DRAFT RED HERRING PROSPECTUS
Dated September 30, 2009
Please read 60B of the Companies Act, 1956
The Draft Red Herring Prospectus will be updated upon filing with the RoC
100% Book Building Issue

GLENMARK GENERICS LIMITED

(The Company was originally incorporated as Glenmark Organics Limited on September 29, 1994 as a public limited company in accordance with provisions of the Companies Act, 1956 in Mumbai. The Company received the certificate of commencement of business on September 12, 1996. The Company's name was changed to Glenmark Generics Limited on November 29, 2007. A fresh certificate of incorporation consequent upon the change of name was granted to the Company on November 29, 2007. For further details, please see the sections titled "General Information" and "History and Certain Corporate Matters" on pages 12 and 91 respectively of this Draft Red Herring Prospectus.)

Registered Office: B/2, Mahalaxmi Chambers 22, Bhulabhai Desai Road, Mumbai 400 026
Tel: (91 22) 6525 2584, Fax: (91 22) 6525 2585
Corporate Office: Glenmark House, HDO – Corporate Building, Wing A, B. D. Sawant Marg, Chakala, Off Western Express Highway, Andheri (East), Mumbai 400 099
Contact Person: Mr. S. Shankar, Company Secretary and Compliance Officer
Tel: (91 22) 4018 9999, Fax: (91 22) 4018 9986
E-mail: company.secretary@glenmark-generics.com, Website: www.glenmark-generics.com

PROMOTER OF THE COMPANY: GLENMARK PHARMACEUTICALS LIMITED

PUBLIC ISSUE OF [●] EQUITY SHARES OF RS. 10 EACH OF GLENMARK GENERICS LIMITED ("GGL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF Rs. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF Rs. [●] PER EQUITY SHARE) AGGREGATING TO Rs. 5,750 MILLION (THE "ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF RS. 10 EACH FOR THE ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE "NET ISSUE". THE ISSUE WILL CONSTITUTE [●]% OF THE POST ISSUE PAID UP CAPITAL OF THE COMPANY AND THE NET ISSUE WILL CONSTITUTE [●]% OF THE POST ISSUE PAID UP CAPITAL OF THE COMPANY.[#]

[#] *The Company is considering a Pre-IPO Placement of an amount aggregating up to Rs. 1,000 million with various investors ("Pre-IPO Placement"). The Pre-IPO placement is at the discretion of the Company. The Company will complete the issuance and allotment of such Equity Shares prior to the filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Net Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of 10% of the post Issue paid-up capital being offered to the public.*

THE FACE VALUE OF EACH EQUITY SHARE IS Rs. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ADVERTISED AT LEAST TWO (2) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE.
THE ISSUE PRICE IS [●] TIMES THE FACE VALUE AT THE LOWER END OF THE PRICE BAND AND [●] TIMES THE FACE VALUE AT THE HIGHER END OF THE PRICE BAND.

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three additional days after revision of the Price Band, subject to the Bidding /Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to the National Stock Exchange of India Limited ("NSE") and the Bombay Stock Exchange Limited ("BSE"), by issuing a press release, and also by indicating the change on the websites of the Book Running Lead Managers ("BRLMs") and at the terminals of the Syndicate Members.

In terms of Rule 19(2)(b) of the Securities Contracts Regulations Rules, 1957 ("SCRR"), this being an issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (QIB) Bidders. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money shall be refunded forthwith. Further, up to [●] Equity Shares shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Issue Price. Potential investors may participate in this Issue through an Application Supported by Blocked Amount providing details about the bank account which will be blocked by the Self Certified Syndicate Bank for the same. Only Resident Retail Individual Investors can participate through this process. For details see section entitled 'Issue Procedure' on page 289 of this Draft Red Herring Prospectus.

RISK IN RELATION TO FIRST ISSUE

This being the first public issue of Equity Shares of the Company, there has been no formal market for the Equity Shares of the Company. **The face value of the Equity Shares is Rs. 10 per Equity Share. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value.** The Issue Price (as determined by the Company in consultation with the BRLMs as stated under the section on "Basis for Issue 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 of the Company or regarding the price at which the Equity Shares will be traded after listing.

IPO GRADING

This Issue has been graded by [●] as [●], pronounced [●], indicating [●] through its letter dated [●]. For details see section titled "General Information" on page 12 of this Draft Red Herring Prospectus.

GENERAL RISKS

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

ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the Issue that is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole, or any of such information or the expression of any opinions or intentions, misleading in any material respect.

LISTING ARRANGEMENT

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on NSE and BSE. The Company has received 'in-principle' approval from NSE and BSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be [●].

BOOK RUNNING LEAD MANAGERS

ENAM SECURITIES PRIVATE LIMITED
801/802, Dalamal Towers
Nariman Point, Mumbai 400 021
Tel: (91 22) 6638 1800
Fax: (91 22) 2284 6824
E-mail: ggl.ipo@enam.com
Investor Grievance Email: complaints@enam.com
Website: www.enam.com
Contact Person: Mr. Pranav Mahajani
SEBI Reg. No. INM000006856

KOTAK MAHINDRA CAPITAL COMPANY LIMITED
3rd Floor, Bakhtawar
229 Nariman Point, Mumbai 400 021
Tel: (91 22) 6634 1100
Fax: (91 22) 2283 7517
Email: ggl.ipo@kotak.com
Investor Grievance kmccredressal@kotak.com
Website: www.kmcc.co.in
Contact Person: Mr. Chandrakant Bhole
SEBI Registration No.: INM000008704

REGISTRAR TO THE ISSUE

[●]

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON	[●]*	BID/ISSUE CLOSES ON	[●]

* *The Company may consider participation by Anchor Investors. The Anchor Investor Bid/ Issue Period shall be one day prior to the Bid/ Issue Opening Date.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise requires, the terms and abbreviations stated herein shall have the meaning as assigned therewith.

Term	Description
"the Company" or "the Issuer"	Unless the context otherwise indicates or implies, refers to Glenmark Generics Limited and its subsidiaries on a consolidated basis, as described in this Draft Red Herring Prospectus
"GGL" or "Glenmark Generics Limited"	Glenmark Generics Limited, a public limited company incorporated under the Companies Act having its registered office at B/2, Mahalaxmi Chambers 22, Bhulabhai Desai Road, Mumbai 400 026 and its corporate office at Glenmark House, HDO – Corporate Building, Wing A, B. D. Sawant Marg, Chakala, Off Western Express Highway, Andheri (East), Mumbai 400 099

Company Related Terms

Term	Description
Articles or Articles of Association	Articles of Association of the Company
Auditors	The statutory auditors of the Company, namely, M/s. R.G.N. Price & Co., Chartered Accountants
Board/ Board of Directors	Board of directors of the Company or a committee constituted thereof
Corporate Office	The corporate office of the Company, located at Glenmark House, HDO – Corporate Building, Wing A, B. D. Sawant Marg, Chakala, Off Western Express Highway, Andheri (East), Mumbai 400 099 India
Director(s)	Directors on the Board of the Company, as may be appointed from time to time, unless otherwise specified
GPL	Glenmark Pharmaceuticals Limited
Group Companies	Refers to those companies, firms and ventures promoted by the Promoter, irrespective of whether such entities are covered under section 370(1)(B) of the Companies Act and disclosed in the section titled "Group Companies" on page 118 of this Draft Red Herring Prospectus
Key Management Personnel	Those individuals described in the section titled "Management – Key Management Personnel" on page 110 of this Draft Red Herring Prospectus
Memorandum or Memorandum of Association	The memorandum of association of the Company
Promoter	The promoter of the Company namely, Glenmark Pharmaceuticals Limited
Promoter Group	Unless the context otherwise specifies, refers to those entities mentioned in the section titled "Promoter – Promoter Group" on page 117 of this Draft Red Herring Prospectus

Term	Description
Registered Office	The registered office of the Company, located at B/2, Mahalaxmi Chambers 22, Bhulabhai Desai Road, Mumbai – 400026
Subsidiaries	(i) Glenmark Generics Finance S.A., Switzerland; (ii) Glenmark Generics Holding S.A., Switzerland; (ii) Glenmark Generics (Europe) Limited, UK; (iv) Glenmark Generics Inc., USA; and (v) Glenmark Generics S.A., Argentina

Issue Related Terms

Term	Description
Allotment/ Allot/ Allotted	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Issue
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor category, with a minimum Bid of Rs. 100 million
Anchor Investor Bid/ Issue Period	The day one day prior to the Bid/Issue Opening Date on which Bidding by Anchor Investors shall open and shall be completed
Anchor Investor Issue Price	The final price at which Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Issue Price will be decided by the Company in consultation with the BRLMs
Anchor Investor Margin Amount	An amount representing 25% of the Bid Amount payable by Anchor Investors at the time of submission of their Bid
Anchor Investor Portion	Up to 30% of the QIB Portion which may be allocated by the Company to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by a Resident Retail Individual Bidder to make a Bid authorising a SCSB to block the Bid Amount in their specified bank account maintained with the SCSB
ASBA Bidder	Any Resident Retail Individual Bidder who intends to apply through ASBA and, (a) is bidding at Cut-off Price, with single option as to the number of shares; (b) is applying through blocking of funds in a bank account with the SCSB; (c) has agreed not to revise his/her bid; and (d) is not bidding under any of the reserved categories
ASBA Bid cum Application Form or ASBA BCAF	The form, whether physical or electronic, used by an ASBA Bidder to make a Bid, which will be considered as the application for Allotment for the purposes of the Draft Red Herring Prospectus and the Prospectus
ASBA Public Issue Account	A bank account of the Company, under Section 73 of the Companies Act where the funds shall be transferred by the SCSBs from the bank accounts of the ASBA Bidders
Banker(s) to the Issue / Escrow Collection Bank(s)	The banks registered with SEBI as Banker to the Issue with whom the Escrow Account will be opened, in this case being [●]
Basis of Allotment	The basis on which Equity Shares will be Allotted to Bidders under the Issue and which is described in "Issue Procedure – Basis of Allotment" on page 313 of the Draft Red Herring Prospectus

Term	Description
Bid	An indication to make an offer during the Bidding/Issue Period by a prospective investor to subscribe to the Equity Shares of the Company at a price within the Price Band, including all revisions and modifications thereto For the purposes of ASBA Bidders, it means an indication to make an offer during the Bidding Period by a Retail Resident Individual Bidder to subscribe to the Equity Shares of the Company at Cut-off Price
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application
Bid / Issue Closing Date	The date after which the members of the Syndicate will not accept any Bids for the Issue, which shall be notified in an English national newspaper, a Hindi national newspaper and a Marathi newspaper with wide circulation
Bid / Issue Opening Date	The date on which the members of the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in an English national newspaper, a Hindi national newspaper and a Marathi newspaper with wide circulation
Bid cum Application Form	The form used by a Bidder to make a Bid and which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form
Bidding / Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids
Book Building Process/ Method	The book building route as provided in Schedule XI of the SEBI Regulations, in terms of which this Issue is being made
BRLMs / Book Running Lead Managers	Book Running Lead Managers to the Issue, in this case being Enam Securities Private Limited and Kotak Mahindra Capital Company Limited
Business Day	Any day on which commercial banks in Mumbai are open for business
CAN/ Confirmation of Allocation Note	The note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted
Controlling Branches	Such branches of the SCSB which coordinates with the BRLMs, the Registrar to the Issue and the Stock Exchanges
Cut-off Price	Issue Price, finalised by the Company in consultation with the BRLM. Only Retail Individual Bidders whose Bid Amount does not exceed Rs. 100,000 are entitled to Bid at the Cut Off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to successful Bidders

Term	Description
Designated Stock Exchange	[●]
DP ID	Depository Participant's Identity
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus issued in accordance with Section 60B of the Companies Act and SEBI Regulations, filed with SEBI and which does not contain complete particulars of the price at which the Equity Shares are issued and the size of the Issue
Eligible Employees	Permanent and full-time employees of the Company and directors of the Company, excluding Promoters and their immediate relatives, as on [●], 2009 who are Indian nationals and are present in India on the date of submission of the Bid cum Application Form and who continues to be in the employment of the Company until submission of the Bid cum Application Form
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares
Employee Reservation Portion	The portion of the Issue being up to [●] Equity Shares available for allocation to Eligible Employees
Equity Shares	Equity shares of the Company of Rs. 10 each unless otherwise specified
Escrow Account	Account opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into by the Company, the Registrar to the Issue, the BRLM, the Syndicate Members and the Escrow Collection Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof
Enam	Enam Securities Private Limited
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalized and below which no Bids will be accepted
Issue	Public Issue of [●] Equity Shares of Rs. 10 each of the Company for cash at a price of Rs. [●] per equity share (including a share premium of Rs. [●] per equity share) aggregating to Rs. 5,750 million. It comprises a Net Issue to the public of up to [●] Equity Shares and a reservation for Eligible Employees of up to [●] Equity Shares. The Company is considering a Pre-IPO Placement of an amount aggregating up to Rs. 1,000 million with various investors. The Pre-IPO placement is at the discretion of the Company. The Company will complete the issuance and allotment of such Equity Shares prior to the filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of 10% of the post Issue paid-up capital being offered to the public
Issue Price	The final price at which Equity Shares will be Allotted in the Issue in terms of the Red Herring Prospectus. The Issue Price will be decided by

