd., South Africa
Glenmark Pharmaceuticals B.V., Netherlands
Glenmark Arzneimittel Gmbh., Germany
Glenmark Pharmaceuticals Canada Inc., Canada
Glenmark Pharmaceuticals Kenya Ltd, Kenya
Glenmark Therapeutics AG, Switzerland (Liquidated with effect from 2 December 2019)
Viso Farmaceutica S.L.U., Spain
Glenmark Specialty S A, Switzerland
Glenmark Pharmaceuticals Distribution S.R.O, Czech Republic
Glenmark Pharmaceuticals (Thailand) Co. Ltd., Thailand
Glenmark Pharmaceuticals Nordic AB, Sweden
Glenmark Ukraine LLC, Ukraine
Glenmark-Pharmaceuticals Ecuador S.A., Ecuador
Glenmark Pharmaceuticals Singapore Pte. Ltd., Singapore
Ichnos Sciences Biotherapeutics SA (Formerly known as Glenmark Biotherapeutics SA), Switzerland
Ichnos Sciences Inc., USA (w.e.f. 31 May 2019)
Glenmark Distribuidora De Medicamentos E Produtos Cosmeticos Ltda, Brazil. (w.e.f. 20 March 2020; upto 23 December 2020)

c) Enterprise over which key managerial personnel exercise significant influence

Glenmark Foundation
Apara Agencies (effective till 16 July 2018)

d) Related party relationships where transactions have taken place during the year

Glenmark Pharmaceuticals Inc., USA
Glenmark Pharmaceuticals Ltd., India
Glenmark Pharmaceuticals Europe Ltd., U.K.
Glenmark Pharmaceuticals B.V., Netherlands
Glenmark Farmaceutica Ltda., Brazil
Viso Farmaceutica S.L.U., Spain
Glenmark Pharmaceuticals Egypt S.A.E., Egypt
Glenmark Foundation
Apara Agencies (effective till 16 July 2018)
Dr. Yasir Rawjee (Managing Director & CEO, CEO with effect from 2 May 2019 and Managing Director with effect from 13 August 2019)
Mr. Sumantra Mitra (Executive Director with effect from 26 June 2020)
Mr. Bhavesh Pujara (Chief Financial Officer with effect from 1 December 2020)
Ms. Ruchita Gandhi (effective from 1 January 2019 and till 1 December 2020)
Mr. Rudalf Corriea (Company Secretary & Compliance Officer with effect from 23 February 2021)
Mr. Ashwin Jain (effective till 16 July 2018)
Mr. Sanjay Desai (effective till 16 July 2018)
Mr. Damanjit Singh (effective till 16 July 2018)

e) Key Management Personnel

Mr. Glenn Saldanha (Non-executive Director)
Mr. V S Mani (Non-executive Director)
Ms. Cherylann Pinto (Non-executive Director with effect from 16 March 2020 till 22 February 2021)
Dr. Yasir Rawjee (Managing Director & CEO, CEO with effect from 2 May 2019 and Managing Director with effect from 13 August 2019)
Mr. Sumantra Mitra (Executive Director with effect from 26 June 2020)
Mr. Bhavesh Pujara (Chief Financial Officer with effect from 1 December 2020)
Ms. Ruchita Gandhi (Chief Financial Officer till 1 December 2020)
Mr. Sridhar Gorthi (Non-executive Independent Director with efffect from 30 October 2020)
Ms. Manju Agarwal (Non-executive Independent Director with efffect from 30 October 2020)
Mr. Kanish Malik (Non-executive Director effective till 6 June 2019)
Mr. Taruvai Laxminarayanan Easwar (Non-executive Independent Director with effect from 8 January 2021)
Ms. Gita Nayyar (Non-executive Independent Director with effect from 17 February 2021)
Mr. Rudalf Corriea (Company Secretary & Compliance Officer with effect from 23 February 2021)
Mr. Ashwin Jain (Non-executive Director till 16 July 2018)
Mr. Damanjit Singh (Non-Executive Director till 16 July 2018)
Mr. Sanjay Desai (Non-Executive Director till 16 July 2018)

f) Related party transaction

		Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
1	**Sale of materials & services**			
	Glenmark Pharmaceuticals Inc., USA	951.67	1,262.84	861.71
	Glenmark Pharmaceuticals Egypt S.A.E., Egypt	(0.50)	0.50	-
	Glenmark Pharmaceuticals Ltd., India	6,751.71	5,040.23	1,339.08
2	**Purchase of materials & services**			
	Glenmark Pharmaceuticals Ltd., India	490.16	413.25	313.97
	Glenmark Pharmaceuticals B.V., Netherlands	10.87	44.70	27.65
	Viso Farmaceutica S.L.U., Spain	9.97	10.38	7.80
	Glenmark Pharmaceuticals Europe Ltd., U.K.	5.43	5.41	-
	Glenmark Farmaceutica Ltda., Brazil	36.19	-	-
3	**Expenses incurred on behalf of Glenmark Lifesciences Ltd**			
	Glenmark Pharmaceuticals Europe Ltd., U.K.	-	5.50	22.42
	Glenmark Farmaceutica Ltda., Brazil	-	45.26	28.68
	Glenmark Pharmaceuticals Ltd., India	16.50	68.68	19.22
	Glenmark Pharmaceuticals Inc., USA	13.47	0.02	15.21
4	**Expenditure incurred for CSR activities to**			
	Glenmark Foundation	42.00	26.27	1.82
5	**Key management personnel**			
	Remuneration			
	Ms. Ruchita Gandhi (Chief Financial Officer effective from 1 January 2019 and till 1 December 2020)	9.02	11.94	1.67
	Dr. Yasir Rawjee (CEO with effect from 2 May 2019 and Managing Director with effect from 13 August 2019)	50.71	29.17	-
	Mr. Sumantra Mitra (Executive Director with effect from 26 June 2020)	8.02	-	-
	Mr. Bhavesh Pujara (Chief Financial Officer with effect from 1 December 2020)	4.63	-	-
	Mr. Rudalf Corriea (Company Secretary & Compliance Officer with effect from 23 February 2021	0.13	-	-
6	**Loan taken from related parties**			
	Loan taken from directors/shareholders			
	Mr. Ashwin Jain (effective till 16 July 2018)	-	-	0.13
	Mr. Sanjay Desai (effective till 16 July 2018)	-	-	0.04
	Glenmark Pharmaceuticals Ltd., India	-	-	0.21
7	**Loan repaid to related parties**			
	Loan repaid to the directors/shareholders			
	Mr. Ashwin Jain (effective till 16 July 2018)	-	-	4.76
	Mr. Damanjit Singh (effective till 16 July 2018)	-	-	3.77
	Mr. Sanjay Desai (effective till 16 July 2018)	-	-	1.50
	Glenmark Pharmaceuticals Ltd., India	0.21	-	-
8	**Conversion of loan to equity share capital**			
	Director's loan converted to equity share capital			
	Mr. Sanjay Desai (effective till 16 July 2018)	-	-	4.50
9	**Business transfer transaction with parent**			
	As part of business transfer agreement, assets and liabilities are taken over for a net consideration payable to:			
	Glenmark Pharmaceuticals Ltd., India	-	-	11,621.94
10	**Interest expense on business purchase transaction**			
	Glenmark Pharmaceuticals Ltd., India	874.70	335.15	-
11	**Payment of amount due for business purchase transaction**			
	Glenmark Pharmaceuticals Ltd., India	2,137.60	1,365.51	-
12	**Other incomes**			
	Loan written off			
	Mr. Sanjay Desai (effective till 16 July 2018)	-	-	0.14
13	**Equity shares issued to parent**			
	Glenmark Pharmaceuticals Ltd., India	-	-	15.00

g) Related party balances

		As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
1	**Receivable/(Payable) from/ (to) fellow subsidiary companies/enterprise**			
	Glenmark Farmaceutica Ltda., Brazil	(8.44)	(24.15)	(7.89)
	Glenmark Pharmaceuticals Egypt S.A.E., Egypt	-	0.52	-
	Glenmark Pharmaceuticals B.V., Netherlands	(121.39)	(105.66)	(56.11)
	Glenmark Pharmaceuticals Europe Ltd., U.K.	(71.39)	(60.46)	(48.14)
	Glenmark Pharmaceuticals Inc., USA	1,471.41	1,298.43	889.11
	Viso Farmaceutica S.L.U., Spain	(24.21)	(27.85)	(16.11)
	Glenmark Pharmaceuticals Ltd., India	(7,966.18)	(8,500.62)	(11,104.15)
	Glenmark Foundation	(0.00)	(0.24)	-

NOTE 26- RESEARCH AND DEVELOPMENT EXPENSES

During the year ended, the Company's expenses on research and development ("R&D") is:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Expenditure incurred at our R&D facilities approved by Department of Scientific and Industrial Research	289.88	329.18	67.51
Expenditure incurred at Other R&D facilities	115.29	71.10	23.11
	405.17	**400.28**	**90.62**

NOTE 27 - EARNINGS PER SHARE ("EPS")

The basic earnings per share has been calculated using the net profits attributable to equity shareholders.

Calculation of basic and diluted EPS is as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Profit attributable to equity shareholders, for basic and diluted	3,515.81	3,130.98	1,955.92
Weighted average number of shares outstanding during the year end*	9,800,450	9,800,450	7,217,465
Equity shares post bonus (Refer Note - 12(d))			
Weighted average number of shares outstanding during the year for basic EPS	107,804,950	107,804,950	79,392,115
Weighted average number of shares outstanding during the year for diluted EPS	107,804,950	107,804,950	79,392,115
Basic (in Rs)	**32.61**	**29.04**	**24.64**
Diluted (in Rs)	**32.61**	**29.04**	**24.64**

*Considering impact of sub-division of shares (Refer Note - 12(d))

NOTE 28 - SEGMENT REPORTING

Business segment:
The Chief Operating Decision Maker ("CODM") reviews the financial performance, has been identified as the Managing Director (MD) of the company. The company has identified only one segment i.e. API as reporting segment based on the information reviewed by CODM.

Geographical information:
Geographical segment disclosure given below are based on location of the company's customers in case of revenue. The disclosure of carrying amount of segment assets are based on geographical location of segment assets.

1 Within India
2 Outside India

Information about revenues by geography :

Particulars	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
(a) Revenue from external customers			
Within India	10,480.71	7,874.10	3,559.20
Outside India	8,370.94	7,499.03	5,305.01
	18,851.65	**15,373.13**	**8,864.21**

Analysis of assets by geography:

As at 31 March 2021	India
Tangible Assets	5,648.88
Intangible Assets	79.11
Total	5,727.99

As at 31 March 2020	India
Tangible Assets	5,390.78
Intangible Assets	71.68
Total	5,462.46

As at 31 March 2019	India
Tangible Assets	4,499.71
Intangible Assets	63.34
Total	4,563.05

NOTE 29 - COMMITMENTS AND CONTINGENCIES

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(i) Contingent Liabilities			
Claims against the Company not acknowledged as debts			
Disputed taxes and duties	22.16	22.16	27.64

(ii) Commitments

Estimated amount of contracts remaining to be executed on capital account, net of advances, not provided for as at 31 March 2021 aggregate Rs. 150.12 (31 March 2020 - 111.19, 31 March 2019 - 144.09).

NOTE 30- FAIR VALUE MEASUREMENTS

Financial instruments by category

Particulars	As at 31 March 2021				As at 31 March 2020				As at 31 March 2019			
	FVTPL	Amortised cost	Total carrying value	Total fair value	FVTPL	Amortised cost	Total carrying value	Total fair value	FVTPL	Amortised cost	Total carrying value	Total fair value
Financial assets												
Non-current financial assets	-	85.46	85.46	85.46	-	84.32	84.32	84.32	-	78.94	78.94	78.94
Trade receivables	-	6,195.00	6,195.00	6,195.00	-	6,386.28	6,386.28	6,386.28	-	4,480.88	4,480.88	4,480.88
Cash and cash equivalents	-	1,155.96	1,155.96	1,155.96	-	99.98	99.98	99.98	-	20.61	20.61	20.61
Investments	0.77	-	0.77	0.77	0.77	-	0.77	0.77	0.77	-	0.77	0.77
Other current financial assets	-	275.89	275.89	275.89	-	207.70	207.70	207.70	-	57.87	57.87	57.87
Total	**0.77**	**7,712.31**	**7,713.08**	**7,713.08**	**0.77**	**6,778.28**	**6,779.05**	**6,779.05**	**0.77**	**4,638.30**	**4,639.07**	**4,639.07**
Financial Liabilities												
Trade payables	-	2,213.05	2,213.05	2,213.05	-	2,010.71	2,010.71	2,010.71	-	1,828.88	1,828.88	1,828.88
Short term borrowings	-	-	-	-	-	0.21	0.21	0.21	-	0.21	0.21	0.21
Other current financial liabilities	-	9,550.87	9,550.87	9,550.87	-	10,736.57	10,736.57	10,736.57	-	11,763.14	11,763.14	11,763.14
Total	**-**	**11,763.92**	**11,763.92**	**11,763.92**	**-**	**12,747.49**	**12,747.49**	**12,747.49**	**-**	**13,592.23**	**13,592.23**	**13,592.23**

Trade receivables comprise amounts receivable from the sale of goods and services.
The management considers that the carrying amount of trade and other receivables approximates their fair value.
Bank balances and cash comprise cash and short-term deposits held by the Company. The carrying amount of these assets approximates their fair value.
Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. The management considers that the carrying amount of trade payables approximates to their fair value.

Fair value hierarchy :
Level 2 : All FVTPL financial assets are classified under level 2 of fair value hierarchy.
Level 3 : All amortised cost financial assets and liabilities are classified under level 3 of fair value hierarchy.

Note 31: LEASES

Company as lessee

The Company has applied low value exemption for leases and accordingly are excluded from Ind AS 116. The leases includes non cancellable periods and renewable option at the discretion of lessee which has been taken into consideration for determination of lease term.

(i) The following are the amounts recognised in profit or loss for the year:

Particulars	31 March 2021	31 March 2020	31 March 2019
Expense relating to short-term leases and low value assets	1.63	0.57	11.11

NOTE 32- RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks which results from the Company's operating and investing activities. The Company focuses on actively securing its short to medium term cash flows by minimising the exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Financial assets that potentially subject the Company to concentrations of credit risk consist principally of cash equivalents, accounts receivables, other receivables, investment securities and deposits. By their nature, all such financial instruments involve risk including the credit risk of non-performance by counter parties.

The Company's cash equivalents and deposits are invested with banks.

The Company's trade and other receivables are actively monitored to review credit worthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

Foreign Currency sensitivity

The foreign currency sensitivity analysis has been performed in relation to US Dollar (USD) and Euro (EUR)

Considering the volatility in direction of strengthening dollar upto 10%, the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into USD at the closing rate, are as follows.

Particulars	31 March 2021		31 March 2020		31 March 2019	
	USD (million)	INR	USD (million)	INR	USD (million)	INR
Short-term exposure						
Financial assets	51.78	3,791.85	44.82	3,349.97	41.12	2,850.73
Financial liabilities	(9.16)	(670.86)	(7.78)	(581.41)	(8.00)	(554.31)
Total	**42.62**	**3,120.99**	**37.04**	**2,768.56**	**33.12**	**2,296.42**

If the INR had strengthened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2021	31 March 2020	31 March 2019
	INR	INR	INR
Net results for the period	(312.10)	(276.86)	(229.64)
Equity	-	-	-

If the INR had weakened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2021	31 March 2020	31 March 2019
	INR	INR	INR
Net results for the period	312.10	276.86	229.64
Equity	-	-	-

Considering the volatility in direction of strengthening EUR upto 10% , the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into EUR at the closing rate, are as follows.

Particulars	31 March 2021		31 March 2020		31 March 2019	
	EUR (million)	INR	EUR (million)	INR	EUR (million)	INR
Short term exposure						
Financial assets	0.43	37.27	0.29	23.83	0.55	43.03
Financial liabilities	(1.77)	(152.05)	(1.67)	(137.19)	(0.93)	(72.16)
Total	**(1.34)**	**(114.78)**	**(1.38)**	**(113.36)**	**(0.38)**	**(29.13)**

If the INR had strengthened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2021	31 March 2020	31 March 2019
	INR	INR	INR
Net results for the period	11.48	11.34	2.91
Equity	-	-	-

If the INR had weakened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2021	31 March 2020	31 March 2019
	INR	INR	INR
Net results for the period	(11.48)	(11.34)	(2.91)
Equity	-	-	-

Credit risk analysis
The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the date of the balance sheet, as summarised below:

Particulars	31 March 2021	31 March 2020	31 March 2019
Cash & cash equivalents	1,155.96	99.98	20.61
Trade receivables	6,195.00	6,386.28	4,480.88
Current financial assets	275.89	207.70	57.87
Non current financial assets	86.23	85.09	79.71
Total	**7,713.08**	**6,779.05**	**4,639.07**

Trade receivables are usually due within 60-180 days. Generally and by practice most customers enjoy a credit period of approximately 180 days and are not interest bearing, which is the normal industry practice. All trade receivables are subject to credit risk exposure. However, the Company does not identify specific concentrations of credit risk with regard to trade and other receivables, as the amounts recognised represent a large number of receivables from various customers.

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables.

Given below is ageing of accounts receivable spread by period of six months:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Outstanding for more than 6 months	632.70	283.88	265.53
Others	5,562.30	6,102.40	4,215.35
Total	**6,195.00**	**6,386.28**	**4,480.88**

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The Company's management considers that all the above financial assets that are not impaired for each of the reporting dates and are of good credit quality, including those that are past due. None of the Company's financial assets are secured by collateral or other credit enhancements.

In respect of trade and other receivables, the Company's credit risk exposure towards any single counterparty or any group of counterparties having similar characteristics is considered to be negligible. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk analysis
The Company manages its liquidity needs by carefully monitoring cash-outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly.

The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding in regards to long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company's liabilities have contractual maturities which are summarised below:

As at 31 March 2021

	Current	Non-Current
	Within 1 year	**1to 5 years**
Trade payable	2,213.05	-
Other current financial liabilities	9,550.87	-
Total	**11,763.92**	**-**

As at 31 March 2020

	Current	Non-Current
	Within 1 year	**1to 5 years**
Trade payable	2,010.71	-
Short term borrowings	0.21	-
Other current financial liabilities	10,736.57	-
Total	**12,747.49**	**-**

As at 31 March 2019

	Current	Non-Current
	Within 1 year	**1to 5 years**
Trade payable	1,828.88	-
Short term borrowings	0.21	-
Other current financial liabilities	11,763.14	-
Total	**13,592.23**	**-**

NOTE 33 - CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the Capital structure, the Company may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell new assets to reduce debt.

Net Debt = total borrowings less cash and cash equivalent. Total 'equity' as shown in the balance sheet.

	31 March 2021	31 March 2020	31 March 2019
Total debt	9,328.67	10,591.78	11,622.15
Less: Cash & cash equivalents	1,155.96	99.98	20.61
Net debt	**8,172.71**	**10,491.80**	**11,601.54**
Total Equity	**7,527.47**	**4,016.92**	**881.25**

NOTE 34 - NOTE ON EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

Following is the information regarding projects undertaken and expenses incurred on CSR activities during the year:

Gross amount spent by the company for the year ended 31 March 2021 is Rs 43.47 (31 March 2020 - Rs. 26.28, 31 March 2019 - Rs. 1.82). Gross amount required to be spent for the year ended 31 March 2021 Rs. 43.42 (31 March 2020 Rs. 15.25, 31 March 2019 - NIL).

NOTE 35 - BUSINESS COMBINATION

Acquisition of business

On 1 January 2019, the Company has acquired the API division of Glenmark Pharmaceuticals Limited (the parent company). The business was transferred in order to provide a separate strategic focus to API business. Since the business is acquired from the parent company and forms part of the Group (the parent company and its subsidiaries, collectively referred to as 'the Group'), accordingly, the transfer of business is considered as Business combinations of entities under common control as per Appendix C of Ind AS 103. Thus disclosures and accounting is done as per pooling of interest method as per Ind AS 103.

The parent company on 10 July 2018 obtained control of the Company by acquiring the 100% shareholding from its erstwhile shareholders. Thus, in order to comply with the guidance on pooling of interest method prior period transactions are restated from 10 July 2018. However, the transactions for the period prior to 01 January 2019 relating to API division are legally and contractually carried on by the parent company and all statutory liabilities (including income tax, GST, PF, Gratuity etc.) prior to 01 January 2019 have been accounted and discharged by the parent company.

Accordingly, transactions and profit for the period 10 July 2018 to 31 December 2018 related to API division legally, beneficially and contractually carried on by the parent company are shown below as "Transactions undertaken by and attributable to the parent company". Further, the transactions relating to and attributable to the Company, including the transactions in respect of the API Division, are shown below as "Transactions undertaken by and attributable to the Company".

Reconciliation of the Statement of Profit and Loss prepared as per Schedule III of the Act for the year ended 31 March 2019.

Particulars	Total	Transactions undertaken by and attributable to the parent company	Transactions undertaken by and attributable to the Company
Income			
Revenue from operations	8,864.21	4,898.85	3,965.36
Other income	4.44	-	4.44
Total income	8,868.65	4,898.85	3,969.80
Expenses			
Cost of materials consumed	6,538.87	1,641.33	4,897.54
Changes in inventories of finished goods and work-in-progress	(3,015.89)	-	(3,015.89)
Employee benefits expense	1,062.80	768.86	293.94
Finance costs	6.05	-	6.05
Depreciation and amortisation expense	192.62	123.13	69.49
Other expenses	1,801.23	1,284.24	516.99
Total expenses	6,585.68	3,817.56	2,768.12
Profit before exceptional items and tax	2,282.97	1,081.29	1,201.68
Exceptional items	-	-	-
Profit before tax	2,282.97	1,081.29	1,201.68
Tax expense:			
Current tax	258.95	-	258.95
Deferred tax	68.10	-	68.10
Total tax expense	**327.05**	**-**	**327.05**
Profit for the period	**1,955.92**	**1,081.29**	**874.63**
Other comprehensive income:			
Items than will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans	1.55	-	1.55
- Income tax relating to above	(0.45)	-	(0.45)
Other comprehensive income/(loss) for the period, net of tax	1.10	-	1.10
Total comprehensive income for the period	1,957.02	1,081.29	875.71

Details of the purchase consideration and the net assets acquired for API business are as follows:

Purchase consideration	**Amount**
Payable to Glenmark Pharmaceuticals Ltd.	11,621.94
Total purchase consideration*	**11,621.94**

Net identifiable assets acquired (01 January 2019 balances)	**Amount**
Assets and liabilities taken over	
Fixed Assets	5,298.47
Inventory	4,596.56
Debtors	3,634.43
Other assets and liabilities	640.35
Creditors	(2,547.87)
Net identifiable assets acquired	**11,621.94**

*Purchase consideration outstanding (including interest) as on 31st March 2021 is Rs. 9,328.67 (31 March 2020 - 10,591.57, 31 March 2019 - 11,621.94)

Note 36 - EVENTS OCCURING AFTER THE REPORTING PERIOD

i) As per recommendation of the Board of Directors dated 10 March 2021 and approval of the shareholders dated 26 March 2021, the Company at its board meeting held on 6 April 2021 has allotted 98,004,500 bonus equity shares of face value of Rs. 2 each in ratio of 10:1 (i.e. 10 Bonus Shares for every 1 Equity Share). Consequently, the issued, subscribed and paid-up share capital has increased to Rs. 215.61 million comprising of 107,804,950 equity shares of face value of Rs. 2 each.

ii) As per the recommendation by Nomination and Remuneration Committee ("the Committee") on 6 April 2021, approval of Board of Directors on 6 April 2021, and approval of shareholders by special resolution dated 9 April 2021, the Committee was approved to grant up to 1,078,050 Employee Stock Options to the Employees, in one or more tranches, from time to time under the Glenmark Life Sciences Limited - Employee Stock Option Plan 2021 ("ESOP 2021"), being exercisable into not exceeding 1,078,050 equity shares of a face value of Rs. 2 each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such Grant.

Options granted under ESOP 2021 shall in respect of each Option Grantee vest within the minimum period of 1 year and maximum period of 6 years from the date of Grant of such Options to the Option Grantee.

The committee granted 9,51,734 options in its meeting dated 17 May 2021 under the said scheme.

Note 37 - IMPACT OF COVID-19

The threats posed by the coronavirus outbreak are multifold. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Even in India the outbreak has been declared an epidemic or pandemic and on 24 March 2020, the Government of India ordered a nationwide lockdown, limiting movement of population of India as a preventive measure against the COVID-19 pandemic. As a result most of the businesses are dealing with lost revenue and disrupted supply chains. The disruption to global supply chains due to factory shutdowns has already exposed the vulnerabilities of many organisations.

However, as the Company operates in the industry that is considered essential, the operations were continuing during lockdown by ensuring appropriate measures.

The Company considered the uncertainty relating to the COVID-19 pandemic in assessing the recoverability of receivables, goodwill, intangible assets, investments and other assets. For this purpose, the Company considered internal and external sources of information up to the date of approval of these financial statements. The Company has also used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of receivables, intangible assets, investments and other assets.

As the outbreak continues to evolve, the Company will continue to closely monitor any material changes to future economic conditions.

Note 38- COMPARATIVES

Certain prior year amounts have been reclassified for consistency with the current year presentation. As a result, certain line items have been amended in the financial statements. These reclassifications had no effect on the reported results of operations. Comparative figures have been adjusted to conform to the current year's presentation.

Note 39- RESTATEMENT ADUSTMENTS

There is no difference between audited profit, total comprehensive income and total equity and restated profit, total comprehensive income and total equity for the year ended and as at 31 March 2021, 31 March 2020, and 31 March 2019.

NOTE 40 - AUTHORISATION OF RESTATED FINANCIAL INFORMATION

The Restated financial information were approved by the Board of Directors on 9 July 2021.

As per our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number : 001076N/N500013

For and on behalf of the Board of Directors

Glenmark Life Sciences Limited

Ashish Gupta
Partner
Membership Number - 504662

Place: New Delhi
Date: 9 July 2021

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

V S Mani
Director
DIN: 01082878

Bhavesh Pujara
Chief Financial officer

Place: Mumbai
Date: 9 July 2021

Rudalf Corriea
Company Secretary
Compliance Officer

PRO FORMA FINANCIAL INFORMATION

(*The remainder of this page is intentionally left blank*)

Independent Practitioner's report on the compilation of Pro forma Financial Information to be included in the Red Herring Prospectus ('RHP') and the Prospectus in connection with proposed Initial Public Offer of equity shares ('Proposed IPO') by Glenmark Life Sciences Limited

To,

The Board of Directors,
Glenmark Life Sciences Limited
4th Floor, OIA House,
470, Cardinal Gracious Road,
Andheri East, Mumbai – 400099,
Maharashtra, India

Dear Sirs,

1. We have completed our assurance engagement to report on the compilation of Pro forma Financial Information of **Glenmark Life Sciences Limited** (the 'Company'). The Pro forma Financial Information consists of the Pro forma Balance Sheet as at 31 March 2021, 31 March 2020 and 31 March 2019, the Pro forma Statement of Profit and Loss for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 and related notes (hereinafter referred as 'Pro forma Financial Information'). The applicable criteria on the basis of which the management has compiled the Pro forma Financial information are specified in the "Basis of preparation paragraph" as described in note 2 to the Pro forma Financial Information.

2. The Pro forma Financial Information has been compiled by Management to illustrate the impact of a significant business acquisition made during the year ended 31 March 2019 as set out in Note 3, on the Company's financial position as at 31 March 2019 and its financial performance for the year ended 31 March 2019 as if the acquisition had taken place at 1 April 2017.

   As a part of this process, information about the Company's financial position and financial performance has been extracted by Management from the following financial statements / financial information respectively:

   a) Restated Ind AS financial information for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 on which we have expressed an unmodified opinion in our reports dated 09 July 2021.

   b) Audited Ind AS financial statements of the Company for the years ended and as at 31 March 2021, 31 March 2020 and 31 March 2019, on which we have issued unmodified audit opinions dated 26 May 2021, 26 June 2020 and 29 May 2019, respectively;

Management's Responsibility for the Pro-Forma Financial Information

3. The Management is responsible for compiling the Pro forma Financial Information on the basis stated in note 2 to the Pro forma Financial Information and the same has been approved by the Board of Directors of the Company. Management's responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Pro forma Financial Information on the basis stated in note 2 to the Pro forma Financial Information that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Pro forma Financial Information.

Practitioner's Responsibilities

4. Our responsibility is to express an opinion, about whether the Pro forma Financial Information of the Company been compiled, in all material respects, by the Management on the basis stated in note 2 to the Pro forma Financial Information.

5. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Pro forma Financial Information on the basis stated in note 2 to the Pro forma Financial Information.

6. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro forma Financial

Information. For this engagement, we have placed reliance on audited financial statements / financial information as referred to in paragraph 2 above.

7. The purpose of Pro forma Financial Information included in a RHP and the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 1 April 2017 with consequential impact during the year ended 31 March 2019 would have been as presented.

8. A reasonable assurance engagement to report on whether the Pro forma Financial Information has been compiled, in all material respects, on the basis stated in note 2 to the Pro forma Financial Information, involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the Pro forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

   - The related Pro forma adjustments give appropriate effect to those criteria; and
   - The Pro forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

9. The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the company, the event or transaction in respect of which the Pro forma financial information has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the Pro forma financial information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

10. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

11. In our opinion, the Pro forma Financial Information has been compiled, in all material respects, on the basis stated in note 2 to the Pro forma Financial Information.

Restrictions on Use

12. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report issued by us or any other Chartered Accountants.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the Board of Directors for inclusion in the RHP and the Prospectus to be filed with the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and the Registrar of Companies, in connection with the proposed IPO of the Company. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 21504662AAAAFB9072

Place: New Delhi

Date: 09 July 2021

Glenmark Life Sciences Limited
Proforma Balance Sheet
(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
		Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
		Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
ASSETS										
Non-current assets										
Property, Plant and Equipment	4	5,648.88	-	5,648.88	5,390.78	-	5,390.78	4,499.71	-	4,499.71
Capital work-in-progress	4	140.98	-	140.98	107.30	-	107.30	803.29	-	803.29
Intangible Assets	4	79.11	-	79.11	71.68	-	71.68	63.34	-	63.34
Intangible Assets under development	4	-	-	-	-	-	-	0.65	-	0.65
Financial Assets	5									
(i) Investments		0.77	-	0.77	0.77	-	0.77	0.77	-	0.77
(ii) Other financial assets		85.46	-	85.46	84.32	-	84.32	78.94	-	78.94
Current tax asset (net)	16	11.51	-	11.51	-	-	-	-	-	-
Other non-current assets	7	13.63	-	13.63	0.05	-	0.05	0.29	-	0.29
Total non- current assets		**5,980.34**	**-**	**5,980.34**	**5,654.90**	**-**	**5,654.90**	**5,446.99**	**-**	**5,446.99**
Current assets										
Inventories	8	5,134.21	-	5,134.21	4,127.75	-	4,127.75	4,008.43	-	4,008.43
Financial Assets	9									
(i) Trade receivables		6,195.00	-	6,195.00	6,386.28	-	6,386.28	4,480.88	-	4,480.88
(ii) Cash and cash equivalents		1,155.96	-	1,155.96	99.98	-	99.98	20.61	-	20.61
(iii) Other financial assets		275.89	-	275.89	207.70	-	207.70	57.87	-	57.87
Other current assets	10	1,229.35	-	1,229.35	779.43	-	779.43	739.17	-	739.17
Total current assets		**13,990.41**	**-**	**13,990.41**	**11,601.14**	**-**	**11,601.14**	**9,306.96**	**-**	**9,306.96**
Total assets		**19,970.75**	**-**	**19,970.75**	**17,256.04**	**-**	**17,256.04**	**14,753.95**	**-**	**14,753.95**
EQUITY AND LIABILITIES										
EQUITY										
Equity share capital	11 &12	19.60	-	19.60	19.60	-	19.60	19.60	-	19.60
Other Equity		7,507.87	-	7,507.87	3,997.32	-	3,997.32	861.65	-	861.65
Total equity		**7,527.47**	**-**	**7,527.47**	**4,016.92**	**-**	**4,016.92**	**881.25**	**-**	**881.25**
LIABILITIES										
Non-current liabilities										
Deferred tax liabilities (net)	6	228.88	-	228.88	164.48	-	164.48	68.56	-	68.56
Total non-current liabilities		**228.88**	**-**	**228.88**	**164.48**	**-**	**164.48**	**68.56**	**-**	**68.56**
Current liabilities										
Financial Liabilities	13									
(i) Borrowings		-	-	-	0.21	-	0.21	0.21	-	0.21
(ii) Trade payables										
(a) Total outstanding dues of Micro enterprises and Small enterprises		357.71	-	357.71	100.66	-	100.66	220.92	-	220.92
(b) Total outstanding dues of other than Micro enterprises and Small enterprises		1,855.34	-	1,855.34	1,910.05	-	1,910.05	1,607.96	-	1,607.96
(iii) Other current financial liabilities		9,550.87	-	9,550.87	10,736.57	-	10,736.57	11,763.14	-	11,763.14
Other current liabilities	14	114.53	-	114.53	103.72	-	103.72	47.93	-	47.93
Provisions	15	199.02	-	199.02	139.83	-	139.83	140.44	-	140.44
Current tax liabilities (net)	16	136.93	-	136.93	83.60	-	83.60	23.54	-	23.54
Total current liabilities		**12,214.40**	**-**	**12,214.40**	**13,074.64**	**-**	**13,074.64**	**13,804.14**	**-**	**13,804.14**
Total liabilities		**12,443.28**	**-**	**12,443.28**	**13,239.12**	**-**	**13,239.12**	**13,872.70**	**-**	**13,872.70**
Total equity and liabilities		**19,970.75**	**-**	**19,970.75**	**17,256.04**	**-**	**17,256.04**	**14,753.95**	**-**	**14,753.95**

See accompanying notes to the proforma financial information.