Term	Description
	the Company in consultation with the BRLMs on the Pricing Date
Issue Proceeds	The proceeds of the Issue that are available to the Company
Kotak	Kotak Mahindra Capital Company Limited
Margin Amount	The amount paid by the Bidder at the time of submission of his/her Bid, being 10% to 100% of the Bid Amount, as applicable
Monitoring Agency	[●]
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares available for allocation to Mutual Funds only, out of the QIB Portion (excluding the Anchor Investor Portion).
Net Issue	The Issue less the Employee Reservation Portion
Net Proceeds	The Issue Proceeds less the Issue expenses. For further information about use of the Issue Proceeds and the Issue expenses see the section titled "Objects of the Issue" on page 36 of this Draft Red Herring Prospectus
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 100,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Net Issue being not less than [●] Equity Shares available for allocation to Non-Institutional Bidders
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian
Pay-in Date	Bid / Issue Closing Date or the last date specified in the CAN sent to Bidders, as applicable
Pay-in-Period	The period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date specified in the CAN
Pre-IPO Placement	A pre-placement of an amount aggregating up to Rs. 1,000 million to various investors made by the Company prior to the filing of the Red Herring Prospectus with the RoC
Price Band	Price band of a minimum price (Floor Price) of Rs. [●] per Equity Share and the maximum price (Cap Price) of Rs. [●] per Equity Share and includes revisions thereof. The price band will be decided by the Company in consultation with the Book Running Lead Manager and advertised at least two (2) working days prior to the Bid/Issue Opening Date in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language and [●] edition of [●] in the Marathi language
Pricing Date	The date on which the Company in consultation with the BRLMs will finalize the Issue Price
Prospectus	The prospectus to be filed with the RoC after pricing in accordance with Section 60 of the Companies Act, containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the Escrow Account on the Designated Date
QIB Margin Amount	An amount representing at least 10% of the Bid Amount that QIBs are

Term	Description
	required to pay at the time of submitting their Bid
QIB Portion	The portion of the Net Issue being at least 60% of Net Issue or [●] Equity Shares of Rs. 10 each to be Allotted to QIBs
Qualified Institutional Buyers or QIBs	Public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account registered with SEBI, other than which is a foreign corporate or foreign individual, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 250 million, pension fund with minimum corpus of Rs. 250 million and National Investment Fund set up by Government of India.
Red Herring Prospectus or RHP	The Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with the RoC at least three (3) days before the Bid Opening Date and will become a Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account opened with Escrow Collection Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding to the ASBA Bidder) shall be made
Refund Banker(s)	[●]
Refunds through electronic transfer of funds	Refunds through ECS, Direct Credit, NEFT, RTGS or the ASBA process, as applicable
Registrar to the Issue	[●]
Resident Retail Individual Investor or RRII	Retail Individual Bidder who is a person resident in India as defined in FEMA and who has not Bid for Equity Shares for an amount more than Rs. 100,000 in any of the bidding options in the Issue
Retail Individual Bidder(s)	Individual Bidders (including HUFs applying through their karta, Eligible NRIs and Resident Retail Individual Bidders) who have not Bid for Equity Shares for an amount more than Rs. 100,000 in any of the bidding options in the Issue
Retail Portion	The portion of the Net Issue being not less than [●] Equity Shares of Rs. 10 each available for allocation to Retail Individual Bidder(s)
Revision Form	The form used by the Bidders, excluding ASBA Bidders, to modify the quantity of Equity Shares or the Bid Price in any of their Bid cum Application Forms or any previous Revision Form(s)
SEBI Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time
Self Certified Syndicate Bank or SCSB	A Banker to the Issue registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Stock Exchanges	NSE and BSE
Syndicate or members of the Syndicate	The BRLMs and the Syndicate Members (if any)
Syndicate Agreement	The agreement to be entered into between the Syndicate and the Company

Term	Description
	in relation to the collection of Bids in this Issue (excluding Bids from the ASBA Bidders)
Syndicate Member(s)	Kotak Securities Limited
TRS/ Transaction Registration Slip	The slip or document issued by a member of the Syndicate to the Bidder as proof of registration of the Bid
Underwriters	The BRLMs and the Syndicate Members
Underwriting Agreement	The agreement among the Underwriters and the Company to be entered into on or after the Pricing Date

Conventional and General Terms/ Abbreviations

Term	Description
Act or Companies Act	Companies Act, 1956 as amended from time to time
ARS	Argentinean Peso
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
Bppa	Basis points per annum
BPLR	Benchmark prime lending rate
BSE	Bombay Stock Exchange Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CHF	Swiss franc
DCGI	Drugs Controller General of India
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996 as amended from time to time
DER	Debt Equity Ratio
DIN	Director Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act, 1996
DP ID	Depository Participant's identification
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
EPS	Unless otherwise specified, Earnings Per Share, i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares during that fiscal year

Term	Description
EMEA	European Medicines Agency
FDI	Foreign Direct Investment
FDA	Food and Drugs Administration
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder as amended from time to time
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investor) Regulations, 1995 registered with SEBI under applicable laws in India
Financial Year/ Fiscal/ FY	Period of twelve months ended March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GBP	Pound Sterling
GDP	Gross Domestic Product
GoI / Government	Government of India
GIDC	Gujarat Industrial Development Corporation
GoIDC	Goa Industrial Development Corporation
HNI	High Net worth Individual
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
IT	Information Technology
ITES	Information Technology Enabled Services
Income Tax Act	The Income Tax Act, 1961, as amended from time to time
ICH	International Conference on Harmonisation
ICMR	Indian Council of Medical Research
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
JV	Joint Venture
Mn / mn	Million
MoU	Memorandum of Understanding
MIDC	Maharashtra Industrial Development Corporation
NA	Not Applicable
NAV	Net Asset Value

Term	Description
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of up to 60% by NRIs including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in this Issue
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Persons of Indian Origin
PLR	Prime Lending Rate
RBI	The Reserve Bank of India
RoC	The Registrar of Companies, Mumbai, Maharashtra located at Everest, 100 Marine Drive, Mumbai 400 002 India
RoNW	Return on Net Worth
RoW	Rest of World
Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
Stamp Act	The Indian Stamp Act, 1899
State Government	The government of a state of India

Term	Description
Stock Exchange(s)	BSE and/or NSE as the context may refer to
TPD	Health Canada's Therapeutic Products Directorate
UIN	Unique Identification Number
US / USA	United States of America
US GAAP	Generally Accepted Accounting Principles in the United States of America
USD/ US$	United States Dollars
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI (Venture Capital Fund) Regulations, 1996, as amended from time to time
WHO	World Health Organisation

Technical/Industry Related Terms

Term	Description
ACE Inhibitor	Angiotensin-Converting Enzyme inhibitor
API	Active Pharmaceutical Ingredients
ANDA	Abbreviated New Drug Application
BE	Bio-equivalence
cGMP	Current Good Manufacturing Practices, as defined by the WHO
CII of CII controlled substance	A Controlled Substance pursuant to Schedule II of the US Controlled Substances Act of 1970, described as a controlled substance with high abuse potential with severe psychological or physical dependence liability, but have accepted medical use in the US
CoS	Certificate of Suitability
CTD	Common Technical Document
DCGI	Drug Controller General of India
DMF	Drug Master File
DPCO	Drug (Prices Control) Order, 1995
EDMF	European Drug Master File
ENVISA	National Health Surveillance Agency of Brazil
FDF	Finished Dosage Form
GCP	Good Clinical Practice
GLP	Good Laboratory Practice
GMP	Good Manufacturing Practices
ECA	Essential Commodities Act, 1955
HPLC	High Performance Liquid Chromatography
IEC	Institutional ethics committee
IMPACT	International Medical Products Anti-Counterfeiting Taskforce
INAME	Instituto Nacional del Medicamento

Term	Description
LC/MS-MS	Liquid chromatography-mass spectrometry
MA	Marketing Authorization
MAA	Marketing Authorization Application
NDDS	New Drug Delivery System
NPPA	National Pharmaceutical Pricing Authority
NSAID	Non-steroidal anti-inflammatory
UK MHRA	UK Medicine and Healthcare products Regulatory Agency
USDMF	US Drug Master Files
US FDA	United States Food and Drug Administration

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from the restated financial statements of the Company, prepared in accordance with Indian GAAP and the SEBI Regulations, which are included in this Draft Red Herring Prospectus.

The fiscal year of the Company commences on April 1 of each year and ends on March 31 of the next year. All references to a particular fiscal year are to the 12 month period ended March 31 of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring 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 Draft Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in "Risk Factors", "Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with Indian GAAP.

All references to "India" contained in this Draft Red Herring Prospectus are to the Republic of India, all references to the "US", "USA", or the "United States" are to the United States of America, its territories and possessions and all references to "UK" are to the United Kingdom of Great Britain and Northern Ireland, together with all its territories and possessions.

In this Draft Red Herring Prospectus, any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off.

Currency and Units of Presentation

All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. All references to "US$" or "USD" are to United States Dollars, the official currency of the United States of America. In this Draft Red Herring Prospectus, the Company has presented certain numerical information in 'million' units. One million represents 1,000,000.

Exchange Rates

This Draft Red Herring Prospectus contains translations of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These translations should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

Unless stated otherwise, the Company has in this Draft Red Herring Prospectus used the following conversion rates (as of September 25, 2009):

1 USD	50.95 (as on March 31, 2009)

(Source: www.rbi.gov.in as on March 31, 2009)

1 BRL	Rs. 26.95
1 Russian Rouble	Rs. 1.60
1 CZB	Rs. 2.82
1 GBP	Rs. 78.44
1 BGN	Rs. 36.53

1 Argentina PESO	Rs. 12.60
1 Sole	Rs. 17.14
1 Mexican Peso	Rs. 3.60

(Source: www.oanda.com)

These convenience translations should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, the rates stated above or at all.

Industry and Market Data

Unless otherwise stated, industry and market data used throughout this Draft Red Herring Prospectus has been obtained from industry publications and Government data. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Company believes that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by the Company to be reliable, have not been verified by any independent sources.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue", "will likely result", " "contemplate", "seek to", "future", "goal", "should" or other words or phrases of similar import. Similarly, statements that describe the Company's objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties, and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with the Company's expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which the Company has its businesses and the Company's ability to respond to them, the Company's ability to successfully implement its strategy, its growth and expansion, technological changes, its exposure to market risk, general economic and political conditions in India and overseas markets in which the Company operates which have an impact on the Company's 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 Company's industry. Important factors that could cause actual results to differ materially from the Company's expectations include, among others:

- Relatively lesser experience of the Company in operating as an independent company;
- Dependence on the US market for a significant portion of its sales and operating income;
- Growth in income and profits closely tied to success in securing ANDA approvals from the US FDA as well as obtaining US market exclusivity for generic versions of significant products;
- Decline in income and profit as a result of intense competition from other generic and brand companies;
- Dependence on regulatory policies of different jurisdictions, particularly the US and Europe;
- Failure to comply with government and other regulations in a timely manner which could delay or prevent the Company from developing, manufacturing or marketing its products; and
- Failure to address price erosion inherent in generics products.

For a further discussion of factors that could cause the Company's actual results to differ, see the sections titled "Risk Factors", "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages xv, 67 and 199, respectively of this Draft Red Herring Prospectus.

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. The Company, the BRLMs, the Syndicate Members or their respective affiliates do not have any obligation to, and do not intend 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 SEBI requirements, the Company and the BRLMs will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II

RISK FACTORS

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Prospective investors should carefully consider the following risk factors as well as other information included in this Draft Red Herring Prospectus prior to making any decision as to whether or not to invest in the Equity Shares. The risks described below and any additional risks and uncertainties not presently known to the Company or that currently are deemed immaterial could adversely affect the Company's business, financial condition, liquidity or results of operations. As a result, the trading price of the Equity Shares could decline and investors may lose part or all of their investment.

Risks Relating to the Company's Business and Industry

1. The Company has relatively little experience operating as an independent company.

Pursuant to the business restructuring of GPL all of the assets, liabilities and employees in relation to the generic FDF and API businesses of GPL were transferred to the Company with effect from April 1, 2008. As a result, the Company has relatively little experience in conducting business as an operating independent legal entity with respect to these businesses. The Company may encounter operational, administrative and strategic difficulties as it adjusts to conducting business as an independent company, which may cause it to react slower than its competitors to changing market conditions or may otherwise have an adverse effect on its operations. Thus, the Company's prospects and viability should not be evaluated based on the performance of GPL; rather, its prospects must be considered in light of the risks and uncertainties inherent in new legal entities.

In addition, since the Company expects to become a listed company, its management team will need to comply with the regulatory and other requirements applicable to listed companies, including requirements relating to corporate governance, listing standards and securities and investor relations issues. While the Company was, as a business within GPL, indirectly subject to requirements to maintain effective internal controls, its present management will have to evaluate the applicability of those procedures in light of the Company's new status as an independent entity, and will have to implement necessary changes to those procedures. There can be no guarantee that the Company will be able to do this in a timely and effective manner.

2. The Company is dependent on the US market for a significant portion of its sales and operating income.

In Fiscal 2009, sales and operating income from the US, the largest pharmaceutical market in the world (Source: Cygnus Research), accounted for 71.06% of the Company's consolidated sales and operating income. The Company intends to continue strengthening its presence in the US market through increased Abbreviated New Drug Application ("ANDA") filings and improved marketing and distribution efforts, among other strategies. However, the US also presents numerous challenges for generic companies, including the market dominance of branded pharmaceutical companies and changes in healthcare regulations. If the Company does not successfully implement its strategies for increasing market share and profitability in the US, its results of operations and financial condition may be materially and adversely affected.

3. Growth in the Company's income and profits are closely tied to success in securing ANDA approvals from the US FDA in a timely manner for new products, as well as obtaining US market exclusivity for generic versions of significant products.

The Company's ability to achieve further sales growth and profitability in the US is dependent on its success in continuing to successfully obtain ANDA approvals, challenge patents, develop non-infringing products relative to branded pharmaceuticals and obtaining a 180 day period of marketing exclusivity as provided under US law for its generic counterparts. For example, the Company's operating results for Fiscal 2009 included major contributions from Oxcarbazepine, a product launched with joint-exclusivity during Fiscal 2008. In addition, the number of potential new generic products with exclusivity and the number of branded products whose patents are expiring vary from year to year. The failure of the Company to efficiently and successfully plan and implement its business strategies and product introductions within the

context of these factors may materially affect its income and financial condition. See "Industry Overview – Pharmaceuticals Industry - US Regulation of Generics Products – Hatch-Waxman Act and Paragraph IV" beginning on page 54 of this Draft Red Herring Prospectus.

4. The Company's income and profits may decline as a result of intense competition from other generic drug companies, as well as brand-name companies that are under increased pressure to counter the introduction of generic products.

Net selling prices of generic drugs typically decline, frequently dramatically, as generic companies and other competitors receive approvals and enter the market for a given product, intensifying competition. The Company's ability to sustain its sales and profitability over time is dependent on both the number of new companies that begin to sell competing products and the timing of the Company's approval for its new products. The Company's overall profitability depends on, among other things, its ability to continuously introduce these new products in a timely manner.

In addition to local and foreign generic companies, the Company faces intense competition from brand-name companies that have taken aggressive steps to address competition from generic companies. In particular, brand-name companies continue to sell or license their products directly or through licensing arrangements or strategic alliances with other generic pharmaceutical companies. No significant regulatory approvals are required for a brand-name company to sell directly or through a third party to the generic market, and brand-name companies do not face any other significant barriers to enter such market. In addition, such companies seek to delay generic introductions and to decrease the impact of competition from generic companies through strategies that include:

- obtaining new patents on drugs whose original patent protection is about to expire;
- filing patent applications that are more complex and costly to challenge;
- filing suits for patent infringement that automatically delay approval of generic versions by the United States Food and Drug Authority (the "US FDA");
- filing citizens' petitions with the US FDA contesting approval of the generic versions of products due to alleged health and safety issues;
- developing controlled-release or other "next-generation" products, which often reduce demand for the generic version of the existing product for which the Company is seeking approval;
- changing product claims and product labeling;
- developing and marketing as over-the-counter products those branded products which are about to face generic competition; and
- entering into arrangements with managed care companies and insurers to reduce the economic incentives to purchase generic pharmaceuticals.

These strategies may increase the costs and risks associated with the Company's efforts to introduce generic products and may delay or prevent such introduction altogether.

In addition, as a result of operating in a highly competitive industry, the Company's competitors are increasingly consolidating, and the strength of the combined companies could affect the Company's competitive position in all of its business areas. Furthermore, if one of the Company's competitors acquires any of the Company's customers or suppliers, the Company may lose business from the customer or lose a supplier of a critical raw material.

5. The Company's performance is highly dependent upon the regulatory policies of different jurisdictions, particularly the United States and the EU.

Governments throughout the world heavily regulate the sale and marketing of the Company's products. Depending on, among other factors, general economic conditions and government policies with respect to

healthcare costs, private and public spending patterns on pharmaceuticals could change. Policy decisions by regulators such as the US FDA that have the effect of making it more difficult for generics companies from developing countries such as India to sell and market products into their markets or provide services to other pharmaceutical companies would have a material adverse effect on the Company's businesses. Such policies could include import limitations, limitations on outsourcing to developing countries, extension of product patent rights and limitations on the importation of APIs.

Most countries also place restrictions on the manner and scope of permissible marketing to physicians and to other healthcare professionals. The effect of such regulations may be to limit the amount of income that the Company is able to derive from a particular product. In addition, if the Company fails to comply fully with such regulations, civil or criminal actions may ensue.

Moreover, in addition to normal price competition in the marketplace, the prices of the Company's pharmaceutical products are or may be restricted by price controls imposed by governments and healthcare providers in several countries. Price controls across countries operate differently and can cause variations in prices between markets, and currency fluctuations can further aggravate these differences. The existence of price controls can limit the income the Company earns from its products.

Since the largest and fastest growing component of the Company's revenue stream comes from exports and services to regulated markets, principally the US and certain countries in the EU, its performance is highly dependent upon the demand from and regulatory policies adopted in these markets. Demand in these markets is mainly driven by reimbursement policies of large health insurers and government benefits providers. Efforts to control healthcare costs have led government and private insurers to reduce the costs of prescription drugs, which may reduce the profitability of drug sales in these markets and the level of research and development of pharmaceutical companies for those markets. These developments, in turn, could have a material adverse effect on the Company's sales and profitability.

In addition, the World Health Organization ("WHO") is considering measures to implement a global strategy for dealing with counterfeit drugs. The WHO has tasked the International Medical Products Anti-Counterfeiting Taskforce ("IMPACT"), which is an independent group comprising drug maker lobbies, Interpol, the World Trade Organization, the World Intellectual Property Organization, the European Commission, ASEAN nations and the US pharmaceutical industry, to find ways to prevent the trade of counterfeit drugs. If the WHO implements a resolution with an overbroad definition of counterfeit drugs, it could create entry barriers for the Company's API and FDF products in the countries the Company exports to. Such entry barriers could have a material adverse effect on the Company's business operations and financial results.

6. If the Company fails to comply with government and other regulations applicable to its activities in a timely manner, it may delay or prevent the Company from developing, manufacturing or marketing its products.

If the Company fails to comply with applicable regulations with respect to its operations and products in various jurisdictions in a timely manner, there may be a delay in the submission or approval of potential new products for marketing approval. In addition, the submission of an application to a regulatory authority does not guarantee that a license to market the product will be granted. Each authority may impose its own requirements and/or delay or refuse to grant approval, even when a product has already been approved in another country. In regulated markets, the approval process for a new product is generally complex, lengthy and expensive. The approval period for new products varies by country but generally takes from six months to a few years from the date of application. Such a registration process increases the Company's cost of developing new products, and the risk that the Company will not be able to recover such costs from sales of the product. In addition, governmental authorities, including the US FDA, heavily regulate the manufacture of the Company's products. If the Company or its third party suppliers fail to comply fully with such regulations, the Company may lose regulatory approval to export and sell its products in those jurisdictions. Additionally, there may be government-enforced shutdowns of production facilities integral to the manufacture of the Company's products. Any such event would limit the Company's supply of raw materials and possible product shortages may ensure, which may have a material adverse effect on the Company's business, financial condition and results of operation.

Regulatory agencies may at any time reassess the safety and efficacy of pharmaceutical products based on new scientific knowledge or other factors. Such reassessments, if applicable to the Company's products,

could result in the amendment or withdrawal of existing approvals to market the products, which in turn could result in a loss of revenues and/or profits, exposure to product liability claims, a loss of goodwill and write-offs of related inventory, all of which could have a material adverse effect on the Company's financial conditions and results of operations.

7. The Company's subsidiary, Glenmark Generics Inc. USA, received a warning letter from the US FDA in relation to distribution of an unapproved product.

The US FDA had issued a warning letter to the Company's subsidiary, Glenmark Generic Inc., on March 30, 2009 in relation to marketing of an unapproved product of the Company, morphine sulphate, in various forms in violation of certain provisions of the Federal Food, Drug and Cosmetics Act (the "**FFDCA**"). The company responded to the letter on April 6, 2009 and complied with all request of the US FDA. Thereafter, the US FDA through a letter dated April 9, 2009 informed the Company that it has chosen to exercise its enforcement discretion and permitted the Company to continue to distribute one of the products listed in the letter dated March 30, 2009, Morphine Sulfate Solution Immediate Release Concentrate, 20 mg/ml, for up to a period of 180 days from the date the drug is approved to be distributed in the US. The US FDA will not exercise its enforcement discretion in cases where it is determined that the Company has violated other provisions of the FFDCA, the Company has increased its manufacture or distribution of the drug or if the US FDA receives new information regarding any serious health risk or hazard associated with the drug. In the event the Company continues to distribute the drug beyond the enforcement exercise discretion period as mentioned above, it could result in punitive action by the US FDA including seizure and injunction.

8. The Company's failure to address the price erosion inherent in generics products may adversely affect its income and financial condition.

The Company's strategy of continued growth in regulated markets is dependent on its ability to address the price erosion typical for generics products. After the period for any market exclusivity for a generics product expires, other generics companies usually introduce their own low-cost version of the product. This increased competition typically results in significant price erosion for generics products. For the Company to maintain the profitability of a product after such exclusivity period, it must ensure that its products remains competitive after the entry of other market players. This puts significant pressure on the Company's manufacturing and marketing resources to ensure that its products remains competitive. In addition, the trend in regulated markets such as the US, Canada and certain countries in the EU in recent years has been for prices of generic formulations and APIs to generally decrease as competition increases. Continuous price erosion could reduce the Company's sales revenue in these regulated markets. If the Company cannot continue to offer competitive prices for its products in these regulated markets, its profits, financial condition and results of operations may be adversely affected.

9. If the Company's R&D efforts do not succeed, the Company may not be able to introduce new products or enter into new out-licensing arrangements.

In order to remain competitive, the Company must successfully commercialize additional generic formulations products, as well as continue to improve the efficiency and cost competitiveness of its manufacturing processes to attract joint venture and out-licensing partners. To accomplish these objectives and to support its current market position in regulated markets and entry into other semi-regulated markets, the Company commits substantial efforts, funds and other resources to R&D. In line with other generics companies, the Company expects that its R&D costs will continue to increase in the future. It is not certain whether these R&D efforts will translate into increased efficiency in the Company's manufacturing processes, the development of additional products for marketing and sale or provide opportunities for new business partnerships. If these ongoing and increasing R&D investments prove unsuccessful, it would result in higher costs without a proportionate increase in income, which in turn would adversely affect the Company's income and financial condition.

Furthermore, in order to develop a commercially viable product, the Company must demonstrate, through clinical trials, that the products are safe and effective for use in humans. The Company's products currently under development, if and when fully developed and tested, may not perform as it expects. Moreover, necessary regulatory approvals may not be obtained in a timely manner, if at all, and the Company may not be able to successfully and profitably produce and market such products.

10. The pharmaceutical industry in general is characterized by a rapidly changing market landscape.

The market landscape of the pharmaceutical industry in general is constantly evolving, primarily due to factors such as but not limited to technological advances, regulations of both governments and bilateral treaties and arrangements and consolidation of resources by industry players. These factors are susceptible to sudden change which may affect the industry in a positive or negative manner. Any successful pharmaceutical or generics company must be adequately prepared to react quickly and successfully when such changes occur. Any delay by the Company in reaction to these changes, whether in terms of modification of the Company's strategy or diversion of its production or management resources, would have a material adverse effect on its business, results of operation and financial condition.

11. Substantially all of the Company's own manufactured API and FDF products sold in the US are produced from two manufacturing facilities at Ankleshwar and Goa.

The US FDA conducts inspections of manufacturing facilities of pharmaceutical companies in relation to ANDA and DMF filings. The Company's FDF manufacturing facility in Goa and its API manufacturing facility in Ankleshwar have been inspected by the US FDA. As a result, substantially all of the Company's own manufactured products which are sold in the US are produced from these two facilities. If any of these facilities experience, production delays or shutdowns, then the Company's US operations will be significantly affected, which in turn would have a material adverse effect on the Company's financial condition and results of operations.

12. The Company may in the future elect to sell generic products prior to the final resolution of outstanding patent litigation, and as a result, it could be subject to liability for damages.

The Company or its partners may seek approval to market generic products before the expiration of patents relating to those products, based upon the belief that such patents are invalid or otherwise unenforceable, or would not be infringed. As a result, the Company could be involved in prospective patent litigations, the outcomes of which, in certain cases, could materially adversely affect its business. After a complex analysis of a variety of legal and commercial factors, the Company may elect to sell a generic product which is subject to pending litigation.

If the Company sells products prior to a final court decision, and subsequently the court renders an unfavourable decision, the Company may, among other things, be required to desist from selling such products, which may have an adverse impact on its future earnings from the product. The Company could also incur substantial liability for patent infringement such as payment for the innovator's lost profits or a royalty on sales of the infringing product. These damages may be significant, and could materially adversely affect the Company's business.

13. If the Company is unable to protect its intellectual property and proprietary information, or if the Company infringes on the patents of others, its business may be adversely affected.

A significant market strategy of the Company is based on developing and introducing generic versions using non-infringing processes after patents for branded products expire. The Company also files and seeks to obtain patents for new drug delivery systems ("NDDS") under development. Patents are therefore likely to become increasingly significant to the Company in the future. The Company's continued success depends, in part, on its ability to protect its intellectual property, including trade secrets and other proprietary information, obtain patents and operate without infringing on the proprietary rights of others. In addition, the Company's competitors may have filed similar patent applications or hold issued patents relating to products or processes that compete with those that the Company is developing or are seeking to protect.