As per our report of even date.
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership Number - 504662

Place: New Delhi
Date: 9 July 2021

For and on behalf of the Board of Directors
Glenmark Life Sciences Limited

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

V S Mani
Director
DIN: 01082878

Bhavesh Pujara
Chief Financial officer

Rudalf Corriea
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 9 July 2021

Glenmark Life Sciences Limited
Proforma Statement of Profit and Loss
(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2021			For the year ended 31 March 2020			For the year ended 31 March 2019		
		Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
		Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Income										
Revenue from operations	17	18,851.65	-	18,851.65	15,373.13	-	15,373.13	8,864.21	5,186.05	14,050.26
Other income	18	8.11	-	8.11	119.90	-	119.90	4.44	0.27	4.71
Total income		**18,859.76**	**-**	**18,859.76**	**15,493.03**	**-**	**15,493.03**	**8,868.65**	**5,186.32**	**14,054.97**
Expenses										
Cost of materials consumed	19	9,761.98	-	9,761.98	6,951.00	-	6,951.00	6,538.87	656.58	7,195.45
Changes in inventories of finished goods and work-in-progress	20	(707.01)	-	(707.01)	(46.42)	-	(46.42)	(3,015.89)	2,084.87	(931.02)
Employee benefits expense	21	1,491.31	-	1,491.31	1,422.80	-	1,422.80	1,062.80	234.19	1,296.99
Finance costs	22	875.47	-	875.47	335.15	-	335.15	6.05	-	6.05
Depreciation and amortisation expense	4	333.94	-	333.94	293.68	-	293.68	192.62	61.12	253.74
Other expenses	23	2,394.63	-	2,394.63	2,326.15	-	2,326.15	1,801.23	394.14	2,195.37
Total expenses		**14,150.32**	**-**	**14,150.32**	**11,282.36**	**-**	**11,282.36**	**6,585.68**	**3,430.90**	**10,016.58**
Profit before Tax		**4,709.44**	**-**	**4,709.44**	**4,210.67**	**-**	**4,210.67**	**2,282.97**	**1,755.42**	**4,038.39**
Tax expense:	6									
Current tax		1,127.46	-	1,127.46	985.42	-	985.42	258.95	716.75	975.70
Deferred tax		66.17	-	66.17	94.27	-	94.27	68.10	67.86	135.96
Total tax expense		**1,193.63**	**-**	**1,193.63**	**1,079.69**	**-**	**1,079.69**	**327.05**	**784.61**	**1,111.66**
Profit for the year		**3,515.81**	**-**	**3,515.81**	**3,130.98**	**-**	**3,130.98**	**1,955.92**	**970.81**	**2,926.73**
Other comprehensive income:										
Items than will not be reclassified to profit or loss										
- Remeasurement of the post-employment benefit obligation		(7.03)	-	(7.03)	6.35	-	6.35	1.55	4.68	6.23
- Income tax relating to the above		1.77	-	1.77	(1.66)	-	(1.66)	(0.45)	(1.36)	(1.81)
Other comprehensive income for the year		**(5.26)**	**-**	**(5.26)**	**4.69**	**-**	**4.69**	**1.10**	**3.32**	**4.42**
Total comprehensive income for the year		**3,510.55**	**-**	**3,510.55**	**3,135.67**	**-**	**3,135.67**	**1,957.02**	**974.13**	**2,931.15**
Earnings per equity share of Rs 2 each	25									
Basic (in Rs)				32.61			29.04			27.15
Diluted (in Rs)				32.61			29.04			27.15

See accompanying notes to the proforma financial information.

As per our report of even date.
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors
Glenmark Life Sciences Limited

Ashish Gupta
Partner
Membership Number - 504662

Place: New Delhi
Date: 9 July 2021

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

V S Mani
Director
DIN : 01082878

Bhavesh Pujara
Chief Financial officer

Place: Mumbai
Date: 9 July 2021

Rudalf Corriea
Company Secretary &
Compliance Officer

Glenmark Life Sciences Limited
Proforma Statement of Changes in Equity for the year ended
(All amounts in million of Indian Rupees, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 1 April 2017	**0.10**
Add: Fresh equity shares issued	-
Balance as at 31 March 2018	**0.10**
Add: Conversion of loan into equity shares	4.50
Add: Fresh equity shares issued	15.00
Balance as at 31 March 2019	**19.60**
Add: Fresh equity shares issued	-
Balance as at 31 March 2020	**19.60**
Add: Fresh equity shares issued	-
Balance as at 31 March 2021	**19.60**

Refer notes 11 and 12 for details on equity share capital

B. Other equity

Particulars	Reserves	Total
Balance as at 1 April, 2017	**(9.74)**	**(9.74)**
Add: Profit for the year	2,293.78	2,293.78
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax)	1.32	1.32
Balance as at 1 April, 2018	**2,285.36**	**2,285.36**
Add: Profit for the year	2,926.73	2,926.73
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax)	4.42	4.42
Less: Adjustment on account of common control transaction (Refer note 35 of restated financial information.	(1,081.29)	(1,081.29)
Less: Cumulative impact of Proforma Adjustment	(3,273.57)	(3,273.57)
Balance as at 1 April, 2019	**861.65**	**861.65**
Add: Profit for the year	3,130.98	3,130.98
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax)	4.69	4.69
Balance as at 1 April, 2020	**3,997.32**	**3,997.32**
Add: Profit for the year	3,515.81	3,515.81
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax)	(5.26)	(5.26)
Balance as at 31 March, 2021	**7,507.87**	**7,507.87**

See accompanying notes to the proforma financial information.

As per our report of even date.
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of the Board of Directors
Glenmark Life Sciences Limited

Ashish Gupta
Partner
Membership Number - 504662

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

V S Mani
Director
DIN: 01082878

Place: New Delhi
Date: 9 July 2021

Bhavesh Pujara
Chief Financial officer

Rudalf Corriea
Company Secretary & Compliance Officer

Place: Mumbai
Date: 9 July 2021

Glenmark Life Sciences Limited
Notes to the Proforma Financial Information
(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 1 - COMPANY INFORMATION

Glenmark Life Sciences Limited (the "Company") is a public limited company incorporated in Pune, India. The registered office of the Company is at Plot No 170-172 Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur Maharashtra, India.
The Company is primarily engaged in the business of development, manufacture and marketing of active pharmaceutical ingredients. The Company`s research and development facilities are located at Mahape in India and manufacturing facilities are located at Ankleshwar, Dahej, Mohol, Kurkumbh and Aurangabad.

NOTE 2 - BASIS OF PREPARATION

On July 10, 2018, the Company became a wholly-owned subsidiary, Glenmark Pharmaceuticals Limited ("Glenmark" or "Parent Company"), when Glenmark acquired 100% equity interest in the Company. On January 1, 2019, the API business of Glenmark comprising of, inter alia, the manufacturing facilities, movable assets, intellectual property, employees and all the liabilities attributable to the API was spun off into the Company (the "Spin-off" or "Business transfer"). The transfer of business was considered as Business combination of entities under common control as per Appendix C of Ind AS 103. Therefore, the disclosure and accounting of the API business acquired by the Company was reflected in the audited financial statements for the financial year 2019 using pooling of interest method effective from July 10, 2018, in line with the requirements of Ind AS 103.

Consequently, the audited financial statements for the financial year 2019 reflected (i) the results of all the transactions of the API business acquired from Glenmark, from January 1, 2019 to March 31, 2019 which are beneficially and contractually carried out by the Company, including transactions with Glenmark carried out at arm's length price and with commercial substance and (ii) results of transactions with external parties for the period from July 10, 2018 to December 31, 2018 related to API business which were beneficially and contractually carried out by Glenmark and represented the commercial substance of API business on an independent basis.

Prior to Spin-off, products of API division of Glenmark was captively consumed for its formulation business. Hence, there were stock transfer from API plants to formulation plants. Being part of the same Company, these intra-company transactions (i.e. transactions between the API division and formulation division of the Parent Company) were executed without considering arm's length margins and as stock transfers. After the Spin-off, (i.e. January 1, 2019 onwards) Company is also adding the appropriate margins on arm's length basis on the sales of its products to Glenmark. The proforma financials also reflects the effects of arm's length margins as if the API business has been acquired with effect from April 1, 2017.

The pro-forma financial information has been prepared to demonstrate the effects of the Spin-off on the Company, including the results of operations and the financial position that would have resulted as if the business transfer had taken place as on April 1, 2017. Because of their nature, the pro-forma financial information addresses a theoretical situation and therefore, does not represent Company's factual financial position or results. They purport to indicate the results of operations and the financial position that would have resulted had the business transfer been completed as on April 1,2017 but are not intended to be indicative of expected results or operations in the future periods or the future financial position of the Company

The pro-forma financial information of the Company comprises of the pro-forma balance sheet as at 31 March 2021, 31 March 2020 and 31 March 2019 and the pro-forma statement of profit and loss for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, read with the notes to the pro-forma financial information (hereinafter referred as 'pro-forma financial information').

The pro-forma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Such pro-forma financial information has been prepared on the basis as stated in the following section "Pro-forma adjustments" and accordingly should not be relied upon as if it had been prepared in accordance with the generally accepted accounting principles

In addition, the rules and regulations related to the preparation of pro-forma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below.

The pro-forma financial information for the years presented has been prepared by combining the following financial information prepared as per generally accepted accounting principles in India and after making the adjustments as detailed in the following section "Pro-forma adjustments" –

a) the audited financial statements of the Company for the years ended and as at March 31, 2021, March 31, 2020 and March 31, 2019 on which the auditors have expressed unmodified audit opinion vide their reports dated May 26, 2021, June 26, 2020 and May 29, 2019 respectively.

b) the audited financial statements of the Parent Company for the years ended and as at March 31, 2019 and March 31, 2018, on which the auditors have expressed unmodified audit opinion vide their reports dated May 29, 2019 and May 29, 2018. These financial statements have been taken as base to extract the relevant financial information related to API business for the below mentioned years

- Financial information related to entire API business (including both transactions with external parties and intra company transactions) for the year ended and as at March 31, 2018
- Financial information related to entire API business (including both transactions with external parties and intra company transactions) for the period April 1, 2018 to July 9, 2018.
- Financial information related to intra-company transactions pertaining to API business for the period July 10, 2018 to December 31, 2018.

c) The restated financial information of the Company for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 on which the auditors of the Company have issued an unmodified examination report dated 9 July 2021.

Further, the pro-forma financial information for all the years consists of three columns wherein:
a) Column 1 represents Restated Financial Information of the Company
b) Column 2 represents proforma adjustments as mentioned Note 3 below
c) Column 3 represents total of 'a' and 'b' above

Note 3 - PROFORMA ADJUSTMENTS

The Pro-forma adjustments mainly pertains to financial information of API business acquired by the Company from the Parent Company as mentioned above. The relevant information (including income, expenses, assets and liabilities attributable to the API division) has been extracted from the Parent Company's financial information system. The following adjustments have been made to the historical financial information

a) API business financial information excluding intra-company transactions:
The Company has presented financial information related to acquired API business for all the transactions with external parties (i.e. all transactions except intra-company transactions between API division and other divisions of the Parent Company) from July 10, 2018 onwards in its Restated Financial Information as on and for the year ended March 31, 2019 and thereafter. Hence, all the transactions related to API division before 10 July 2018 with external parties is presented as proforma adjustments.

b) Intra-company transactions:
The Company has presented the intra-company transaction from the January 1, 2019 (the Spin-off date) onwards in its Restated Financial Information. For the period April 1, 2017 to December 31, 2018, all intra-company transactions have been extracted from the Parent Company financial information system and is presented as proforma adjustments. These intra-company transactions include intra-company API transfers by the API division to the other divisions of the Parent Company. These intra-company API transfers are represented as sales after applying, appropriate margins on arm's length basis and reflects the commercial substance of the business on the same basis as has existed post Spin-off date. Corresponding cost of sales is presented as proforma adjustments

c) Liability related to API business:

On January 1, 2019 (i.e. the Spin-off date), Company has arrived at the liability related to API business transferred by the Parent Company which reflected under "other current financial liabilities" in its Restated Financial information. The said liability has been computed based on book values of net assets acquired by the Company. Computation of the same is as mentioned below:

Assets and liabilities taken over	
Fixed Assets	5298.47
Inventory	4596.56
Trade Receivables	3634.43
Other assets and liabilities	640.35
Trade Payables	(2547.87)
Liability for net assets taken over	**11621.94**

Prior to the Spin-off date, most of the working capital pertaining to the API division was managed by the Parent Company. The Parent Company has paid for most of expenses incurred by the API division and has collected the amount for most of the income earned by the said division. The net receivables or payable on this account is clubbed in the proforma financial information along with the liability for the net assets taken over from the Parent Company as mentioned above.

d) Transition service cost:
Subsequent to Spin off date, the Company is making payment to the Parent Company towards transition services costs provided by the Parent Company in relation to the use of common facilities such as IT, administration and environment health and Safety (EHS) services. This transition services cost are considered as proforma adjustments and same have been adjusted to the pre-acquisition period financial information.

e) Tax expenses:
Tax expense is determined for API business as if the API business is a separate taxable entity with effect from April 1, 2017. Hence, proforma financial information is taken as a base to compute the tax expense and tax liabilities. Adjustment has been made to the deferred taxes considering the adjustments made in the historical financial information.

f) Earnings per Share:
Earnings per shares has been computed assuming the Business transfer had taken place on April 1, 2017 presented. Hence, weighted average shares for all the periods presented has been changed to give effect of the same

(Note: The proforma adjustments as described above pertain to the period from April 1, 2017 to December 31, 2018. The net accumulated impact on the statement of profit and loss transferred to equity for the relevant years. Other equity balance is also impacted due to actuarial valuation of defined employee benefit obligations till acquisition date. As of December 31, 2018, all the accumulated adjustments made to equity on account of above mentioned factors have been transferred from equity to the liability for the net assets taken over from the Parent Company and reflected as "Cumulative impact of Proforma Adjustments" in the Statement of Changes in Equity during the financial year 2019 in the Proforma Financial Information).

Note 4 - Property, Plant and Equipment

Property, plant and equipment comprise the following:

Particulars	Leasehold land*	Factory building	Other building	Plant and equipment	Furniture and fixture	Office equipment	Vehicles	Total	Capital work-in-progress
Cost									
Balance as at 1 April 2018	**124.92**	**1,491.19**	**3.51**	**3,059.61**	**101.60**	**27.07**	**0.36**	**4,808.26**	**570.51**
- Acquisitions	1.58	19.59	0.11	126.28	7.24	3.64	0.04	158.48	235.38
- Disposals/ Transfers/ adjustments	(3.93)	(32.22)	(0.27)	(215.45)	(20.09)	(7.33)	(0.27)	(279.56)	(2.60)
Balance as at 31 March 2019	**122.57**	**1,478.56**	**3.35**	**2,970.44**	**88.75**	**23.38**	**0.13**	**4,687.18**	**803.29**
- Acquisitions	43.59	396.62	-	704.56	38.99	10.68	-	1,194.44	29.30
- Disposals/ Transfers/ adjustments	-	(11.78)	-	(3.39)	(0.70)	-	-	(15.87)	(725.29)
Balance as at 31 March 2020	**166.16**	**1,863.40**	**3.35**	**3,671.61**	**127.04**	**34.06**	**0.13**	**5,865.75**	**107.30**
- Acquisitions	7.18	169.27	87.08	322.31	9.73	10.82	0.37	606.76	362.27
- Disposals/ Transfers/ adjustments	-	(3.88)	-	(43.06)	(2.35)	(1.20)	(0.38)	(50.87)	(328.59)
Balance as at 31 March 2021	**173.34**	**2,028.79**	**90.43**	**3,950.86**	**134.42**	**43.68**	**0.12**	**6,421.64**	**140.98**
Accumulated Depreciation									
Balance as at 1 April 2018	**3.14**	**25.09**	**0.22**	**169.50**	**16.06**	**5.53**	**0.26**	**219.80**	**-**
- Depreciation charge for the year	3.14	28.77	0.18	193.12	14.70	7.25	0.07	247.23	-
- Disposals/ Transfers/ adjustments	(3.93)	(32.22)	(0.27)	(215.45)	(20.09)	(7.33)	(0.27)	(279.56)	-
Balance as at 31 March 2019	**2.35**	**21.64**	**0.13**	**147.17**	**10.67**	**5.45**	**0.06**	**187.47**	**-**
- Depreciation charge for the year	3.20	30.45	0.07	229.24	17.61	7.41	0.07	288.05	-
- Disposals/ Transfers/ adjustments	-	(0.32)	-	(0.06)	(0.17)	-	-	(0.55)	-
Balance as at 31 March 2020	**5.55**	**51.77**	**0.20**	**376.35**	**28.11**	**12.86**	**0.13**	**474.97**	**-**
- Depreciation charge for the year	3.59	36.29	0.08	261.50	16.19	8.47	0.37	326.49	-
- Disposals/ Transfers/ adjustments	-	(0.97)	-	(23.98)	(2.17)	(1.20)	(0.38)	(28.70)	-
Balance as at 31 March 2021	**9.14**	**87.09**	**0.28**	**613.87**	**42.13**	**20.13**	**0.12**	**772.76**	**-**
Carrying value									
As at 1 April 2018	**121.78**	**1,466.10**	**3.29**	**2,890.11**	**85.54**	**21.54**	**0.10**	**4,588.46**	**570.51**
As at 31 March 2019	**120.22**	**1,456.92**	**3.22**	**2,823.27**	**78.08**	**17.93**	**0.07**	**4,499.71**	**803.29**
As at 31 March 2020	**160.61**	**1,811.63**	**3.15**	**3,295.26**	**98.93**	**21.20**	**0.00**	**5,390.78**	**107.30**
As at 31 March 2021	**164.20**	**1,941.70**	**90.15**	**3,336.99**	**92.29**	**23.55**	**-**	**5,648.88**	**140.98**

Note:

Addition to Property, Plant and Equipment for the year ended 31 March 2021 includes capital expenditure of Rs. 19.25 (31 March 2020- Rs. 22.76, 31 March 2019- Rs. 83.34) incurred at approved R&D centers.

*Upfront lease premium paid to respective Industrial Development Corporations at the time of execution of lease deed represents the present value of total consideration related to lease payments for the entire tenure of

INTANGIBLE ASSETS

Intangible assets comprise the following

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
Cost				
Balance as at 1 April 2018	**24.30**	**46.01**	**70.31**	**-**
- Additions	2.50	-	2.50	0.65
- Disposals/ Transfers/ adjustments	(4.32)	-	(4.32)	-
Balance as at 31 March 2019	**22.48**	**46.01**	**68.49**	**0.65**
- Additions	13.97	-	13.97	1.00
- Disposals/ Transfers/ adjustments	-	-	-	(1.65)
Balance as at 31 March 2020	**36.45**	**46.01**	**82.46**	**-**
- Additions	9.76	5.12	14.88	-
- Disposals/ Transfers/ adjustments	-	-	-	-
Balance as at 31 March 2021	**46.21**	**51.13**	**97.34**	**-**
Amortisation and impairment				
Balance as at 1 April 2018	**2.97**	**-**	**2.97**	**-**
- Amortisation for the year	6.50	-	6.50	-
- Disposals/ Transfers/ adjustments	(4.32)	-	(4.32)	-
Balance as at 31 March 2019	**5.15**	**-**	**5.15**	**-**
- Amortisation for the year	5.63	-	5.63	-
- Disposals/ Transfers/ adjustments	-	-	-	-
Balance as at 31 March 2020	**10.78**	**-**	**10.78**	**-**
- Amortisation for the year	7.41	0.04	7.45	-
- Disposals/ Transfers/ adjustments	-	-	-	-
Balance as at 31 March 2021	**18.19**	**0.04**	**18.23**	**-**
Carrying value				
As at 1 April 2018	**21.33**	**46.01**	**67.34**	**-**
As at 31 March 2019	**17.33**	**46.01**	**63.34**	**0.65**
As at 31 March 2020	**25.67**	**46.01**	**71.68**	**-**
As at 31 March 2021	**28.02**	**51.09**	**79.11**	**-**

At the year end, the intangible with indefinite or indeterminable lives were tested for impairment based on conditions at that date. In performing the impairment testing management considers various factors such as the size of the target market, competition, future possible price/volume erosion.

NOTE 5 - NON-CURRENT FINANCIAL ASSETS

(i) INVESTMENTS

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Unquoted									
Equity shares (FVTPL)									
76,800 shares of Narmada Clean Tech	0.77	-	0.77	0.77	-	0.77	0.77	-	0.77
Total	**0.77**	**-**	**0.77**	**0.77**	**-**	**0.77**	**0.77**	**-**	**0.77**

(ii) OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Unsecured considered good									
Security deposits*	85.46	-	85.46	84.32	-	84.32	78.94	-	78.94
Total	**85.46**	**-**	**85.46**	**84.32**	**-**	**84.32**	**78.94**	**-**	**78.94**

*Security deposits represent utility deposit given in the normal course of business realisable after twelve months from the reporting date.

NOTE 6 -TAXES

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020			For the year ended 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Current income tax expense	1,127.46	-	1,127.46	985.42	-	985.42	258.95	716.75	975.70
Deferred income tax expense	66.17	-	66.17	71.71	-	71.71	90.66	67.86	158.52
Minimum Alternate Tax (MAT) Credit (Entitlement)/Utilization	-	-	-	22.56	-	22.56	(22.56)	-	(22.56)
Total	**1,193.63**	**-**	**1,193.63**	**1,079.69**	**-**	**1,079.69**	**327.05**	**784.61**	**1,111.66**

The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities and a description of the items that create those differences are given below:

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Deferred tax assets									
Provision for sales return	8.15	-	8.15	-	-	-	-	-	-
MAT credit entitlement	-	-	-	-	-	-	22.56	-	22.56
Other items	12.11	-	12.11	1.31	-	1.31	0.29	-	0.29
Total	**20.26**	**-**	**20.26**	**1.31**	**-**	**1.31**	**22.85**	**-**	**22.85**
Deferred tax liabilities									
Difference in depreciation on Property, plant and equipment	249.14	-	249.14	163.68	-	163.68	90.96	221.98	312.94
Other taxable temporary differences	-	-	-	2.11	-	2.11	0.45	1.89	2.34
Cumulative impact of Proforma Adjustment	-	-	-	-	-	-	-	(223.87)	(223.87)
Total	**249.14**	**-**	**249.14**	**165.79**	**-**	**165.79**	**91.41**	**-**	**91.41**
	(228.88)	**-**	**(228.88)**	**(164.48)**	**-**	**(164.48)**	**(68.56)**	**-**	**(68.56)**

In assessing the reliability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable including taxable temporary difference in the future periods are reduced.

NOTE 7 - OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Capital advances	13.63	-	13.63	0.05	-	0.05	0.29	-	0.29
Total	**13.63**	**-**	**13.63**	**0.05**	**-**	**0.05**	**0.29**	**-**	**0.29**

NOTE 8 - INVENTORIES

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Raw material	1,170.22	-	1,170.22	864.86	-	864.86	799.62	-	799.62
Packing material	11.51	-	11.51	10.59	-	10.59	10.31	-	10.31
Work-in-progress	3,418.94	-	3,418.94	2,716.98	-	2,716.98	2,826.53	-	2,826.53
Stores and spares	182.78	-	182.78	189.61	-	189.61	182.23	-	182.23
Finished goods	350.76	-	350.76	345.71	-	345.71	189.74	-	189.74
Total	**5,134.21**	**-**	**5,134.21**	**4,127.75**	**-**	**4,127.75**	**4,008.43**	**-**	**4,008.43**

NOTE 9 - CURRENT FINANCIAL ASSETS
(i) TRADE RECEIVABLES

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Unsecured									
Considered good	6,195.00	-	6,195.00	6,386.28	-	6,386.28	4,480.88	-	4,480.88
Total	**6,195.00**	**-**	**6,195.00**	**6,386.28**	**-**	**6,386.28**	**4,480.88**	**-**	**4,480.88**

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a short period from the date of balance sheet. All of the Company's trade receivables have been reviewed for indications of impairment.

(ii) CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Balances with banks in current accounts	1,154.86	-	1,154.86	98.88	-	98.88	20.21	-	20.21
Cash on hand	1.10	-	1.10	1.10	-	1.10	0.40	-	0.40
Total	**1,155.96**	**-**	**1,155.96**	**99.98**	**-**	**99.98**	**20.61**	**-**	**20.61**

(iii) OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Unsecured, considered good									
Export incentives	241.64	-	241.64	207.70	-	207.70	57.87	-	57.87
Bank Deposit	28.05	-	28.05	-	-	-	-	-	-
Other receivable	6.20	-	6.20	-	-	-	-	-	-
Total	**275.89**	**-**	**275.89**	**207.70**	**-**	**207.70**	**57.87**	**-**	**57.87**

NOTE 10 - OTHER CURRENT ASSETS

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Advances recoverable	621.35	-	621.35	560.98	-	560.98	135.91	-	135.91
Input taxes receivable	445.85	-	445.85	126.07	-	126.07	558.74	-	558.74
Advance to vendors	152.73	-	152.73	89.03	-	89.03	44.52	-	44.52
Prepaid expenses	9.42	-	9.42	3.35	-	3.35	-	-	-
Total	**1,229.35**	**-**	**1,229.35**	**779.43**	**-**	**779.43**	**739.17**	**-**	**739.17**

NOTE 11 - EQUITY AND RESERVES

a) Ordinary shares

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

The Company has an authorised share capital of 200,000,000 shares of Rs. 2 each (31 March 2020 - 14,000,000 shares of Rs 10 each, 31 March 2019 - 2,000,000 shares of Rs 10 each).

b) Preference shares

The Company has an authorised share capital of 600,000 (31 March 2020 - 600,000, 31 March 2019 - NIL) Cumulative Convertible Preference Shares of Rs. 100 each.

c) Reserves

Reserves – Accumulated earnings include all current and prior year profits as disclosed in the statement of profit and loss.

NOTE 12 - EQUITY SHARE CAPITAL

	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
(a) Share capital	**Amount (refer note 2)**	**Adjustments (refer note 3)**	**Total**	**Amount (refer note 2)**	**Adjustments (refer note 3)**	**Total**	**Amount (refer note 2)**	**Adjustments (refer note 3)**	**Total**
	Column 1	**Column 2**	**Column 3**	**Column 1**	**Column 2**	**Column 3**	**Column 1**	**Column 2**	**Column 3**
Authorised									
200,000,000 (31 March 2020 - 14,000,000 of Rs. 10 each, 31 March 2019 - 2,000,000 of Rs. 10 each) Equity Shares of Rs. 2 each	400.00	-	400.00	140.00	-	140.00	20.00	-	20.00
Cumulative Convertible Preference Shares of Rs. 100 each	60.00	-	60.00	60.00	-	60.00	-	-	-
Issued, subscribed and fully paid-up equity shares									
At the beginning of the year	**19.60**	**-**	**19.60**	**19.60**	**-**	**19.60**	**0.10**	**-**	**0.10**
Add: Issued during the year									
-Loan conversion to Equity	-	-		-	-		4.50	-	4.50
-Preferential Issue	-	-		-	-		15.00	-	15.00
At the end of the year	**19.60**	**-**	**19.60**	**19.60**	**-**	**19.60**	**19.60**	**-**	**19.60**
Other equity (B)	**7,507.87**	**-**	**7,507.87**	**3,997.32**	**-**	**3,997.32**	**861.65**	**-**	**861.65**
Total Equity (A+B)	**7,527.47**	**-**	**7,527.47**	**4,016.92**	**-**	**4,016.92**	**881.25**	**-**	**881.25**

(b) Right, Preference and restriction on shares

The Company presently has only one class of ordinary equity shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary equity shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

(c) Sub-division of shares and issue of bonus shares

i) As per recommendation of Board of directors dated 23 February 2021 and approval of Shareholders dated 8 March 2021, the Company has increased its authorised share capital to Rs. 460 million consisting of 40,000,000 equity shares of face value of Rs. 10 each and 600,000 Cumulative Convertible Preference Shares of Rs. 100 each.

ii) Further, as per the recommendation of the Board of Directors dated 10 March 2021 and approval of the shareholders dated 26 March 2021, the existing equity shares are sub-divided into 200,000,000 equity shares of face value of Rs. 2 each. Pursuant to this resolution the existing issued, paid up and subscribed share capital of the Company stands subdivided to 9,800,450 equity shares of Rs. 2 each.

iii) Further, as per recommendation of the Board of Directors dated 10 March 2021 and approval of the shareholders dated 26 March 2021, the Company at its board meeting held on 6 April 2021 has allotted 98,004,500 bonus equity shares of face value of Rs. 2 each in ratio of 10:1 (i.e. 10 Bonus Shares for every 1 Equity Share). Consequently, the issued, subscribed and paid-up share capital has increased to Rs. 215.61 million comprising of 107,804,950 equity shares of face value of Rs. 2 each.
These shares are retrospectively considered for the computation of basic and diluted EPS.

NOTE 13 - CURRENT FINANCIAL LIABILITIES

(i) BORROWINGS

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Unsecured loans									
Loan from related Party	-	-	-	0.21	-	0.21	0.21	-	0.21
Total	**-**	**-**	**-**	**0.21**	**-**	**0.21**	**0.21**	**-**	**0.21**

(ii) TRADE PAYABLES

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Trade payables outstanding dues to Micro, small and medium enterprises under MSMED Act, 2006	357.71	-	357.71	100.66	-	100.66	220.92	-	220.92
Trade payables outstanding dues to creditors other than micro, small and medium enterprises	1,629.91	-	1,629.91	1,691.70	-	1,691.70	1,479.71	-	1,479.71
Trade payables to related party	225.43	-	225.43	218.35	-	218.35	128.25	-	128.25
Total	**2,213.05**	**-**	**2,213.05**	**2,010.71**	**-**	**2,010.71**	**1,828.88**	**-**	**1,828.88**

(iii) OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Employee dues	4.99	-	4.99	0.02	-	0.02	0.02	-	0.02
Sundry creditors for capital goods	12.90	-	12.90	23.96	-	23.96	45.05	-	45.05
Accrued expenses	204.31	-	204.31	121.02	-	121.02	96.13	-	96.13
Payable to related parties	9,328.67	-	9,328.67	10,591.57	-	10,591.57	11,621.94	-	11,621.94
Total	**9,550.87**	**-**	**9,550.87**	**10,736.57**	**-**	**10,736.57**	**11,763.14**	**-**	**11,763.14**

NOTE 14 - OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Statutory dues	41.63	-	41.63	49.62	-	49.62	19.65	-	19.65
Advance from customers	72.90	-	72.90	54.10	-	54.10	28.28	-	28.28
Total	**114.53**	**-**	**114.53**	**103.72**	**-**	**103.72**	**47.93**	**-**	**47.93**

NOTE 15 - PROVISIONS

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Provision for sales return	32.40	-	32.40	-	-	-	-	-	-
Provisions for employee benefits :									
Provision for gratuity	102.76	-	102.76	84.57	-	84.57	81.06	-	81.06
Provision for compensated absences	63.86	-	63.86	55.26	-	55.26	59.38	-	59.38
Total	**199.02**	**-**	**199.02**	**139.83**	**-**	**139.83**	**140.44**	**-**	**140.44**

NOTE 16 - CURRENT TAX ASSETS AND LIABILITIES

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
(A) CURRENT TAX ASSET									
Advance tax paid (net of provision of tax)	11.51	-	11.51	-	-	-	-	-	-
Total	**11.51**	**-**	**11.51**	**-**	**-**	**-**	**-**	**-**	**-**
(B) CURRENT TAX LIABILITIES									
Provision for income tax (net of advance tax)	136.93	-	136.93	83.60	-	83.60	23.54	1,358.55	1,382.09
Cumulative impact of Proforma Adjustment	-	-	-	-	-	-	-	(1,358.55)	(1,358.55)
Total	**136.93**	**-**	**136.93**	**83.60**	**-**	**83.60**	**23.54**	**-**	**23.54**

Glenmark Life Sciences Limited
Notes to the Proforma Financial Information
(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 17- REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020			For the year ended 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Sale of products	18,613.95	-	18,613.95	14,943.41	-	14,943.41	8,521.99	5,085.96	13,607.95
Other operating revenue	237.70	-	237.70	429.72	-	429.72	342.22	100.09	442.31
Total	**18,851.65**	**-**	**18,851.65**	**15,373.13**	**-**	**15,373.13**	**8,864.21**	**5,186.05**	**14,050.26**

NOTE 18 -OTHER INCOME

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020			For the year ended 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Interest income	4.30	-	4.30	3.55	-	3.55	4.11	0.27	4.38
Exchange gain (net)	-	-	-	112.39	-	112.39	-	-	-
Miscellaneous income	3.81	-	3.81	3.96	-	3.96	0.33	0.00	0.33
Total	**8.11**	**-**	**8.11**	**119.90**	**-**	**119.90**	**4.44**	**0.27**	**4.71**

NOTE 19- COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020			For the year ended 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Consumption of raw material and packing material	9,481.65	-	9,481.65	6,686.61	-	6,686.61	6,335.60	601.36	6,936.96
Consumption of stores and spares	280.33	-	280.33	264.39	-	264.39	203.27	55.22	258.49
Total	**9,761.98**	**-**	**9,761.98**	**6,951.00**	**-**	**6,951.00**	**6,538.87**	**656.58**	**7,195.45**

NOTE 20- CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020			For the year ended 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
(Increase)/Decrease in stock of finished goods, work-in-progress	(707.01)	-	(707.01)	(46.42)	-	(46.42)	(3,015.89)	2,084.87	(931.02)
Total	**(707.01)**	**-**	**(707.01)**	**(46.42)**	**-**	**(46.42)**	**(3,015.89)**	**2,084.87**	**(931.02)**
(Increase)/Decrease in stocks									
At the year end									
Finished goods	350.76	-	350.76	345.71	-	345.71	189.74	-	189.74
Work-in-progress	3,418.94	-	3,418.94	2,716.98	-	2,716.98	2,826.53	-	2,826.53
	3,769.70	-	3,769.70	3,062.69	-	3,062.69	3,016.27	-	3,016.27
At the beginning of the year									
Finished goods	345.71	-	345.71	189.74	-	189.74	0.38	116.68	117.06
Work-in-progress	2,716.98	-	2,716.98	2,826.53	-	2,826.53	-	1,968.19	1,968.19
	3,062.69	-	3,062.69	3,016.27	-	3,016.27	0.38	2,084.87	2,085.25
Changes	**(707.01)**	**-**	**(707.01)**	**(46.42)**	**-**	**(46.42)**	**(3,015.89)**	**2,084.87**	**(931.02)**

NOTE 21- EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020			For the year ended 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Salaries, wages and bonus	1,389.57	-	1,389.57	1,331.03	-	1,331.03	987.92	220.41	1,208.33
Contribution to provident and other funds and retirement benefits	95.02	-	95.02	79.18	-	79.18	58.85	13.10	71.95
Staff welfare expenses	6.72	-	6.72	12.59	-	12.59	16.03	0.68	16.71
Total	**1,491.31**	**-**	**1,491.31**	**1,422.80**	**-**	**1,422.80**	**1,062.80**	**234.19**	**1,296.99**

NOTE 22 - FINANCE COSTS

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020			For the year ended 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Interest expenses on									
- Business Purchase Consideration	874.70	-	874.70	335.15	-	335.15	-	-	-
- Others	0.77	-	0.77	-	-	-	6.05	-	6.05
Total	**875.47**	**-**	**875.47**	**335.15**	**-**	**335.15**	**6.05**	**-**	**6.05**

NOTE 23 - OTHER EXPENSES

Particulars	For the year ended 31 March 2021			For the year ended 31 March 2020			For the year ended 31 March 2019		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Power, fuel and water charges	741.90	-	741.90	767.48	-	767.48	578.13	141.42	719.55
Labour charges	403.56	-	403.56	429.41	-	429.41	248.88	99.86	348.74
Repairs and maintenance	371.19	-	371.19	359.74	-	359.74	298.99	37.69	336.68
Rent	1.63	-	1.63	0.57	-	0.57	11.11	0.21	11.32
Other manufacturing expenses	18.16	-	18.16	26.81	-	26.81	19.76	3.68	23.44
Selling, Marketing and Distribution expenses	337.88	-	337.88	263.24	-	263.24	273.71	(6.58)	267.13
Travelling expenses	45.63	-	45.63	62.74	-	62.74	50.47	12.50	62.97
Telephone expenses	1.67	-	1.67	1.62	-	1.62	1.75	0.57	2.32
Rates and taxes	21.96	-	21.96	22.33	-	22.33	17.72	4.33	22.05
Insurance premium	33.12	-	33.12	33.16	-	33.16	2.96	2.28	5.24
Auditors remuneration	4.72	-	4.72	2.70	-	2.70	3.62	(0.68)	2.94
Loss on sale of assets	5.84	-	5.84	12.30	-	12.30	6.26	0.16	6.42
Exchange loss (net)	34.59	-	34.59	-	-	-	67.19	(20.59)	46.60
Corporate Social Responsibility Activities and Donations	44.97	-	44.97	26.28	-	26.28	11.80	2.34	14.14
Test and Trials and Development Expenses	2.90	-	2.90	-	-	-	1.44	-	1.44
Legal & professional expenses	35.45	-	35.45	34.17	-	34.17	80.67	1.26	81.93
Other expenses	289.46	-	289.46	283.60	-	283.60	126.77	115.69	242.46
Total	**2,394.63**	**-**	**2,394.63**	**2,326.15**	**-**	**2,326.15**	**1,801.23**	**394.14**	**2,195.37**

NOTE 24- RESEARCH AND DEVELOPMENT EXPENSES

Following expenditures are incurred at our Research and development expenditure ("R&D") facilities-

Particulars	As at 31 March 2021			As at 31 March 2020			As at 31 March 2019			As at 31 March 2018		
	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total	Amount (refer note 2)	Adjustments (refer note 3)	Total
	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3	Column 1	Column 2	Column 3
Revenue Expenditure	405.17	-	405.17	400.28	-	400.28	90.62	285.14	375.76	-	333.33	333.33
Total	405.17	-	405.17	400.28	-	400.28	90.62	285.14	375.76	-	333.33	333.33

NOTE 25 - EARNINGS PER SHARE (EPS)

The basic earnings per share has been calculated using the net profits attributable to equity shareholders.