Moreover, there has been substantial patent litigation in the pharmaceutical industry concerning the manufacture, use and sale of various products. In the normal course of business, the Company may be subject to lawsuits, and the ultimate outcome of such litigation could adversely affect its business, financial condition and cash flow. Any lawsuit initiated against the Company with respect to any alleged patent infringement or other alleged violations of law or regulation, could materially affect the Company's business regardless of the outcome of such litigations. Moreover, there can be no assurance that the Company's products or processes will not be found to infringe valid third-party intellectual property rights.

The uncertainties inherent in patent litigation generally, and within the pharmaceutical industry in particular, make it difficult to predict the outcome of any such litigation.

Historically, the Company has also relied on proprietary information as well as requiring principal employees, vendors and suppliers to sign confidentiality agreements. However, these confidentiality agreements may be breached, and the Company may not have adequate remedies for such breach. Third parties may otherwise gain access to the Company's proprietary information or may independently develop substantially equivalent proprietary information, which may have a material adverse effect on the Company's business.

14. In some markets the Company permits some of its partners to use its name as manufacturer. Any litigation or regulatory proceedings against some of these partners may adversely affect the Company's business and goodwill in such markets.

The Company permits some of its partners to whom it supplies products to use the Company name as manufacturers for the products marketed by such third parties. The Company is exposed to the risk of these partners being involved in litigation or regulatory proceedings which may have an adverse effect on the Company's business and goodwill in such markets.

15. A significant portion of the Company's income is dependent on a small number of products and its specialization in products for specific niche areas.

Sales of certain products represent a significant portion of the Company's income, gross profit and net earnings. If the volume or pricing of the Company's largest selling products declines in the future, its business, financial condition and results of operations could be materially adversely affected.

Moreover, the Company's pipeline for ANDAs is focused on the development and potential sale of generic products in specific niche areas such as dermatology, hormones, modified release and controlled substances. As a result of increased competition, pricing pressures or fluctuation in the demand or supply of these products, the Company's sales and margins from these products may decline in the future. In addition, the Company may need to introduce other key products and further expand into additional areas to remain successful in the future. The Company's plans to introduce new products into regulated markets and diversify the therapeutic categories or areas in which it operates may not be successful. Any material adverse developments with respect to the sale or use of its products, failure to successfully introduce new products or implement its expansion strategies, could have a material adverse effect on the Company's business and financial condition.

16. The Company is dependent on its marketing arrangements with partners for the sale and distribution of its products.

The Company supplements its territorial coverage of the various European markets through licensing and sales/distribution agreements with third parties. Therefore, in addition to the marketing activities undertaken by the Company, it also depends on third parties for marketing and distributing of the certain products in various markets where they operate. These arrangements are contractual in nature and terminate at the end of the supply term or may be terminated by either party providing the other with notice of termination. While due caution is exercised by the Company at the time of entering into these agreements, it may not be able to renew or re-negotiate these third party arrangements at the end of the term, or on breach or if there are significant changes in the commercial environment in the market which may have a material adverse effect on the Company’s business and results of operations.

17. The Company expects to be dependent upon collaborative arrangements to complete the development or commercialisation of some of our products.

The Company needs to rely on partners to carry out development of its drug pipeline. The Company may not be successful in entering into such collaborative arrangements with third parties. The Company’s failure to enter into collaborative arrangements on favourable terms could delay or impair its ability to develop or commercialise its product candidates and could increase its costs of development or commercialisation. Dependence on collaborative arrangements to complete the development or commercialisation of some of the Company’s products is subject to a number of risks, including:

- the collaborators may experience financial difficulties;

- should a collaborator fail to develop or commercialise one of its compounds or products, the Company may not be able to deliver products in a timely manner;

- business combinations or significant changes in a collaborator's business strategy may also adversely affect a collaborator's willingness or ability to complete its obligations under any arrangement.

18. If the Company fails to effectively manage its overseas subsidiaries, these operations may incur losses or otherwise adversely affect the Company's business and results of operations.

Currently, the Company conducts significant part of its business through subsidiaries in countries including the countries including the US, Argentina and certain countries in the EU. The Company is thus indirectly subject to risks relating to compliance with a wide variety of national and local laws, restrictions on the import and export of certain intermediates, drugs, technologies and multiple and possibly overlapping tax structures. In addition, the Company may also face competition in other countries from businesses that may have more experience with operations in such countries or with international operations in general. The Company may also face difficulties integrating new facilities in different countries with its existing operations, as well as integrating employees hired in different countries into the existing corporate culture. Any difficulties encountered in effectively conducting operations through these subsidiaries could result in reduced profitability in these countries, which may adversely affect the Company's business and results of operations.

19. The Company is dependent upon the continued supply of raw materials for its products, the supply and costs of which can be subject to significant variation due to factors outside the Company's control.

Some of the primary raw materials for the manufacture of the Company's products are sourced from third party suppliers. The Company currently relies on and has regular supply contracts with select suppliers to provide these raw materials. In addition, as an increasing number of the Company's products will be sold in regulated markets, the Company will need to source its raw material, packaging, labelling, drug delivery and other requirements from suppliers approved by regulatory authorities such as the US FDA. In the event the Company is unable to continue obtaining adequate supplies of these raw materials in a timely manner or on acceptable commercial terms, or if there are significant increases in the cost of these raw materials, the Company's business and results of operations may be materially and adversely affected. In addition, the prices of the Company's raw materials are influenced by market conditions, including those of demand and supply. If unanticipated supply shortages occur, the Company's operations may be adversely affected.

The quality of raw materials purchased by the Company is critical to its operations. In the event quality variations occur, the Company would need to make alternative supply arrangements. While the Company maintains a list of alternative suppliers, there could be significant variations in the quality of materials sourced from different suppliers, which could have an adverse effect on the Company's operations. In addition, sourcing of acceptable substitute raw materials may lead to increased expenses in procuring such raw materials and reduce the Company's profit margins, which could have an adverse impact on its business if the Company is unable to pass on these increased costs to consumers.

20. GPL will remain a controlling shareholder after the Issue and will continue to exert significant influence over the Company and any subsequent business combination.

GPL will own approximately 85% of the Company's outstanding Equity Shares upon completion of the Issue. Accordingly, GPL will continue to have a controlling position and will have the ability to exercise significant influence over the Company's management, including over matters requiring shareholder approval or approval by the board of directors. This could delay, defer or prevent potential transactions which may be beneficial to the Company's shareholders, such as a change in control, a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from attempting to obtain control of the Company.

21. The API market is a volatile commodity market, which could affect the Company's prices and cause income to decline.

APIs are commodity products and their prices can fluctuate sharply over short periods of time. The price of raw materials and manufacturing efficiencies are key factors that affect the fluctuation in prices of APIs. In addition, the industry is faced with increasing competition from pharmaceutical companies in countries such as China who are able to price their products at lower rates than their competitors in India. Any further increase in competition in the API market may have an adverse effect on the Company's financial condition.

22. The Company may have conflicts of interest with GPL and, because of GPL's controlling ownership interest, there can be no assurance such conflicts will be resolved on favorable terms.

Conflicts of interest may arise between GPL and the Company in a number of areas relating to past and ongoing business relationships. Potential conflicts of interest include the following:

- *Employee recruiting and retention.* Since the Company operates in the same general geographic areas as GPL, it expects to compete with GPL in relation to the hiring and retention of employees, in particular with respect to highly-skilled technical employees. There are no agreements with GPL which would restrict one company from the hiring of the other's employees;

- *Sale of shares in the Company.* GPL may decide to sell all or a portion of the shares that it holds in the Company to a third party, including to a competitor, thereby giving that third party substantial influence over the Company's business and affairs. Such a sale could be contrary to the interests of certain stakeholders of the Company including shareholders and employees; and

- *Allocation of business opportunities.* As a result of the business transfer agreement between GPL and GGL, GPL maintained its drug development and branded generics businesses while transferring its entire pure generics business portfolio to GGL. Business opportunities may arise that both the Company and GPL find attractive, and which would complement their respective businesses. GPL may decide to take the opportunities itself, which would prevent the Company from taking advantage of such opportunity. See "History and Certain Corporate Matters – Business Transfer Agreement dated December 24, 2007 between GPL and the Company" beginning on page 92 of this Draft Red Herring Prospectus.

GPL, as the Company's majority shareholder, may from time to time make strategic decisions that it believes are in the best interests of its business as a whole. These decisions may be different from the decisions that the Company would have made on its own. GPL's decisions with respect to the Company or its business may be resolved in a manner that favors GPL and therefore GPL's own shareholders, which may not coincide with the interests of the Company. The Company may also not be able to resolve any potential conflicts and any resolution may be less favorable to the Company than if it were dealing with an unaffiliated party.

23. The Company may be unable to produce sufficient quantities of its APIs and Formulations, which could result in a breach of the contractual arrangements with its partners and customers.

The Company's licensing and supply agreements contain provisions that require it to provide its partners with stipulated quantities of APIs and agreements to provide its customers with the Formulations. The demand for APIs has grown significantly in recent years, and it is expected that demand will continue to increase in the future due to a variety of factors including increases in the number of product introductions into the market. Any interruption in the supply by third party suppliers of raw materials for the Company's APIs, as well as any disruptions in API production at the Company's three API production facilities could result in breaches by the Company of contractual obligations with its business partners, and have a material effect on the Company's income and results of operations.

24. The Company's expected production levels could be adversely affected by various factors.

Manufacturers of products such as APIs often encounter difficulties in production. These problems include difficulties with production costs and yields, product quality (caused by, among other things, process failure, equipment failure, human errors or other unforeseen events during the production cycle) and shortages of qualified personnel, as well as compliance with regulatory requirements, including current Good Manufacturing Practice ("cGMP") requirements. Because of the many steps involved in the production of APIs, any interruption in one of the steps in the manufacturing process could cause delays in

the entire production cycle. In addition, any material labor problems, such as a work stoppage or mechanical failure or malfunction could likewise lead to delays in production. Any of these problems could result in delay or suspension of production and may entail higher costs or other unforseen expenses. Furthermore, if the Company's suppliers fail to deliver necessary manufacturing equipment, raw materials or adequately perform the services outsourced by the Company to them, production deadlines may not be met. Any such developments could have a material adverse effect on the Company's business, financial condition and results of operations.

25. The Company has made and may in the future make additional capital commitments to its subsidiaries, affecting its liquidity and capital resources.

The Company has made significant capital investments and other commitments to support certain of its subsidiaries. The Company may make additional capital expenditures in the future, which may be financed through additional equity or debt, including through the debt of subsidiaries. If the business and operations of these subsidiaries do not perform as expected, the Company may not derive the anticipated benefits on its investments, and these investments may be required to be written down or written off. Additionally, certain loans and advances due to the Company may not be repaid or may need to be restructured. Any of these developments could have a material adverse effect on the Company's business and financial condition. See also "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 199 of this Draft Red Herring Prospectus.

26. A change in accounting or tax policies applicable to the Company could result in an adverse effect on the Company's income and reported results of operations.

New or revised accounting or tax policies promulgated from time to time by relevant Indian authorities may significantly affect the Company's reported results of operations. Any current or future Government revisions to tax policies, in particular with respect to tax incentives, could have a material adverse effect on the Company's income and results of operations. The Company also operates in tax jurisdictions of USA, UK, Argentina and Switzerland where it is exposed to the same risk.

27. The Company requires certain approvals and licenses in the ordinary course of business, and the failure to obtain or retain them in a timely manner all may adversely affect its operations.

The Company requires certain approvals, licenses, registrations and permissions for operating its business, for which it may have either made or is in the process of making an application for obtaining the approval or renewal. If the Company fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, its business may be adversely affected. Furthermore, government approvals and licenses are subject to numerous conditions, some of which are onerous and require the Company to make substantial expenditures. If the Company fails to comply or a regulator claims it has not complied with these conditions, its business, prospects, financial condition and results of operations may be materially affected.

There are certain approvals in relation to the Company's business that continue to be registered in the name of GPL. In certain cases, the Company has made applications to relevant authorities for transfer of such approvals in the name of the Company whilst, in other cases, such applications are required to be made by third parties. In the event such approvals are not transferred in the name of the Company, certain business operations of the Company may be adversely affected. In addition, the Company may be required to make fresh applications and there in no guarantee that such approvals will be granted in a timely manner.

28. Disruptions of information technology systems could adversely affect the Company's business.

The Company is dependent upon increasingly complex and interdependent information technology systems, including internet-based systems, to support business processes as well as internal and external communications. Any significant breakdown or interruption of these systems, whether due to computer viruses or other causes, may result in the loss of key information and/or disruption of production and business processes, which could materially and adversely affect the Company's business.

29. The Company will indirectly be affected by any adverse developments with respect to GPL and its other subsidiaries.

Being a majority-owned subsidiary of GPL and as a result of the Name License Agreement dated February 11, 2008 entered into with GPL, the Company is associated with the Glenmark name. As a result, while the Company is an independent company from GPL, it enjoys certain benefits from this association. However, because of this association, the Company also stands to be indirectly affected if there are adverse developments with respect to GPL and its other subsidiaries. Any such adverse developments may have a material effect on the Company's business and goodwill.