Calculation of basic and diluted EPS is as follows:

Particulars	31 March 2021	31 March 2020	31 March 2019
Profit attributable to equity shareholders, for basic and diluted	3,515.81	3,130.98	2,926.73
Equity shares post split and bonus			
Weighted average number of shares outstanding during the year for basic EPS	107,804,950	107,804,950	107,804,950
Weighted average number of shares outstanding during the year for diluted EPS	107,804,950	107,804,950	107,804,950
Basic EPS, in Rs.	**32.61**	**29.04**	**27.15**
Diluted EPS, in Rs.	**32.61**	**29.04**	**27.15**

Note 26 - EVENTS OCCURING AFTER THE REPORTING PERIOD

i) As per recommendation of the Board of Directors dated 10 March 2021 and approval of the shareholders dated 26 March 2021, the Company at its board meeting held on 6 April 2021 has allotted 98,004,500 bonus equity shares of face value of Rs. 2 each in ratio of 10:1 (i.e. 10 Bonus Shares for every 1 Equity Share). Consequently, the issued, subscribed and paid-up share capital has increased to Rs. 215.61 million comprising of 107,804,950 equity shares of face value of Rs. 2 each.

ii) Further, as per the recommendation by Nomination and Remuneration Committee ("the Committee") on 6 April 2021, approval of Board of Directors on 6 April 2021, and approval of shareholders by special resolution dated 9 April 2021, the Committee was approved to grant up to 1,078,050 Employee Stock Options to the Employees, in one or more tranches, from time to time under the Glenmark Life Sciences Limited - Employee Stock Option Plan 2021 ("ESOP 2021"), being exercisable into not exceeding 1,078,050 equity shares of a face value of Rs. 2 each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such Grant.

Options granted under ESOP 2021 shall in respect of each Option Grantee vest within the minimum period of 1 year and maximum period of 6 years from the date of Grant of such Options to the Option Grantee. The committee granted 9,51,734 options in its meeting dated 17 May 2021 under the said scheme.

NOTE 27 - AUTHORISATION OF PROFORMA FINANCIAL INFORMATION

The proforma financial information were approved by the Board of Directors on 9 July 2021.

As per our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number : 001076N/N500013

Ashish Gupta
Partner
Membership Number - 504662

Place: New Delhi
Date: 9 July 2021

For and on behalf of the Board of Directors

Glenmark Life Sciences Limited

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

V S Mani
Director
DIN: 01082878

Bhavesh Pujara
Chief Financial officer

Place: Mumbai
Date: 9 July 2021

Rudalf Corriea
Company Secretary &
Compliance Officer

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the years ended March 31, 2021, March 31, 2020, and March 31, 2019 and the reports thereon dated May 26, 2021, June 26, 2020 and May 29, 2019 respectively ("**Audited Financial Statements**") are available at www.glenmarklifesciences.com. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any Lead Managers or the Promoter Selling Shareholder, nor any of their respective employees, directors, shareholders, affiliates, agents, advisors or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

(INR in Million)

Particulars	**As at and for the year ended March 31, 2021**	**As at and for the year ended March 31, 2020**	**As at and for the year ended March 31, 2019**
Basic earnings per share (in ₹)	32.61	29.04	24.64
Diluted earnings per share (in ₹)	32.61	29.04	24.64
Return on net worth (%)	46.71%	77.94%	99.25%
Return on capital employed (%)	32.69%	30.77%	18.21%
Net asset value per share (in ₹)	69.82	37.26	11.10
EBITDA (in ₹ million)	5,918.86	4,839.50	2,481.64
EBITDA Margin (%)	31.40%	31.48%	28.00%
PAT Margin (%)	18.65%	20.37%	22.07%
Fixed Asset turnover Ratio (in times)	3.34	2.87	3.34

The ratios have been computed as under:

(i) Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

Basic earnings per share is calculated as Restated profit for the year attributable to equity shareholders divided by weighted average number of equity shares in calculating basic EPS.

Diluted earnings per share is calculated as Restated profit for the year attributable to equity shareholders divided by Weighted average number of diluted equity shares in calculating diluted EPS.

(ii) Weighted Average Number of Equity Shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The weighted average number of equity shares outstanding during the period is adjusted for bonus issue and share split.

As per recommendation of Board of directors dated 23 February 2021 and approval of Shareholders dated 8 March 2021, the Company has increased its authorised share capital to Rs. 460 million consisting of 40,000,000 equity shares of face value of Rs. 10 each and 600,000 Cumulative Convertible Preference Shares of Rs. 100 each.

Further, as per the recommendation of the Board of Directors dated 10 March 2021 and approval of the shareholders dated 26 March 2021, the existing equity shares are sub-divided into 200,000,000 equity shares of face value of Rs. 2 each. Pursuant to this resolution the existing issued, paid up and subscribed share capital of the Company stands sub-divided to 9,800,450 equity shares of Rs. 2 each.

Further as per recommendation of the Board of Directors dated 10th March 2021 and approval of the shareholders dated 26th March 2021, the Company at its board meeting held on 6 April 2021 has allotted 98,004,500 bonus equity shares of face value of Rs. 2 each in ratio of 10:1 (i.e. 10 Bonus Shares for every 1 Equity Share held). Consequently, the issued, subscribed and paid-up share capital has increased to Rs. 215.61 million comprising of 107,804,950 equity shares of face value of Rs. 2 each.

(iii) Return on Net Worth ratio: Restated Profit for the year attributable to equity shareholders of the company divided by the Total Equity of the Company at the end of the year.

Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated financial information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(iv) Return on Capital employed: Earnings before interest and tax (EBIT) divided by capital employed.

EBIT means restated profit before interest and taxation for the year.

Capital employed means total assets of the company less current liabilities (excluding payable to Promoter on account of business purchase consideration, which is presented under other current financial liabilities)for the year.

(v) Net asset value per Equity share is calculated as Restated net worth at the end of the year divided by the weighted average number of equity shares.

(vi) EBITDA is calculated as restated profit before tax, plus depreciation, amortization and impairment expenses and finance costs. EBITDA Margin is the percentage of EBITDA divided by revenue from operations

(vii) PAT Margin: Restated profit for the year attributable to equity shareholders of the company divided by the Total Revenue from operations of the Company.

(viii) Fixed Asset turnover ratio is calculated as Total Income for the year ended divided by Average value of fixed asset at the end of the year. Fixed asset comprises of Property, Plant and Equipment and Capital work-in-progress. Average fixed asset is the simple average of opening value at the beginning of the year and closing value of fixed asset at the end of the year.

The above ratios have been computed on the basis of the Restated Financial information.

Non-GAAP financial measures

This section includes certain Non-GAAP financial measures relating to our financial performance (together, "Non-GAAP

financial measures" and each a "Non-GAAP financial measure"), as presented below. These Non-GAAP financial measures are not required by or presented in accordance with Indian GAAP.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this Prospectus, EBITDA, EBIDTA margin, PAT margin, net worth and return on net worth, return on capital employed, net asset value per share and Fixed Asset turnover ratio are given below:

Reconciliation of return on net worth

(INR in Million)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Equity share capital (I)	19.60	19.60	19.60
Other equity (II)	7,507.87	3,997.32	861.65
Net worth (III)=(I+II)	7,527.47	4,016.92	881.25
Restated profit for the year (IV)	3,515.81	3,130.98	874.63
Return on net worth (V)=(IV/III)	46.71%	77.94%	99.25%

Reconciliation of return on capital employed

(INR in Million)

Particulars	As at and for the year ended March 31,	As at and for the year ended	As at and for the year ended March 31, 2019

	2021	March 31, 2020	
Total assets (I)	19,970.75	17,256.04	14,753.95
Current liabilities (II)	2,885.73	2,483.07	2,182.20
Capital employed (III=I-II)	17,085.03	14,772.97	12,571.75
Restated profit before interest and taxation for the year (IV)	5,584.91	4,545.82	2,289.02
Return on capital employed (V)=(IV/III)	32.69%	30.77%	18.21%

Reconciliation of net asset value per share

(INR in Million)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Equity share capital (I)	19.60	19.60	19.60
Other equity (II)	7,507.87	3,997.32	861.65
Net worth (III)=(I+II)	7,527.47	4,016.92	881.25
Number of equity shares (IV)	107,804,950	107,804,950	79,392,115
Net asset value per share (V)= (III/IV)	69.82	37.26	11.10

Reconciliation of EBITDA, EBITDA Margin and PAT Margin

(INR in Million)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Restated profit for the year (I)	3,515.81	3,130.98	1,955.92
Total tax expense (II)	1,193.63	1,079.69	327.05
Exceptional items (III)	-	-	-
Depreciation expense (IV)	333.94	293.68	192.62
Finance expense (V)	875.47	335.15	6.05
EBITDA (VI)=(I+II+III+IV+V)	5,918.86	4,839.50	2,481.64
Revenue from operations(VII)	18,851.65	15,373.13	8,864.21
EBITDA Margin (%) (VIII)=(VI/VII)	31.40%	31.48%	28.00%
PAT Margin (%) (IX)=(I/VII)	18.65%	20.37%	22.07%

Reconciliation of Fixed Asset Turnover Ratio

(INR in Million)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Total Income (I)	18,859.76	15,493.03	8,868.65
Opening value of Fixed Assets (II)	5,498.08	5,303.00	0.01
Closing value of Fixed Assets (III)	5,789.86	5,498.08	5,303.00
Average value of Fixed Assets (IV)= ((II)+(III))/2	5,643.97	5,400.54	2,651.51
Fixed Asset Turnover Ratio (V)=(I)/(IV)	3.34	2.87	3.34

The accounting ratios as per Proforma Financial Information are given below:

(INR in Million)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Basic earnings per share (in ₹)	32.61	29.04	27.15
Diluted earnings per share (in ₹)	32.61	29.04	27.15
Return on net worth (%)	46.71%	77.94%	332.11%
Return on capital employed (%)	32.69%	30.77%	32.17%
Net asset value per share (in ₹)	69.82	37.26	8.17
EBITDA (in ₹ million)	5,918.86	4,839.50	4,298.18
EBITDA Margin (%)	31.40%	31.48%	30.59%
PAT Margin (%)	18.65%	20.37%	20.83%
Fixed Asset turnover Ratio (in times)	3.34	2.87	2.69

The ratios have been computed as under:

(i) Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

Basic earnings per share is calculated as Profit/(loss) for the year attributable to equity shareholders divided by weighted average number of equity shares in calculating basic EPS.

Diluted earnings per share is calculated as Profit/(loss) for the year attributable to equity shareholders divided by Weighted average number of diluted equity shares in calculating diluted EPS.

(ii) Weighted Average Number of Equity Shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The weighted average number of equity shares outstanding during the period is adjusted for bonus issue and share split.

As per recommendation of Board of directors dated 23 February 2021 and approval of Shareholders dated 8 March 2021, the Company has increased its authorised share capital to Rs. 460 million consisting of 40,000,000 equity shares of face value of Rs. 10 each and 600,000 Cumulative Convertible Preference Shares of Rs. 100 each.

Further, as per the recommendation of the Board of Directors dated 10 March 2021 and approval of the shareholders dated 26 March 2021, the existing equity shares are sub-divided into 200,000,000 equity shares of face value of Rs. 2 each. Pursuant to this resolution the existing issued, paid up and subscribed share capital of the Company stands sub-divided to 9,800,450 equity shares of Rs. 2 each.

Further as per recommendation of the Board of Directors dated 10th March 2021 and approval of the shareholders dated 26th March 2021, the Company at its board meeting held on 6 April 2021 has allotted 98,004,500 bonus equity shares of face value of Rs. 2 each in ratio of 10:1 (i.e. 10 Bonus Shares for every 1 Equity Share held). Consequently, the issued, subscribed and paid-up share capital has increased to Rs. 215.61 million comprising of 107,804,950 equity shares of face value of Rs. 2 each.

(iii) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the financial information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation

The balance of Total Equity of the Company in the Proforma Financial Information as at December 31, 2018 is impacted by impact of Pro-forma Adjustments for the period from April 1, 2017 to December 31, 2018. The sum of all the accumulated pro-forma adjustments made to equity mentioned above, have been transferred from equity to the liability for the net assets taken over from the Parent Company and reflected as "Cumulative impact of Proforma Adjustments" in the Statement of Changes in Equity during the financial year 2019 in the Pro-forma Financial Information. Please see "Pro forma Financial Information" on Page 226

On Account of the above mentioned factors, the net worth balance as at 31st March 2019, is not comparable to the net worth balance as at March 31, 2020 and March 31, 2021.

(iv) Return on Net Worth ratio: Profit for the year attributable to equity shareholders of the company divided by the Total Equity of the Company at the end of the year.

Return on Net Worth for the Financial year 2019 is not strictly comparable to the return on Net Worth for the financial year 2020 and year ended March 31, 2021 [Ref Note (iii) above]

(v) Return on Capital employed: Earnings before interest and tax (EBIT) divided by capital employed.

EBIT means profit before interest and taxation for the year.

Capital employed means total assets of the company less current liabilities (excluding payable to Promoter on account of business purchase consideration, which is presented under other current financial liabilities) for the year.

(vi) Net asset value per Equity share is calculated as Net worth at the end of the year divided by the weighted average number of equity shares

Net asset value per Equity Share for as at March 31, 2019 is not strictly comparable to the Net asset value per Equity share as at March 31, 2020 and March 31, 2021 [Ref Note (iii) above]

(vii) EBITDA is calculated as Profit before tax, plus depreciation, amortization and impairment expenses and finance costs while EBITDA Margin is the percentage of EBITDA divided by total revenue from operations

(viii) PAT Margin: Profit for the year attributable to equity shareholders of the company divided by the Total Revenue from operations of the Company.

(ix) Fixed Asset turnover ratio is calculated as Total Income for the year ended divided by Average value of fixed assets at the end of the year. Fixed asset comprises of Property, Plant and Equipment and Capital work-in-progress. Average fixed asset is the simple average of opening value at the beginning of the year and closing value of fixed asset at the end of the year.

The above ratios have been computed on the basis of the Proforma Financial information.

Non-GAAP financial measures

This section includes certain Non-GAAP financial measures relating to our financial performance (together, "Non-GAAP

financial measures" and each a "Non-GAAP financial measure"), as presented below. These Non-GAAP financial measures are not required by or presented in accordance with Indian GAAP.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this Prospectus, EBITDA, EBITDA margin, PAT margin, net worth and return on net worth, return on capital employed, net asset value per share and Fixed Asset turnover ratio are given below:

Reconciliation of return on net worth

(INR in Million)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Equity share capital (I)	19.60	19.60	19.60
Other equity (II)	7,507.87	3,997.32	861.65
Net worth (III)=(I+II)	7,527.47	4,016.92	881.25
Profit for the year (IV)	3,515.81	3,130.98	2,926.73
Return on net worth (V)=(IV/III)	46.71%	77.94%	332.11%

Reconciliation of return on capital employed

(INR in Million)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Total assets (I)	19,970.75	17,256.04	14,753.95
Current liabilities (II)	2,885.73	2,483.07	2,182.20
Capital employed (III=I-II)	17,085.03	14,772.97	12,571.75
Profit before interest and taxation for the year (IV)	5,584.91	4,545.82	4,044.44
Return on capital employed (V)=(IV/III)	32.69%	30.77%	32.17%

Reconciliation of net asset value per share

(INR in Million)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Equity share capital (I)	19.60	19.60	19.60
Other equity (II)	7,507.87	3,997.32	861.65
Net worth (III)=(I+II)	7,527.47	4,016.92	881.25
Number of equity shares (IV)	107,804,950	107,804,950	107,804,950
Net asset value per share (V)= (III/IV)	69.82	37.26	8.17

Reconciliation of EBITDA, EBITDA Margin and PAT Margin

(INR in Million)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Profit for the year (I)	3,515.81	3,130.98	2,926.73
Total tax expense (II)	1,193.63	1,079.69	1,111.66
Exceptional items (III)	-	-	-
Depreciation expense (IV)	333.94	293.68	253.74
Finance expense (V)	875.47	335.15	6.05
EBITDA (VI)=(I+II+III+IV+V)	5,918.86	4,839.50	4,298.18
Revenue from operations(VII)	18,851.65	15,373.13	14,050.26
EBITDA Margin (%) (VIII)=(VI/VII)	31.40%	31.48%	30.59%
PAT Margin (%)(IX)=(I/VII)	18.65%	20.37%	20.83%

Reconciliation of Fixed Asset Turnover Ratio

(INR in Million)

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Total Income (I)	18,859.76	15,493.03	14,054.97
Opening value of Fixed Assets (II)	5,498.08	5,303.00	5,158.97
Closing value of Fixed Assets (III)	5,789.86	5,498.08	5,303.00
Average value of Fixed Assets (IV)=((II)+(III))/2	5,643.97	5,400.54	5,230.98
Fixed Asset Turnover Ratio (V)=(I)/(IV)	3.34	2.87	2.69

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2021, on the basis of our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Information*" and "*Risk Factors*" beginning on pages 258, 175 and 22, respectively.

(*₹ in million*)

Particulars	Pre-Offer as at 31 March 2021 (A)	Adjusted for the Proposed Offer* (B)
Total borrowings^		
Current borrowings# (A)	-	-
Non-current borrowings** (including current maturities of long-term borrowings) #(B)	9,328.67	9,328.67
Total borrowings (C)	**9,328.67**	**9,328.67**
Total equity		
Equity share capital#	19.60	245.05
Other equity#	7,507.87	17,882.42
Total equity (D)	**7,527.47**	18,127.47
Total non-current borrowings (including current maturities of long- term borrowings)/ Total equity (B)/(D)	1.24	0.51
Total borrowings/ total equity (C) / (D)	**1.24**	**0.51**

* *The "Adjusted for the Proposed Offer" column reflects changes in equity on account of proceeds from the Fresh Issue of ₹ 10,600.00 million, out of which ₹ 29.44 million has been adjusted towards the Equity Share capital and ₹ 10,570.56 million has been adjusted in Securities Premium. Further, the other equity amount has not been adjusted for share issue expenses on account of the proposed Offer.*

* *The "Adjusted for the Proposed Offer" column also reflects the impact of the bonus issue of 98,004,500 Equity Shares allotted on April 6, 2021, pursuant to which the Equity Share capital has increased by ₹ 196.01 million and other equity has reduced by ₹ 196.01 million on account of reduction from retained earnings.*

* *The "Adjusted for the Proposed Offer" column does not reflect the impact of interest accrued on borrowings post March 31, 2021 and repayment of borrowings made post March 31, 2021.*

** *Non-current borrowing relate to amount payable to Parent Company on account of business purchase/ transfer consideration having current maturities, accordingly is being presented under other current financial liabilities in Restated Financial Information.*

\# *These terms carry the same meaning as per Schedule III of the Companies Act, 2013 (as amended).*

^ *Includes accrued interest.*

Notes:

- The amounts disclosed above are based on the Restated Ind AS Financial Information of the Company for the period ended and as at March 31, 2021.

- As per recommendation of the Board of Directors dated March 10, 2021 and approval of the Shareholders dated March 26, 2021, the Company at its Board Meeting dated April 6, 2021, has allotted 98,004,500 bonus Equity Shares of face value of ₹ 2 each in ratio of 10:1 (i.e. 10 (ten) bonus shares for every 1 (one) equity share). Consequently, the issued, subscribed and paid-up share capital has increased to ₹ 215.61 million comprising of 107,804,950 Equity Shares of face value of ₹ 2 each.

FINANCIAL INDEBTEDNESS

As of July 9, 2021, our outstanding borrowings aggregated to ₹9,161.69 million.

The following table sets forth details of the aggregate outstanding borrowings of our Company as of July 9, 2021:

Category of borrowing	Sanctioned Amount (INR in million)*	Outstanding amount (INR in million) as on July 9, 2021*
Outstanding purchase consideration – payable to Glenmark Pharmaceuticals Limited	-	8,008.30
Fund/ Non fund based (working capital facility)		
Bank Of Baroda	3,000.00	1,153.39[#]
Emirates Bank NBD (P.J.S.C)	850.00	-
Total	3,850.00	9,161.69

[*]As certified by N.K. Mittal & Associates, Chartered Accountants pursuant to their certificate dated July 12, 2021.
[#]Outstanding amount represents non-fund based working capital facility.

For further details, see Risk Factor "*Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and cash flows*" on page 32.

The Company has obtained consents from all its lenders, as required, in relation to the Offer.

Principal terms of the borrowings availed by us:

A summary of the principal terms of our borrowings are as set out below. The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us:

1. ***Tenor:*** The working capital facilities are either repayable on demand or have a tenor of 12 months.

2. ***Interest:*** The interest rate applicable to our borrowing facilities is typically tied to the respective lender's lending rate prevailing at the time, as applicable and which may vary for each facility.

3. ***Security:*** Our working capital facilities are unsecured. Our Promoter, Glenmark Pharmaceuticals Limited has provided corporate guarantees for our working capital facilities.

4. ***Prepayment:*** We have the option to prepay the lenders, subject to a prior notice being given to the lender.

5. ***Restrictive covenants:*** The borrowing arrangements entered into by us require the relevant lender's prior written consent and/or we are required to intimate the relevant lender, as applicable, for carrying out certain actions, including:

   (a) to effect any change in our capital structure;

   (b) to formulate any scheme of amalgamation or merger or demerger or reconstruction;

   (c) effecting any change in the ownership or control of our Company;

   (d) to undertake any material change in the management of business; and

   (e) to declare any dividend in case of an event of default.

   Our borrowing arrangements also require management control of our Company to be retained by our Promoter, and maintenance of a certain percentage of shareholding in our Company by our Promoter during the tenure of the facilities. Our borrowing arrangements also prescribe certain requirements in relation to management control and majority shareholding of our Promoter and its board of directors.

6. ***Events of default:*** The terms of our borrowings contain certain standard events of default, including:

   (a) failure and inability to pay amounts on the due date;

   (b) failure in performance of any covenant, condition or agreement;

   (c) cessation of business;

7. ***Consequences of event of default:*** Upon the occurrence of an event of default, certain lenders are entitled to, among other things:

   (a) accelerate repayments/ initiate recall of the loans;

   (b) to convert the outstanding amount of the loan into fully paid-up equity voting shares; and

   (c) exercise such other right, power or remedy permitted by law.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We have included in this section a discussion of our financial statements on a restated basis as well as on a pro forma basis. You should read the following discussion in conjunction with our Restated Financial Information and Pro Forma Financial Information for the financial years 2021, 2020 and 2019 including the related notes, schedules and annexures, included elsewhere in this Prospectus.

*The Restated Financial Information included in this Prospectus are prepared and presented in accordance with Ind AS, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules 2014, as amended, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by the ICAI (the "**Guidance Note**").*

*On July 10, 2018, our Company became a wholly-owned subsidiary of our Promoter, Glenmark, when Glenmark acquired 100% equity interest in our Company. On January 1, 2019, the API business of Glenmark comprising of, inter alia, the manufacturing facilities, movable assets, intellectual property, employees and all the liabilities attributable to the API business was spun off into our Company (the "**Spin-off**"). We have included in this Prospectus the Pro Forma Financial Information (to be read in conjunction with "Basis of Preparation of the Pro Forma Financial Information" on page 270) for the financial years 2021, 2020 and 2019, to demonstrate the effects of the Spin-off on our Company, including the results of operations and the financial position that would have resulted as if the Spin-off had taken place with effect from April 1, 2017. For further details, see "Financial Information – Pro Forma Financial Information" on page 226; "History and Certain Corporate Matters – Material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years" on page 151; and "Risk Factors – Internal Risk Factors – The Pro Forma Financial Information included in this Prospectus to reflect the spin-off of the API business of Glenmark into our Company is not indicative of our expected results or operations in the future periods or our future financial position or a substitute for our past results" on page 31.*

Industry and market data used in this section have been extracted from the Frost & Sullivan Report which has been commissioned by us as no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's products, that may be similar to the Frost & Sullivan Report. For further details and risks in relation to commissioned reports, see "Risk Factors – Internal Risk Factors – We have commissioned an industry report from Frost & Sullivan which has been used for industry related data in this Prospectus and such data has not been independently verified by us" on page 36.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Pro Forma Financial Information included in this Prospectus on page 226.

Ind AS differs in certain material respects with Indian GAAP, IFRS and U.S. GAAP. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward- looking Statements" and "Risk Factors" on pages 15 and 22, respectively.

Overview

We are a leading developer and manufacturer of select high value, non-commoditized active pharmaceutical ingredients ("**APIs**") in chronic therapeutic areas, including cardiovascular disease ("**CVS**"), central nervous system disease ("**CNS**"), pain management and diabetes (*Source: Frost & Sullivan Report*). We also manufacture and sell APIs for gastro-intestinal disorders, anti-infectives and other therapeutic areas. Our API portfolio comprises specialized and profitable products, including niche and technically complex molecules, which we believe reflects our capability to branch into other high value products. We have strong market share in select specialized APIs such as Telmisartan (anti-hypertensive), Atovaquone (anti-parasitic), Perindopril (anti-hypertensive), Teneligliptin (diabetes), Zonisamide (CNS) and Adapalene (dermatology) (*Source: Frost & Sullivan Report*). We are also increasingly providing contract development and manufacturing operations ("**CDMO**") services to a range of multinational and specialty pharmaceutical companies. We are a research and development ("**R&D**")-driven API manufacturer, focused on undertaking dedicated R&D in our existing products and in areas where we believe there is growth potential in the future. We believe that maintaining high standards of process innovation and quality in our R&D and manufacturing operations is critical to our brand and maintenance of long-term relationships with our customers.

We are a wholly-owned subsidiary of our Promoter, Glenmark Pharmaceuticals Limited ("**Glenmark**"), a research-oriented, innovation led, global pharmaceutical company, which was established in 1977 and is listed on the BSE and NSE. In 2001-2002, Glenmark launched the API manufacturing business by setting up a manufacturing facility in Kurkumbh in the state of Maharashtra, India and focused on growing this business over the next 18 years. In 2019, the API manufacturing business of Glenmark was sold and spun off into our Company as part of a broader reorganization designed to place Glenmark on an

accelerated trajectory to attain its objectives in three different verticals, with our Company focusing on the API business. Following the Spin-off, we operate as an independent, professionally-managed global API business.

Enabled by our high standards of quality and process innovation, our products are sold in both regulated markets and emerging markets. For the financial years 2021, 2020 and 2019, our revenue from regulated market products was ₹12,374.06 million, ₹10,966.21 million and ₹9,685.07 million , or 65.64%, 71.33% and 68.93% of our total revenue from operations, respectively.

As of March 31, 2021, we had a portfolio of 120 molecules globally and sold our APIs in India and exported our APIs to multiple countries in Europe, North America, Latin America, Japan and the rest of the world ("**ROW**"). As of May 31, 2021, we had filed 403 Drug Master Files ("**DMFs**") and Certificates of suitability to the monographs of the European Pharmacopoeia ("**CEPs**") across various major markets (i.e. United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia). As of March 31, 2021, 16 of the 20 largest generic companies globally were our customers (*Source: "A Year of Surprises Shakes Up Off-Patent Industry" | Informa, 2020*) and believe that we enjoy a reputation of trust and reliability with such companies.

We currently operate four multi-purpose manufacturing facilities which are situated on leasehold properties located at Ankleshwar and Dahej in the state of Gujarat, India, and Mohol and Kurkumbh in the state of Maharashtra, India with an aggregate annual total installed capacity of 726.6 KL as of March 31, 2021. Since 2015, our facilities have been subject to 38 inspections and audits by regulators including the USFDA, PMDA, COFEPRIS, Health Canada, MFDS (Korea), EDQM, other European regulatory agencies and CDSCO conducted on a periodic basis. We have not received any warning letters or import alerts from such regulatory authorities. Our facilities have also been subject to 432 inspections and audits by our customers during this period. We have been consistently implementing current Good Manufacturing Practices ("**cGMPs**") across each of our manufacturing facilities, which are monitored by a comprehensive Quality Management System ("**QMS**") encompassing all areas of business processes from R&D and raw material procurement to manufacturing, packaging and delivery. We focus on building quality into our products through compliance with global regulatory standards as well as local and state laws. We are focused on sustainability in our operations through meaningful interventions in environment management, safety initiatives in our operations and occupational health of our workforce, and have undertaken various initiatives relating to energy efficiency, recovery and reuse of solvents and water conservation to reduce our carbon footprint and endeavor to address global environment issues.

We intend to increase our API manufacturing capabilities by enhancing the existing production capacities at our Ankleshwar facility during the financial year 2022 and our Dahej facility during the financial years 2022 and 2023 by an aggregate annual total installed capacity of 200 KL. This additional production capacity is expected to help us further expand our generic API production and also grow our oncology product pipeline. We intend to develop a new manufacturing facility in India for the manufacture of generic APIs from the financial year 2022 which is expected to become operational in the fourth quarter of the financial year 2023. The new facility will also provide a platform for the growth of our CDMO business and also add capacity for our generic API business. This facility will be a greenfield project built on a 40-acre footprint with a plan to manufacture both APIs and intermediates and will house several multi-purpose manufacturing blocks with mid to high-volume capacity. It will include a high degree of automation and comply with global regulatory standards, and will have an aggregate capacity of 800 KL over the next three to four years. This facility is intended to be funded from internal accruals and debt financing (if required).