30. Any disruption in global or domestic logistics could affect operations.

The Company's success as a business with manufacturing capabilities depends on the smooth supply and transportation of various materials and inputs from different domestic and global sources to its manufacturing plants, and of the products from plants to customers located globally, all of which are subject to various logistical uncertainties and risks. Disruptions of transportation services because of weather related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, or other events could impair the Company's ability to receive materials and other inputs and supply products to its customers. There can be no assurance that such disruptions will not have a material adverse effect on the Company's business and result of operations.

31. The Company is subject to the risk of loss due to fire as typical pharmaceutical raw materials are highly flammable. The Company is also subject to the risk of other natural calamities or general disruptions affecting its production facilities and distribution chain.

The Company uses highly flammable materials, such as sodium azide and acetyl chloride, in its manufacturing processes and is therefore subject to the risk of loss arising from fires. Although the Company has implemented industry acceptable risk management controls at its manufacturing locations and continuously seeks to upgrade them, the risk of fire associated with these materials cannot be completely eliminated. In addition to fire, natural calamities such as floods, earthquakes, rains and heavy downpours could disrupt the Company's distribution chain and damage its storage facilities. Although the Company maintains insurance policies to guard against losses caused by fire and other natural calamities, its insurance coverage for damages to properties and disruption of business due to these events may not be sufficient to cover all potential losses. If any manufacturing facilities were to be damaged as a result of fire or other natural calamities, it would temporarily reduce the Company's manufacturing capacities. In addition, unanticipated mechanical and electrical failures may also require shut-downs of production facilities for a significant period of time, any of which could have a material adverse effect on the Company's business, results of operations and financial condition.

32. The Company is susceptible to product liability and product recall claims that may not be covered by insurance which, if successful, could require the payment of substantial sums.

The Company faces the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits and product recall expenses, whether or not such claims are valid. Even unsuccessful product liability claims would involve litigation expenses, and may divert management's time, adversely affect the Company's reputation and impair the marketability of its products. In addition, there can be no assurance that the Company's product liability insurance will be sufficient to cover such claims or that adequate insurance coverage may be obtained in the future at acceptable costs. A successful product liability claim that is excluded from coverage or exceeds the Company's policy limits may require the payment of substantial sums which may have a material adverse effect on the Company's business, financial condition and results of operations.

33. If there is a lack of back-to-back product warranty and product liability assurances from some of the Company's suppliers or any recall of products, the Company's business reputation and profits may be affected.

Defects, if any, in the Company's products could result in product recalls. This could in turn require considerable resources in correcting problems and could adversely affect the demand for the Company's products. Defects in products that arise from defective raw materials or other inputs supplied by external suppliers may or may not be covered under warranties provided by them. An unusual number or amount of warranty claims against a supplier could adversely affect the Company as it depends on a limited number of suppliers for its materials. If a supplier fails to meet quality standards, it could expose the Company to the risk of product liability claims or delay the production schedule for the Company's products. Any defects in

products could also result in customer claims for damages. The existence or even threat of a major product liability claim could also damage the Company's business reputation and affect consumers' views of other products, thereby negatively affecting the Company's business, financial condition and results of operations. Furthermore, in defending such claims, substantial costs may be incurred and adverse publicity generated. Management resources may be diverted from the business towards defending such claims. While the Company attempts to obtain assurances and warranties from suppliers, there can be no assurance that such assurances or warranties will be successfully obtained. In the absence of such warranties, any product recalls would adversely affect the Company's business, results of operations and financial condition.

34. The availability of spurious drugs could adversely affect the goodwill of the Company's products.

The Company is also exposed to the risk of spurious products. For example, certain entities could imitate the Company's brand name, packaging material or attempt to create look-alike products. This may not only affect the Company's market but may also adversely affect the goodwill of the Company's products. The proliferation of spurious products, and the management time diverted to defend claims and complaints about spurious products, may have a material adverse effect on its goodwill, business, financial condition and results of operations.

35. The manufacture and storage of pharmaceutical and chemical products is subject to environmental regulation and risk.

The Company's operations are subject to various environmental laws and regulations relating to environmental protection in various locations in India and internationally. For example, the discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage may give rise to liabilities to the government and third parties, and may result in expenses to remedy any such discharge or emissions. There can be no assurance that compliance with such environmental laws and regulations will not result in curtailment of production or a material increase in production costs or otherwise have a material adverse effect on the Company's financial condition and results of operations. Environmental laws and regulations in India have become increasingly stringent, and it is possible that they will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations may impose new liabilities or result in the need for additional investment in environmental protection equipment, either of which could adversely affect the Company's business, financial condition or results of operation.

Pharmaceutical companies handle dangerous materials including explosive, toxic and combustible materials. If improperly handled or subjected to less than optimal conditions, these materials could harm employees and other persons, cause damage to property and harm the environment. This in turn could subject the Company to significant penalties or litigation which may have an adverse effect on the Company's financial condition and results of operations.

36. The Company's operations are subject to various employee, health and safety laws and regulations.

The Company also subject to laws and regulations governing relationships with employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees, contract labor and work permits. Furthermore, the success of the Company is contingent upon, among other things, receipt of all required health and safety permits. Changes or concessions required by regulatory authorities may involve significant costs and also result in delays, prevent completion of construction or opening of a plant or result in the loss of an existing license which may adversely affect the Company's business and results of operations.

37. The Company does not own its registered office and other premises from which it operates.

The Company does not own the premises on which its registered and corporate office and manufacturing facilities are located. All of the Company's offices and manufacturing facilities are located on leased premises. If the Company is unable to renew its lease agreement on favourable terms or at all, the Company may suffer a disruption in its operations or increased costs, or both, which may adversely affect its business and results of operations. For more information see "Business – Property" on page 82 of this Draft Red Herring Prospectus.

38. The Company may experience fluctuations in quarterly income, operating results and cash flows which may affect the trading price of the Equity Shares.

The Company's quarterly income, operating results and cash flows may fluctuate substantially from quarter to quarter in the future. Such fluctuations may result in volatility in the price of the Equity Shares. Quarterly income, operating results and cash flows may fluctuate as a result of a variety of factors, including but not limited to:

- changes in demand for products;
- the impact of seasons (weather severity, length and timing) on the price and availability of raw materials;
- the timing of regulatory approvals and of launches of new products, particularly in relation to any period of market exclusivity;
- changes in pricing policies or those of competitors;
- the magnitude and timing of research and development investments;
- changes in the level of inventories maintained by customers;
- the geographical mix of sales and currency exchange rate fluctuations;
- adverse market events leading to impairment of assets; and
- timing of retailers' promotional programs.

The foregoing factors may render the Company's income, operating results and cash flows, which may materially affect the trading price of the Company's shares.

39. The Company is dependent on its key employees. If it is not able to attract and retain key employees, its operations could be adversely affected.

The Company is dependent on certain members of its technical and management staff, as well as other key employees and officers for the efficient conduct of its business operations. The Company may not be able to continuously attract qualified personnel or retain such personnel on acceptable terms, given the rising demand for such personnel among pharmaceutical and healthcare companies, universities and non-profit research institutions. If the Company is unable to attract and retain qualified personnel, its results of operations may be adversely affected.

40. Increasing employee compensation in India may erode some of the Company's competitive advantage and may reduce profit margins.

Employee compensation in India has historically been significantly lower than employee compensation in the US and Europe for comparably skilled professionals, which is one of the Company's competitive strengths. However, increase in compensation levels in India may erode some of this competitive advantage and may negatively affect the Company's profit margins. Employee compensation in India is currently increasing which could result in increased costs relating to scientists and engineers, managers and other professionals. The Company may need to continue to increase levels of employee compensation to remain competitive and manage attrition. Any increases in the amount of compensation paid to employees could have a significant effect on production costs, which may affect the Company's position as a low-cost producer of generic drugs and have a material adverse effect on the Company's business, results of operation and financial condition.

41. Exchange rate and interest rate fluctuations may affect the Company's business.

The Company's financial statements are prepared in Indian rupees. A substantial portion of its net revenue and most of its imports are incurred in foreign currencies, and in particular, US dollars. Although the

Company can hedge a portion of the resulting net foreign exchange position through forward exchange contracts and derivatives, it still may be affected by fluctuations in exchange rates between the US dollar, the Indian rupee and other currencies. Any significant fluctuation in exchange rates may therefore materially affect the Company's profitability.

The Company is exposed to exchange rate risk primarily from its receivables, which are mainly denominated in foreign currencies, as well as its payables, foreign currency debts and assets. Since January 1, 2007 the value of the Rupee against the US dollar has generally declined. There is no guarantee the value of the Rupee will not continue to decline. Further depreciation of the Indian rupee against the US dollar increases the cost of servicing and repaying the Company's foreign currency borrowings and other financing arrangements.

Additionally, the Company has entered into certain borrowing arrangements to finance its capital requirements in the ordinary course of business. In the future, the Company may be required to enter into additional borrowing arrangements in connection with potential acquisitions or for general working capital purposes. In the event interest rates increase, the Company's costs of borrowing will increase, and its profitability and results of operations may be adversely affected.

42. Current economic conditions may adversely affect the Company's industry, financial position and results of operations.

The global economy is currently undergoing a period of unprecedented volatility, and the future economic environment may continue to be less favorable than that of recent years. Reduced consumer spending may force competitors to further reduce prices. The Company is exposed to different industries and counterparties, including partners with which the Company has contractual or other business relationships, research and promotional services agreements, suppliers of raw materials, drug wholesalers and other customers. Any of these interdependent relationships may become unstable in the current economic environment. Significant changes and volatility in the consumer environment and in the competitive landscape may make it increasingly difficult for the Company to predict future income and earnings. Any adverse change in general economic conditions, as well as any resulting change in the relationships the Company has developed in the industry may have a material adverse effect on its financial condition and results of operations.

43. The Company is subject to the US Foreign Corrupt Practices Act and similar worldwide anti-bribery laws, which impose restrictions and may carry substantial penalties.

The US Foreign Corrupt Practices Act and similar anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to officials for the purpose of obtaining or retaining business. These laws may require not only maintenance of accurate books and records, but also sufficient controls, policies and processes to ensure business is conducted without the influence of bribery and corruption. The Company's policies mandate compliance with these anti-bribery laws, which often carry substantial penalties. Given the high level of complexity of these laws, however, there is a risk that some provisions may be inadvertently breached, for example through fraudulent or negligent behavior of individual employees, or failure to comply with certain formal documentation requirements. Any violation of these laws or allegations of such violations, whether or not merited, could have a material adverse effect on the Company's reputation and could cause the trading price of the Company's Equity Shares to decline.

44. The Company may acquire additional companies or assets in the future, and its business may be materially affected by difficulties in integration and employee retention, unidentified liabilities, or obligations incurred in connection with acquisition financings.

All potential acquisitions involve known and unknown risks that could adversely affect the Company's future income and operating results. For example:

- Integration of acquired companies or assets may divert management's attention, resulting in the loss of key customers and/or personnel, and may expose the Company to unanticipated liabilities;

- The Company may not be able to retain skilled employees and experienced management necessary to operate or integrate any acquired businesses or assets. It may also be difficult to locate or hire new skilled employees and experienced management to replace them; and

- Any acquisition strategy may require additional debt or equity financing, resulting in additional leverage, or increased debt obligations, or dilution of ownership.

These and other risks inherent with respect to any acquisition strategy may have an adverse effect on the Company's business.

45. There are outstanding litigations against the Company, its Whole time Directors, Promoter and Group Companies.

There are outstanding legal proceedings involving the Company, its Directors, Promoter and the Group Companies. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. The brief details of such outstanding litigations are as follows:

Litigation against the Company

S. No.	Nature of the cases/ claims	No. of cases outstanding	Amount involved (In Rs. million)
1.	Excise Duty	8	116.39*
2.	Service Tax	1	0.025
3.	Labour	2	-
4.	Regulatory Proceedings (in US)	3	-

**Includes refund claims filed by the Company and the proceedings filed in relation thereto*

Litigation against the Directors Nil

Litigation against Promoter

Sr. No.	Nature of the cases/ claims	No. of cases outstanding	Amount involved (In Rs. million)
1.	Criminal	3	-
2.	Infringement of trademarks or passing off	3	-
3.	Civil	1	1.67
4.	Consumer	1	-
5.	Income Tax	6	15.01
6.	Sales Tax	2	3.31
7.	Excise Duty	2	24.60
8.	Labour	5	-
9.	Regulatory Proceedings	4	-

Litigation against Subsidiaries

Sr. No.	Nature of the cases/ claims	No. of cases outstanding	Amount involved (In Rs. million)
Glenmark Generics Inc., USA			

Sr. No.	Nature of the cases/ claims	No. of cases outstanding	Amount involved (In Rs. million)
Glenmark Generics Inc., USA			
1.	Regulatory Proceedings (in US)	6	-

Litigation against Group Companies

Sr. No.	Nature of the cases/ claims	No. of cases outstanding	Amount involved
Glenmark Farmaceutica Ltda. Brazil			
1.	Civil	5	R$ 375,495
2.	Taxation matter	2	R$ 7,761,900.41
3.	Labour	12	R$ 2,007,050
4.	Administrative Proceeding	1	-
Glenmark Philippines Inc.			
1.	Civil	1	-
Glenmark Pharmaceuticals Peru S.A.C.			
1.	Labour	1	US$ 56,653.58

For further details of outstanding litigations against the Company, its Directors, Promoters and the Group Companies, please see the section entitled "Outstanding Litigations and Material Developments" beginning on page 218 of this Draft Red Herring Prospectus**.**

46. The Company has contingent liabilities and its financial condition and results of operations could be adversely affected if any of these contingent liabilities materialize.