Our R&D laboratories focus on new product development and complex molecules, cost improvement programs, process improvements and oncology product development. To assist us with our R&D initiatives, we have established dedicated teams for new product development, complex products, oncology product development, technology transfer, life cycle management and project management. We also believe in a thorough and systematic approach to product selection for our development grid, from a detailed commercial evaluation of the market opportunity of a particular API, its development complexity, intellectual property landscape and the potential competitive scenario. We regularly work on developing eight to 10 molecules each year. As of March 31, 2021, we employed 213 personnel at our R&D laboratories, which constituted 13.86% of our total permanent employee strength. For the financial years 2021, 2020 and 2019, our total expenditure for R&D activities was ₹405.17 million, ₹400.28 million and ₹375.76 million, or 2.15%, 2.60% and 2.67% of our total revenue from operations, respectively. As of May 31, 2021 we owned or co-owned 39 granted patents and had 41 pending patent applications in several countries and six pending provisional applications in India.

We have a professional and experienced management team. Our management team has demonstrated the ability to successfully build and integrate our businesses with various operating activities through their cumulative years of work experience. In particular, they have led the process through which we have created value through organic growth, built brand recognition and loyalty and identified new business opportunities. This has been achieved through a portfolio buildup which we believe can be commercialized within the next five to seven years, efficiency enhancement measures, effective capacity utilization and talent improvement. In addition, we have a strong corporate governance system to monitor, guide and support our operations, with oversight by an experienced Board.

We have an established track record of delivering strong financial performance. Our total revenue from operations for the financial years 2021, 2020 and 2019 was ₹18,851.65 million, ₹15,373.13 million and ₹14,050.26 million, respectively. Our profit

before tax for the financial years 2021, 2020 and 2019 was ₹4,709.44 million, ₹4,210.67 million and ₹4,038.39 million respectively. Our EBITDA and EBITDA Margin for the financial years 2021, 2020 and 2019 were ₹5,918.85 million and 31.40%, ₹4,839.50 million and 31.48%, and ₹4,298.18 million and 30.59%, respectively. For a reconciliation of our profit for the period to EBITDA and a calculation of EBITDA Margin, see "*Financial Information – Other Financial Information*."

Significant Factors Affecting Our Results of Operations and Financial Condition

Our results of operations and financial condition are affected by a number of important factors including:

Our Relationships with Customers

We depend on global generic pharmaceutical companies for a significant portion of our revenues. As of March 31, 2021, 16 of the 20 largest generic companies globally were our customers (*Source: "A Year of Surprises Shakes Up Off-Patent Industry" | Informa, 2020*). Our key customers include Glenmark, Teva Pharmaceutical Industries, Torrent Pharmaceuticals, Aurobindo Pharma, Krka and another company which is a global leader in generic pharmaceuticals and biosimilars. For the financial years 2021, 2020 and 2019, our five largest customers for each respective period accounted for 55.88%, 56.65% and 54.35% of our total revenue from operations, respectively. The demand from our customers, in particular our five largest customers, determines our revenue levels and results of operations, and our sales are directly affected by the production and inventory levels of our customers. Our customers in turn are dependent on demand from corporate and government buyers, as well as general trends in the global pharmaceutical industry.

We have long-standing relationships with our key customers and a substantial portion of our sales to these customers are conducted on the basis of purchase orders that they place with us from time to time. Most of our customers provide us with forecasts of order volumes that help us estimate our production volumes and our revenue for that particular product or business line. However, it is difficult for us to predict with certainty when our customers will decide to increase or reduce inventory levels or levels of production, which strategic direction they will pursue, when they might launch new products or open new facilities, or whether future inventory levels will be consistent with historical levels.

Volume of Products Manufactured and Sold

The key driver in the growth of our revenue from operations has been the volume of products manufactured and sold by us.

For the financial years 2021, 2020 and 2019, our revenue from the sale of products in the CVS therapeutic area was ₹7,763.23 million, ₹6,681.61 million and ₹5,438.54 million, or 45.44%, 51.64% and 43.07% of our revenue from operations from our generic API business, respectively. For the financial years 2021, 2020 and 2019, our revenue from the sale of products in the CNS therapeutic area was ₹1,677.15 million, ₹1,279.82 million and ₹1,219.51 million, or 9.82%, 9.89% and 9.66% of our revenue from operations from our generic API business, respectively. For the financial years 2021, 2020 and 2019, our revenue from the sale of products in the diabetes therapeutic area was ₹618.67 million, ₹571.36 million and ₹795.02 million, or 3.62%, 4.42% and 6.30% of our revenue from operations from our generic API business, respectively. For the financial years 2021, 2020 and 2019, our revenue from the sale of products in the pain management therapeutic area was ₹705.74 million, ₹726.97 million and ₹684.97 million, or 4.13%, 5.62% and 5.42% of our revenue from operations from our generic API business, respectively. For the financial years 2021, 2020 and 2019, our revenue from the sale of APIs in other therapeutic areas was ₹6,319.44 million, ₹3,678.75 million and ₹4,489.29 million, or 36.99%, 28.43% and 35.55% of our revenue from operations from our generic API business, respectively.

We currently operate four multi-purpose manufacturing facilities located at Ankleshwar and Dahej in the state of Gujarat, India, and Mohol and Kurkumbh in the state of Maharashtra, India with an aggregate annual total installed capacity of 726.6 KL as of March 31, 2021. We intend to increase our API manufacturing capabilities by enhancing the existing production capacities at our Ankleshwar facility during the financial year 2022 and our Dahej facility during the financial years 2022 and 2023 by an aggregate annual total installed capacity of 200 KL. This additional production capacity is expected to help us further expand our generic API production and also grow our oncology product pipeline. We intend to develop a new manufacturing facility in India for the manufacture of generic APIs from the financial year 2022 which is expected to become operational in the fourth quarter of the financial year 2023. The new facility will also provide a platform for the growth of our CDMO business and also add capacity for our generic API business. This facility will be a greenfield project built on a 40-acre footprint with a plan to manufacture both APIs and intermediates and will house several multi-purpose manufacturing blocks with mid to high-volume capacity. It will include a high degree of automation and comply with global regulatory standards, and will have an aggregate capacity of 800 KL over the next three to four years.

Actual volumes and specifications of customer orders are fixed only when customers place purchase orders with us. Our actual production volumes may differ significantly from our estimates due to variations in customer demand for our products. When actual production volumes differ significantly from our estimates, we generally seek to make up any shortfalls through new orders, either with existing or with new customers. Further, since the purchase orders that our customers place with us may differ from quarter to quarter, our revenues, margins, profits, results of operations and cash flows have fluctuated in the past and we expect this trend to continue in the future. See "*Risk Factors – Internal Risk Factors – Our inability to accurately forecast*

demand for our products and manage our inventory may have an adverse effect on our business, results of operations, financial condition and cash flows."

Change in Regulatory Guidelines

We have strong market share in select specialized APIs such as Telmisartan (anti-hypertensive), Atovaquone (anti-parasitic), Perindopril (anti-hypersensitive), Teneligliptin (diabetes), Zonisamide (CNS) and Adapalene (dermatology) (*Source: Frost & Sullivan Report*).

In order to serve our domestic and international markets, we have invested significant resources in the development of our manufacturing facilities, which have been built in accordance with the cGMP guidelines. Since 2015, our facilities have been subject to 38 inspections and audits by regulators including the USFDA, PMDA, COFEPRIS, Health Canada, MFDS (Korea), EDQM, other European regulatory agencies and CDSCO conducted on a periodic basis. We have not received any warning letters or import alerts from such regulatory authorities. Our facilities have also been subject to 432 inspections and audits by our customers during this period. GSK assigned the lease over the land and transferred ownership of the property and equipment in respect of the Ankleshwar facility to Glenmark in 2004 and Glenmark upgraded the facility to comply with USFDA certification requirements in the same year. All of our manufacturing facilities have received several key regulatory approvals and accreditations, which enables us to supply our products in regulated and other markets.

Policy decisions by regulators, such as USFDA, in major developed countries may have the effect of limiting the importation of APIs and may have a material effect on our business. In addition, our ability to continue to file DMFs and CEPs will be important as customers will only tie up with us if we submit such filings. As of May 31, 2021, we had filed 403 DMFs and CEPs across various major markets (i.e. United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia).

Competitive Pricing of Products and Availability and Cost of Raw Materials

Our ability to maintain cost competitiveness in our products is important for our business and is dependent on efficient management of our production costs. Our cost of materials consumed constitutes the largest component of our cost structure. For the financial years 2021, 2020 and 2019, our cost of materials consumed and changes in inventories of finished goods and work-in-progress were ₹9,054.97 million, ₹6,904.58 million and ₹6,264.43 million, or 48.03%, 44.91% and 44.59% of our total revenue from operations, respectively. We currently source most of our key raw materials from vendors in China and India. As we continue to grow our product portfolio and increase our production capacities, we would need to procure additional volumes of raw materials. We typically do not enter into long-term supply contracts with any of our vendors and instead place purchase orders with them from time to time. We are thus exposed to fluctuations in availability and prices of our raw materials, including on account of exchange rate fluctuations, and we may not be able to effectively pass on any increase in cost of raw materials to our customers, which may affect our margins, sales, results of operations and cash flows. Any inability on our part to procure sufficient quantities of raw materials and on commercially acceptable terms, could lead to a change in our manufacturing and sales volumes.

We seek to de-risk our operations by continuing to diversify our procurement base, reduce the amount of materials that we import and procure more materials from Indian suppliers. In addition, we have invested and will continue to invest in backward integration of key starting materials to become more self-reliant and less dependent on our vendors for raw materials, as such dependence on vendors may sometimes impact our timely manufacture and delivery of APIs to our customers.

Success in Growth of Our Business Lines

We have historically derived a significant percent of our revenue from our API manufacturing (generics and complex APIs) business and believe we will continue to see strong growth in our API manufacturing business. In particular, we see the complex API business as a key growth opportunity and intend to leverage our proven expertise in the area of synthetic chemistry and analytical characterization to aggressively expand our existing technology platforms to manufacture and grow our complex API portfolio in oncology, peptides and iron compounds, thereby expanding our existing portfolio of API products.

Our CDMO business currently comprises applying for and procuring permission to market products in regulated markets as well as contract manufacturing of APIs for utilization by pharmaceutical companies to make formulations. In particular, we see the specialty business as a key growth opportunity and an added lever for our API market expansion, with multiple companies in the United States and Europe currently focused on developing products under Section 505(b)(2) of the Federal Food, Drug, and Cosmetic Act. In addition, the specialty business offers higher business stability with relatively higher margins due to the complex nature of the products which leads to high customer stickiness. The specialty 505 (b) (2) drug market is estimated to be US$128.5 million in 2020 and sales are expected to grow at 1.5% CAGR (2021-2026) to reach about US$133 million by 2026. This growth is attributed by increased number of filings/approvals for drugs with extended release formulations, new dosage forms and new combinations (*Source: Frost & Sullivan Report*). To this end, we aim to continue developing customized solutions for specialty pharmaceutical companies focused on creating niche markets through novel formulations, thereby expanding the market for existing therapies. As an API provider to such customers, we have helped create value through a blend of product

customization and regulatory strategy to allow market access. We aim to tap all possible opportunities in the specialty business, both from our existing portfolio as well as new development opportunities.

The success in the growth of our business lines will affect our results of operations and cash flows.

Research and Development

We are focused on undertaking dedicated R&D in areas which we believe have growth potential. Our R&D operations are focused on developing new products and complex molecules as well as improving the efficiency of our existing products. For the financial years 2021, 2020 and 2019, our total expenditure for R&D activities was ₹405.17 million, ₹400.28 million and ₹375.76 million, or 2.15%, 2.60% and 2.67% of our total revenue from operations, respectively. As of March 31, 2021, we employed 213 personnel at our R&D laboratories, which constituted 13.86% of our total permanent employee strength. We believe that our strong process research, analytical research and process chemistry research capabilities provide us significant competitive advantages.

To develop our product pipeline, we commit substantial time, funds and other resources in R&D. In addition, we must adapt to rapid changes in our industry due to technological advances and scientific discoveries. We strive to keep our technology, facilities and machinery current with the latest international standards. The cost of implementing new technologies, upgrading our manufacturing facilities and retaining our research staff affects our results of operations and cash flows.

Tax Incentives

Under the provisions of Section 115BAA of the Income Tax Act, 1961, we have availed the option to pay income tax in respect of our total income at a concessional tax rate of 25.168% (including applicable surcharge and cess) subject to satisfaction of applicable conditions with effect from the financial year 2020. Such option once exercised shall apply to subsequent assessment years. We are also availing export incentives under the Merchandise Export Incentive Scheme ("**MEIS**") on our exports. The MEIS benefit for export of goods for the period from September 1, 2020 to December 31, 2020 has been capped at ₹20 million pursuant to Notification No. 30/2015-2020 dated September 1, 2020 promulgated by the Government of India. These tax benefits and incentives contribute to our results of operations and cash flows and a change in tax benefits and incentives available to us would likely affect our profitability.

Statement of Significant Accounting Policies for Restated Financial Information

Basis of Preparation

The Restated Financial Information have been prepared in accordance with the Indian Accounting Standards (Ind AS) and comply in all material respects with the applicable accounting standards notified under section 133 of the Companies Act, 2013. These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including investments), defined benefit plans, plan assets and share-based payments.

Use of Estimates

The preparation of these financial statements in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires our management to exercise judgment in the process of applying our accounting policies. The areas involving a higher degree of judgment or complexity, or area where assumptions and estimates are significant to these financial statements are disclosed in the Restated Financial Information.

Foreign Currency Translation

Foreign currency transactions are recorded at the exchange rates prevailing at the date of such transactions. Monetary assets and liabilities as at the balance sheet date are translated at the rates of exchange prevailing at the date of the balance sheet. Gain/loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognized in the statement of profit and loss, unless they are considered as an adjustment to borrowing costs, in which case they are capitalized along with the borrowing cost.

Revenue Recognition

We apply principles provided under Ind AS 115 'Revenue from contracts with customers' which provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognized when or as those performance obligations are satisfied.

We receive revenue for supply of goods to external customers against orders received. The majority of contracts that we enter into relate to sales orders containing single performance obligations for the delivery of pharmaceutical products. The average duration of a sales order is less than 12 months.

Product revenue is recognized when control of the goods is passed to the customer. The point at which control passes is determined by each customer arrangement, but generally occurs on delivery to the customer.

Product revenue represents net invoice value including fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognized in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.

Goods and Service tax and other value added taxes are excluded from revenue.

Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. When parts of an item of property, plant and equipment have significant cost in relation to total cost and different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Profits and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized within “other income/expense in the statement of profit and loss. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to us, its cost can be measured reliably and it has a useful life of at least twelve months. The costs of other repairs and maintenance are recognized in the statement of profit and loss as incurred.

Depreciation

Depreciation is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or their useful lives, unless it is reasonably certain that we will obtain ownership by end of the lease term. The table below sets out useful lives of these assets based on internal assessment and supported by technical advice where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. The estimated useful lives are as follows:

	Useful lives estimated by the management (years)
Factory and other buildings	26 – 61
Plant and machinery	1 – 21
Furniture, fixtures and office equipment	1 – 10
Vehicles	1 – 8

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Borrowing Costs

Borrowing costs primarily comprise interest on our borrowings. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported under 'finance costs'. Borrowing costs are recognized using the effective interest rate method.

Intangible Assets

Research and development:

Expenses on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognized in the statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the assets are controlled by us and we intend to and have sufficient resources to complete development and to use or sell the asset. The expenditure capitalized includes the cost of

materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognized in the statement of profit and loss as incurred.

Our internal drug development expenditure is capitalized only if they meet the recognition criteria as mentioned above. Where uncertainties exist that the said criteria may not be met, the expenditure is recognized in the statement of profit and loss as incurred. Where the recognition criteria are met, intangible assets are recognized. Based on the management estimate of the useful lives, indefinite useful life assets are tested for impairment and assets with limited life amortized on a straight-line basis over their useful economic lives from when the asset is available for use. During the periods prior to their launch (including periods when such products have been out-licensed to other companies), these assets are tested for impairment on an annual basis, as their economic useful life is indeterminable till then.

Payments to in-license products and compounds from third parties generally taking the form of up-front payments and milestones are capitalized and amortized on a straight-line basis, over their useful economic lives from when the asset is available for use. During the periods prior to their launch, these assets are tested for impairment on an annual basis, as their economic useful life is indeterminable till then.

De-recognition of intangible assets

Intangible assets are de-recognized either on their disposal or where no future economic benefits are expected from their use or disposal. Losses arising on such de-recognition are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are subject to impairment testing at each reporting date. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Any impairment losses are recognized immediately in the statement of profit and loss

Other intangible assets

Other intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses, if any. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which they relate. Software for internal use, which is primarily acquired from third-party vendors, including consultancy charges for implementing the software, are capitalized. Subsequent costs are charged to the statement of profit and loss as incurred. The capitalized costs are amortized over the estimated useful life of the software.

Amortization

Amortization of intangible assets, intangible assets not available for use and intangible assets having indeterminable life, is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives from the date that they are available for use. The estimated useful lives of intangible assets are one to ten years

Impairment Testing of Property, Plant and Equipment, and Intangible Assets

The carrying amounts of our non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets that have indefinite lives or that are not yet available for use are tested for impairment annually; their recoverable amount is estimated annually each year at the reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("cash-generating unit"). The recoverable amount of an asset or cash-generating unit is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Intangibles with indefinite useful lives are tested for impairment individually.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Investments and Financial Assets

Classification

We classify our financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

- those measured at amortized cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether we have made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

We reclassify debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, we measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Measurement of debt instruments

Subsequent measurement of debt instruments depends on our business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which we classify our debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in the statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss and recognized in other income/expenses. Interest income from these financial assets is included in other income using the effective interest rate method.

- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in the statement of profit and loss and presented net in the statement of profit and loss within other income/expenses in the period in which it arises. Interest income from these financial assets is included in other income.

Measurement of equity instruments

We subsequently measure all equity investments other than those elected to be at cost under Ind AS 27 at fair value. Where our management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in the statement of profit and loss as other income when our right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other income/ expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

We assess on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 to the Restated Financial Information details how we determine whether there has been a significant increase in credit risk.

For trade receivables only, we apply the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognized only when:

- we have transferred the rights to receive cash flows from the financial asset; or
- we retain the contractual rights to receive the cash flows of the financial asset, but assume a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, we evaluate whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if we have not retained control of the financial asset. Where we retain control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Interest income from financial assets

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, we estimate the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but do not consider the expected credit losses.

Financial Liabilities

Non derivative financial liabilities include trade and other payables.

Borrowings and other financial liabilities are initially recognized at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognized as an asset/liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortized cost using the effective interest rate method

Borrowings are derecognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of profit and loss. The gain/loss is recognized in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless we have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables are recognized initially at their transaction values which also approximate their fair values and subsequently measured at amortized cost less settlement payments.

Inventories

Inventories of finished goods, stock in trade, work in process, consumable stores and spares, raw material and packing material are valued at cost or net realizable value, whichever is lower. Cost of inventories is determined on a weighted moving average basis. Cost of work-in-process and finished goods include the cost of materials consumed, labor, manufacturing overheads and other related costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

In determining the allowance for slow moving, obsolete and other non-saleable inventory, we consider factors such as estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors affect our business and markets. We consider all these factors and adjust the inventory provision to reflect our actual experience on a periodic basis.

Accounting for Income Taxes

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized in other comprehensive income, in which case it is recognized in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for the following temporary differences:

- the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and

- taxable temporary differences relating to investments in subsidiaries to the extent it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized/ settled simultaneously.

Leases

We recognize a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, our incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if we are reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in our estimate of the amount expected to be payable under a residual value guarantee, or if we change our assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

We have elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. We recognize the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Equity

Share capital is determined using the nominal value of shares that are issued. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

Securities premium includes any premium received on the issue of share capital. Any transaction costs associated with the issue of shares is deducted from Securities premium, net of any related income tax benefits.

Retained earnings include all current and prior period results, as disclosed in the statement of profit and loss.

Employment Benefits

Short-term benefits

Short-term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if we have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which we pay fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognized provident funds, approved superannuation schemes and other social securities, which are defined contribution plans, are recognized as an employee benefit expense in the statement of profit and loss as incurred.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Our net obligation in respect of an approved gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each material plan by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation performed annually by a qualified actuary using the projected unit credit method.

The benefit is discounted to determine the present value of the defined benefit obligation and the current service cost. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of our obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The fair value of any plan assets is deducted from the present value of the defined benefit obligation to determine the amount of deficit or surplus. The net defined benefit liability/ (asset) is determined as the amount of the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The net defined benefit liability/(asset) is recognized in the balance sheet.

Defined benefit costs are recognized as follows:

- service cost in the statement of profit and loss;
- net interest on the net defined benefit liability (asset) in the statement of profit and loss; and
- remeasurement of the net defined benefit liability/ (asset) in other comprehensive income.

Service costs comprise of current service cost, past service cost, as well as gains and losses on curtailment and settlements. The benefit attributable to current and past periods of service is determined using the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the benefit is attributed on a straight-line basis. Past service cost is recognized in the statement of profit and loss in the period of plan amendment. A gain or loss on the settlement of a defined benefit plan is recognized when the settlement occurs.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period, taking account of any changes in the net defined benefit liability/(asset) during the period as a result of contribution and benefit payments.

Remeasurement comprises of actuarial gains and losses, the return on plan assets (excluding interest), and the effect of changes to the asset ceiling (if applicable). Remeasurement recognized in other comprehensive income is not reclassified to the statement of profit and loss.

Compensated leave of absence

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with our policy and receive cash in lieu thereof. We measure the expected cost of accumulating compensated absences as the additional amount that we expect to pay as a result of the unused entitlement that has accumulated at the date of the balance sheet. Such measurement is based on actuarial valuation as at the date of the balance sheet carried out by a qualified actuary.

Termination benefits

Termination benefits are recognized as an expense when we are demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if we have made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when present obligations as a result of past events will probably lead to an outflow of economic resources from us and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the best estimate of expenditure required to settle the present obligation at the reporting date, based on the most reliable evidence, including the risks and uncertainties and timing of cashflows associated with the present obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the balance sheet.

Any amount that we can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset up to the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets are not recognized.

Share-based Compensation

All employee services received in exchange for the grant of any equity-settled share-based compensation are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based compensation is ultimately recognized as an expense in the statement of profit and loss with a corresponding credit to equity (stock compensation reserve). If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to expense recognized in prior periods if fewer share options are ultimately exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as securities premium.

Basis of Preparation of the Pro Forma Financial Information

Our pro forma financial information comprises of the pro forma balance sheet as at March 31, 2021, March 31, 2020 and March 31, 2019 and the pro forma statement of profit and loss for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, read with the notes to the pro forma financial information (the "**Pro Forma Financial Information**").

On July 10, 2018, our Company became a wholly-owned subsidiary of our Promoter, Glenmark, when Glenmark acquired 100% equity interest in our Company. On January 1, 2019, the API business of Glenmark comprising of, *inter alia*, the manufacturing facilities, movable assets, intellectual property, employees and all the liabilities attributable to the API business was spun off into our Company (the "**Spin-off**"). The transfer of business was considered as business combination of entities under common control as per Appendix C of Ind AS 103. Therefore, the disclosure and accounting of the API business acquired by our Company was reflected in our audited financial statements for the financial year 2019 using pooling of interest method effective from July 10, 2018, in line with the requirements of Ind AS 103.

Consequently, our audited financial statements for the financial year 2019 reflected (i) the results of all the transactions of the API business acquired from Glenmark from January 1, 2019 to March 31, 2019 which are beneficially and contractually carried out by our Company, including transactions with Glenmark carried out at arm's length price and with commercial substance and (ii) results of transactions with external parties for the period from July 10, 2018 to December 31, 2018 related to API business which were beneficially and contractually carried out by Glenmark and represented the commercial substance of API business on an independent basis.

Prior to the Spin-off, products of the API division of Glenmark was captively consumed for its formulation business. Hence, there were stock transfer from API plants to formulation plants. Being part of the same group, these intra-company transactions (i.e. transactions between the API division and formulation division of Glenmark) were executed without considering arm's length margins and as stock transfers. After the Spin-off, (i.e. January 1, 2019 onwards), our Company has also added the appropriate margins on arm's length basis on the sales of its products to Glenmark. The Pro Forma Financial Information also reflects the effects of arm's length margins as if the API business had been acquired with effect from April 1, 2017.

The Pro Forma Financial Information has been prepared to demonstrate the effects of the Spin-off on our Company, including the results of operations and the financial position that would have resulted as if the Spin-off had taken place with effect from April 1, 2017. Because of its nature, the Pro Forma Financial Information addresses a theoretical situation and therefore does not represent our Company's factual financial position or results. It purports to indicate the results of operations and the financial position that would have resulted had the business transfer been completed on April 1, 2017 but is not intended to be indicative of expected results or operations in the future periods or the future financial position of our Company.

The pro forma adjustments are based upon available information and assumptions that the management of our Company believes to be reasonable. Such Pro Forma Financial Information has been prepared on the basis as stated in the following section "Pro Forma Adjustments" and accordingly should not be relied upon as if it had been prepared in accordance with the generally accepted accounting principles.

In addition, the rules and regulations related to the preparation of the Pro Forma Financial Information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below.

The Pro Forma Financial Information for the years presented has been prepared by combining the following financial information prepared as per generally accepted accounting principles in India and after making the adjustments as detailed under "Pro Forma Adjustments" below:

(i) the audited financial statements of our Company for the years ended and as at March 31, 2021, March 31, 2020 and March 31, 2019, on which the auditors have expressed an unmodified audit opinion pursuant to their reports dated May 26, 2021, June 26, 2020 and May 29, 2019.

(ii) the audited financial statements of Glenmark for the year ended and as at March 31, 2019 and March 31, 2018, on which the auditors have expressed unmodified audit opinion pursuant to their report dated May 29, 2019 and May 29, 2018. These financial statements have been taken as base to extract the relevant financial information related to API business for the below mentioned year/periods:

- Financial information related to entire API business (including both transactions with external parties and intra company transactions) for the year ended and as at March 31, 2018.

- Financial information related to entire API business (including both transactions with external parties and intra-company transactions) for the period April 1, 2018 to July 9, 2018.

- Financial information related to intra-company transactions pertaining to API business for the period July 10, 2018 to December 31, 2018.

(iii) The restated financial statements of our Company for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 on which the auditors of our Company have issued an unmodified examination report dated July 9, 2021.

Further, the Pro Forma Financial Information or all the periods and years consists of three columns wherein:

(a) Column 1 represents the Restated Financial Information.

(b) Column 2 represents pro forma adjustments as mentioned below.

(c) Column 3 represents total of 'a' and 'b' above.

Pro Forma Adjustments

The pro forma adjustments mainly pertains to financial information of API business acquired by our Company from Glenmark. The relevant information (including income, expenses, assets and liabilities attributable to the API division) has been extracted from Glenmark's financial information system and relevant adjustments has been same, wherever required.

The following adjustments have been made to the historical financial information:

(a) API Business Financial Information Excluding Intra-Group Transactions

Our Company has presented financial information related to acquired API business for all the transactions with external parties (i.e. all transactions except intra-group transactions between API division and other divisions of Glenmark) from July 10, 2018 onwards in the Restated Financial Information as on and for the year ended March 31, 2019 and thereafter. Hence, all the transactions related to API division before July 10, 2018 with external parties is presented as pro forma adjustments.

(b) Intra-Company Transactions

Our Company has presented the intra-group transaction from the January 1, 2019 (the date of the Spin-off) onwards in its Restated Financial Information. For the period April 1, 2017 to December 31, 2018, all intra-group transactions have been extracted from Glenmark's financial information system and is presented as pro forma adjustments. These intra-company transactions include intra-company API transfers by the API division to the other divisions of Glenmark. These intra-company API transfers are represented as sales after applying, appropriate margins on arm's length basis and reflects the commercial substance of the business on the same basis as has existed post Spin-off date. Corresponding cost of sales is presented as pro forma adjustments.

(c) Intra-Company Transactions

On January 1, 2019 (i.e. the Spin-off date), our Company arrived at the liability related to API business transferred by Glenmark which reflected under "other current financial liabilities" in the Restated Financial Information. The said liability has been computed based on book values of net assets acquired by our Company. Computation of the same is as mentioned below:

Sl. No.	Assets and Liabilities taken over	INR in millions
1	Property, Plant and Equipment	5,298.47
2	Inventories	4,596.56
3	Trade receivables	3,634.43
4	Other assets and liabilities	640.35
5	Trade payables	(2,547.87)
	Liability for net assets taken over	**11,621.94**

Prior to the Spin-off date, most of the working capital pertaining to the API division was managed by Glenmark. Glenmark has paid for most of expenses incurred by the API division and has collected the amount for most of the

income earned by the said division. The net receivables or payable on this account is clubbed in the proforma financial information along with the liability for the net assets taken over from Glenmark as mentioned above.

(d) Transition Service Cost

Subsequent to the acquisition date, our Company is making payment to Glenmark towards transition services costs provided by Glenmark in relation to the use of common facilities such as information technology, administration and environment health and safety (EHS) services. This transition services cost is considered as pro forma adjustments and same has been adjusted to the pre-acquisition period financial information.

(e) Tax Expenses

Tax expense is determined for the API business as if the API business is a separate taxable entity with effect from April 1, 2017. Hence, pro forma financial information is taken as a base to compute the tax expense and tax liabilities. Adjustment has been made to the deferred taxes considering the adjustments made in the historical financial information.

(f) Earnings per Share

Earnings per shares has been computed assuming the business transfer had taken place on April 1, 2017. Hence, weighted average shares for all the periods presented has been changed to give effect of the same.

Note: The pro forma adjustments as described above pertain to the period from April 1, 2017 to December 31, 2018. The net accumulated impact on the statement of profit and loss transferred to equity for the relevant years. Other equity balance is also impacted due to actuarial valuation of defined employee benefit obligations till acquisition date. As of December 31, 2018, all the accumulated adjustments made to equity on account of above mentioned factors have been transferred from equity to the liability for the net assets taken over from the Parent Company and reflected as "Cumulative impact of Pro forma Adjustments" in the Statement of Changes in Equity during the financial year 2019 in the Pro forma Financial Information.

Geographical Market Reporting Based on Restated Financial Information

We have reportable geographical markets based on location of customers:

- Income from customers within India – Domestic; and
- Income from customers outside India – Exports.

	Financial Year ended March 31					
	2021		**2020**		**2019**	
	(₹ in millions)	***(% of Revenue from operations)***	***(₹ in millions)***	***(% of Revenue from operations)***	***(₹ in millions)***	***(% of Revenue from operations)***
Within India	10,480.71	55.60%	7,874.10	51.22%	3,559.20	40.15%
Outside India	8,370.94	44.40%	7,499.03	48.78%	5,305.01	59.85%
Revenue from operations	**18,851.65**	**100.00%**	**15,373.13**	**100.00%**	**8,864.21**	**100.00%**

Revenue and Expenses

Our revenue and expenditure is reported in the following manner:

Revenue

Income. Total income consists of revenue from operations and other income.

Revenue from operations. Revenue from operations comprises revenues from the sale of products and other operating revenue. Sale of products comprises income from the sale of APIs and CDMO business. Other operating revenue primarily comprises of export incentives, sale of scrap/by-products and others (primarily reflecting income from development services provided to our customers).

Other Income. Other income primarily comprises interest income, net gain on foreign exchange fluctuations and miscellaneous income.

Expenses

Expenses consist of cost of materials consumed and changes in inventories of finished goods and work-in-progress ("cost of materials"), employee benefits expenses, finance costs, depreciation and amortization expense and other expenses.

Cost of materials consumed. Cost of materials consumed comprises consumption of raw materials and packing materials, and consumption of stores and spares.

Changes in inventories of finished goods and work-in-progress. Changes in inventories of finished goods and work-in-progress comprises net increase or decrease in stock of finished goods and work-in-process of APIs.

Employee benefits expenses. Employee benefits expenses comprise salaries, allowances and bonus, contributions to provident and other funds and retirement benefits, and staff welfare expenses.

Finance costs. Finance costs comprise interest expense on business purchase consideration relating to the Spin-off and others such as interest on deferred trade and other payables.

Depreciation and amortization expense. Our depreciation and amortization cost relate to property, plant and equipment and intangible assets.

Other expenses. Other expenses primarily include power, fuel and water charges, labor charges, repairs and maintenance of plant, machinery, building and others, export commission, freight, exchange loss (net) and other expenses.

Results of Operations Based on Our Pro Forma Financial Information

The following table sets forth select financial data from our pro forma statement of profit and loss for the financial years 2021, 2020 and 2019, the components of which are also expressed as a percentage of total pro forma income for such periods:

	Financial Year ended March 31,					
	2021		**2020**		**2019**	
	(₹ in millions)	***(% of Total Income)***	***(₹ in millions)***	***(% of Total Income)***	***(₹ in millions)***	***(% of Total Income)***
Income						
Revenue from operations	18,851.65	99.96%	15,373.13	99.23%	14,050.26	99.97%
Other Income	8.11	0.04%	119.90	0.77%	4.71	0.03%
Total income	**18,859.76**	**100.00%**	**15,493.03**	**100.00%**	**14,054.97**	**100.00%**
Expenses						
Cost of materials consumed	9,761.98	51.76%	6,951.00	44.87%	7,195.45	51.20%
Changes in inventories of finished goods and work-in-progress	(707.01)	(3.75)%	(46.42)	(0.30)%	(931.02)	(6.63)%
Employee benefits expense	1,491.31	7.91%	1,422.80	9.18%	1,296.99	9.23%
Finance costs	875.47	4.64%	335.15	2.16%	6.05	0.04%
Depreciation and amortization expense	333.94	1.77%	293.68	1.90%	253.74	1.81%
Other expenses	2,394.63	12.70%	2,326.15	15.01%	2,195.37	15.62%
Total Expenses	**14,150.32**	**75.03%**	**11,282.36**	**72.82%**	**10,016.58**	**71.27%**
Profit before tax	**4,709.44**	**24.97%**	**4,210.67**	**27.18%**	**4,038.39**	**28.73%**
Tax expenses:						
Current tax	1,127.46	5.98%	985.42	6.36%	975.70	6.94%
Deferred tax	66.17	0.35%	94.27	0.61%	135.96	0.97%
Total tax expense	**1,193.63**	**6.33%**	**1,079.69**	**6.97%**	**1,111.66**	**7.91%**
Profit for the year	**3,515.81**	**18.64%**	**3,130.98**	**20.21%**	**2,926.73**	**20.82%**

	Financial Year ended March 31,					
	2021		2020		2019	
	(₹ in millions)	*(% of Total Income)*	*(₹ in millions)*	*(% of Total Income)*	*(₹ in millions)*	*(% of Total Income)*
Other comprehensive income:						
Items than will not be reclassified to profit or loss						
- Remeasurement of the post-employment benefit obligation	(7.03)	(0.04)%	6.35	0.04%	6.23	0.04%
- Income tax relating to the above	1.77	0.01%	(1.66)	(0.01)%	(1.81)	(0.01)%
Other comprehensive income/ (loss) for the year	**(5.26)**	**(0.03)%**	**4.69**	**0.03%**	**4.42**	**0.03%**
Total comprehensive income for the year	**3,510.55**	**18.61%**	**3,135.67**	**20.24%**	**2,931.15**	**20.85%**

Financial Year 2021 compared to Financial Year 2020

Total Income. Our total income increased by 21.73% to ₹18,859.76 million for the financial year 2021 from ₹15,493.03 million for the financial year 2020, primarily due to an increase in revenue from operations.

Revenue from Operations. Our revenue from operations increased by 22.63% to ₹18,851.65 million for the financial year 2021 from ₹15,373.13 million for the financial year 2020, primarily due to an increase in revenue from sale of products.

- Our revenue from the sale of products increased by 24.56% to ₹18,613.95 million for the financial year 2021 from ₹14,943.41 million for the financial year 2020, primarily due to an increase in our generics API sales by 32.04% to ₹17,084.23 million for the financial year 2021 from ₹12,938.51 million for the financial year 2020, which was partially offset by a decrease in our CDMO business by 23.70% to ₹1,529.72 million for the financial year 2021 from ₹2,004.92 million for the financial year 2020 due to reduced demand for our CDMO products. The increase in our generics API sales was primarily driven by the expansion of our business into emerging markets and growth in regulated markets.

- Our other operating revenue decreased by 44.68% to ₹237.70 million for the financial year 2021 from ₹429.72 million for the financial year 2020, primarily due to a decrease in export incentives by 58.11% to ₹ 118.46 million for the financial year 2021 from ₹ 282.78 million for the financial year 2020 and a decrease in sale of scrap/by-products by 18.85% to ₹119.24 million for the financial year 2021 from ₹146.94 million for the financial year 2020.

Other Income. Our other income decreased to ₹8.11 million for the financial year 2021 from ₹119.90 million for the financial year 2020, primarily due to no exchange gain (net) recorded in financial year 2021 as compared to an exchange gain (net) of ₹112.39 million recorded in the financial year 2020.

Expenses

Cost of Materials. Cost of materials increased by 31.14% to ₹9,054.97 million for the financial year 2021 from ₹6,904.58 million during the financial year 2020. This increase was primarily due to an increase in the volume of raw materials purchased by us in line with the overall increase in the manufacturing and sale of our API products during the financial year 2021.

Employee Benefits Expenses. Employee benefits expenses increased by 4.82% to ₹1,491.31 million for the financial year 2021 from ₹1,422.80 million for the financial year 2020, primarily as a result of an increase in our number of employees as a result of the growth in our business and operations and annual compensation increments given to our employees. Our number of employees increased to 1,537 employees as of March 31, 2021 from 1,510 employees as of March 31, 2020.

Finance Costs. Our finance costs increased to ₹875.47 million for the financial year 2021 from ₹335.15 million for the financial year 2020. The increase was primarily due to interest expense on business purchase consideration relating to the Spin-off of ₹874.70 million incurred for all twelve months of the financial year 2021, compared to such business purchase consideration incurring interest for only three months of the financial year 2020.

Depreciation and Amortization Expense. Our depreciation and amortization expenses increased by 13.71% to ₹333.94 million for the financial year 2021 from ₹293.68 million for the financial year 2020, primarily on account of capital expenditure incurred towards expanding manufacturing capacities at our Ankleshwar and Dahej sites.

Other Expenses. Other expenses increased by 2.94% to ₹2,394.63 million for the financial year 2021 from ₹2,326.15 million for the financial year 2020, primarily due to an increase in commission on sales to ₹127.74 million for the financial year 2021 from ₹31.64 million for the financial year 2020, an increase in freight outward to ₹139.87 million for the financial year 2021 from ₹95.32 million for the financial year 2020, an increase in other repairs and maintenance to ₹196.86 million for the financial year 2021 from ₹160.57 million for the financial year 2020 and an exchange loss (net) of ₹34.59 million recorded in the financial year 2021.

Total Tax Expense

Our total tax expense increased to ₹1,193.63 million for the financial year 2021 from ₹1,079.69 million for the financial year 2020, due to an increase in revenue from operations and profit for the year.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 12.29% to ₹3,515.81 million for the financial year 2021 from ₹3,130.98 million for the financial year 2020.

Financial Year 2020 compared to Financial Year 2019

Total Income. Our total income increased by 10.23% to ₹15,493.03 million for the financial year 2020 from ₹14,054.97 million for the financial year 2019, primarily due to an increase in revenue from operations.

Revenue from Operations. Our revenue from operations increased by 9.42% to ₹15,373.13 million for the financial year 2020 from ₹14,050.26 million for the financial year 2019, primarily due to an increase in revenue from sale of products.

- Our revenue from the sale of products increased by 9.81% to ₹14,943.41 million for the financial year 2020 from ₹13,607.94 million for the financial year 2019, primarily due to a significant increase in our CDMO business, which increased by 104.45% to ₹2,004.90 million for the financial year 2020 from ₹980.61 million for the financial year 2019.

- Our other operating revenue decreased by 2.85% to ₹429.72 million for the financial year 2020 from ₹442.31 million for the financial year 2019, primarily due to a decrease in sale of scrap/by-products.

Other Income. Our other income increased to ₹119.90 million for the financial year 2020 from ₹4.71 million for the financial year 2019, primarily due to an exchange gain (net) of ₹112.39 million recorded in the financial year 2020 on account of depreciation of the India rupee against the US dollar during the financial year 2020.

Expenses

Cost of Materials. Cost of materials increased by 10.22% to ₹6,904.58 million for the financial year 2020 from ₹6,264.43 million during the financial year 2019. This increase was primarily due to an increase in the volume of raw materials purchased by us in line with the overall increase in the manufacturing and sale of our API products during the financial year 2020.

Employee Benefits Expenses. Employee benefits expenses increased by 9.70% to ₹1,422.80 million for the financial year 2020 from ₹1,296.99 million for the financial year 2019, primarily as a result of an increase in our number of employees as a result of the growth in our business and operations and annual compensation increments given to our employees. Our number of employees increased to 1,510 employees as of March 31, 2020 from 1,467 employees as of March 31, 2019.

Finance Costs. Our finance costs increased to ₹335.15 million for the financial year 2020 from ₹6.05 million for the financial year 2019 due to interest expense on business purchase consideration relating to the Spin-off of ₹335.15 million incurred in the financial year 2020.

Depreciation and Amortization Expense. Our depreciation and amortization expenses increased by 15.74% to ₹293.68 million for the financial year 2020 from ₹253.74 million for the financial year 2019, primarily on account of capital expenditure incurred towards expanding manufacturing capacities at our Ankleshwar site.

Other Expenses. Other expenses increased by 5.96% to ₹2,326.15 million for the financial year 2020 from ₹2,195.37 million for the financial year 2019, primarily due to an increase in labor charges by 23.13% to ₹429.41 million for the financial year 2020 from ₹348.74 million for the financial year 2019, an increase in insurance premium to ₹33.16 million for the financial year 2020 from ₹5.24 million for the financial year 2019, an increase in corporate social responsibility expenses by 85.86% to ₹26.28 million for the financial year 2020 from ₹14.14 million for the financial year 2019 and an increase in other expenses by 16.97% to ₹283.60 million for the financial year 2020 from ₹242.46 million for the financial year 2019.

Total Tax Expense

Our total tax expense decreased to ₹1,079.69 million for the financial year 2020 from ₹1,111.66 million for the financial year 2019, primarily as we availed the option to pay income tax in respect of our total income at a concessional tax rate of 25.168% (including applicable surcharge and cess) under Section 115BAA of the Income Tax Act, 1961, with effect from the financial year 2020.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 6.98% to ₹3,130.98 million for the financial year 2020 from ₹2,926.73 million for the financial year 2019.

Results of Operations Based on Our Restated Financial Information

On July 10, 2018, our Company became a wholly-owned subsidiary of our Promoter, Glenmark, when Glenmark acquired 100% interest in our Company from our previous shareholders. On January 1, 2019, the API business of Glenmark comprising of, *inter alia*, the manufacturing facilities, movable assets, intellectual property, employees and all the liabilities attributable to the API was sold and spun off into our Company. The transfer of business was considered as business combination of entities under common control as per Appendix C of Ind AS 103. Therefore, the disclosure and accounting of the API business acquired by our Company was reflected in our financial results for the financial year 2019 using pooling of interest method effective July 10, 2018, in line with the requirements of Ind AS 103.

Consequently, our financial results for the financial year 2019 reflect (i) the results of all the transactions of the API business acquired from Glenmark from January 1, 2019 to March 31, 2019 which are beneficially and contractually carried out by our Company and (ii) results of transactions with external parties for the period from July 10, 2018 to December 31, 2018 related to API business which were beneficially and contractually carried out by Glenmark.

Our financial results for the financial year 2020 reflected a full year impact of the Spin-off, while our financial results for the financial year 2019 reflect did not reflect the full year of impact of the Spin-off as the Spin-off was completed on January 1, 2019. Accordingly, variations in the year-on-year discussion below are primarily attributable to these factors.

The following table sets forth select financial data from our restated statement of profit and loss for the financial years 2021, 2020 and 2019, the components of which are also expressed as a percentage of total income for such periods:

	Financial Year ended March 31,					
	2021		**2020**		**2019**	
	(₹ in millions)	***(% of Total Income)***	***(₹ in millions)***	***(% of Total Income)***	***(₹ in millions)***	***(% of Total Income)***
Income						
Revenue from operations	18,851.65	99.96%	15,373.13	99.23%	8,864.21	99.95%
Other Income	8.11	0.04%	119.90	0.77%	4.44	0.05%
Total income	**18,859.76**	**100.00%**	**15,493.03**	**100.00%**	**8,868.65**	**100.00%**
Expenses						
Cost of materials consumed	9,761.98	51.76%	6,951.00	44.87%	6,538.87	73.73%
Changes in inventories of finished goods and work-in-progress	(707.01)	(3.75)%	(46.42)	(0.30)%	(3,015.89)	(34.01)%
Employee benefits expense	1,491.31	7.91%	1,422.80	9.18%	1,062.80	11.98%
Finance costs	875.47	4.64%	335.15	2.16%	6.05	0.07%
Depreciation and amortization expense	333.94	1.77%	293.68	1.90%	192.62	2.17%
Other expenses	2,394.63	12.70%	2,326.15	15.01%	1,801.23	20.31%
Total Expenses	**14,150.32**	**75.03%**	**11,282.36**	**72.82%**	**6,585.68**	**74.26%**
Profit before tax	**4,709.44**	**24.97%**	**4,210.67**	**27.18%**	**2,282.97**	**25.74%**
Tax expenses:						
Current tax	1,127.46	5.98%	985.42	6.36%	258.95	2.92%
Deferred tax	66.17	0.35%	94.27	0.61%	68.10	0.77%
Total tax expense	**1,193.63**	**6.33%**	**1,079.69**	**6.97%**	**327.05**	**3.69%**
Profit for the year	**3,515.81**	**18.64%**	**3,130.98**	**20.21%**	**1,955.92**	**22.05%**

Other comprehensive income:						
Items than will not be reclassified to profit or loss						
- Remeasurement of the post-employment benefit obligation	(7.03)	(0.04)%	6.35	0.04%	1.55	0.02%
- Income tax relating to the above	1.77	0.01%	(1.66)	(0.01)%	(0.45)	(0.01)%
Other comprehensive income/ (loss) for the year	**(5.26)**	**(0.03)%**	**4.69**	**0.03%**	**1.10**	**0.01%**
Total comprehensive income for the year	**3,510.55**	**18.61%**	**3,135.67**	**20.24%**	**1,957.02**	**22.07%**

Financial Year 2021 compared to Financial Year 2020

Total Income. Our total income increased by 21.73% to ₹18,859.76 million for the financial year 2021 from ₹15,493.03 million for the financial year 2020, primarily due to an increase in revenue from operations.

Revenue from Operations. Our revenue from operations increased by 22.63% to ₹18,851.65 million for the financial year 2021 from ₹15,373.13 million for the financial year 2020, primarily due to an increase in revenue from sale of products.

- Our revenue from the sale of products increased by 24.56% to ₹18,613.95 million for the financial year 2021 from ₹14,943.41 million for the financial year 2020, primarily due to an increase in our generics API sales by 32.04% to ₹17,084.23 million for the financial year 2021 from ₹12,938.51 million for the financial year 2020, which was partially offset by a decrease in our CDMO business by 23.70% to ₹1,529.72 million for the financial year 2021 from ₹2,004.92 million for the financial year 2020 due to reduced demand for our CDMO products. The increase in our generics API sales was primarily driven by the expansion of our business into emerging markets and growth in regulated markets.

- Our other operating revenue decreased by 44.68% to ₹237.70 million for the financial year 2021 from ₹429.72 million for the financial year 2020, primarily due to a decrease in export incentives by 58.11% to ₹ 118.46 million for the financial year 2021 from ₹ 282.78 million for the financial year 2020 and a decrease in sale of scrap/by-products by 18.85% to ₹ 119.24 million for the financial year 2021 from ₹ 146.94 million for the financial year 2020.

Other Income. Our other income decreased to ₹8.11 million for the financial year 2021 from ₹119.90 million for the financial year 2020, primarily due to no exchange gain (net) recorded in financial year 2021 as compared to an exchange gain (net) of ₹112.39 million recorded in the financial year 2020.

Expenses

Cost of Materials. Cost of materials increased by 31.14% to ₹9,054.97 million for the financial year 2021 from ₹6,904.58 million during the financial year 2020. This increase was primarily due to an increase in the volume of raw materials purchased by us in line with the overall increase in the manufacturing and sale of our API products during the financial year 2021.

Employee Benefits Expenses. Employee benefits expenses increased by 4.82% to ₹1,491.31 million for the financial year 2021 from ₹1,422.80 million for the financial year 2020, primarily as a result of an increase in our number of employees as a result of the growth in our business and operations and annual compensation increments given to our employees. Our number of employees increased to 1,537 employees as of March 31, 2021 from 1,510 employees as of March 31, 2020.

Finance Costs. Our finance costs increased to ₹875.47 million for the financial year 2021 from ₹335.15 million for the financial year 2020. The increase was primarily due to interest expense on business purchase consideration relating to the Spin-off of ₹874.70 million incurred for all twelve months of the financial year 2021, compared to such business purchase consideration incurring interest for only three months of the financial year 2020.

Depreciation and Amortization Expense. Our depreciation and amortization expenses increased by 13.71% to ₹333.94 million for the financial year 2021 from ₹293.68 million for the financial year 2020, primarily on account of capital expenditure incurred towards expanding manufacturing capacities at our Ankleshwar and Dahej sites.

Other Expenses. Other expenses increased by 2.94% to ₹2,394.63 million for the financial year 2021 from ₹2,326.15 million for the financial year 2020, primarily due to an increase in commission on sales to ₹127.74 million for the financial year 2021 from ₹31.64 million for the financial year 2020, an increase in freight outward to ₹139.87 million for the financial year 2021 from ₹95.32 million for the financial year 2020, an increase in other repairs and maintenance to ₹196.86 million for the financial year

2021 from ₹160.57 million for the financial year 2020 and an exchange loss (net) of ₹34.59 million recorded in the financial year 2021.

Total Tax Expense

Our total tax expense increased to ₹1,193.63 million for the financial year 2021 from ₹1,079.69 million for the financial year 2020, due to an increase in revenue from operations and profit for the year.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 12.29% to ₹3,515.81 million for the financial year 2021 from ₹3,130.98 million for the financial year 2020.

Financial Year 2020 compared to Financial Year 2019

Total Income. Our total income increased by 74.69% to ₹15,493.03 million for the financial year 2020 from ₹8,868.65 million for the financial year 2019, primarily due to an increase in revenue from operations.

Revenue from Operations. Our revenue from operations increased by 73.43% to ₹15,373,13 million for the financial year 2020 from ₹8,864.21 million for the financial year 2019, primarily due to an increase in revenue from sale of products.

- Our revenue from the sale of products increased by 75.35% to ₹14,943.41 million for the financial year 2020 from ₹8,521.99 million for the financial year 2019, primarily on account of the full year impact of the Spin-off in the financial year 2020.

- Our other operating revenue increased by 25.57% to ₹429.72 million for the financial year 2020 from ₹342.22 million for the financial year 2019, primarily on account of the full year impact of the Spin-off in the financial year 2020.

Other Income. Our other income increased to ₹119.90 million for the financial year 2020 from ₹4.44 million for the financial year 2019, primarily on account of exchange gain (net) of ₹112.39 million recorded in the financial year 2020.

Expenses

Cost of Materials. Cost of materials increased by 95.99% to ₹6,904.58 million for the financial year 2020 from ₹3,522.98 million during the financial year 2019. This increase was primarily on account of the full year impact of the Spin-off in the financial year 2020.

Employee Benefits Expenses. Employee benefits expenses increased by 33.87% to ₹1,422.80 million for the financial year 2020 from ₹1,062.80 million for the financial year 2019, primarily on account of the full year impact of the Spin-off in the financial year 2020.

Finance Costs. Our finance costs increased to ₹335.15 million for the financial year 2020 from ₹6.05 million for the financial year 2019 due to interest expense on business purchase consideration relating to the Spin-off of ₹335.15 million incurred in the financial year 2020.

Depreciation and Amortization Expense. Our depreciation and amortization expenses increased by 52.47% to ₹293.68 million for the financial year 2020 from ₹192.62 million for the financial year 2019, primarily on account of the full year impact of the Spin-off in the financial year 2020.

Other Expenses. Other expenses increased by 29.14% to ₹2,326.15 million for the financial year 2020 from ₹1,801.23 million for the financial year 2019, primarily due to an increase in power, fuel and water charges by 32.75% to ₹767.48 million for the financial year 2020 from ₹578.13 million for the financial year 2019, an increase in labor charges by 72.54% to ₹429.41 million for the financial year 2020 from ₹248.88 million for the financial year 2019 and an increase in other expenses to ₹283.60 million for the financial year 2020 from ₹126.77 million for the financial year 2019.

Total Tax Expense

Our total tax expense increased to ₹1,079.69 million for the financial year 2020 from ₹327.05 million for the financial year 2019, primarily on account of an increase in our current income tax expenses to ₹985.42 million for the financial year 2020 from ₹258.95 million for the financial year 2019.

Profit for the Year

Our profit for the year increased by 60.08% to ₹3,130.98 million for the financial year 2020 from ₹1,955.92 million for the financial year 2019.

Cash Flows Based on Our Restated Financial Information

The following table sets forth our cash flows for the periods indicated:

Particulars	Financial Year ended March 31		
	2021 *(₹ in millions)*	2020 *(₹ in millions)*	2019 *(₹ in millions)*
Net cash generated from operating activities	3,881.13	1,950.07	103.52
Net cash used in investing activities	(687.34)	(505.18)	(89.14)
Net cash generated from / (used in) financing activities	(2,137.81)	(1,365.52)	5.35
Net Increase in Cash and Cash Equivalents	**1,055.98**	**79.37**	**19.73**

Operating Activities

Net cash generated from operating activities was ₹3,881.13 million for the financial year 2021. While our profit before tax was ₹4,709.44 million for the financial year 2021, we had operating profit before working capital changes of ₹6,042.54 million, primarily as a result of finance costs of ₹874.70 million and depreciation and amortization expenses of ₹333.94 million. Our movement in working capital for the financial year 2021 primarily consisted of an increase in inventories of ₹1,006.46 million and an increase in other receivables of ₹ 491.21 million, which was partially offset by a decrease in trade receivables of ₹81.01 million and an increase in trade and other payables of ₹340.89 million.

Net cash generated from operating activities was ₹1,950.07 million for the financial year 2020. While our profit before tax was ₹4,210.67 million for the financial year 2020, we had operating profit before working capital changes of ₹4,778.06 million, primarily as a result of finance costs of ₹335.15 million and depreciation and amortization expenses of ₹293.68 million. Our movement in working capital for the financial year 2020 primarily consisted of an increase in trade receivables of ₹1,781.09 million, which was partially offset by an increase in trade and other payables of ₹193.02 million.

Net cash generated from operating activities was ₹103.52 million for the financial year 2019. While our profit before tax was ₹2,282.97 million for the financial year 2019, we had lower operating profit before working capital changes of ₹1,271.49 million. This is primarily as a result of adjustment on account of common control transactions of ₹1,081.29 million (this adjustment relates to profit attributable to our Promoter for the period from July 10, 2018 to December 31, 2018). Our movement in working capital for the financial year 2019 primarily consisted of an increase in trade receivables of ₹858.17 million and decrease in trade and other payables of ₹590.17 million which was partially offset by a decrease in inventories by ₹588.13 million.

Investing Activities

Net cash used in investing activities was ₹687.34 million for the financial year 2021, primarily consisting of purchase of property, plant and equipment and intangible assets (including capital work in progress) of ₹679.93 million and investment in fixed deposit of ₹28.05 million, which was partially offset by proceeds from sale of property, plant and equipment and intangible assets of ₹16.34 million.

Net cash used in investing activities was ₹505.18 million for the financial year 2020, primarily consisting of purchase of property, plant and equipment and intangible assets (including capital work in progress) of ₹511.66 million, which was partially offset by interest received of ₹3.55 million.

Net cash used in investing activities was ₹89.14 million for the financial year 2019, primarily consisting of purchase of property, plant and equipment and intangible assets (including capital work in progress) of ₹93.25 million, which was partially offset by interest received of ₹4.11 million.

Financing Activities

Net cash used in financing activities was ₹2,137.81 million for the financial year 2021, consisting solely of repayment of borrowings from related parties and payment of consideration for business purchase relating to the Spin-off to a related party.

Net cash used in financing activities was ₹1,365.52 million for the financial year 2020, consisting solely of repayment of borrowings from related parties and payment of consideration for business purchase relating to the Spin-off to a related party.

Net cash generated from financing activities was ₹5.35 million for the financial year 2019, consisting of proceeds from fresh issue of share capital of ₹15.00 million, which was partially offset by the repayment of borrowings from a related party.

Financial Indebtedness

See "*Financial Indebtedness*" for a description of broad terms of our indebtedness on page 256 of this Prospectus. In the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our business, results of operations and financial condition.

Trade Payables

The following table sets forth total outstanding dues of micro-enterprises and small enterprises and others as of March 31, 2021, 2020 and 2019:

Particulars	Financial Year ended March 31		
	2021 *(₹ in millions)*	2020 *(₹ in millions)*	2019 *(₹ in millions)*
Total outstanding dues of micro-enterprises and small enterprises	357.71	100.66	220.92
Total outstanding dues of other than micro-enterprises and small enterprises	1,855.34	1,910.05	1,607.96
Total trade payables	**2,213.05**	**2,010.71**	**1,828.88**

Total trade payables to micro-enterprises and small enterprises increased to ₹ 357.71 million as of March 31, 2021 from ₹ 100.66 million as of March 31, 2020 in line with the increase in the cost of materials consumed and on account of higher proportion of purchases from such vendors.

Capital and Other Commitments

As of March 31, 2021, our estimated amount of contracts remaining to be executed on capital account and not provided for was ₹150.12 million.

The following table sets forth a summary of the maturity profile of our contractual obligations as of March 31, 2021 as per our Restated Financial Information:

(₹ in million)

As of March 31, 2021	Payments due by period				
	Total	Less than 1 year	1 -3 years	3 – 5 years	More than 5 years
Short Term Borrowings	-	-	-	-	-
Trade Payables	2,213.05	2,213.05	-	-	-
Other Current Financial Liabilities*	9,550.87	9,550.87	-	-	-
Total	**11,763.92**	**11,763.92**	**-**	**-**	**-**

* *Includes outstanding purchase consideration of ₹9,328.67 million payable to our Promoter. As on July 9, 2021, our outstanding liability towards the Promoter was reduced to ₹8,008.30 million.*

Capital Expenditure

For the financial year 2021, we capitalized ₹983.91 million (including capital work-in-progress and intangible assets), primarily in plant and equipment, buildings and office equipment.

For the financial year 2020, we capitalized ₹1,237.71 million (including capital work-in-progress and intangible assets), primarily in plant and equipment and buildings.

For the financial year 2019, we capitalized ₹5,439.07 million (including capital work-in-progress and intangible assets), primarily in plant and equipment and buildings.

During the financial year 2022, we expect to incur planned capital expenditure towards the capacity expansion of our Ankleshwar and Dahej facilities and maintenance costs.

Contingent Liabilities

The following table sets forth our contingent liabilities as of March 31, 2021:

Particulars	As of March 31, 2021 *(₹ in millions)*
Claim against us not acknowledged as debts – Disputed taxes and duties	22.16

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of market risks during the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to foreign exchange risk, credit risk, liquidity risk, commodity risk and interest rate risk in the normal course of our business.

Foreign Exchange Risk

We are exposed to foreign exchange risk principally as a result of exposure arising from transactions relating to purchases, revenues and expenses to be settled in other currencies.

Changes in currency exchange rates influence our results of operations and cash flows. Our exports and imports are primarily in U.S. Dollars and Euros. Although our exposure to exchange rate fluctuations is partly hedged through the exports of products and the import of the necessary raw materials and production equipment, and we hedge a portion of the resulting net foreign exchange position through the use of forward exchange contracts and derivatives, we are still affected by fluctuations in exchange rates for certain currencies, particularly the U.S. Dollar and the Euro. For further information, see "*Risk Factors – Internal Risk Factors – We face foreign exchange risks that could adversely affect our results of operations*" on page 35.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. We typically have credit terms of 60 to 180 days with our customers. As of March 31, 2021, 2020 and 2019, our pro forma trade receivables were ₹6,195.00 million, ₹6,386.28 million and ₹4,480.88 million, respectively.

Liquidity Risk

We manage our liquidity needs by carefully monitoring cash-outflows due in day-to-day business. We monitor liquidity needs in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. We maintain adequate liquidity to meet our requirements for up to 30-day periods. Funding in regard to long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities which be drawn upon as and when required.

Commodity Risk

We are exposed to the price risk associated with purchasing our raw materials, which form the highest component of our expenses. We typically do not enter into formal arrangements with our vendors. Therefore, fluctuations in the price and availability of raw materials may affect our business, cash flows and results of operations. We do not currently engage in any hedging activities against commodity price risk. For further information, see "*Risk Factors – Internal Risk Factors – Any delay, interruption or reduction in the supply of raw materials and equipment to manufacture our products may adversely affect our business, results of operations, financial condition and cash flows*" on page 24.

Unusual or Infrequent Events or Transactions

The threats posed by the coronavirus outbreak are multifold. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Even in India, the outbreak has been declared an epidemic or pandemic and on March 24, 2020, the Government of India ordered a nationwide lockdown, limiting movement of population of India as a preventive measure against the COVID-19 pandemic. As a result most of the businesses are dealing with lost revenue and disrupted supply chains. The disruption to global supply chains due to factory shutdowns has already exposed the vulnerabilities of many organizations.

However, as we operate in an industry that is considered essential, the operations were continuing during lockdowns by ensuring appropriate measures.

We considered the uncertainty relating to the COVID-19 pandemic in assessing the recoverability of receivables, goodwill, intangible assets, investments and other assets. For this purpose, we considered internal and external sources of information up to the date of approval of these financial statements. We have also used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, we expect to fully recover the carrying amount of receivables, goodwill, intangible assets, investments and other assets.

There has been a second wave of COVID-19 in India since April 2021. As the outbreak continues to evolve, we will continue to closely monitor any material changes to future economic conditions. Although the COVID-19 pandemic led to an increase in sales of select API products, we do not expect this to be a continuing trend in the future.

Known Trends or Uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in "Significant Factors Affecting Our Results of Operations and Financial Condition" and the uncertainties described in the section "Risk Factors" on pages 260 and 22, respectively. To our knowledge, except as disclosed in this Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in "Risk Factors" on page 22 and this section, there are no known factors that might affect the future relationship between cost and revenue.

Suppliers

We currently source most of our key raw materials from vendors in China and India. We seek to de-risk our operations by continuing to diversify our procurement base, reduce the amount of materials that we import and procure more materials from Indian suppliers.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in the sections "Risk Factors" and "Our Business" on pages 22 and 123, respectively.

Seasonality of Business

Our business is not seasonal in nature. However, based on the products we manufacture, or the markets we serve, the purchase orders that our customers place with us differ from quarter to quarter, which has caused our revenues, margins, profitability, results of operations and cash flows to fluctuate in the past, including for one or more recent quarters, and we expect this trend to continue in the future.

New Products or Business Lines

We have not announced and do not expect to announce in the near future any new products or business lines.

Significant Developments Occurring after March 31, 2021

Except as set out in this Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Prospectus which materially or adversely affect or are likely to affect, our operations, trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

Our Company has paid an amount of ₹1,000 million from internal accruals on July 9, 2021 to our Promoter towards the payment of outstanding purchase consideration for the spin-off of the API business from our Promoter into our Company. As on July 9, 2021, the outstanding liability towards our Promoter was ₹ 8,008.30 million (inclusive of interest). For further details see "*Objects of the Offer*" and "*Financial Indebtedness*" on page 75 and 256, respectively.

Pursuant to the SEBI Listing Regulations, our Company, as a listed entity after the completion of this Offer, and with commencement of listing on or prior to August 14, 2021, will be required to publish its quarterly financial results of operations within 45 days of end of each quarter, and therefore we expect to publish our quarter ending June 30, 2021 financial results of operations on or prior to August 14, 2021.

Recent Accounting Pronouncements

As of the date of this Prospectus, there are no recent accounting pronouncements, which would have a material effect on our financial condition or results of operations.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) claims related to direct and indirect taxes (in a consolidated manner); or (iv) other pending litigation as determined to be material as per the policy dated April 06, 2021 and July 9, 2021, approved by the Board, in each case involving our Company, its Promoter and its Directors (collectively the "**Relevant Parties**"). Further, except as disclosed in this section, there are no disciplinary actions including penalties imposed by SEBI or the Stock Exchanges against our Promoter in the last five financial years including any outstanding action. Further, there is no pending litigation involving our Group Companies which has a material impact on our Company.*

In relation to (iv) above, our Board in its meetings held on April 06, 2021 and July 9, 2021, has considered and adopted a policy of materiality for identification of material civil litigation. In terms of the materiality policy adopted by our Board:

i) any outstanding civil litigation involving the Relevant Parties (other than the Promoter) where the claim/dispute amount is equal to or exceeds the amount of ₹ 35.15 million being 1% of the profit after tax as per the Restated Financial Information of the Company for the Financial Year 2021) have been considered material.

ii) any outstanding litigation involving the Promoter where the claim/dispute amount exceeds the amount of ₹ 97.01 million (being 1% of the consolidated profit after tax as per the audited consolidated financial statements of the Promoter for the Financial Year 2021) have been considered material.

iii) where the monetary liability is not quantifiable, but where the outcome of such legal proceedings could have a material adverse effect on the business, operations, financial condition, prospects, reputation, results of operations or cash flows of our Company have been considered material.

Accordingly, disclosures of the following types of litigation involving the Relevant Parties have been considered material and accordingly disclosed, as applicable (a) where the aggregate amount involved in such individual civil litigation (including tax proceedings) exceeds the relevant monetary threshold as disclosed above, individually; (b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation may not exceed the relevant monetary threshold; (c) where the monetary liability is not quantifiable, but where the outcome of such legal proceedings could have a material adverse effect on the business, operations, financial condition, prospects, reputation, results of operations or cash flows of our Company.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of this materiality policy, outstanding dues to any creditor of our Company having monetary value exceeding ₹ 110.65 million, which is 5% of the total trade payables of our Company, as per the latest Restated Financial Information of our Company included in this Prospectus, shall be considered as 'material'. Accordingly, as on March 31, 2021, any outstanding dues exceeding ₹ 110.65 million have been considered as material outstanding dues for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise ("**MSME**"), the disclosure will be based on information available with the Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Act, 2006, as amended, as has been relied upon by Statutory Auditors.*

It is clarified that for the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities) shall, unless otherwise decided by our Board, not be considered as material until such time that the Relevant Parties, as applicable, is impleaded as defendant in litigation proceedings before any judicial forum.

Litigation involving our Company

Litigation against our Company

Material Civil Litigation

1. Mr. Chandan Chaudhari ("**Plaintiff**") filed a suit against our Promoter (the principal employer) and M/s Pragati Enterprise (the contractor) dated December 21, 2016 before the Labour Court under the Industrial Disputes Act, 1947 claiming reinstatement along with back-wages in relation to his employment at the manufacturing plant in Ankleshwar, which was transferred to our Company pursuant to the Business Purchase Agreement. Our Promoter had filed a written statement dated October 31, 2017 *inter alia* denying the claims of the Plaintiff. In the event the matter is decided in favour of the Plaintiff, the liability of our Company will be limited to reinstating the Plaintiff and paying back-wages. The matter is currently pending, and the next date of hearing is August 4, 2021.