As of March 31, 2009, contingent liabilities disclosed in the notes to the financial statements of the Company amounted to Rs. 149.07 million. If any of these contingent liabilities materialize, the Company's financial conditions and results of operations may be adversely affected.

47. The Company has issued certain specified securities within the last 12 months at a price that may be lower than the Issue Price.

The Company has issued Equity Shares to GPL in order to pay the purchase consideration under the Business Transfer Agreement dated December 24, 2007. For further details, in relation to the Business Transfer Agreement with GPL, see "History and Certain Corporate Matters" beginning on page 91 of this Draft Red Herring Prospectus. In relation to the equity share capital history of the Company see "Capital Structure" beginning on page 21 of this Draft Red Herring Prospectus.

48. The Promoters and Group Companies may have unsecured debt that is repayable on demand.

The Promoter and Group Companies may have availed of certain unsecured loans that are repayable on demand. In the event that the lenders of such loans call in these loans, these companies would need to find alternative sources of financing, which may not be available on commercially reasonable terms or at all.

49. Some of the Group Companies have incurred losses during the last three financial years.

Some of the Group Companies have incurred losses during last three fiscal years (as per their respective standalone financial statements), as set forth below:

S. No.	Name of the Group Company	(Loss) after tax (In Rs. million)		
		Fiscal 2009	Fiscal 2008	Fiscal 2007
1.	Glenmark Philippines Inc., Phillipines	(7.37)	(10.95)	(4.17)
2.	Glenmark Farmaceutica Ltda, Brazil	(50.49)	-	-

S. No.	Name of the Group Company	(Loss) after tax (In Rs. million)		
		Fiscal 2009	Fiscal 2008	Fiscal 2007
3.	Glenmark Generics (Europe) Ltd., UK	-	(0.53)	-
4.	Glenmark Pharmaceuticals Nigeria Ltd., Nigeria	(19.45)	(9.12)	(1.55)
5.	Glenmark Pharmaceuticals SDN.BHD., Malaysia	(4.10)	(2.74)	(2.20)
6.	Glenmark Pharmaceuticals S.A, Switzerland	(863.19)	-	-
7.	Glenmark South Africa (pty) Ltd., South Africa	(0.05)	(0.10)	-
8.	Glenmark Pharmaceuticals (Australia) Pty. Ltd., Australia	(57.44)	-	-
9.	Glenmark Pharmaceuticals South Africa (pty) Ltd., South Africa	(4.59)	(14.59)	(3.83)
10.	Glenmark Pharmaceuticals Europe Ltd., U.K.	(8.22)	-	-
11.	Medicamenta A.S., Czech Republic	-	(44.35)	-
12.	Glenmark Pharmaceuticals S.R.L., Romania	(52.82)	(1.59)	-
13.	Glenmark Pharmaceuticals Eood, Bulgaria	(20.45)	-	-
14.	Glenmark Pharmaceuticals SK, S.R.O. (Formerly known as Medicamenta SK SRO), Slovak Republic	(1.10)	-	-
15.	Glenmark Distributor SP z.o.o., Poland	(1.95)	-	-
16.	Glenmark Pharmaceuticals SP z.o.o., Poland	(43.67)	-	-
17.	Glenmark Therapeutics Inc., USA	(15.67)	-	-
18.	Glenmark Pharmaceuticals Mexico, S.A. DE C.V., Mexico	(15.56)	-	-
19.	Glenmark Pharmaceuticals Peru SAC, Peru	(20.30)	-	-
20.	Badatur S.A., Uruguay	(1.50)	-	-
21.	Glenmark Pharmaceuticals Venezuela, C.A., Venezuala	(19.63)	-	-
22.	Glenmark Pharmaceuticals Egypt S.A.E., Egypt	(2.25)	-	-
23.	Glenmark Pharmaceuticals FZE, UAE	(3.98)	-	-

Risks Related to India

50. Political, economic and social developments in India could adversely affect the Company's business.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. The Company's business, and the market price and liquidity of the Company's Equity Shares, may be affected by changes in the Government's policies, including taxation. Social, political, economic or other developments in or affecting India, acts of war and acts of terrorism could also adversely affect the Company's business.

Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued and any significant change in the Government's policies in the future could affect business and economic conditions in India in general and could also affect the Company's business and industry in particular. In addition, any political instability in India or geo political stability affecting India will adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of the Company's Equity Shares.

The Company's performance and the growth of its business is necessarily dependant on the performance of the overall Indian economy. India's economy could be adversely affected by a general rise in interest rates,

currency exchange rates, adverse conditions affecting agriculture, commodity and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries could have an impact on the growth of the Indian economy, and government policy may change in response to such conditions. The Government of India has recently revised its growth projection for Fiscal 2010. A slowdown in the Indian economy could adversely affect the Company's business, including its ability to implement its strategy and increase its participation in the pharmaceutical sector.

51. Financial instability in Indian financial markets could adversely affect the Company's results of operations and financial condition.

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America, Europe or China, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The current global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, has led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on the Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

52. The extent and reliability of Indian infrastructure could adversely affect the Company's results of operations and financial condition.

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt the Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt the Company's business operations, which could have an adverse effect on its results of operations and financial condition.

53. Terrorist attacks, civil disturbances, regional conflicts and other acts of violence in India and abroad may disrupt or otherwise adversely affect the Company's business and its profitability.

Certain events that are beyond the control of the Company, such as terrorist attacks and other acts of violence or war, including those involving India, China, the UK, the US or other countries, may adversely affect worldwide financial markets and could potentially lead to a severe economic recession, which could adversely affect the Company's business, results of operations, financial condition and cash flows, and more generally, any of these events could lower confidence in India's economy. Southern Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighbouring countries, including India, Pakistan and China. India recently witnessed a major terrorist attack in Mumbai on November 26, 2008, which led to an escalation of political tensions between India and Pakistan. Political tensions could create a perception that there is a risk of disruption of business provided by India-based companies, which could have an adverse effect on the Company's business, future financial performance and price of the Shares. Furthermore, if India were to become engaged in armed hostilities, particularly hostilities that are protracted or involve the threat or use of nuclear weapons, the Company's operations might be significantly affected.

India has from time to time experienced social and civil unrest and hostilities, including riots, regional conflicts and other acts of violence. Events of this nature in the future could have a material adverse effect on the Company's ability to develop its business. As a result, the Company's business, results of operations and financial condition may be adversely affected.

54. The Company's ability to raise foreign capital may be constrained by Indian law.

As an Indian company, the Company is subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit the Company's financing sources and hence could constrain its ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, the Company cannot assure investors that required approvals will be granted to the Company without onerous conditions, or at all. The limitations on foreign debt may have an adverse effect on the Company's business growth, financial condition and results of operations.

55. Natural calamities could have a negative effect on the Indian economy and adversely affect the Company's business.

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their effect on the Indian economy. For example, as a result of drought conditions in the country during Fiscal 2003, the agricultural sector recorded negative growth for that period. The erratic progress of the monsoon in 2004 affected sowing operations for certain crops. Further prolonged spells of below normal rainfall or other natural calamities could have a negative effect on the Indian economy, adversely affecting the Company's business and the price of its Equity Shares.

56. An outbreak of an infectious disease or any other serious public health concerns in Asia or elsewhere could have a material adverse effect on the business and results of operations of the Company.

The outbreak of an infectious disease in Asia or elsewhere or any other serious public health concern such as swine influenza around the world could have a negative impact on economies, financial markets and business activities worldwide, which could have a material adverse effect on the Company's business. Although, the Company has not been adversely affected by such outbreaks, the Company can give no assurance that a future outbreak of an infectious disease among humans or animals or any other serious public health concern will not have a material adverse effect on the business of the Company.

57. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessment of the Company's financial condition.

As stated in the reports of the Company's independent auditors included in this Draft Red Herring Prospectus, its financial statements are prepared and presented in conformity with Indian GAAP, consistently applied during the periods stated, except as provided in such reports, and no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries.

58. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect the Company's business.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect the Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm the Company's business and financial performance, ability to obtain financing for capital expenditures and the price of the Company's Equity Shares.

Risks Related to this Issue

59. The price of the Company's Equity Shares may be volatile, and investors may be unable to resell their Equity Shares at or above the Issue Price, or at all.

Prior to the Issue, there has been no public market for the Company's Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to, among other factors, variations in the Company's operating results, market conditions specific to the

pharmaceutical sector in India, developments relating to India and volatility in the BSE and the NSE and securities markets elsewhere in the world.

60. There is no guarantee that the Equity Shares will be listed on the BSE and the NSE in a timely manner or at all and any trading closures at the BSE and the NSE may adversely affect the trading price of the Company's Equity Shares.

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. Approval requires all other relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE and the NSE. Any failure or delay in obtaining the approval would restrict investors' ability to dispose of their Equity Shares.

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the US The BSE and the NSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the BSE and the NSE could adversely affect the trading price of the Equity Shares.

61. Any future issuance of Equity Shares by the Company may dilute investors' shareholding and adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by the Company may dilute shareholding of investors in the Company; adversely affect the trading price of the Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Company's Equity Shares. Additionally the disposal, pledge or encumbrance of Equity Shares by any of the Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that the Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

62. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Subsequent to listing, the Company will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Company's circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform the Company of the percentage limit of the circuit breaker from time to time, and may change it without its knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

63. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Issue until the Issue receives the appropriate trading approvals.

The Company's Equity Shares will be listed on the NSE and the BSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors' book entry, or "demat", accounts with depository participants in India are expected to be credited within two working days of the date on which the basis of allotment is approved by NSE and the BSE. Thereafter, upon receipt of final approval from the NSE and the BSE, trading in the Equity Shares is expected to commence within seven working days of the date on which the basis of allotment is approved by the Designated Stock Exchange. The Company cannot assure investors that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time

periods specified above. Any delay in obtaining the approvals would restrict the Company's ability to dispose of its Equity Shares.

Notes to Risk Factors:

- Investors may contact any of the BRLMs who have submitted due diligence certificates to SEBI, in relation to any complaints, information or clarifications pertaining to the Issue.

- For details of related party transactions entered into by the Company, please see "Related Party Transactions" beginning on page 127 of this Draft Red Herring Prospectus.

- Public Issue of [●] equity shares of Rs. 10 each for cash at a price of Rs. [●] per equity share (including a share premium of Rs. [●] per equity share) aggregating Rs. 5,750 million. The Issue comprises a Net Issue to the Public of [●] Equity Shares and a reservation of [●] Equity Shares for subscription by Eligible Employees. The Issue would constitute [●]% of the post Issue paid up capital of our Company. The Net Issue would constitute [●]% of the post Issue paid up capital of the Company. The Company is considering a Pre-IPO Placement of an amount aggregating up to Rs. 1,000 million with various investors. The Pre-IPO placement is at the discretion of the Company. The Company will complete the issuance and allotment of such Equity Shares prior to the filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of 10% of the post Issue paid-up capital being offered to the public

- In terms of Rule 19 (2) (b) of the SCRR, this is an Issue for less than 25% of the post–Issue capital, therefore, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be Allotted to QIBs on a proportionate basis. Provided that, our Company may, allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price on a discretionary basis, out of which at least one-third will be available for allocation to Mutual Funds only. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation to Mutual Funds on a proportionate basis. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% and 30% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and Retail Individual Bidders, respectively subject to valid Bids being received at or above the Issue Price.

- The Company's consolidated net worth as of March 31, 2009 was Rs. 1,577.58 million, as per its audited consolidated financial statements prepared under Indian GAAP.

- The Company's net worth on a standalone basis as of March 31, 2009 was Rs. 1,788.12 million, as per its audited standalone financial statements prepared under Indian GAAP.

- The average cost of acquisition of Equity Shares of the Company by the Promoters is Rs. 54.94 per Equity Share which has been calculated by taking the average amount paid to GPL to acquire the Equity Shares.

- The net asset value per Equity Share as of March 31, 2009 was Rs. 23.84, as per its audited standalone financial statements and Rs. 21.03, as per its audited consolidated financial statements prepared in compliance with Indian GAAP.

- For more information on transactions in Equity Shares undertaken by the Company's Promoters and Group Entities, see "Capital Structure" beginning on page 21 of this Draft Red Herring Prospectus.

- For information on the interests of the Company's Directors and Key Managerial Personnel, see "Management" beginning on page 100 of this Draft Red Herring Prospectus. For more information

on the interests of the Company's Promoters and promoter Group Entities, see "Promoter" beginning on page 113 of this Draft Red Herring Prospectus.

- The Company changed its name from Glenmark Organics Limited to Glenmark Generics Limited on November 29, 2007. For more information, see "History and Certain Corporate Matters" beginning on page 91 of this Draft Red Herring Prospectus.

- Except as disclosed in "Capital Structure" beginning on page 21 of this Draft Red Herring Prospectus, the Company has not issued any Equity Shares for consideration other than cash.

- Trading in the Equity Shares shall be in dematerialised form only.