2. Ms. Pritiben Patel, the legal heir of Mr. Arvindbhai Patel ("**Plaintiff**") had filed recovery proceedings against Glenmark Generics (an entity amalgamated into our Promoter in connection with the API business and whose liabilities were transferred to our Company as part of the business undertaking under the Business Purchase Agreement) and GlaxoSmithKline Pharmaceuticals ("**GSK**") Limited on April 18, 2018 before the Labour Court, Bharuch under the Industrial Disputes Act, 1947 ("**Recovery Proceeding**"). The Recovery Proceeding was filed pursuant to an order dated October 25, 2017 by the Labour Court, Bharuch which had directed our Promoter to make payment of 20% back wages for the period December 27, 2001 to March 16, 2014. Since our Promoter has not complied with the order of the Labour Court, Bharuch, the Plaintiff has filed the Recovery Proceeding for the recovery of 20% back-wages along with all the related benefits accruing in between December 27, 2001 to March 16, 2014 along with costs of ₹ 0.01 million, amounting to ₹ 0.88 million. Our Promoter filed a written statement dated July 25, 2018 *inter alia* denying the claims of the Plaintiff. The matter is currently pending, and the next date of hearing is August 18, 2021.

3. Mr. Krunalkumar Madhusudan Golwala (the "**Petitioner**") had filed a suit against Glenmark Generics Limited ("**Glenmark Generics**") (an entity amalgamated into our Promoter in connection with the API business and whose liabilities were transferred to our Company as part of the business undertaking under the Business Purchase Agreement) before the Labour Court, Bharuch (the "**Labour Court**") on August 28, 2015 claiming that he was wrongfully terminated without any inquiry. Glenmark Generics had terminated Petitioner's employment effective from January 13, 2014, for his involvement in theft of certain material from Glenmark Generics. The Labour Court rejected the claim of wrongful termination by the Petitioner through its order dated April 15, 2019 (the "**Order**"), on the grounds that the Petitioner does not fall within the definition of 'workman' as contemplated under Section 2(s) of the Industrial Disputes Act, 1947. Subsequently, the Petitioner filed a special civil application dated January 26, 2020 before the High Court of Gujarat seeking *inter alia* the (i) setting aside of the Order and (ii) reinstatement of the Petitioner to his original post with full back wages. The matter is currently pending and the next date of hearing August 2, 2021.

4. Mr. Sarju Bahal Yadav ("**Respondent**"**)** had filed a suit before the Labour Court, Bharuch, ("**Labour Court**") in 1998 against GSK challenging his termination from employment and claiming reinstatement along with back wages. During the pendency of the proceedings, in June 2003, certain assets of GSK were transferred to our Promoter. The Labour Court passed an order against GSK and our Promoter dated March 9, 2007, directing GSK and our Promoter to reinstate the Petitioner with 15% back wages (the "**Order**"). The Respondent filed a recovery application dated September 09, 2019 with the Labour Court, seeking back wages and costs amounting to ₹0.33 million, pursuant to which our Promoter received summons from the Labour Court dated October 01, 2019 (the "**Summons**"). Subsequently, given that the API business was transferred to our Company pursuant to the Business Purchase Agreement, our Company and our Promoter filed a special civil application dated September 07, 2020 before the High Court of Gujarat seeking *inter alia* quashing of the Order and Summons. The High Court of Gujarat stayed the Order through an interim order dated October 06, 2020 and observed that our Promoter and our Company cannot be held liable for the dispute between the Respondent and GSK. The matter is currently pending and the next date of hearing is August 25, 2021 before the Labour Court.

5. Parekh Enterprises (the "**Petitioner**"), a contractor, filed four suits against GSK, our Promoter and certain other individuals (the "Respondents") by way of special civil applications dated September 19, 2018 before the High Court of Gujarat seeking *inter alia* the setting aside of an award dated January 23, 2018 passed by the Labour Court, Bharuch whereby the Petitioner was directed to reinstate the individual Respondents with 20% back wages along with costs of ₹ 1000 (the "**Order**"). The High Court of Gujarat has granted ad-interim relief to the Petitioner through its order dated February 08, 2019 and has stayed the Order on the condition that the Petitioner deposits 50% of the back wages awarded in each petition. There are no prayers or claims made against our Promoter or the Company in any of the special leave applications. The matter is currently pending.

Criminal Litigation

Nil

Actions by Regulatory and Statutory Authorities

Nil

Litigation by our Company

Material Civil Litigation

Nil

Criminal Litigation

Our Promoter filed an FIR on August 17, 2017 under section 154 of the Code of Criminal Procedure for offences committed under sections 114 and 381 of the Indian Penal Code against Mr. Arvindbhai Muljibhai Patanvadia, Mr. Sagar Raju Chauhan,

Mr. Amit Kumar Harendra Singh Rajput, Mr Rais Sulaiman Shah, Mr. Sandeep Kumar, Mr. Sushil Kumar Singh, Mr. Amrit Singh, Mr. Nilesh Vijay Rai and Mr. Devendra Giri (collectively, the "**Accused Persons**"). The Accused Persons are accused of theft of atavaquone powder and silver nitrate powder worth Rs. 16,47,100/-. Pursuant to the FIR, a case was registered before the Principal Senior Civil Judge and Additional Chief Judicial Magistrate, Taluka Court, Ankleshwar on April 11, 2018. The matter is currently pending.

Actions by Regulatory and Statutory Authorities

Nil

Litigation involving our Promoter

Material Civil Litigation

Nil

Criminal Litigation

Criminal Proceedings by our Promoter

1. Our Promoter has filed complaints dated April 21, 1999, April 25, 1999 and September 14, 1999 against Hamco Mining and Smelting Limited ("**Defendant**") under Section 138 of the Negotiable Instruments Act, 1881 before the Metropolitan Magistrates Court, Girgaum ("**Complaint**"). Our Promoter had issued a loan of ₹ 3.5 million to the Defendant during the period 1997-98. In lieu of the loan, the Defendant issued six demand promissory notes (bills of exchange) of ₹ 0.5 million each (five demand promissory notes were dated June 16, 1998 and one demand promissory note was dated February 17, 1998) in favour of our Promoter. The demand promissory notes issued by the Defendant in favour of the Promoter were dishonoured. Our Promoter issued demand notices dated March 13, 1999 and May 03, 1999 to the Defendant. Subsequently, our Promoter filed the Complaint against the Defendant and its directors to recover the outstanding amount due to our Promoter. The matter is currently pending, and the next date of hearing is September 17, 2021.

2. Our Promoter filed a criminal complaint dated April 12, 2001 against Mr. Avinash Kumar Ray ("**Defendant**"), an erstwhile stockist for our Promoter in connection with the dishonouring of a cheque issued by the Defendant in favour of our Promoter, amounting to ₹ 0.79 million. The Defendant was acquitted by the Court of Metropolitan Magistrate-II, Kanpur through an order dated April 30, 2011. Subsequently, our Promoter filed a criminal revision petition dated October 22, 2013 before the Court of Metropolitan Magistrate-II, Kanpur ("**Revision Petition**"). Thereafter, our Promoter filed an appeal before the Additional District and Sessions Judge, Kanpur Nagar dated October 22, 2013. The appeal was allowed before the District and Sessions Court and accordingly the Revision Petition was withdrawn. The matter is currently pending, and the next date of hearing is August 12, 2021.

Criminal Proceedings against our Promoter

1. The Deputy Superintendent of Police, Vigilance Cell Unit. Bhubaneshwar filed an FIR dated June 30, 2008 against six officers of the Orissa Health System Development Project ("**OHSDP**") and Mr. A.G. Prasad, an employee of the Company (together, the "**Accused Persons**"). The allegation against the Accused Persons was of criminal conspiracy in connection with reconsideration of the bid for procurement of Gamabenzene Hexachloride and Cetrimide in favour of our Promoter. The FIR alleges that through the criminal conspiracy the six officers of the OHSDP cheated the Government of Orissa of an amount of ₹ 4.34 million while procuring Gamabenzene Hexachloride and Cetrimide from our Promoter during the year 2005-06. A charge sheet dated June 30, 2019 was filed against the Accused Persons. Subsequently, the Special Judge (Vigilance), Bhubaneshwar passed an order dated September 14, 2010 against the Accused Persons stating that a prima facie case is made against the Accused Persons for commission of offences under Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 and Section 120B of the Indian Penal Code, 1860. ("**Order**"). Accordingly, summons were issued to the Accused Persons. Mr. A.G. Prasad filed a petition under Section 482 of the Code of Criminal Procedure before the High Court of Orissa seeking to set aside the Order. The petition was rejected by the High Court of Orissa through an order dated December 16, 2014. The matter is currently pending before the Court of the Special Judge (Vigilance), Bhubaneshwar.

2. The Maharashtra Pollution Control Board ("**MPCB**") filed an FIR dated June 19, 2010 under Section 154 of the Code of Criminal Procedure, Section 16 of the Environment Protection Act, the Water (Prevention and Control of Pollution) Act, Section 277 of the Indian Penal Code, against Mr. Kiran Kashiram Patil, Plant Head of the Nashik factory of our Promoter. The FIR alleged that here was an illegal discharge of effluent and sludge from the Nashik factory of our Promoter, into a public drainage. The MPCB issued a voluntary closure notice to the factory. Subsequently, the MPCB checked compliance records and issued orders to start the factory subject to the furnishing of a bank guarantee. Further

to the FIR, a case was filed before the Judicial Magistrate First Class, Nashik alleging contraventions of sections of the aforementioned Acts. The matter is currently pending, and the next date of hearing is September 2, 2021.

3. Mr. Krishna V. Kotwal ("**Complainant**") filed a private complaint dated March 01, 2000 against M/s Aravali Securities, our Promoter and its directors under Sections 406, 409 and 420 of the Indian Penal Code. The Complainant was working as a security supervisor, through M/s Aravali Securities, at the Nashik factory of our Promoter. The services of the Complainant were terminated. The Complainant complained that his services were terminated illegally, and that M/s Aravali Securities had neither enrolled him as a provident fund member nor paid dues towards his provident fund contributions. The Judicial Magistrate First Class, Nashik ("**JMFC**") directed that the trial should proceed against M/s. Aravali Securities and our Promoter. Our Promoter filed a criminal revision application under Section 397 of the Code of Criminal Procedure before the Additional Sessions Judge, Nashik (the "**Application**"). The Application was dismissed by the Additional Sessions Judge, Nashik through an order dated April 11, 2007 (the "**Order**"). Being aggrieved by the Order, our Promoter filed a criminal writ petition dated July 12, 2007 before the Bombay High Court. The Bombay High Court granted a stay in respect of the charges under Section 14 of the Employees Provident Fund Act, 1952 through an order dated dated June 16, 2008. Further, the Bombay High Court stayed the proceedings before the JMFC through an order dated October 13, 2008 (the "**Stay Order**"). The Stay Order was dismissed due to non-appearance on October 05, 2018. Accordingly, our Promoter filed a restoration petition before the Bombay High Court. The matter is currently pending, and the next date of hearing before the JMFC is August 16, 2021.

4. The Food and Drug Authority ("**FDA**") filed an FIR dated April 22, 2013 against our Promoter and its officials ("**Accused**") alleging that the Accused refused to supply products to Northwest Pharma (a wholesaler with a valid license from the FDA) and thereby committing offences under the provisions of the Drug Price Control Order, 1995 and of the Essential Commodities Act, 1955. The Accused filed a petition under Section 482 of the Code of Criminal Procedure before the Bombay High Court for *inter alia* quashing the FIR filed by the FDA. The Bombay High Court, through its order dated May 10, 2013 granted ad-interim relief and directed the police to not take coercive action against the Accused pursuant to the FIR filed by the FDA. The matter is currently pending.

5. An FIR was filed by the Drug Inspector, Thane against our Promoter and two employees of the Promoter. The allegation in the FIR was that our Promoter handed over expired and near expiry drugs to a scrap dealer, who did not have a license to stock and destroy such drugs. Further, the scrap dealer recycled the expired and near expiry drugs and sold them in the market. The FIR was filed in connection with the aforementioned alleged contravention of the Drugs and Cosmetics Act, 1940. The matter is currently pending before the Metropolitan Magistrate 6th Court, Mazgaon and the next date of hearing in the police warrant case is August 2, 2021 and the next date of hearing in the summons warrant case is October 7, 2021.

6. A case has been registered against Mr. Gajendra Picchode (the "**Accused**"), who is employed in the capacity of a Field Sales Officer with our Promoter, under Section 18(c) of the Drugs and Cosmetics Act, 1940. As per the Food and Drug Administration, Madhya Pradesh (the "**FDA**"), the Accused, On January 09, 2017 supplied our Promoter's products through M/s. Sun Medicose Balaghat, a stockist of our Promoter, to the clinic of Dr. Ganga Prasad Thakare, who allegedly was not a qualified M.B.B.S doctor and did not have the requisite license to operate. The products of our Promoter were recovered during an inspection/raid conducted by the Drug Inspector, Balaghat and were seized by the Drug Inspector. Mr. Ganga Prasad Thakare stated that the stock does not belong to him and was left at his clinic by the Accused. Accordingly, the case has been filed against the Accused. The matter is currently pending, and the next date of hearing is November 22, 2021.

Actions taken by Regulatory and Statutory Authorities

1. The National Pharmaceutical Pricing Authority (the "**NPPA**") issued a demand notice dated January 21, 2014 (the "**Demand Notice**") amounting to ₹ 186.22 million alleging overcharging by our Promoter for the product Doxovent 400 mg Tab. Further, as per the Demand Notice, the ceiling price which was fixed through the notification dated November 17, 2009 (the "**Notification**"), was not being adhered to by our Promoter. The issuance of the Demand Notice by the NPPA was pursuant to an order dated July 03, 2013 by the Supreme Court of India (the "**Supreme Court**") which stated that Doxophylline is a derivative of Theophylline and hence the notification fixing the price was challenged by some manufacturers as improper.

   Our Promoter filed a petition dated February 10, 2014 (the "**Petition**") under Article 32 of the Constitution of India in the Supreme Court challenging the Demand Notice. The Supreme Court of India through an ad-interim order dated March 03, 2014 ordered that no coercive steps be taken against the Company in connection with the Demand Notice. Further, the Supreme Court on July 20, 2016 ordered that the pending petitions be transferred back to the respective High Courts to be heard on merits subject to deposit of 50% of the overcharged amount claimed by the NPPA. As a result, the petition of our Promoter was transferred to the Delhi High Court.

The Delhi High Court has admitted the petition and has directed our Promoter to deposit 50% of the overcharged amount with the NPPA. The petition by our Promoter before the Delhi High Court challenges the issuance of the Notification. The matter is currently pending.

2. Reliance Medical Agency, Vadodara ("**Informant**") in July 2015 filed an issuance of information against our Promoter and certain employees of our Promoter, Mr. Glenn Saldanha, other pharmaceutical companies, the Chemists and Druggists Association of Baroda ("**Opposite Parties**"), with the Competition Commission of India, at New Delhi ("**CCI**"), alleging that there was a non-supply of medicines by our Promoter, which amounted to restrictive and anticompetitive practices. Pursuant to the issuance of information, the CCI through its order dated November 17, 2015 ordered the Director General ("**DG**") to investigate and submit a report. On submission of the DG's report, the CCI issued notices to our Promoter, Mr. Glenn Saldanha and some of its employees to submit their responses to the report by the DG. Through orders dated July 12, 2018 and August 30, 2018, the CCI found our Promoter, Mr. Glenn Saldanha and certain of our employees liable under the Competition Act, 2002, ("**Competition Act**") for indulging in anti-competitive practices and imposed a fine of ₹ 450 million on our Company (collectively, "**CCI Order**"). Our Promoter, Mr. Glenn Saldanha and certain of our employees have filed respective appeals before the National Company Law Appellate Tribunal, at New Delhi ("**NCLAT**") against the CCI Order and our Promoter has secured a stay against the CCI Order. Through an order dated October 23, 2018, the NCLAT has directed our Promoter to deposit ₹ 45 million. Our Promoter has complied with this order. The matter is currently pending before the NCLAT.

3. The National Pharmaceutical Pricing Authority ("**NPPA**") issued a show cause notice dated October 11, 2019 ("**Show Cause Notice**") alleging that our Promoter had violated the Drugs (Prices Control) Order, 2013 ("**DPCO**") by self-invoking paragraph 32 of the DPCO and by not seeking approval of NPPA for 'Remo M' and 'RemoZen M', its fixed dose combination product of Remogliflozin Etabonate and Metformin Hydrochloride ("**Products**"). Our Promoter responded to the Show Cause Notice through its response dated November 11, 2019. Through its letter dated December 09, 2019, the NPPA stated that it had taken the view that the self-invocation of paragraph 32 by our Promoter amounted to a wilful violation of the DPCO and lead to chaos in product pricing. Further, the NPPA issued a letter dated January 02, 2020 to our Promoter seeking production of documents and records under paragraph 29 of the DPCO.

   Our Promoter filed a declaratory writ petition dated January 25, 2020 before the Delhi High Court, seeking *inter alia* quashing of the impugned communication issued by the NPPA and for an interim stay. The Delhi High Court directed the NPPA to grant a hearing to our Promoter to determine whether our Promoter is entitled to the benefit of Paragraph 32 of the DPCO. In March 2020, the NPPA issued a price order for the Products on the grounds that the Products were new drugs under the DPCO.

   Subsequent to the hearing granted by the NPPA, the NPPA issued an order dated June 04, 2020 ("**Order**") rejecting the representations of our Promoter. Our Promoter challenged the Order and price fixation by the NPPA through a writ petition in June 2020 before the Delhi High Court. The Delhi High Court passed an order dated July 02, 2020 directing that no coercive action be taken against our Promoter. The matter is pending, and the next date of hearing is August 6, 2021.

4. The Regional Director, Central Ground Water Authority ("**CGWA**") issued a letter to our Promoter dated March 24, 2021 directing our Promoter to pay a penalty amounting to ₹ 0.2 million, in addition to water abstraction charges for failure to install a Piezometer at its Aurangabad plant. Our Promoter has complied with the directions of the CGWA and has replied to the letter through its letter dated April 08, 2021.

5. The Member Secretary, Madhya Pradesh Pollution Control Board issued a show cause notice dated April 05, 2021 ("**Notice**") in connection with a site visit dated February 22, 2021 to the Indore plant of our Promoter. The Notice alleged that a sample of the effluent treatment plant treated effluent had failed the prescribed parameter and had exceeded the prescribed limit. Our Promoter has replied to the Notice through a letter dated April 21, 2021 addressing the concerns raised in the Notice and has submitted a test report demonstrating compliance with the regulatory requirements.

6. The NPPA issued a show cause notice dated May 25, 2018 alleging that our Promoter had overcharged its customers by approximately ₹ 15.2 million during the period of May 2016 and August 2016 by not adhering to the price notification in respect of the product Candid Cream- 20mg. Our Promoter has contested the allegations by the NPPA. The NPPA has directed our Promoter to furnish production and sale details along with the corresponding maximum retail price from the batch no. 11150721 manufactured in May 2015 till the implementation of the ceiling price notified by the NPPA. Our Promoter has requested the NPPA to conduct a personal hearing. The matter is currently pending.

7. The NPPA issued a show cause notice dated October 25, 2018 alleging that our Promoter had overcharged its customers by approximately ₹ 2.02 million during the period of May 2017 and June 2017 by not adhering to the price notification in respect of the product Candid Lotion- 30ml. Our Promoter has contested the allegations by the NPPA. The NPPA has directed our Promoter to furnish the month wise and batch wise quantitative production and sale details from the

batch no. 11160912 manufactured in May 2016 till compliance of the applicable notified ceiling price. The matter is currently pending.

8. The NPPA issued a show cause notice dated January 01, 2017 alleging that our Promoter had overcharged its customers by approximately ₹ 9.74 million during the period of July 2014 to October 2016 in connection with its product Glimulin-2. Subsequently, the NPPA issued a demand notice dated January 23, 2018 and a remainder demand notice dated August 24, 2019 demanding the payment of overcharged amount of ₹ 4.77 million along with interest. Our Promoter has contested the demand raised by the NPPA. Our Promoter has not received any subsequent communication from the NPPA in this regard.

9. The Food and Drug Administration, Ahmedabad ("**FDA**") issued a Not of Standard Quality notice dated November 11, 2020 alleging that Canditral (Itraconazol Capsules 100mg, Batch No: 05192113) were not conforming to BP 2019. Our Promoter has submitted both internal and external laboratory reports challenging the findings of the FDA. Subsequently, our Promoter filed an application with the Chief Metropolitan Magistrate, Ahmedabad ("**Chief Metropolitan Magistrate**"). The Chief Metropolitan Magistrate directed that the sample be investigated by the Central Laboratory. Pursuant to the show cause notice by the FDA, our Promoter has also received a show cause notice dated December 31, 2020 by the Food and Drug Administration, Himachal Pradesh in connection with the same issue. Our Promoter has replied to this notice through a letter dated January 11, 2021. These matters are currently pending.

10. The Food and Drug Administration, Mumbai ("**FDA**") issued a notice dated November 05, 2020 to our Promoter alleging non-compliance with labelling regulations under Drugs and Cosmetic Rules, 1945. The FDA directed that the product which was in non-compliance with the regulations be recalled. Our Promoter has initiated recall of the product and has submitted a report with the FDA in this regard.

11. The Food and Drug Administration, Pune ("**FDA**") issued a show cause notice dated March 05, 2021 ("**Show Cause Notice**") to our Promoter, its third party manufacturer and to its distributor alleging that our Promoter's product 'Deriva & D'acne' did not mention the necessary caution on the label and does not mention the safety instructions on the label, packaging and promotional literature in connection with the drugs. As per the Show Cause Notice, the aforementioned omissions are in contravention to the directives dated December 19, 2018 issued by Directorate General of Health Services, Central Drugs Standard Control Organisation titled "Safety Guidelines for Isotretinoin" and the FDA has directed a recall of the product. Our Promoter has responded to the show cause notice.

12. The Regional Central Apprenticeship Adviser, Mumbai issued a notice dated April 26, 2021 ("**Notice**") alleging that the Promoter has not engaged the required number of apprentices as required under the Apprentices Act, 1961 and the ruled framed under the Apprentices Act, 1961 ("**Act**"), at the Aurangabad plant of the Promoter. Our Promoter replied to the notice through a letter dated May 24, 2021 providing information in relation to compliance of the Promoter with the Act.

13. The NPPA issued a notice dated September 22, 2020 ("**Notice**"), suspecting overcharging through increase in the maximum retail price of the non-scheduled formulations 'Ascoril Plus 50/1.25/2 Mg Expectorant 100 ml (Guaifenesin + Terbutaline + Bromhexine)' by more than 10%, by our Promoter. Through its Notice, the NPPA sought an explanation for this increase in prices and directed our Promoter to furnish documents in support of its explanation. Our Promoter responded through its letter dated October 9, 2020 along with the required supporting documents. Through, a subsequent notice dated April 5, 2021, which was received by our Promoter on April 12, 2021, the NPPA has requested for further documents. Our Promoter has replied to this notice through its letter dated June 9, 2021 and has provided the required information and supporting documents.

Material Tax Proceedings

1. The assessing officer passed an order dated March 22, 2016 against our Promoter under Section 143(3) of the Income Tax Act, 1961 ("**IT Act**") after disallowing expenses incurred on corporate guarantee commission, sales promotion expenses, allocation of research and development expenses and interest expenses to tax holiday units and disallowance u/s 14A of the IT Act for the assessment year 2012-13. Subsequently, our Promoter filed an appeal before the Commissioner of Income Tax (Appeal) ("**CITA**"). The CITA reversed the disallowances through an order dated June 30, 2016 ("**Order**"). The Income Tax Department appealed the Order before the Income Tax Appellate Tribunal, Mumbai ("**ITAT**"). The ITAT confirmed the order passed by the CITA through its order dated July 31, 2019. Subsequently, the Commissioner of Income Tax (LTU) filed an appeal against the order of the ITAT before the Bombay High Court. The matter is currently pending and the estimated tax impact in connection with the matter is ₹ 110.34 million.

2. The assessing officer passed an order dated December 27, 2016 against our Promoter under Section 143(3) of the ITA Act after disallowing expenses incurred on corporate guarantee commission, sales promotion expenses, allocation of research and development expenses and interest expenses to tax holiday units and disallowance u/s 14A of the IT Act for the assessment year 2013-14. Subsequently, our Promoter filed an appeal before the Commissioner of Income Tax

(Appeal) ("**CITA**"). The CITA reversed most of the disallowances through an order dated June 22, 2017 ("**Order**"). The Income Tax Department appealed the Order before the Income Tax Appellate Tribunal, Mumbai ("**ITAT**"). The ITAT confirmed the order passed by the CITA through its order dated August 21, 2019. Subsequently, the Commissioner of Income Tax (LTU) filed an appeal against the order of the ITAT before the Bombay High Court. The matter is currently pending and the estimated tax impact in connection with the matter is ₹ 139.83 million.

3. The assessing officer passed a reassessment order against our Promoter dated December 10, 2018 under Section 143(3) read with Section 148 of the IT Act after disallowing certain research and development expenses not approved by DSIR and reduction in Chapter VI-A deduction on account of disallowance as per Transfer Pricing Order passed under Section 92CA(3) for the assessment year 2011-12. Our Promoter has filed an appeal before the CITA. The matter is currently pending and the estimated tax impact in connection with the matter is ₹ 144.71 million.

4. The assessing officer passed an assessment order dated January 15, 2019 under Section 143(3) after disallowing certain expenses on account of corporate guarantee commission, sales promotion expenses, research and development expenses not approved by DSIR, allocation of research and development expenses and interest expenses to tax holiday units and disallowance u/s 14A for the assessment year 2-15-16. Our Promoter has filed an appeal before the CITA. The matter is currently pending and the estimated tax impact in connection with the matter is ₹ 492.85 million.

5. The Deputy Commissioner of Excise and Service Tax, LTU Mumbai passed an order against the Promoter treating the guarantees provided by the Promoter to various banks on behalf of its overseas subsidiary company for various credit facilities availed during the Fiscal Year 2012-13 to the Fiscal Year 2014-15, as liable for service tax under the banking and other financial services and accordingly raised a tax demand of ₹ 111.42 million ("**Order**"). Our Promoter filed an appeal before the Commissioner of Central Tax and GST, Thane ("**Commissioner**"). The Commissioner upheld the Order through its order dated September 23, 2019. Subsequently, our Promoter has filed an appeal against the order of the Commissioner before the Custom, Excise and Service Tax Appellate Tribunal, Mumbai.

6. Our Promoter's manufacturing unit in Sikkim is eligible for scheme for "Budgetary Support under GST" as per the Notification No. 10(1)/2017-DBA II/NER dated October 05, 2017 ("**Scheme**"). After allotment of the unique identification number, our Promoter has filed quarterly applications for refund of GST paid during the period July 2017 to June 2018. Assistant Commissioner of GST, Gangtok Division has rejected these refund claims through an order dated December 05, 2019 by assigning a technical reason and without going into the merit of the matters. Since no appellate mechanism is provided under the Scheme for such rejection, our Promoter has filed a writ petition dated November 24, 2020 before the High Court of Sikkim. The matter is currently pending and the estimated tax impact in connection with the matter is ₹ 93.86 million.

7. The Deputy Commissioner of Customs, ACC, Mumbai issued a letter dated September 10, 2014 to our Promoter alleging that our Promoter had exported the products Tropsium and Topiramate under the wrong classifications in order to avail of benefits under the Merchandise Exports from India Scheme. Subsequently, physical hearings were held and the Joint Commissioner of Customs (Exports), Sahar Air Cargo passed an order dated September 09, 2020 against our Promoter. Our Promoter has filed an appeal before the Commissioner of Customs (Appeal), Andheri, Mumbai. The matter is pending and the estimated tax impact in connection with this matter is ₹ 650 million.

8. The Deputy Commissioner of Customs, ACC, Mumbai issued a less charge cum demand notice dated December 11, 2020 alleging that our Promoter imported the product Mupirocin from Hungary at differential prices. Subsequently, physical hearings were held and the Commissioner of Customs (Exports), ACC Mumbai issued an order dated December 31, 2020 directing our Promoter to pay the duty difference of ₹ 126.95 million. Our Promoter has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal, Mumbai. The matter is pending and the estimated tax impact in connection with this matter is ₹ 126.95 million.

Litigation involving our Directors

Material Civil Litigation

Nil

Criminal Litigation

Nil

Actions Taken by Regulatory and Statutory Authorities

Glenn Saldanha

1. For details in relation to the issuance of information filed by Reliance Medical Agency and the subsequent orders passed by the CCI against Mr. Glenn Saldanha, see "*Litigation involving our Promoter- Actions Taken by Regulatory and Statutory Authorities"* on page 286.

Tax Claims

A summary table of the claims relating to direct and indirect taxes involving our Company and the Promoter.

Nature of case	Number of cases	Aggregate amount involved (in ₹ million)
Company		
Tax litigation against the Company		
Direct Tax	-	-
Indirect Tax	3	46.72
Total	3	46.72
Tax litigation against the Promoter		
Direct Tax	19	1,156.64
Indirect Tax	15	1,090.87
Total	34	2,247.51

Outstanding dues to Creditors

As of March 31, 2021, the total number of creditors of our Company was 942 and the total outstanding dues to these creditors by our Company was ₹ 2,213.05 million. Our Company owes an amount of ₹ 357.71 million to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

Our Board, in its meetings held on April 6, 2021 and July 9, 2021 has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. As per the materiality policy, creditors of our Company to whom an amount having a monetary value which exceeds 5% of the total trade payables of the Company as per the Restated Financial Information of the Company as at March 31, 2021 was outstanding, shall be considered as 'material' i.e., creditors of our Company to whom our Company owes an amount exceeding ₹ 110.65 million were considered material. As of March 31, 2021, there are 4 material creditors to whom our Company owes an aggregate amount of ₹ 688.03 million.

Details of outstanding dues owed to material creditors, MSMEs and other creditors as of March 31, 2021 are set out below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises	168	357.71
Material Creditors	4	688.03
Other Creditors	770	1,167.31
Total Outstanding Dues	**942**	**2,213.05**

The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company at https://www.glenmarklifesciences.com/reports.php.

It is clarified that such details available on our website do not form a part of this Prospectus.

Material Developments

Other than as stated in "*Management's Discussion and Analysis of Financial Condition and Results Of Operations"* on page 282, there have not arisen, since the date of the last financial information disclosed in this Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our trading, our profitability or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, consents and registrations issued by relevant regulatory authorities under various rules and regulations. We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these material approvals, our Company can undertake this Offer and its business activities. Other than as disclosed in this section, the material approvals, licenses, consents and registrations are valid as on the date of this Prospectus. In addition, certain of our material approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such material approvals, as necessary. For details in connection with the regulatory and legal framework within which we operate, see "Key Regulations and Policies" on page 143.

I. INCORPORATION DETAILS

1. Certificate of incorporation dated June 23, 2011 issued to our Company, under the name Zorg Laboratories Private Limited by the RoC.

2. Certificate of incorporation dated August 10, 2018 issued by the RoC, consequent upon change from Zorg Laboratories Private Limited to Glenmark Life Sciences Private Limited.

3. Fresh certificate of incorporation dated August 23, 2018 pursuant to conversion of our Company into a public limited company.

4. The CIN of our Company is U74900PN2011PLC139963.

II. APPROVALS IN RELATION TO THE OFFER

For details regarding the approvals and authorizations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures - Authority for the Offer*" on page 293.

III. MATERIAL APPROVALS IN RELATION TO OUR COMPANY

A. The material approvals in relation to our manufacturing plants at (i) Ankleshwar, Gujarat; (ii) Dahej, Gujarat; (iii) Kurkumbh, Maharashtra; and (iv) Mohol, Maharashtra include:

1. Drugs manufacturing licenses in Form No. 25 and 28 under Drugs & Cosmetics Act, 1940 & rules thereunder.

2. Good Laboratory Practices and Good Manufacturing certificates issued under Drugs & Cosmetics Act, 1940 & rules thereunder.

3. License to work a factory issued by the relevant State Government under the Factories Act, 1948.

4. Letter of approval in respect of approved manufacturing activity in terms of the Special Economic Zones Rules, 2006.

5. Poison License under the Poisons Act, 1919.

6. License under Food Safety and Standards Act, 2006.

7. Certificate for use of a boiler granted under the Boilers Act, 1923.

8. Consent to establish and consent to operate under Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 for carrying out R&D activity in API.

9. Registration Certificate from Department of Science and Industrial Research in relation to our research and development facility at Mahape, Vashi.

10. Registrations obtained under the state shops and establishments legislations.

B. Foreign Trade Related Approval

Our importer-exporter code issued by the Ministry of Commerce and Industry is as provided below:

AAACZ5212E. This code is valid until cancelled.

C. Tax related approvals

1. Our permanent account number is as provided below:

   AAACZ5212E

2. Our TAN is as provided below:

   PNEG22843C

3. Our GST registration number, as per the state where our business operations are spread, are as follows:

Maharashtra	27AAACZ5212E1ZL
Gujarat	24AAACZ5212E2ZQ
Dahej (Special Economic Zone)	24AAACZ5212E1ZR

D. Labour and commercial approvals

1. Certificate of registration issued by the Employees' Provident Fund Organisation, India under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 for all manufacturing plants.

2. Certificate of registration issued by Employees State Insurance Corporation, India under the Employees State Insurance Act, 1948.

3. Certificate of registration issued by the Contract Labour Regulation Department under the Contract Labour (Regulation and Abolition) Act, 1970.

E. Intellectual property

As of May 31, 2021 our Company had 10 registered patents and had applied for the registration of 36 patents in India. Our Company also has 6 provisional applications pending in India. As on May 31, 2021, we owned or co-owned 39 patents and had 41 pending patent applications in several countries.

IV. Material approvals and / or renewal of material approvals applied for by our Company but not received

Our Company has obtained all material approvals, consents, licenses, registrations and permits that are required for undertaking their current business activities. Except as disclosed below, there are no applications for material approvals and/or applications for renewal of material approvals made by our Company that have not been received:

1. Application dated July 17, 2021 filed before Government of Maharashtra, Directorate of Steam Boilers for renewal of certificate under the Boilers Act, 1923 to use the boiler located at the Kurkumbh manufacturing facility.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to the resolution passed at its meetings held on April 06, 2021 and July 19, 2021 and our Shareholders have approved the Fresh Issue pursuant to a resolution dated April 09, 2021 in terms of Section 62(1)(c) of the Companies Act, 2013. The Draft Red Herring Prospectus has been approved by our Board pursuant to a resolution passed on April 16, 2021. Our Board has approved the Red Herring Prospectus pursuant to its resolution dated July 19, 2021. This Prospectus has been approved by the IPO Committee pursuant to its resolution dated July 30, 2021.

The Offer for Sale has been authorised by the board of directors of the Promoter Selling Shareholder pursuant to a resolution passed at its meeting held on April 16, 2021 and it has consented to participate in the Offer for Sale by offering up to 6,300,000 Equity Shares pursuant to its consent letter dated July 16, 2021.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated May 5, 2021 and May 11, 2021, respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, Promoter Selling Shareholder, members of the Promoter Group, Directors, persons in control of our Company and the persons in control of our Promoter are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoter and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

None of our Directors are associated with securities market related business, in any manner and there has been no outstanding actions initiated by SEBI against our Directors in the five years preceding the date of this Prospectus.

Our Company, Promoter or Directors have not been declared as Wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters issued by the RBI.

Our Promoter or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, members of the Promoter Group, and the Promoter Selling Shareholder, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

(a) Our Company has had net tangible assets of at least ₹ 30 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50 % are held in monetary assets;

(b) Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

(c) Our Company has a net worth of at least ₹ 10 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and

(d) Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, derived from the Restated Financial Statements included in this Prospectus as at, and for the last three Fiscals 2021, 2020 and 2019 are set forth below:

(in ₹ million)

Particulars	As at		
	31 March 2021	31 March 2020	31 March 2019
Net tangible assets	19,891.64	17,184.36	14,689.96
Pre-tax operating profits	5,576.80	4,425.92	2,284.58
Net worth	7,527.47	4,016.92	881.25
Monetary assets	1,155.96	99.98	20.61
Monetary assets, as a % of net tangible assets	5.81%	0.58%	0.14%

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Further, our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(i) Our Company, our Promoter Selling Shareholder, members of the Promoter Group and our Directors are not debarred from accessing the capital markets by SEBI;

(ii) The companies with which our Promoter or our Directors are associated as a promoter or director are not debarred from accessing the capital markets by SEBI;

(iii) Neither our Company, nor our Promoter, or Directors is a wilful defaulter (as defined in the SEBI ICDR Regulations);

(iv) None of our Directors or Promoter has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

(v) Our Company along with the Registrar to our Company, has entered into tripartite agreements dated October 22, 2018 and March 8, 2021 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;

(vi) The Equity Shares of our Company held by the Promoter are in the dematerialised form; and

(vii) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Prospectus.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE LEAD MANAGERS, BEING KOTAK MAHINDRA CAPITAL COMPANY LIMITED, BofA SECURITIES INDIA LIMITED, GOLDMAN SACHS (INDIA) SECURITIES PRIVATE LIMITED, DAM CAPITAL ADVISORS LIMITED (FORMERLY KNOWN AS IDFC SECURITIES LIMITED), BOB CAPITAL MARKETS LIMITED AND SBI CAPITAL MARKETS LIMITED ("LEAD MANAGERS") HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED APRIL 16, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT

OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus and the Prospectus, as applicable with the Registrar of Companies in terms of the Companies Act, 2013.

Disclaimer from our Company, our Directors, the Promoter Selling Shareholder and Lead Managers

Our Company, our Directors, the Promoter Selling Shareholder and the Lead Managers accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company's website www.glenmarklifesciences.com or the respective websites of our Promoter or any affiliate of our Company would be doing so at his or her own risk.

The Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement, and as will be provided for in the Underwriting Agreement.

All information shall be made available by our Company, Promoter Selling Shareholder and the Lead Managers to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders were required to confirm and have been deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Lead Managers and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, the Promoter Selling Shareholder, their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter Selling Shareholder, and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only. This Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India was eligible to Bid for Equity Shares in the Offer unless that person received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable

state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to "qualified institutional buyers" (as defined in Rule 144A and referred to in this Prospectus as "U.S. QIBs"; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as "QIBs") pursuant to Section 4(a) of the U.S. Securities Act, and (b) outside the United States in offshore transactions in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur. Prospective purchasers are hereby notified that sellers of the Equity Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A thereunder.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of the Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act unless made pursuant to Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with applicable state securities laws in the United States.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer within the United States, by its acceptance of this Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented and warranted to and agreed with the Company, the Promoter Selling Shareholder and the Lead Managers that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of one or more U.S. QIBs with respect to which it exercises sole investment discretion;

4. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

5. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder (if available), or (iv) pursuant to another available exemption from the registration requirements under the U.S. Securities Act, and in each case in accordance with all applicable laws, including the state securities laws in the United States;

6. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for resales of any such Equity Shares;

7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

8. the purchaser is not acquiring the Equity Shares as a result of any form of "general solicitation" or "general advertising" (within the meaning of Rule 502(c) under the U.S. Securities Act) or any "directed selling efforts" (as that term is defined in Regulation S);

9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   "THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY

SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), OR (4) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THE EQUITY SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE EQUITY SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE EQUITY SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK."

10. the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

11. the purchaser acknowledges that the Company, the Promoter Selling Shareholder, the Lead Managers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company and the Lead Managers, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All other Equity Shares Offered and Sold in the Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer outside the United States, by its acceptance of this Prospectus and of the Equity Shares offered pursuant to the Offer, will be deemed to have acknowledged, represented and warranted to and agreed with the Company, the Promoter Selling Shareholder and the Lead Managers that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser is purchasing the Equity Shares offered pursuant to the Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares, was located outside the United States at the time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated, and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

5. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, it will only do so pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, and in each case in accordance with any applicable securities laws of any state of the United States or other applicable jurisdiction;

7. the purchaser is not acquiring the Equity Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) under the U.S. Securities Act);

8. the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and

9. the purchaser acknowledges that the Company, the Promoter Selling Shareholder, the Lead Managers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company and the Lead Managers, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

BSE Limited ("the Exchange") has given vide its letter dated May 5, 2021 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1020 dated May 11, 2021 permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Listing

The Equity Shares issued through the Red Herring Prospectus and this Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. BSE is the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Consents

Consents in writing of each of the Promoter Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, Legal Counsel to the Company and the Promoter Selling Shareholder as to Indian Law, Legal Counsel to the Lead Managers as to Indian Law, International Legal Counsel to the Lead Managers, Bankers to our Company, the Lead Managers, Registrar to

the Offer, Statutory Auditor, Manish B Kevadiya, Chartered Engineer, Dr. S. Padmaja, intellectual property consultant, N.K. Mittal & Associates, Chartered Accountants have been obtained; and consents in writing of the Syndicate Members, Bankers to the Offer and Monitoring Agency to act in their respective capacities, have also been obtained and will be filed along with a copy of this Prospectus and the RoC as required under the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of this Prospectus for filing with the RoC.

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated July 19, 2021 from Walker Chandiok & Co LLP, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated July 9, 2021 on our Restated Financial Information; (ii) independent practitioner's report, dated July 9, 2021 on our Pro Forma Financial Information; and (iii) their reports dated July 12, 2021, on the statement of special of tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

In addition, our Company has received written consent dated June 15, 2021 from Manish B Kevadiya, as chartered engineer to include their name under Section 2(38) read with Section 26(5) of the Companies Act, 2013 in this Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of his certificate on the Company's manufacturing capacity and its utilization at certain manufacturing facilities, and written consent dated June 17, 2021 from Dr. S. Padmaja, as intellectual property consultant to include their name under Section 26(5) of the Companies Act, 2013 in this Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of their certificate on the (i) patent and trademark filings and registrations; and (ii) product filings and registrations of the Company in India and certain other jurisdictions , and such consents have not been withdrawn as on the date of this Prospectus.

In addition, our Company has received written consent dated April 15, 2021 from N.K. Mittal & Associates., Chartered Accountants, to include its name as an independent chartered accountant under Section 26(5) of the Companies Act and as an "expert" as defined under Section 2(38) of the Companies Act.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entities during the last three years

Other than as disclosed in "*Capital Structure*" on page 64, our Company has not made any capital issues during the three years preceding the date of this Prospectus.

Our Group Companies are not listed on any stock exchanges. Further, none of our Group Companies has made any capital issues during the three years preceding the date of this Prospectus.

Our Company does not have any subsidiaries or associates.

Commission and Brokerage paid on previous issues of the Equity Shares in the last five years

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public issue in the five years preceding the date of this Prospectus. Our Company has not undertaken any rights issue in the five years preceding the date of this Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

Our listed Promoter, Glenmark Pharmaceuticals Limited has not undertaken any public/ rights issue of its equity shares in the preceding five years.

Price information of past issues handled by the Lead Managers

1) Kotak Mahindra Capital Company Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Zomato Limited	93,750.00	76	July 23, 2021	116.00	-	-	-
2.	Clean Science and Technology Limited	15,466.22	900	July 19, 2021	1,755.00	-	-	-
3.	G R Infraprojects Limited	9,623.34	837[1]	July 19, 2021	1,715.85	-	-	-
4.	Krishna Institute of Medical Sciences Limited	21,437.44	825[2]	June 28, 2021	1,009.00	+48.10%,[-0.43%]	-	-
5.	Sona BLW Precision Forgings Limited	55,000.00	291	June 24, 2021	301.00	+45.45%, [+0.42%]	-	-
6.	Macrotech Developers Limited	25,000.00	486	April 19, 2021	436.00	+30.22%[+5.21%]	+75.43%[+10.89%]	-
7.	Home First Finance Company India Limited	11,537.19	518	February 3, 2021	618.80	+4.98%[+1.97%]	-5.64%[-1.05%]	+64.83%[+6.58%]
8.	Indigo Paints Limited	11,691.24	1,490[3]	February 2, 2021	2,607.50	+75.72%[+4.08%]	+55.40%[-0.11%]	+74.84%[+7.61%]
9.	Burger King India Limited	8,100.00	60	December 14, 2020	115.35	+146.50%[+7.41%]	+135.08%[+10.86%]	+168.25%[+16.53%]
10.	Gland Pharma Limited	64,795.45	1,500	November 20, 2020	1,710.00	+48.43%[+7.01%]	+57.27%[+18.27%]	+104.17%[+17.49%]

Source: www.nseindia.com

Notes:

1. *In G R Infraprojects Limited, the issue price to eligible employees was ₹ 795 after a discount of ₹ 42 per equity share*
2. *In Krishna Institute of Medical Sciences Limited, the issue price to eligible employees was ₹ 785 after a discount of ₹ 40 per equity share*
3. *In Indigo Paints Limited, the issue price to eligible employees was ₹ 1,342 after a discount of ₹ 148 per equity share*
4. *In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.*
5. *The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.*
6. *Restricted to last 10 equity initial public issues.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	6	220,277.00	-	-	-	-	3	-	-	-	-	2	-	-
2020-21	6	140,143.77	-	-	1	2	1	2	-	-	-	2	1	1
2019-20	4	136,362.82	-	1	-	-	1	2	-	-	1	-	1	2

Notes:

1. *The information is as on the date of this Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year.*

2) BofA Securities India Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by BofA Securities India Limited

Sr. No.	Offer Name	Offer Size (₹ in mm)	Offer Price (₹)	Listing Date	Opening Price on Listing Date (₹)[2]	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing [3] [4] [5]	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing [3] [4] [6]	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing [3] [4] [7]
1	Zomato Limited	93,750.00	76.00	23-July-21	116.00	-	-	-
2	UTI Asset Management Company Limited	21,598.80	554.00	12-Oct-20	500.00	-10.43% [5.87%]	-1.02% [21.40%]	5.81% [24.34%]
3	SBI Cards and Payment Services Limited	103,407.80	755.00	16-Mar-20	661.00	-33.16% [-2.96%]	-21.52% [6.70%]	12.50% [24.65%]

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details
Notes:
1. *Equity public issues in last 3 financial years considered.*
2. *Opening price information as disclosed on the website of NSE.*
3. *Benchmark index is CNX Nifty.*
4. *In case 30th day, 90th day or 180th day is not a trading day, closing price on NSE of next trading day is considered.*
5. *30th listing day has been taken as listing date plus 29 calendar days.*
6. *90th listing day has been taken as listing date plus 89 calendar days.*
7. *180th listing day has been taken as listing date plus 179 calendar days.*

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by BofA Securities India Limited

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ *million*.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	1	93,750	-	-	-	-	-	-	-	-	-	-	-	-
2020-21	1	21,598.80	-	-	**1**	-	-	-	-	-	-	-	-	**1**
2019-20	1	103,407.80	-	1	-	-	-	-	-	-	-	-	-	1

Notes:
1. *The information is as on the date of this Prospectus.*
2. *Based on the day of listing*

3) Goldman Sachs (India) Securities Private Limited

1. *Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Goldman Sachs (India) Securities Private Limited*

No.	Issue name	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/ % change in closing benchmark]- 180th calendar days from listing
1.	Metropolis Healthcare Limited	12,043.88	880	April 15, 2019	958.00	+3.75% / [-4.01]%	+21.39% / [-1.18]%	+45.93% / [-3.30%]%

Notes:

1. *All data sourced from www.nseindia.com*
2. *Benchmark index considered is NIFTY 50*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the preceding trading day*

2. *Summary statement of price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Goldman Sachs (India) Securities Private Limited*

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount as on 30th calendar day from listing date			No. of IPOs trading at premium as on 30th calendar day from listing date			No. of IPOs trading at discount as on 180th calendar day from listing date			No. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022	0	-	-	-	-	-	-	-	-	-	-	-	-	-
2021	0	-	-	-	-	-	-	-	-	-	-	-	-	-
2020	1	12,043.88	-	-	-	-	-	1	-	-	-	-	1	-

4) DAM Capital Advisors Limited (Formerly known as IDFC Securities Limited)

1. Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited (Formerly known as IDFC Securities Limited):

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	+18.90%, [+5.87%]	+52.90%, [+20.25%]	+45.79%, [+24.34%]
2	Indian Railway Finance Corporation Limited	46,333.79	26.00	January 29, 2021	24.90	-5.19%, [+6.56%]	-18.65%, [+9.02%]	-11.15% [+15.49%]
3.	Laxmi Organic Industries Limited	6,000.00	130.00	March 25, 2021	155.50	+37.85%, [+0.11%]	+71.96%, [+10.11%]	Not applicable

Source: www.nseindia.com

Notes:

(a) Issue size derived from prospectus
(b) Price on NSE is considered for all of the above calculations
(c) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.
(d) Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
(e) The Nifty 50 index is considered as the benchmark index
(f) Not applicable – Period not completed

2. Summary statement of price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited (Formerly known as IDFC Securities Limited):

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020-21	3	56,770.65	-	-	1	-	1	1	-	-	1	-	1	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: www.nseindia.com

Notes:

a. The information is as on the date of this offer document
b. The information for each of the financial years is based on issues listed during such financial year.
c. Since 180 calendar days from listing date has not elapsed for few issues, hence data for same is not available

5) BOB Capital Markets Limited

1. Price information of past issues handled by BOB Capital Markets Limited

Sr. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing[2] [3]	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing[2] [3]	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Macrotech Developers India Limited	25,000.00	486	April 19,2021	436.00	+30.22%[+5.21%]	75.43% [+10.89%]	Not Available
2.	Kalyan Jewellers India Limited	11,748.16	87[1]	March 26, 2021	73.95	-24.60%[-1.14%]	-8.33%[+8.84%]	Not Available

Source: www.nseindia.com for price information and prospectus for issue details.

Note:

(1) A discount of ₹ 8.00 per equity share offered to the eligible employees. All calculations are based on the issue price of ₹ 87 per equity share.

(2) The 30th and 90th calendar day from listing day have been taken as listing day plus 29 and 89 calendar days, respectively. In the event any day falls on a holiday, the price/index of the previous trading day has been considered.

(3) The Nifty 50 index is considered as the Benchmark Index.

2. Summary statement of price information of past issues handled by BOB Capital Markets Limited:

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	1	25,000.00	-	-	-	-	1	-	-	-	-	-	-	-
2020-21	1	11,748.16	-	-	1	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: Prospectus for issue details

Note:

1) The above information is as on the date of this Prospectus.

2) *The information for the financial year is based on issue listed during such financial year*

6) SBI Capital Markets Limited

1. Price information of past issues handled by SBI Capital Markets Limited:

Sr. No.	Issue Name	Issue Size (₹ million.)	Issue Price (₹)	Listing Date	Opening Price on	+/- % change in closing price, [+/-	+/- % change in closing price, [+/-	+/- % change in closing price, [+/-

					Listing Date (in ₹)	% change in closing benchmark]- 30th calendar days from listing	% change in closing benchmark]- 90th calendar days from listing	% change in closing benchmark]- 180th calendar days from listing
1	G R Infraprojects Limited(1)	9623.34	837.00	July 19, 2021	1715.85	NA	NA	NA
2	Shyam Metalics and Energy Limited (2)	9085.50	306.00	June 24, 2021	380.00	40.95% [+0.42%]	NA	NA
3	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [+5.21%]	75.43% [+10.89%]	NA
4	Barbeque-Nation Hospitality Limited	4528.74	500.00	April 07, 2021	489.85	18.77% [-0.64%]	76.97% [+6.85%]	NA
5	Suryoday Small Finance Bank Ltd (3)	5,808.39	305.00	March 26, 2021	292.00	-18.38% [-1.14%]	-27.48% [+8.84%]	NA
6	Kalyan Jewellers India Ltd (4)	11748.16	87.00	March 26, 2021	73.95	-24.60% [-1.14%]	-8.33% [+8.84%]	NA
7	Railtel Corporation of India Limited	8192.42	94.00	February 26, 2021	109.00	35.64% [-0.15%]	37.50% [5.32%]	NA
8	Indian Railway Finance Corporation Ltd	46,333.79	26.00	January 29, 2021	24.90	-5.19% [+6.56%]	-18.65% [+9.02%]	-11.15% [+15.49%]
9	Mrs. Bectors Food Specialities Limited (5)	5,405.40	288.00	December 24,2020	500.00	37.69% [+4.53%]	19.93% [+7.75%]	40.59% [+14.53%]
10	UTI Asset Management Company Ltd	21,598.84	554.00	October 12, 2020	500.00	-10.43% [+5.87%]	-0.60% [+20.25%]	5.81% [+24.34%]

Source: www.nseindia.com

***Notes**:*

** The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*

** The Nifty 50 index is considered as the Benchmark Index*

1 *Price for eligible employee was Rs. 42.00 per equity share*

2 *Price for eligible employee was Rs 291.00 per equity share*

3 *Price for eligible employee was Rs 275.00 per equity share*

4 *Price for eligible employee was Rs 89.00 per equity share*

5 *Price for eligible employee was Rs 273.00 per equity share*

2. Summary statement of disclosure Price information of past issues during current financial year and two financial years preceding the current financial year handled by SBI Capital Markets Limited:

Financial Year	Total no. of IPOs #	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	4	48,237.58	-	-	-	-	2	1	-	-	-	-	-	-
2020-21*	7	1,05,087.00	-	-	5	-	2	-	-	1	3	-	-	-
2019-20	3	138,283.86	-	1	1	1	-	-	1	-	-	1	-	1

** The information is as on the date of this Offer Document.*

 # Date of Listing for the issue is used to determine which financial year that particular issue falls into

Track record of past issues handled by the Lead Managers

For details regarding the track record of the Lead Managers, as specified in circular bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the Lead Managers, as provided in the table below:

S. No.	Name of the Lead Manager	Website
1.	Kotak Mahindra Capital Company Limited	www.investmentbank.kotak.com
2.	BofA Securities India Limited	www.ml-india.com
3.	Goldman Sachs (India) Securities Private Limited	www.goldmansachs.com
4.	DAM Capital Advisors Limited (Formerly known as IDFC Securities Limited)	www.damcapital.in
5.	BOB Capital Markets Limited	www.bobcaps.in
6.	SBI Capital Markets Limited	www.sbicaps.com

Stock Market Data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, under the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, investors shall be compensated by the SCSBs in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications within the stipulated period. The SCSBs shall be liable to compensate investors at a rate higher of ₹ 100 per day or 15% per annum of the specified amount for the period of such delay. In an event there is a delay in redressal of investor grievances in relation to unblocking of amounts beyond the date of receipt of the complaint, subject to and in accordance with the provisions of the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the Lead Managers shall be liable to compensate the investors at the rate higher of ₹ 100 per day or 15% per annum of the application amount for the period of such delay, to the extent applicable.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form will be submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form will be submitted by the Bidder.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre- Offer or post- Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Offer to the Lead Managers.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company has not received investor complaints in relation to the Equity Shares for the three years prior to the filing of the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus, hence no investor complaint in relation to our

Company was pending as on the date of filing of the Draft Red Herring Prospectus and no investor complaint is pending as on the date of the Red Herring Prospectus and this Prospectus.

Our Group Companies are not listed on any stock exchange. Our Company does not have any subsidiaries.

Disposal of Investor Grievances by our Company

Our Company has obtained authentication on the SEBI SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be seven days from the date of receipt of the complaint, provided however, in relation to complaints pertaining to blocking/unblocking of funds, investor complaints shall be resolved on the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also appointed Rudalf Corriea, Company Secretary of our Company, as the Compliance Officer. For details, see "*General Information*" on page 54.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, this Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the CAN or Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents or certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC or any other authorities while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder.

Ranking of the Equity Shares

The Equity Shares being offered/Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits. For further details, see "*Main Provisions of Articles of Association*" beginning on page 334.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, our Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of Articles of Association*" beginning on pages 174 and 334, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹ 2 and the Offer Price is ₹ 720 per Equity Share. The Floor Price is ₹ 695 per Equity Share and at the Cap Price is ₹ 720 per Equity Share, being the Price Band. The Anchor Investor Offer Price is ₹ 720 per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot was decided by our Company and the Promoter Selling Shareholder in consultation with the Lead Managers and were advertised in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Solapur edition of Tarun Bharat, a Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and were made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, were pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges. The Offer Price has been determined by our Company and Promoter Selling Shareholder, in consultation with the Lead Managers, after the Bid/ Offer Closing Date.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or "e-voting", in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of Equity Shares, subject to applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and our Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission, consolidation or sub-division, see "*Main Provisions of Articles of Association*" on page 334.

Allotment only in Dematerialised Form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated March 8, 2021 amongst our Company, CDSL and the Registrar to the Offer; and
- Tripartite agreement dated October 22, 2018 between our Company, NSDL and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Shares subject to a minimum Allotment of 20 Equity Shares. For further details, see "*Offer Procedure*" on page 317.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, reserve the right not to proceed with the Fresh Issue, and the Promoter Selling Shareholder reserves the right to not proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre- Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Lead Managers through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, in case of RIBs using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders (other than Anchor Investors) shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of this Prospectus after it is filed with the RoC. If our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, withdraw the Offer after the Bid/ Offer Closing Date and thereafter determine that they will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Bid/ Offer Programme

BID/ OFFER OPENED ON	Tuesday, July 27, 2021*
BID/OFFER CLOSED ON	Thursday, July 29, 2021

* *The Anchor Investor Bid/ Offer Period was one Working Day prior to the Bid/ Offer Opening Date, i.e. July 26, 2021 in accordance with the SEBI ICDR Regulations.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Tuesday, August 3, 2021
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Wednesday, August 4, 2021
Credit of Equity Shares to demat accounts of Allottees	On or about Thursday, August 5, 2021
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Friday, August 6, 2021

* *In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

The above timetable is indicative and does not constitute any obligation or liability on our Company or the Promoter Selling Shareholder or the Lead Managers.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, the timetable may be subject to change due to various factors, such as any delay in receiving the final listing and trading approval from the Stock Exchanges or delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholder confirms that it shall extend reasonable co-operation in relation to the Offered Shares required by our Company and the Lead Managers for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/ Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/ Offer Closing Date, the Bids were required to be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/ Offer Closing Date, extension of time would be granted by Stock Exchanges only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the Lead Managers to the Stock Exchanges.

The Registrar to the Offer was required to submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs were required to unblock such applications by the closing hours of the Working Day and submit the confirmation to the Lead Managers and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders were advised to submit their Bids one day prior to the Bid/ Offer Closing Date. Any time mentioned in this Prospectus is IST. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that could not be uploaded will not considered for allocation under the Offer. Bids and any revision in Bids were permitted to be accepted only during Monday to Friday (excluding any public/bank holiday).

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges would be taken as the final data for the purpose of Allotment.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Fresh Issue on the date of closure of the Offer; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the Offer Document and a subscription in the Offer equivalent to at least the minimum number of securities as specified under Rule 19(2)(b) of the SCRR, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days (or such other timeline as may be prescribed under applicable law), our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of fifteen per cent per annum. Subject to applicable law, the Promoter Selling Shareholder shall not be responsible to pay interest for any delay, unless such default or delay has been caused solely by the Promoter Selling Shareholder.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority: (i) through the sale of Offered Shares being offered by the Promoter Selling Shareholder in the Offer for Sale; and (ii) through the issuance of balance part of the Fresh Issue.

Undersubscription, if any, in any category except the QIB portion, can be met with spill-over from the other categories at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, and the Designated Stock Exchange.

Further, our Company will ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of SEBI ICDR Regulations.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be traded in dematerialised form only, and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company has not issued any new financial instruments through this Offer.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre- Offer Equity Share capital of our Company, lock-in of the Promoter's minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 67 and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or sub-division, except as provided in the Articles of Association. For details see "*Main Provisions of Articles of Association*" beginning on page 334.

OFFER STRUCTURE

The Offer is of 21,022,222* Equity Shares of face value of ₹ 2 at an Offer Price of ₹ 720 per Equity Share for cash (including a share premium of ₹ 718 per Equity Share) aggregating to ₹ 15,136* million comprising a Fresh Issue of 14,722,222* Equity Shares aggregating to ₹ 10,600* million and an Offer of Sale of 6,300,000* Equity Shares aggregating to ₹ 4,536* million by the Promoter Selling Shareholder. The Offer constitutes 17.16% of the post- Offer paid-up Equity Share capital of our Company.

**Subject to finalisation of the Basis of Allotment*

The Offer is being made through the Book Building Process.

Particulars	QIBs[(1)]	Non-Institutional Bidders	RIBs
Number of Equity Shares available for Allotment or allocation*[(2)]	Not more than 10,511,110* Equity Shares	Not less than 3,153,334* Equity Shares available for allocation or Offer less allocation to QIB Bidders and RIBs	Not less than 7,357,778* Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment or allocation	Not more than 50% of the Offer was made available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion was available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion was available to be added to the Net QIB Portion	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and RIBs	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) 210,223* Equity Shares were available for allocation on a proportionate basis to Mutual Funds only; and (b) 3,994,227* Equity Shares were available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. 6,306,660* Equity Shares have been allocated on a discretionary basis to Anchor Investors of which one-third were available for allocation to Mutual Funds only, subject to valid Bid having been received from Mutual Funds at or above the Anchor Investor Allocation Price	Proportionate	The allotment to each RIB shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be available to be allotted on a proportionate basis. For further details, see "*Offer Procedure*" on page 317.
Mode of Bid	ASBA only (except for Anchor Investors)[(3)]		

Particulars	QIBs[1]	Non-Institutional Bidders	RIBs
Minimum Bid	Such number of Equity Shares in multiples of 20 Equity Shares such that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of 20 Equity Shares such that the Bid Amount exceeds ₹ 200,000	20 Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of 20 Equity Shares not exceeding the size of the Offer, subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of 20 Equity Shares not exceeding the size of the Offer (excluding the QIB Portion), subject to limits applicable to Bidder	Such number of Equity Shares in multiples of 20 Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	20 Equity Shares and in multiples of 20 Equity Shares thereafter		
Allotment Lot	A minimum of 20 Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply[4]	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts and FPIs who are individuals, corporate bodies and family offices for Equity Shares such that the Bid Amount exceeds ₹ 2,00,000 in value.	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid amount does not exceed ₹ 2,00,000 in value.
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids[5] **In case of all other Bidders**: Full Bid Amount was required to be blocked by the SCSBs in the bank account of the ASBA Bidder, or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form		

* *Subject to finalisation of the Basis of the Allotment*

(1) Our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers allocated 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, in accordance with the SEBI ICDR Regulations. An Anchor Investor was required to make a minimum Bid of such number of Equity Shares, that the Bid Amount was at least ₹ 100 million. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received at or above the price at which allocation was made to Anchor Investors.

(2) This is an Offer in terms of Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.

(3) Anchor Investors were not permitted to use the ASBA process.

(4) In case of joint Bids, the Bid cum Application Form could contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder was required in the Bid cum

Application Form and such first Bidder was deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.

(5) Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms.

Bidders were required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids having been received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, and the Designated Stock Exchange. For further details, see the "*Terms of the Offer*" on page 309.

OFFER PROCEDURE

All Bidders should read the General Information Document, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by RIBs through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**")) and Allotment in the Offer; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), issued by SEBI, the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by RIBs ("**UPI Phase III**") and modalities of the implementation of UPI Phase III maybe notified and made effective subsequently, as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on or after May 1, 2021, except as set out in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the provisions of these circulars are deemed to form part of this Prospectus.*

Our Company, the Promoter Selling Shareholder and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders were advised to make their independent investigations and ensure that their Bids were submitted in accordance with applicable laws and did not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, our Company, the Promoter Selling Shareholder and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer was made available for allocation to QIBs. Our Company and the Promoter Selling Shareholder may, in consultation with the Lead Managers, allocated 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one-third was available for allocation to domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) was available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion was available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less 15% of the Offer was available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer was

available for allocation to RIBs in accordance with SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price.

Subject to valid Bids having been received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, and the Designated Stock Exchange and subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which do not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (in case of RIBs using the UPI Mechanism) and PAN, shall be treated as incomplete and are liable to be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of UPI for Bids by RIBs as per the UPI Circulars

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in three phases in the following manner:

a) **Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, a RIB also had the option to submit the ASBA Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

b) **Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Under this phase, submission of the physical ASBA Form by a RIB through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

c) **Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

The Offer is being made under UPI Phase II of the UPI Circular.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. The Company has also appointed one of the SCSBs as the Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the RIBs using the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Managers.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were made available with the Designated Intermediaries at the relevant Bidding Centres, and at our Registered Office. An electronic copy of the Bid cum Application Form was also made available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date.

RIBs Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Bidders (not using the UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

All Bidders (other than Anchor Investors) were required to mandatorily participate in the Offer only through the ASBA process. ASBA Bidders were required to provide either (i) the bank account details and authorisation to block funds in their respective ASBA Form, or (ii) the UPI ID (in case of RIBs), as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected. Applications made by the RIBs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

ASBA Bidders were required to ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. ASBA Bidders using UPI Mechanism, were required to submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Bidders were also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

For Anchor Investor, the Anchor Investor Application Form were available at the offices of the Lead Managers.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including QIBs, Non-institutional Bidders and Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors	White**

* *Excluding electronic Bid cum Application Form*

** *Bid cum Application Forms for Anchor Investors were made available at the office of the Lead Managers.*

Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

The Designated Intermediaries (other than SCSBs) were required to submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and were restricted from submitting it to any non-SCSB bank or any Escrow Collection Bank. Further, SCSBs were required to upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Stock Exchanges were required to validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For ASBA Bidders using UPI Mechanism, the Stock Exchanges were required to share the Bid details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to ASBA Bidders for blocking of funds. The Sponsor Bank was required to initiate request for blocking of funds through NPCI to the Bidders, who was required to accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI was required to maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate ASBA Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI was required to share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Offer. The Lead Managers were also required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs were required to send SMS alerts for mandating block and unblock format prescribed under the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

The Sponsor Bank shall send details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact or bearing on the Bidding process to the e-mail address of intermediaries (closed user group) entities periodically in intervals not exceeding three (3) hours. In case of exceptional events such as technical issues with UPI handles/PSPs/TPAPS/SCSBs etc., such events shall be intimated immediately to the closed user group entities so as to facilitate the flow of information in the Offer process. The Sponsor Bank shall obtain the relevant information from the Stock Exchanges and Lead Managers for the development of the automated web portal, prior to the Bid/Offer Opening Date.

Electronic registration of Bids

a) The Designated Intermediary could register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they could subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/ Offer Closing Date, the Designated Intermediaries could upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period after which the Stock Exchange(s) would send the bid information to the Registrar to the Offer for further processing.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to U.S. QIBs in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (b) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoter, members of the Promoter Group, the Lead Managers, the Syndicate Members and persons related to Promoter/Promoter Group/the Lead Managers

The Lead Managers and the Syndicate Members are not allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Managers and the Syndicate Members could Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as was applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription could be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Lead Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Lead Managers nor any associate of the Lead Managers could apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the Lead Managers;

(ii) insurance companies promoted by entities which are associate of the Lead Managers;

(iii) AIFs sponsored by the entities which are associate of the Lead Managers; or

(iv) FPIs sponsored by the entities which are associate of the Lead Managers.

Further, the Promoter and members of the Promoter Group could not participate by applying for Equity Shares in the Offer. Further, persons related to the Promoter and the Promoter Group could not apply in the Offer under the Anchor Investor Portion. However, a qualified institutional buyer who has any of the following rights in relation to the Company was deemed to be a person related to the Promoter or Promoter Group of our Company:

(i) Rights under a shareholders' agreement or voting agreement entered into with the Promoter or Promoter Group of our Company;

(ii) veto rights; or

(iii) right to appoint any nominee director on our Board.