SECTION III – INTRODUCTION

SUMMARY OF BUSINESS

Overview

The Company is a generic pharmaceutical company with research and development, manufacturing, marketing and distribution capabilities. It focuses on the development, manufacturing, marketing and distribution of generic finished dosage forms ("FDFs") through wholesalers, distributors, retailers and other channels, including hospitals and through open tenders. The Company also develops, manufactures, markets and distributes active pharmaceutical ingredients ("APIs") to other pharmaceutical companies. For certain of its products, the Company manufactures the APIs used in its FDFs. The Company has five manufacturing facilities in India, two of which have been inspected by the US Food and Drug Administration ("US FDA") and the Medicines and Healthcare products Regulatory Agency ("UK MHRA"), and a new facility in Argentina.

The Company markets its products in various regulated and semi-regulated markets around the world. It primarily sells its FDF products in the United States ("US") and the European Union ("EU"), as well as its oncology FDF products in South America. The Company supplies APIs to customers in approximately 65 countries, including the US, various countries in the EU, South America and India.

As of September 18, 2009, the Company is authorised to distribute approximately 49 FDF products in the US, markets approximately 66 APIs globally and has approximately 41 Drug Master Files ("DMFs") filed with the US FDA. The Company's main FDF products are Oxcarbazepine (anticonvulsant), Gabapentin (anticonvulsant), Hydroxyzine (sedating antihistamine), Naproxen (non-steroidal anti-inflammatory or "NSAID") and Pravastatin Sodium (antilipemic), while its main API products are Topiramate, Amiodarone, Telmistartan, Esomeprazole Magnesium, Lornoxicam, Linezolid and Perindopril Erbumine. To assist in its manufacturing and marketing efforts internationally, the Company has three operating subsidiaries located in each of the US, the UK and Argentina.

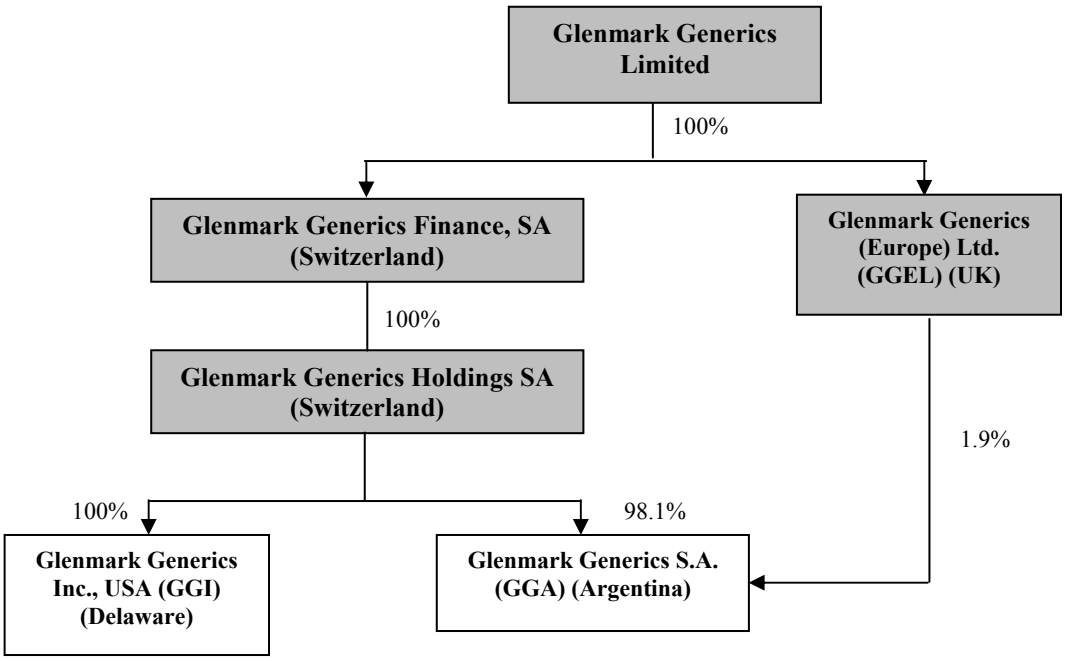
As part of its business strategy, the Company files Abbreviated New Drug Applications ("ANDAs") with the US FDA, some of which include Paragraph IV certifications which may result in marketing exclusivity opportunities under US law. In Fiscal 2008, Glenmark Generics Inc., USA obtained 180 days joint exclusivity for Oxcarbazepine (Trileptal). As of September 18, 2009, the Company is involved in ongoing litigations for securing exclusivity opportunities with respect to six of its ANDA filings. For more details with respect to the ANDA filing process and marketing exclusivity, see "Industry Overview—Pharmaceuticals Industry - US Regulation of Generics Products— Hatch-Waxman Act and Paragraph IV" beginning on page 54 of this Draft Red Herring Prospectus. Moreover, the Company's ANDA pipeline of FDF products focuses on niche generics segments such as dermatology/semi-solids, hormones, modified release, controlled substances/CII and "first to file"/Paragraph IV products, which the Company believes are subject to lesser competition due to the relative complexities involved in their production and higher entry barriers.

The Company's consolidated sales in Fiscal 2009 was Rs. 10,326.06 million. In Fiscal 2009, sales from FDFs contributed Rs. 7,885.15 million, or 76.36% of the Company's consolidated sales, and sales from APIs contributed Rs. 2,440.91 million, or 23.64% of its consolidated sales. Sales from FDFs in the US, the primary regulated market in which the Company conducts business and the largest pharmaceutical market in the world (Source: Cygnus Research), amounted to Rs. 7,337.73 million, or 71.06% of the Company's consolidated sales in Fiscal 2009. Sales from India amounted to Rs. 1,326.61 million, or 12.85 % of the Company's consolidated sales.

The Company is a subsidiary of Glenmark Pharmaceuticals Limited ("GPL"), a company which began operations in the pharmaceutical industry in 1977. In 2008, pursuant to a business reorganization, GPL's generic pharmaceutical FDF and API businesses, including all related land, machinery, equipment and employees, were transferred to the Company. For further details see, "History and other Corporate Matters" beginning on page 91 of this Draft Red Herring Prospectus.

Corporate Structure

The Company's corporate structure as of September 18, 2009 is set out below.



For more details in relation to the Company's subsidiaries, see "Subsidiaries" on page 97 of this Draft Red Herring Prospectus.

Strengths

The Company believes it possesses the following competitive advantages:

- ***FDFs***

- *Vertically integrated business model with respect to certain products.* With respect to certain of its FDF products, the Company has a vertically integrated business model with research and development, manufacturing, marketing and distribution capabilities. The Company believes this business model helps to lower its production costs and allows it to control the value chain for these products in a more efficient manner. The Company's manufacturing facilities in India serve to control its production costs and strengthen its position as a low-cost producer, while its research and development team provides additional support for the integration business model through continued efforts to increase the number of its APIs which can be used to produce the Company's FDF products. In addition, the Company believes it has established a marketing presence in regulated markets such as the US and the UK through a dedicated marketing team.

- *Range of FDF products in the US market.* As of March 31, 2009, the Company's FDF products in the US included anticonvulsants such as Gabapentin, Oxcarbazepine, sedating antihistamine such as Hydroxyzine, non-steroidal anti-inflammatory or "NSAID" such as Naproxen, and an antilipemic such as Pravastatin Sodium. Inorder to expand its range of products in the market, Company has entered into partnership deals for joint development and supply with other Companies such as Invagen, Shasun, LVT and a deal with Paul Capital for funding the clinical trials for development of dermatology products.

- *Niche generic area focus with respect to ANDAs.* Till FY 08-09, the Company has 87 ANDAs filed or marketed (including partner filings with other pharmaceutical companies), with a focus on niche generic pharmaceutical categories such as dermatology/semi-solids, hormones, modified release and controlled substances/CII. Any new products approved from these ANDA filings would allow the Company to market and sell these products in the US, the largest pharmaceutical market in the world (Source: Cygnus Research). The Company's ANDAs by niche segment are set out below.

ANDAs filed/marketed (including partner filings)	**Till FY 08-09**
Dermatology	18
Controlled substances	6
Modified release	4
Hormones	7
"first to file"/Paragraph IV	9
Immediate release	43
TOTAL	**87**

- *Capabilities for identifying and securing market exclusivity for FDF products.* The Company believes it possesses the necessary skills and technological and intellectual property capabilities, including in-house infrastructure and research and development capabilities, to develop FDF products which can be submitted to regulatory authorities for marketing and sale approval. In addition, the Company believes it has an intellectual property management team with developed capabilities in identifying products for which it can secure marketing exclusivity under US law, as well as experience in Paragraph IV litigations. In Fiscal 2008, the Company obtained 180 day joint exclusivity for Oxcarbazepine in the North American market. As of September 18, 2009, the Company believes it has four sole first to file opportunities for Ezetemibe tablets, Trandolapril+Verapamil tablets, Fluticasone lotion and Atovaquone+Proguanil HCl tablets.

- ***APIs***

- *Facilities.* The Company has three API manufacturing facilities in India at Ankleshwar, Mohol, and Kurkumbh, with the Ankleshwar facility having been inspected by the US FDA. The Company believes that its manufacturing facilities in India and the process efficiencies in these facilities enable the Company to lower overall production costs and provide the Company with a competitive advantage.

- *Broad range of API products offered and under development.* As of June 30, 2009, the Company markets approximately 66 API products in approximately 65 countries, and the Company believes that it has the necessary resources, experience and network to launch additional API products in these countries in the future. As of March 31, 2009, the Company has 41 DMFs filed with the US FDA.

- *Research and development.* The Company believes it has strong research and development capabilities for the identification and development of potential API products, including capabilities with respect to process development, analytical research and clinical research.

- ***Manufacturing Facilities Designed to Serve the Company's Export Markets***

  The Company's manufacturing facilities have been built in accordance with the WHO's current cGMP guidelines. Certain of the Company's manufacturing facilities have been inspected by the US FDA, the UK MHRA, Brazil's National Health Surveillance Agency ("ENVISA"), as well as South African regulatory authorities. Such inspections can allow the Company to market its FDF products in the US and other countries on registration and approval of such products with the relevant authorities. To further strengthen its manufacturing capabilities, the Company has invested significant resources in capital expenditure projects, including an oncology manufacturing facility in Argentina, which was recently approved by the National Health Authorities –INAME (Instituto Nacional del Medicamento).

- ***Established Presence in the US and Developing Presence in Europe***

  The Company believes it has an established presence in the US and a developing presence in Europe, particularly due to the following:

  - as of September 18, 2009, the Company is authorised to distribute approximately 49 FDF products in the US, and believes it has continued to maintain consistent market share in most products it sells;

  - the Company has entered into agreements for sourcing of APIs and FDFs with companies that possess approvals to manufacture such products for sale in the US and EU markets; and

  - the Company has entered into 19 licensing and supply agreements with leading European generic companies. The Company also sells its products in the UK and other countries in the EU through its own distribution network as well as through third party distribution arrangements.

- ***Experienced management team***

  The Company has a qualified senior management team possessing an average of approximately 20 years of experience in the domestic and international pharmaceutical industries, including in the areas of research and development, regulatory affairs, manufacturing, quality control, sales and marketing and finance.

- ***Association with the Glenmark brand***

  Following completion of this Issue, the Company will continue to be a majority-owned subsidiary of GPL, and the Company believes it will continue to benefit from GPL's general business reputation and track record in the pharmaceutical industry. See "History and Certain Corporate Matters–Name License Agreement dated February 11, 2008 between GPL and the Company" on page 95 of this Draft Red Herring Prospectus.

Strategies

The Company intends to continue to strengthen its position and diversify its reach in regulated generics drug markets and expand its operations in semi-regulated markets in order to achieve long-term sustainable growth and increase its shareholder value. The Company's principal strategies and initiatives to achieve these objectives are set out below.

- *Continue to build product range and presence in niche generic segments.* The Company aims to enter into new niche generic segments and identify new products in these segments, primarily in regulated markets such as the US and EU. In addition, the Company intends to improve its market position in niche segments such as dermatology/semi-solids, hormones, controlled substances/CII, and modified release products through the introduction of new products.

- *Expand FDF business in non-US markets.* The Company intends to expand its FDF sales into markets apart from the US. In particular, the Company aims to market and sell FDF products to additional countries in Europe and South America, in order to expand its global reach and diversify its geographic coverage.

- *Continue focus on research and development.* The Company intends to continue making investments in research and development with the objectives, among others, of expanding its product portfolio and marketing a wider range of FDF products across various categories. Moreover, through its research efforts, the Company also intends to develop and utilize new dosage forms for existing products such as modified release tablets and capsules, semi-solid preparations, inhalators, solutions/suspensions, injectables and products on other technology platforms.

- *Maximize backward integration capabilities.* The Company aims to consolidate its position as a low-cost producer through continued backward integration of its API products for the manufacture of its FDF products. By increasing the number of FDF products it produces using its own APIs, the Company capitalizes on its API manufacturing capabilities in India which contributes significantly to its overall cost competitiveness in the market. Increased backward integration also develops the Company's logistics and operations efficiencies across the organization.

- *Further expand API portfolio.* The Company aims to position itself as a preferred supplier of APIs globally by increasing the number of DMFs and dossiers it files in the US and the EU, respectively, as well as increasing levels of service and quality to existing customers. Moreover, the Company believes that increasing its portfolio of API products will increase opportunities to form new partnerships and build relationships with other pharmaceutical companies.