Further, an Anchor Investor was deemed to be an "associate of the Lead Manager" if:

(i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the Lead Managers.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid was made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any company, provided that the limit of 10% shall not be applicable for investments in case of index fund or sector or industry specific scheme. No Mutual Fund under all its schemes can own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs could obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms could authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms could authorize their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer was subject to the FEMA Rules.

NRIs were permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs could use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 333.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs were required to be made in the individual name of the *Karta*. The Bidder/applicant was required to specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 74% of the total paid-up Equity Share capital of our Company on a fully diluted basis for brownfield investments.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer were advised to use the Bid cum Application Form for Non-Residents (blue in colour).

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations ("**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit. The sectoral cap applicable to our Company is up to 74% automatic route in brownfield investments beyond which it is government approval route.

FPIs were permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable were required to be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations, *inter alia*, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.3% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other Alternative Investment Funds, subject to the conditions prescribed by SEBI. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other Alternative Investment Funds. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Promoter Selling Shareholder, and the Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the Lead Managers reserve the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee were required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services and non-financial services cannot exceed 20% of the bank's paid up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account was required to be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in

consultation with the Lead Managers reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹ 250 million, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder in consultation with the Lead Managers reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important NBFCs, were required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

(a) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the Lead Managers.

(b) The Bid was required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund were aggregated to determine the minimum application size of ₹ 100 million.

(c) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors opened one Working Day before the Bid/ Offer Opening Date, and was completed on the same day.

(e) Our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers finalised allocation to the Anchor Investors on a discretionary basis. The minimum number of proposed Allottees in the Anchor Investor Portion is not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;
- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
- in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

(f) Allocation to Anchor Investors was completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation was made, was made available in the public domain by the Lead Managers before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors could not withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(i) Neither the Lead Managers nor any associate of the Lead Managers (except Mutual Funds sponsored by entities which are associates of the Lead Managers or insurance companies promoted by entities which are associate of Lead Managers or AIFs sponsored by the entities which are associate of the Lead Managers or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and Lead Managers) could apply in the Offer under the Anchor Investor Portion.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

The information set out above is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder, and the Lead Managers are not liable for any amendments or modification or changes to applicable laws or regulations, which occurred or may occur after the date of the Red Herring Prospectus or this Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them did not exceed the applicable investment limits or maximum number of the Equity Shares that could be held by them under applicable law or regulations, or as specified in the Red Herring Prospectus or as will be specified in this Prospectus.

General Instructions

Please note that QIBs and Non-Institutional Bidders were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs could revise their Bid(s) during the Bid/ Offer Period and withdraw or lower the size of their Bid(s) until Bid/ Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bid/ Offer Period.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a Bidder using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

6. RIBs Bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

8. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;

9. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned are liable to be rejected;

13. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

14. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

17. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

18. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

19. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for RIBs bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for ASBA Bidders bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for ASBA Bidders bidding through UPI mechanism) and PAN available in the depository database;

20. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

21. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

22. Ensure that the Demographic Details are updated, true and correct in all respects;

23. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

24. Bidders (except RIBs Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Bank issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

25. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a RIB Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;

26. RIBs bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

27. RIBs using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;

28. Bids by Eligible NRIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion for allocation in the Offer;

29. Ensure that Anchor Investors submit their Bid cum Application Forms only to the Lead Managers;

30. RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and

31. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;

2. Do not submit a Bid using UPI ID, if you are not a RIB;

3. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);

4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

5. Do not Bid/ revise the Bid amount to less than the floor price or higher than the cap price;

6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. Do not submit the Bid for an amount more than funds available in your ASBA account;

11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

14. Do not fill up the Bid cum Application Form such that the Bids for Equity Shares for exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

16. In case of ASBA Bidders (other than RIBs using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;

17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

18. Anchor Investors should not bid through the ASBA process;

19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;

20. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

21. Do not submit the General Index Register (GIR) number instead of the PAN;

22. Anchor Investors should submit Anchor Investor Application Form only to the Lead Managers;

23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid / Offer Closing Date;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder;

26. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

27. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RIB and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a RIB Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;

29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIBs using the UPI Mechanism;

31. Do not Bid if you are an OCB;

32. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected; and

33. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs Bidding using the UPI Mechanism.

Further, helpline details of the Lead Managers pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 are set forth in the table below:

S. No.	Name of the Lead Manager	Helpline (email)	Telephone
1.	Kotak Mahindra Capital Company Limited	gls.ipo@kotak.com	+91 22 4336 0000
2.	BofA Securities India Limited	dg.glenmark_ipo@bofa.com	+91 22 6632 8000
3.	Goldman Sachs (India) Securities Private Limited	glsipo@gs.com	+91 22 66169000
4.	DAM Capital Advisors Limited (Formerly known as IDFC Securities Limited)	glenmark.ipo@damcapital.in	+91 22 4202 2500
5.	BOB Capital Markets Limited	gls.ipo@bobcaps.in	+91 22 6138 9300

S. No.	Name of the Lead Manager	Helpline (email)	Telephone
6.	SBI Capital Markets Limited	gls.ipo@sbicaps.com	+91 22 2217 8300

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids could be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form by the RIBs using third party bank accounts or using third party linked bank account UPI IDs;
7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Bids submitted without the signature of the First Bidder or sole Bidder;
9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than ₹200,000;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "*General Information*" on page 54.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock

Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIBs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Accounts

Our Company and the Promoter Selling Shareholder, in consultation with the Lead Managers decided the list of Anchor Investors to whom the CAN was sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names was notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account were required to be drawn in favour of:

(a) In case of resident Anchor Investors: "*Glenmark Life Sciences Limited – Anchor Resident Account*"

(b) In case of Non-Resident Anchor Investors: "*Glenmark Life Sciences Limited – Anchor Non-resident Account*"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Promoter Selling Shareholder, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre- Offer Advertisement

Our Company, after filing the Red Herring Prospectus with the RoC, published a pre- Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Solapur edition of Tarun Bharat, a Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.

In the pre- Offer advertisement, we stated the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper and Solapur edition of Tarun Bharat, a Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the Promoter Selling Shareholder, and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which occurred or may occur after the date of the Red Herring Prospectus or this Prospectus. Bidders/applicants were advised to make their independent investigations and ensure that the number of Bids for Equity Shares did not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

(a) Our Company, the Promoter Selling Shareholder and the Underwriters have entered into an Underwriting Agreement.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus is being filed with the RoC in accordance with applicable law, which is termed as the Prospectus. The Prospectus contains details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and is complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six working days of the Bid/ Offer Closing Date or within such other time period prescribed by SEBI will be taken;
- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- if Allotment is not made within six working days from the Bid/ Offer Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- that if the Offer is withdrawn after the Bid/ Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Offer subsequently;
- that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received;
- except for the exercise of options vested pursuant to ESOP 2021, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the relevant ASBA Accounts on account of non-listing, under-subscription, etc.; and
- adequate arrangements shall be made to collect all Bid cum Application Forms from Bidders.

Undertakings by the Promoter Selling Shareholder

The Promoter Selling Shareholder undertakes, in relation to itself and its Offered Shares that:

- the Offered Shares have been held by it for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI;
- it is the legal and beneficial owner of the Offered Shares, and that such Offered Shares shall be transferred in the Offer, free from encumbrances;
- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer; and

- it shall not have recourse to the proceeds of the Offer for Sale until final approval for trading of the Equity Shares from the Stock Exchanges has been received.

The statements and undertakings provided above, in relation to the Promoter Selling Shareholder, are statements which are specifically confirmed or undertaken in relation to itself and the Offered Shares. All other statements or undertakings or both in this Prospectus in relation to the Promoter Selling Shareholder, shall be statements made by our Company, even if the same relate to the Promoter Selling Shareholder.

Utilisation of Net Proceeds

The Company declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;

- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Net Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy and FEMA and the circulars and notifications issued thereunder. The government bodies responsible for granting foreign investment approvals are the concerned ministries or departments of the Government of India and the RBI. Unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT, issued the FDI Policy by way of circular bearing number DPIIT File Number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

As per the FDI Policy, under the "Pharmaceuticals" sector, FDI of up to 100% foreign investment under the automatic route is currently permitted for greenfield investments. For brownfield investments, up to 74% is permissible under the automatic route and government approval route beyond 74%. For details, see *"Key Regulations and Policies in India – Foreign Investment Regulations"* on page 145.

Subject to certain provisions, the transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/ Offer Period.

As per the existing policy of the Government, OCBs were not permitted to participate in the Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to U.S. QIBs in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (b) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur .

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder, and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provision of the Articles of Association of our Company are detailed below.

Application of Table F

The introduction to the Articles of Association provides that the regulations contained in table "F" of the first Schedule to the Companies Act, 2013 shall not apply to the Company, except so far as they are embodied in the Articles, which shall be regulations for the management of the Company.

Share Capital

Article 3 provides that the authorised share capital of the Company shall be the capital as specified in the Memorandum of Association, with power to increase and reduce the Share Capital of the Company and to divide the shares in the Capital for the time being into several classes as permissible in law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for time being be provided in the Articles.

Article 4 provides that the Company in General Meeting may, from time to time, increase the Capital by the creation of new Shares. Such increase shall be of such aggregate amount and to be divided into such Shares of such respective amounts, as the resolution of the Board shall prescribe. Subject to the provisions of the Act any Shares of the original or increased Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the Board shall determine, and in particular, such shares may be issued with a preferential or qualified right to Dividends, or otherwise, or with a right to participate in some profits or assets of the Company, or with such differential or qualified right of voting at General Meetings of the Company, as permitted in terms of Section 47 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act or any such compliance as may be required by the Act for the time being in force.

Variation of rights

Article 11 provides that whenever the Share Capital is divided into different types or classes of shares all or nay of the rights and privileges attached to each type or class may, subject to the provisions of the Section 48 of the Act, be varied with the consent in writing of the holders of at least three-fourths of the issued Shares of the Meeting of the holders of the issued shares of that class and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such class Meeting.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained.

Sub-division, consolidation and cancellation of shares

Article 10 provides that subject to the provisions of Section 61 of the Act, the Company in General Meeting may from time to time (a) consolidate its Shares into shares of a larger amount than the existing Shares, or any class of them, and (b) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum and the resolution whereby any Share is sub- divided, or classified, may determine that, as between the holders of the Shares resulting from such sub-division or classification, one or more of such Shares shall have some preference or special advantage as regards Dividend, Capital or otherwise over or as compared with the other; provided, however, that no sub-division of shares held in physical form, which shall result in the shareholder getting a Share Certificate of a denomination of lesser than 10 shares, shall be permitted.

Subject as aforesaid, the Company in General Meeting may also cancel Shares which have not been taken or agreed to be taken by any person and diminish the amount of its Share Capital by the amount of the Shares so cancelled.

Further Issue of Capital

Article 12 provides that where at any time it is proposed to increase the subscribed Capital of the Company by allotment of further shares, such shares shall be offered, subject to the provisions of section 62 of the Act and the rules made thereunder, to persons, who on the date of the offer are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:

(i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 days or such lesser number of days as may be prescribed and not exceeding 30 days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined.

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in Article 12(i) hereof shall contain a statement of this right.

(iii) After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the shareholders and the Company.

The notice referred to in Article 12(i) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.

Article 13 provides that notwithstanding anything contained in Article 12, the further shares aforesaid may be offered in any manner whatsoever, to:

1. employees under a scheme of employees' stock option scheme, subject to special resolution passed by the Company and subject to other conditions prescribed under the Act and rules made thereunder;

2. to any persons on private placement or on preferential basis, whether or not those persons include the persons referred to in Articles 12 or 13.1, either for cash or for a consideration other than cash, if so decided by a Special Resolution, if the price of such shares is determined by the valuation report of a registered valuer subject to compliance with the applicable conditions of Chapter III of the Act and any other conditions as may be prescribed.

Article 14 provides that nothing in Article no. 12 and 13 shall be deemed;

1. To extend the time within which the offer should be accepted; or

2. To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

Article 15 provides that notwithstanding anything contained in Articles 12 and 13, the aforesaid shares may be offered to any persons (whether or not those persons include the persons referred to in Article 12 above) in any manner whatsoever:

(a) if a Special Resolution Resolution to that effect is passed by the Company in General Meeting; or

(b) where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the Resolution moved in that General Meeting by Members (including the casting vote, if any, of the Chairperson), by members who, being entitled so do to, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

Article 16 provides that nothing in Articles 12 to 15 shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loan raised by the Company:

(i) To convert such debentures or loans into shares in the Company; or

(ii) To subscribe for shares in the Company.

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf; and

(b) In the case of debentures or loans other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government In this behalf, has also been approved by the special resolution passed by the Company in General Meeting before the issue of the loans

Call on Shares

Article 33 provides that the Board of Directors may, from time to time and subject to the terms on which Shares have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, or otherwise as permitted by Applicable Law make such call as it thinks fit upon the members in respect of all moneys unpaid on the Shares held by them respectively, and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments.

Article 34 provides that the option or right to make calls on Shares shall not be given to any person except with the sanction of the issuer in general meetings.

Article 35 provides that each member shall, subject to receiving fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

Article 36 provides that a call may be revoked or postponed at the discretion of the Board.

Article 37 provides that a call shall be deemed to have been made at the time when the resolution authorising such call was passed as provided herein and may be required to be paid by installments.

Article 38 provides that the Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a member of grace and favour.

Article 39 provides that if any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at a rate, as the Board may determine and as permissible under the Applicable law. Nothing in this Article shall render it obligatory for the Board of Directors to demand or recover any interest from any such member.

Article 40 provides that the Board shall be at liberty to waive payment of any such interest wholly or in part.

Article 41 provides that any sum, which may by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

Article 42 provides that at the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member, in respect of whose shares, the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the shares in respect of such money is sought to be recovered, that the resolution making the call is duly recorded in the Minute Book, and that notice of such call was duly given to the member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

Article 43 provides that neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Article 44 provides that the Board may, if they think fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Board agree upon; provided that money paid in advance of calls shall not confer a right to participate in profits or Dividend. The Board may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

Lien

Article 46 provides that the Company shall have a first and paramount lien upon all the shares/ Debentures/Securities (other than fully paid-up shares/Debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/Debentures/Securities and no equitable interest in any shares shall be created except upon the footing, and condition that this Article will have full effect and any such lien shall extend to all Dividends and bonuses from time to time declared in respect of such shares/debentures/Securities. Unless otherwise agreed, the registration of a transfer of shares/Debentures shall operate as a waiver of the Company's lien, if any, on such shares/ Debentures/ Securities.

Article 47 provides that the Board may at any time declare any shares/ Debentures/Securities wholly or in part to be exempt from the provision of this Article. Provided that, fully paid shares shall be free from all lien and that in case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

Article 48 provides that for the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their member to execute a transfer thereof on behalf of and in the name of such member. The purchaser of such transferred shares shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Article 49 provides that no sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of thirty days after a notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagement for thirty days after such notice.

Article 50 provides that the net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares at the date of the sale.

Forfeiture of Share

Article 51 provides that if any member fails to pay any call or installment on or before the day appointed for the payment of the same the Board may at any time thereafter during such time as the call or installment remains unpaid, serve notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Article 52 provides that the notice aforesaid shall:

1. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made.

2. shall detail the amount which is due and payable on the shares and shall state that in the event of non- payment at or before the time appointed the shares will be liable to be forfeited.

Article 53 provides that if the requisitions of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared in respect of the forfeited Shares and not actually paid before the forfeiture.

Article 54 provides that when any Shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.

Article 55 provides that Any Share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re allot or otherwise dispose of the same in such manner as think fit.

Article 56 provides that the Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions as it thinks fit.

Transfer and Transmission of Shares

Transfer

Article 65 provides that the Company shall keep a book to be called the "Register of Transfers", and therein shall be fairly and directly entered particulars of every transfer or transmission of any Share. The Register of Transfers shall not be available for inspection or making of extracts by the Members of the Company or any other Persons.

Article 66 provides that the Company shall use a common form of transfer. The instrument of transfer shall be in writing and all provisions of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

Article 67 provides that every instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The Board shall not issue or register a transfer of any Share in favour of a minor (unless acting through a legal guardian and except in cases when they are fully paid up).

Article 68 provides that application for the registration of the transfer of a Share may be made either by the transferee or the transferor, no registration shall, in the case of the partly paid Share, be affected unless the Company gives notice of the application to the transferee subject to the provisions of these Articles and Section 56 of the Act and/or Applicable Law, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of transferee in the same manner and subject to the same conditions as it the application for registration of the transfer was made by the transferee.

Article 69 provides that The Board shall have power to give at least seven days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated, in accordance with Section 91 of the Act and Applicable Laws, to close the transfer books, the Register of Members, Register of Debenture holders or the Register of other Security holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty- five days in each year, as it may deem expedient.

Article 70 provides that subject to the provisions of the Act, these Articles or any other Applicable Law, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to any shares or interest of a Member in or debentures of the Company.

Article 71 provides that Notwithstanding anything contained in these Articles, but subject to the provisions of the Act, the Board may refuse to register the transfer of any of its securities in the name of the transferee on any one or more of the following grounds and on no other ground, namely:-

(a) that the instrument of transfer is not proper or has not been duly stamped and executed or that the certificate relating to the security has not been delivered to the Company or that any other requirement under the law relating to registration of such transfer has not been complied with;

(b) that the transfer of the security is in contravention of any law;

(c) that the transfer of the security is likely to result in such change in the composition of the Board of Directors as would be prejudicial to the interests of the Company or to the public interest;

(d) that the transfer of the security to prohibited by any order of any court, tribunal or other authority under any law for the time being in force.

Article 72 provides that The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

Transmission

Article 80 provides that the executors or administrators of a deceased member (not being one of several joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and in case of the death of any one or more of the joint holders of any registered shares, the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holders from the executor or administrator. Board may require him to obtain a grant of Probate or letters of Administration or other legal representation as the case may be from some competent Court.

Article 81 provides that any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board of Directors and subject as hereinafter provided, elect, either:

1. to be registered himself as holder of the shares or Debentures, as the case may be; or

2. to make such transfer of the shares or Debentures, as the case may be, as the deceased shareholder or Debenture holder, as the case may be, could have made.

Provided nevertheless that it shall be lawful for the Board in their absolute discretion to dispense with the production of any evidence including any legal representation upon such terms as to indemnity or otherwise as the Board may deem fit.

Provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing to his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

Article 82 provides that the Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the Share before his death or insolvency.

Article 83 provides that if the nominee, so becoming entitled, elects himself to be registered as holder of the shares or Debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or Debenture holder and the certificate(s) of shares or Debentures, as the case may be, held by the deceased in the Company.

Article 84 provides that if the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.

Article 85 provides that all the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

Article 86 provides that subject to the provisions of Section 56 of the Act and these Articles, the Board may register the relevant shares or Debentures in the name of the nominee of the transferee as if the death of the registered holder of the shares or Debentures had not occurred and the notice or transfer were a transfer signed by that shareholder or Debenture holder, as the case may be.

Article 87 provides that a nominee on becoming entitled to Shares or Debentures by reason of the death of the holder or joint holders shall be entitled to the same Dividend and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture, except that he shall not before being registered as holder of such shares or Debentures, be entitled in respect of them to exercise any right conferred on a member or Debenture holder in relation to meetings of the Company.

Article 88 provides that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or Debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all Dividends, bonus, interest or other moneys payable or rights accrued or accruing in respect of the relevant shares or Debentures, until the requirements of the notice have been complied with.

Borrowing Powers

Article 107 provides that the Board may, from time to time, at its discretion subject to the provisions of these Articles, Section 73 to 76, 179, 180 of the Act or Applicable Law, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company; by a resolution of the Board, or where a power to delegate the same is available, by a decision/resolution of such delegate, provided that the Board shall not without the requisite sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up Capital of the Company and its free reserves.

Article 108 provides that the Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, or other Securities, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future including its uncalled capital for the time being.

General Meeting

Annual General Meeting

Article 114 provides that the Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.

Article 115 provides that every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated.

Article 116 provides that in the case of an Annual General Meeting, all businesses to be transacted at the meeting shall be deemed special, with the exception of business relating to:

1. the consideration of financial statements and the reports of the Board of Directors and the Auditors;

2. the declaration of any Dividend;

3. the appointment of Directors in place of those retiring;

4. the appointment of, and the fixing of the remuneration of the Auditors

Extra-Ordinary General Meeting

Article 119 provides that the Board may, whenever it thinks fit, call an extraordinary general meeting.

Proceedings at General Meetings

Article 126 provides that no General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

Article 127 provides that no business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

Article 128 provides that save as otherwise provided herein, the quorum for the general meetings shall be as provided in Section 103 of the Act.

Article 129 provides that a body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

Article 130 provides that if, at the expiration of half an hour from the time appointed for holding a meeting of the Company, quorum is not present, the meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or, if that day is a National holiday, until the next succeeding day which is not a National holiday, at the same time and place, or to such other day and at such other time and place as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called. Provided, however, that no separate notice to members of such an adjourned meeting would be necessary if such meeting is held on the same day in the next week at the same time or place in accordance with these articles.

Article 131 provides that the Chairperson (if any) of the Board of Directors, or in his absence, the Vice Chairperson or in the absence of both, the Managing Director of the Company shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary.

Article 132 provides that if there is no such Chairperson of the Board or Vice Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the Directors present shall elect one among themselves to be Chairperson of the meeting.

Article 133 provides that if at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of themselves to be Chairperson of the meeting.

Article 134 provides that no business shall be discussed at any General Meeting except the election of a Chairperson, while the chair is vacant.

Adjournment of Meeting

Article 135 provides that the Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

Article 136 provides that no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Article 137 provides that when a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

Article 138 provides that save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting Rights

Article 139 provides that no member shall be entitled to vote either personally or by proxy, at any General Meeting or Meeting of a class of shareholders in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has, and has exercised any right of lien.

Article 140 provides that subject to any rights or restrictions for the time being attached to any class or classes of shares,-

1. on a show of hands, every member present in person shall have one vote; and

2. on a poll, the voting rights of members shall be in proportion to his Share in the paid-up equity Share Capital of the Company.

3. A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.

Article 141 provides that in the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

Article 142 provides that a member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

Article 143 provides that any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

Article 144 provides that no member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Article 145 provides that no objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

Article 146 provides that if a poll is demanded as aforesaid, the same shall, be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situate and either by open voting or by ballot, as the Chairperson shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or person who made the demand.

Article 147 provides that any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

Article 149 provides that subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote by a representative duly authorised in accordance with Section 113 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.

Article 150 provides that the instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

Article 151 provides that every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a body corporate, under the Common Seal of such corporate, or be signed by an officer or any attorney duly authorised by it, and any committee or guardian may appoint such proxy. An instrument appointing a proxy shall be in the form as prescribed in terms of Section 105 of the Act.

Article 152 provides that a member present by proxy shall be entitled to vote only on a poll, except where Applicable Law provides otherwise.

Article 153 provides that the proxy so appointed shall not have any right to speak at the meeting.

Article 154 provides that a vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

Article 167 provides that the number of Directors of the Company which shall be not less than 3 (three) and not more than 15 (Fifteen). However, the Company may appoint more than 15 Directors after passing a Special Resolution.

The composition of the Board shall be in accordance with the provisions of Section 149 of the Act and other Applicable Laws. Provided that where there are temporary gaps in meeting the requirements of Applicable Law pertaining to composition of Board of Directors, the remaining Directors shall (a) be entitled to transaction business for the purpose of attaining the required composition of the Board; and (b) be entitled to carry out such business as may be required in the best interest of the Company in the meantime.

Article 168 provides that subject to the provisions of Sections 149, 152 and 161 of the Act and Applicable Laws, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by these Articles.

Article 169 provides that such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.

Nominee Directors

Article 170 provides that the Company shall, subject to the provisions of the Act and these Articles, may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

Article 171 provides that in the event of Company borrowing any money from any financial corporation or institution or Government or any Government body or a collaborator, bank, person or persons or from any other source, while any money remains due to them or any of them, the lender concerned may have and may exercise the right and power to appoint, from time to time, any person or persons to be a Director or Directors of the Company.

Article 172 provides that a nominee Director may at any time be removed from the office by the appointing authority who may from the time of such removal or in case of death or resignation of person, appoint any other or others in his place. Any such appointment or removal shall be in writing, signed by the appointer and served on the Company. Such Director need not hold any qualification shares.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

Article 247 provides that subject to the provisions of the Act and rules made thereunder, the Board may appoint a Chief Executive Officer, Manager, Company Secretary or Chief Financial officer, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, manager, Company Secretary or Chief Financial Officer so appointed may be removed by means of a resolution at a Board Meeting.

Subject to the article above, the powers conferred on the CEO shall be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as the Board may think fit and it may confer such powers either collateral with or to the exclusion of and in substitution of all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

Dividends and Reserves

Article 253 provides that the profits of the Company, subject to any special rights as to Dividends or authorized to be created by these Articles, and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of Capital paid-up on the shares held by them respectively.

Article 254 provides that the Company in general meeting may declare Dividends to be paid to members according to their respective rights, but no Dividend shall exceed the amount recommended by the Board; the Company in general meeting may, however declare a smaller Dividend. No Dividend shall bear interest against the Company.

Article 255 provides that the Dividend can be declared and paid only out of the following profits;

1. Profits of the financial year, after providing depreciation as stated in Section 123 (2) read with Schedule II and Applicable Laws.

2. Accumulated profits of the earlier years, after providing for depreciation under Section 123(2) read with Schedule II and Applicable Laws.

3. Out of money provided by Central or State Government for payment of Dividend in pursuance of a guarantee given by the Government.

If the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123(2) of the Act or Applicable Law, or against both.

Article 256 provides that the Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising Dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.

Article 257 provides that such reserve, being free reserve, may also be used to declare Dividends in the event the Company has inadequate or absence of profits in any financial year, in accordance to Section 123 of the Act and Applicable Law made in that behalf. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Winding Up

Article 293 provides that subject to the provisions of Chapter XX of the Act and Applicable Law made thereunder–

1. If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, but subject to the rights attached to any preference Share Capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction shall think fit.

2. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

3. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

Article 295 provides that every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Red Herring Prospectus) which are or may be deemed material were attached to the copy of the Red Herring Prospectus which was filed with the RoC. Copies of the contracts and also the documents for inspection referred to hereunder, were available for inspection at the Registered and Corporate Offices between 10 a.m. and 5 p.m. on all Working Days, from date of the Red Herring Prospectus until the Bid/ Offer Closing Date.

A. MATERIAL CONTRACTS FOR THE OFFER

a) Offer Agreement dated April 16, 2021 amongst our Company, the Promoter Selling Shareholder and the Lead Managers.

b) Registrar Agreement dated April 16, 2021 amongst our Company, the Promoter Selling Shareholder and the Registrar to the Offer.

c) Cash Escrow and Sponsor Bank Agreement dated July 16, 2021 amongst our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the Lead Managers, the Syndicate Members, the Escrow Collection Bank, Sponsor Bank, Public Offer Account Bank and the Refund Bank

d) Monitoring Agency Agreement dated July 16, 2021 entered into among our Company and the Monitoring Agency

e) Share Escrow Agreement dated July 16, 2021 amongst the Promoter Selling Shareholder, our Company and the Share Escrow Agent.

f) Syndicate Agreement dated July 16, 2021 amongst our Company, the Promoter Selling Shareholder, the Lead Managers, the Syndicate Members.

g) Underwriting Agreement dated July 30, 2021 amongst our Company, the Promoter Selling Shareholder and the Underwriters.

B. MATERIAL DOCUMENTS

a) Certified copies of updated MoA and AoA of our Company updated from time to time.

b) Certificate of incorporation dated June 23, 2011 issued to our Company, under the name Zorg Laboratories Private Limited by the RoC.

c) Fresh certificate of incorporation dated August 10, 2018 issued by the RoC, consequent upon change in name of our Company from 'Zorg Laboratories Private Limited' to 'Glenmark Life Sciences Private Limited'.

d) Fresh certificate of incorporation dated August 28, 2018 issued by the RoC, consequent upon change in name from 'Glenmark Life Sciences Private Limited' to 'Glenmark Life Sciences Limited', pursuant to conversion to a public limited company.

e) Resolutions of the Board of Directors dated April 6, 2021, July 9, 2021 and July 19, 2021, authorising the Offer and other related matters.

f) Resolution of the IPO Committee dated July 30, 2021 approving this Prospectus.

g) Resolution of the Board of Directors dated July 19, 2021, approving the Red Herring Prospectus for filing with the Registrar of Companies and subsequently with SEBI and the Stock Exchanges.

h) Shareholders' resolution dated April 9, 2021, authorising the Offer and other related matters.

i) Resolutions of the Board of Directors dated April 16, 2021 approving the DRHP.

j) Resolution of the board of directors of Glenmark Pharmaceuticals Limited dated April 16, 2021, consenting to participate in the Offer for Sale.

k) Copies of the annual reports of our Company for the Fiscals 2021, 2020 and 2019.

l) The examination report dated July 9, 2021 of the Statutory Auditors on our Restated Financial Information, included in this Prospectus.

m) The independent practitioner's report dated July 9, 2021 of our Statutory Auditors on our Pro Forma Financial Information, included in this Prospectus.

n) The statements of possible special tax benefits, each dated July 12, 2021 from the Statutory Auditors.

o) Share purchase agreement dated July 4, 2018 entered into between Glenmark Pharmaceuticals Limited, Sanjay Desai, Ashwin Jain, Damanjit Singh and our Company.

p) Business purchase agreement dated October 9, 2018 entered into between Glenmark Pharmaceuticals Limited and our Company, together with the extension letters (including the extension letter dated March 31, 2021).

q) Appointment letter dated May 2, 2019 fixing the terms of appointment and fixing the remuneration of Mr. Yasir Rawjee, Managing Director and Chief Executive Officer of our Company.

r) Appointment letter dated April 11, 2019 fixing the terms of appointment and fixing the remuneration of Mr. Sumantra Mitra, executive director of our Company.

s) Corporate guarantee dated September 24, 2020 entered into by Glenmark Pharmaceuticals Limited and Bank of Baroda in relation to the credit facilities aggregating to ₹ 3,000 million availed by our Company.

t) Corporate guarantee dated July 17, 2019 entered into by Glenmark Pharmaceuticals Limited and Emirates NBD Bank (P.J.S.C) in relation to the credit facilities aggregating to ₹ 850 million availed by our Company.

u) Written consent of the Directors, the Lead Managers, the Syndicate Members, Legal Counsel to the Company and the Promoter Selling Shareholder as to Indian Law, Legal Counsel to the Lead Managers as to Indian Law, International Legal Counsel to the Lead Managers, Registrar to the Offer, Bankers to the Offer, Bankers to our Company, Monitoring Agency, Company Secretary and Compliance Officer as referred to in their specific capacities.

v) Written consent dated July 19, 2021 from Walker Chandiok & Co. LLP , Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated July 9, 2021 on our Restated Financial Information; (ii) independent practitioner's report, dated July 9, 2021 on our Pro Forma Financial Information; and (iii) their reports, each dated July 12, 2021 on the statement of tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

w) Report titled 'Active Pharmaceutical Ingredients Industry Report' dated April 2021 issued by Frost & Sullivan (India) Private Limited and commissioned by our Company on February 10, 2021 and the addendum to 'The Active Pharmaceutical Ingredients (API) Industry Report' dated July 2021.

x) Consent to act as an expert pursuant to a certificate dated June 15, 2021 issued by Manish Kevadiya, chartered engineer.

y) Consent to act as an expert pursuant to a certificate dated June 17, 2021 issued by Dr. S. Padmaja, an intellectual property consultant.

z) Due diligence certificate dated April 16, 2021 addressed to SEBI from the Lead Managers.

aa) In-principle listing approvals dated May 5, 2021 and May 11, 2021, issued by BSE and NSE, respectively.

bb) SEBI interim observation letter no. SEBI/HO/CFD/DIL1/OW/P/9860/2021 dated May 7, 2021 and SEBI final observation letter no. SEBI/HO/CFD/DIL1/OW/P/2021/1/10448 dated June 3, 2021.

cc) Tripartite agreement dated October 22, 2018 amongst our Company, NSDL and Registrar to the Offer.

dd) Tripartite agreement dated March 8, 2021 amongst our Company, CDSL and Registrar to the Offer.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY:

Yasir Rawjee
Managing Director and Chief Executive Officer

Place: Hyderabad
Date: July 30, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY:

Glenn Saldanha
Chairman and Non-Executive Director

Place: Mumbai
Date: July 30, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY:

V.S. Mani
Non-Executive Director

Place: Mumbai
Date: July 30, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY:

Sumantra Mitra
Executive Director

Place: Mumbai
Date: July 30, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY:

Sridhar Gorthi
Independent Director

Place: Mumbai
Date: July 30, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY:

Manju Agarwal
Independent Director

Place: Noida
Date: July 30, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY:

Taruvai Laxminarayanan Easwar
Independent Director

Place: Hyderabad
Date: July 30, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY:

Gita Nayyar
Independent Director

Place: Dubai
Date: July 30, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Prospectus are true and correct.

SIGNED BY:

Bhavesh Pujara
Chief Financial Officer

Place: Mumbai
Date: July 30, 2021

DECLARATION

We, Glenmark Pharmaceuticals Limited, hereby confirm that all statements, disclosures and undertakings specifically made by us in this Prospectus in relation to ourselves, as Promoter Selling Shareholder and our Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including statements made or confirmed by or relating to the Company or any other person(s) in this Prospectus.

FOR AND ON BEHALF OF GLENMARK PHARMACEUTICALS LIMITED

Authorised Signatory
Name: V.S. Mani
Designation: Executive Director & Global Chief Financial Officer

Place: Mumbai
Date: July 30, 2021