- *Develop products and presence in oncology.* The Company intends to continue to invest in and develop products for the oncology segment of its portfolio, and has primarily focused its South American operations to these ends. The Company's oncology manufacturing plant in Argentina, which received approval from the National Health Authorities –INAME (Instituto Nacional del Medicamento) in September 2009, will serve as the Company's global hub for manufacturing and distribution of oncology products.

- *Explore potential acquisition and partnership opportunities.* The Company intends to explore inorganic opportunities for expanding its reach in the generics industry through potential acquisitions as and when such opportunities arise. The Company also intends to develop new and existing business partnerships with other major generic drug companies to capitalize on business opportunities to further increase its profile in the rapidly consolidating generics industry.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Company's restated stand-alone and consolidated financial statements as of and for the years ended March 31, 2009, 2008, 2007, 2006 and 2005. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations and presented under the section titled "Financial Information" beginning on page 131 of this Draft Red Herring Prospectus. The summary financial information presented below should be read in conjunction with the Company's restated stand-alone and consolidated financial statements and notes thereto presented under the section titled "Financial Information" and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 131 and 199 respectively of this Draft Red Herring Prospectus.

Restated Standalone Financial Statements

STATEMENT OF UNCONSOLIDATED PROFIT AND LOSS, AS RESTATED

Annexure 1
(Rs. In Million)

Particulars	For the Year Ended March 31,				
	2005	2006	2007	2008	2009
Income :					
Sales	-	-	-	-	7,810.31
Other Income	-	-	-	-	836.88
Increase/(Decrease) in Inventory	-	-	-	-	1,057.13
Total Income	**-**	**-**	**-**	**-**	**9,704.32**
Expenditure :					
Materials consumed	-	-	-	-	4,613.74
Purchase of Traded Goods	-	-	-	-	60.21
Staff cost	-	-	-	-	347.06
Other Manufacturing expenses	-	-	-	-	442.88
Selling and Operating expenses	0.28	0.01	0.01	7.26	971.22
Interest (Net)	-	-	-	0.43	524.11
Depreciation	-	-	-	-	211.87
Total Expenditure	**0.28**	**0.01**	**0.01**	**7.69**	**7,171.09**
Net profit before tax and exceptional items	**(0.28)**	**(0.01)**	**(0.01)**	**(7.69)**	**2,533.23**
Exceptional items	-	-	-	-	1,111.07
Net profit before tax	(0.28)	(0.01)	(0.01)	(7.69)	1,422.16
Taxation :					
-Current year	-	-	-	-	162.25
-MAT Credit Entitlement	-	-	-	-	(162.24)
-Deferred Tax	-	-	-	(2.61)	372.38
-Fringe Benefit Tax	-	-	-	-	6.63
Total Taxation	**-**	**-**	**-**	**(2.61)**	**379.02**
Net profit after tax	(0.28)	(0.01)	(0.01)	(5.08)	1,043.14

STATEMENT OF UNCONSOLIDATED ASSETS AND LIABILITES, AS RESTATED

Annexure 2
(Rs. In Million)

	Particulars	As on March 31,				
		2005	**2006**	**2007**	**2008**	**2009**
A.	**Fixed Assets**					
	Gross Block	-	-	-	-	6,053.99
	Less: Depreciation	-	-	-	-	211.82
	Net Block	-	-	-	-	5,842.17
	Less: Revaluation Reserve	-	-	-	-	-
	Net Block after adjustment for Revaluation Reserve	**-**	**-**	**-**	**-**	**5,842.17**
B.	**Investments**	**-**	**-**	**-**	**578.24**	**831.54**
C.	**Current Assets, Loans and Advances**					
	Inventories	-	-	-	-	1,813.59
	Receivables	-	-	-	-	4,778.65
	Cash and Bank balance	0.64	0.64	0.63	19.52	30.71
	Loans and Advances	-	-	-	349.05	2,122.06
	Total	**0.64**	**0.64**	**0.63**	**368.57**	**8,745.01**
	Total Assets (A)+(B)+(C)	**0.64**	**0.64**	**0.63**	**946.81**	**15,418.72**
D.	**Liabilities and Provisions**					
	Secured Loan	-	-	-	-	2,611.86
	Unsecured Loan	-	-	-	203.50	1,991.25
	Deferred Tax Liability (Net)	-	-	-	(2.61)	369.75
	Sundry Liabilities	0.02	0.03	0.02	0.95	8,652.76
	Provisions	-	-	-	-	4.98
	Total	**0.02**	**0.03**	**0.02**	**201.84**	**13,630.60**
E.	**Net Worth**					
	Represented by:					
	Share Capital	0.50	0.50	0.50	750.00	750.00
	Reserves and Surplus	0.12	0.11	0.11	(5.03)	1,038.12
	Less: Revaluation Reserve	-	-	-	-	-
	Reserves (Net of Revaluation Reserve)	0.12	0.11	0.11	(5.03)	1,038.12
	Less: Miscellaneous expenditure not written off	-	-	-	-	-
	Net Worth	**0.62**	**0.61**	**0.61**	**744.97**	**1,788.12**
	Total Liabilities (D)+(E)	**0.64**	**0.64**	**0.63**	**946.81**	**15,418.72**

Notes:
Gross Block of Fixed Assets includes CWIP.

Restated Consolidated Financial Statements

STATEMENT OF CONSOLIDATED PROFIT AND LOSS, AS RESTATED

Annexure 1
(Rs. In Million)

Particulars	For the Year Ended March 31,				
	2005	2006	2007	2008	2009
Income :					
Sales	-	-	-	-	10,326.06
Other Income	-	-	-	-	850.62
Increase/(Decrease) in Inventory	-	-	-	-	2,729.42
Total Income	-	-	-	**-**	**13,906.10**
	-	-	-		
Expenditure :	-	-	-		
Materials consumed	-	-	-	-	4,802.40
Purchase of Traded Goods	-	-	-	-	2,495.75
Staff cost	-	-	-	-	804.13
Other Manufacturing expenses	-	-	-	-	582.25
Selling and Operating expenses	-	-	-	7.26	1,562.64
Interest (Net)	-	-	-	0.43	744.23
Depreciation	-	-	-	-	298.57
Total Expenditure	-	-	-	**7.69**	**11,289.97**
	-	-	-		
Net profit before tax and exceptional items	-	-	-	**(7.69)**	**2,616.13**
	-	-	-		
Exceptional items	-	-	-	-	1,169.55
	-	-	-		
Net profit before tax	-	-	-	(7.69)	1,446.58
	-	-	-		
Taxation :	-	-	-		
-Current year	-	-	-	-	374.67
-MAT Credit Entitlement	-	-	-	-	(162.24)
-Deferred Tax	-	-	-	(2.61)	328.09
-Fringe Benefit Tax	-	-	-	-	6.62
Total Taxation	-	-	-	**(2.61)**	**547.14**
	-	-	-		
Net profit after tax	-	-	-	(5.08)	899.44

Note:
The consolidated financial statements are applicable only for the Fiscal 2008 and Fiscal 2009

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITES, AS RESTATED

Annexure 2
(Rs. In Million)

Particulars		As on March 31,				
		2005	2006	2007	2008	2009
A.	**Fixed Assets**					
	Gross Block	-	-	-	565.50	17,275.30
	Less: Depreciation	-	-	-	21.05	493.95
	Net Block	-	-	-	544.45	16,781.35
	Less: Revaluation Reserve	-	-	-	-	-
	Net Block after adjustment for Revaluation Reserve	**-**	**-**	**-**	**544.45**	**16,781.35**
B.	**Investments**	**-**	**-**	**-**	**0.01**	**0.01**
C.	**Current Assets, Loans and Advances**					
	Inventories	-	-	-	-	3,545.90
	Receivables	-	-	-	5.55	4,818.21
	Cash and Bank balance	-	-	-	44.15	176.21
	Loans and Advances	-	-	-	376.72	1,783.46
	Total	-	-	-	**426.42**	**10,323.78**
	Total Assets (A)+(B)+(C)	-	-	-	**970.88**	**27,105.14**
D.	**Liabilities and Provisions**					
	Secured Loan	-	-	-	-	2,611.86
	Unsecured Loan	-	-	-	223.04	4,211.24
	Deferred Tax Liability (Net)	-	-	-	(2.61)	284.05
	Sundry Liabilities	-	-	-	22.70	18,415.43
	Provisions	-	-	-	-	4.98
	Total	-	-	-	**243.13**	**25,527.56**
E.	**Net worth**					
	Represented by:					
	Share Capital	-	-	-	750.00	750.00
	Reserves and Surplus	-	-	-	(22.25)	827.58
	Less: Revaluation Reserve	-	-	-	-	-
	Reserves (Net of Revaluation Reserve)	-	-	-	-	-
	Less: Miscellaneous expenditure not written off	-	-	-	-	-
	Net Worth	-	-	-	**727.75**	**1,577.58**
		-	-	-		
	Total Liabilities (D)+(E)	-	-	-	**970.88**	**27,105.14**

Note:
Gross Block of Fixed Assets includes CWIP and Goodwill on Consolidation.

THE ISSUE

Issue of Equity Shares[#]	Rs. 5,750 million*
Employee Reservation Portion[#]	Rs. [●] million
Therefore	
Net Issue to the Public[#]	Rs. [●] million
Of which:	
QIB Portion**	At least Rs. [●] million*
of which	
Available for Mutual Funds only	At least Rs. [●] million*
Balance of QIB Portion (available for QIBs including Mutual Funds)	Rs. [●] million*
Non-Institutional Portion	Not less than Rs. [●] million*
Retail Portion	Not less than Rs. [●] million*
Pre and post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	149,578,355 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Issue Proceeds	
See the section titled "Objects of the Issue" on page 36 of this Draft Red Herring Prospectus for information about the use of the Issue Proceeds.	

Allocation to all categories, except Anchor Investor Portion, if any, shall be made on a proportionate basis.

[#] *The Company is considering a Pre-IPO Placement of an amount aggregating up to Rs. 1,000 million with various investors ("Pre-IPO Placement"). The Pre-IPO placement is at the discretion of the Company. The Company will complete the issuance and allotment of such Equity Shares prior to the filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of 10% of the post Issue paid up capital being offered to the public.*

* *Under subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any of the other categories, at the sole discretion of the Company, in consultation with the BRLMs and the Designated Stock Exchange. Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue Portion. In case of under subscription in the Net Issue, spill over to the extent of under subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constituting 10% of the post Issue capital of the Company. If at least 60% of the Net Issue is not allocated to QIBs, the entire subscription monies shall be refunded.*

** *The Company may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors. For further details, please see the section entitled "Issue Procedure" on page 289 of this Draft Red Herring Prospectus.*

GENERAL INFORMATION

The Company was incorporated as Glenmark Organics Limited, as a wholly owned subsidiary of GPL on September 29, 1994 in accordance with provisions of the Companies Act. The Company received the certificate of commencement of business on September 12, 1996. The name of the Company was changed to Glenmark Generics Limited pursuant to a resolution of the shareholders dated November 22, 2007. A fresh certificate of incorporation consequent upon the change of name was granted to the Company on November 29, 2007.

Registered Office of the Company

Glenmark Generics Limited
B/2, Mahalaxmi Chambers
22, Bhulabhai Desai Road
Mumbai – 400 026
Tel: (91 22) 6525 2584
Fax: (91 22) 6525 2585

Corporate Office of the Company

Glenmark Generics Limited
Glenmark House
HDO – Corporate Building, Wing A
B. D. Sawant Marg, Chakala
Off Western Express Highway
Andheri (East)
Mumbai – 400 099
Tel: (91 22) 4018 9999
Fax: (91 22) 4018 9986

Website: www.glenmark-generics.com
Registration Number: 11-81597
Corporate Identification Number: U24110MH1994PLC081597

Address of the Registrar of Companies

The Registrar of Companies
Mumbai, Maharashtra
100, Everest, Marine Drive
Mumbai – 400 002, India
Website: www.mca.gov.in

Board of Directors

The following persons constitute the Board of Directors:

Name and Designation	Age (years)	DIN	Address
Mr. Glenn Saldanha *Chairman and Non-Executive Director*	40	00050607	Rustomjees La Solita, Flat No.1101, 11th Floor, 16 Turner Road, 72A off Gurunanak Road, Bandra (West) Mumbai 400 050
Mr. Terrance J. Coughlin *Whole Time Director*	44	02135498	43 Chester Hill Road Warwick NY 10990, USA
Mr. Jalaj Sharma *Whole Time Director*	46	02626340	Flat No. 125 and 126, West End, 'D' Wing, Raheja Vihar,

Name and Designation	Age (years)	DIN	Address
			Chandivali Farm Road, Chandivali, Andheri (E) Mumbai – 400 072
Mr. R. V. Desai *Non-Executive Director*	51	00050838	102, Shrinath Bhavan, Y Twada Road, Dahisar (West) Mumbai 400 068
Mr. Julio F. Ribeiro *Non-Executive and Independent Director*	80	00047630	5 Floor, Room 51 Sagar Tarang Building, 15A K. A. G. Khan Road, Mumbai – 400 030
Mr. Sridhar Gorthi *Non-Executive and Independent Director*	37	00035824	1002, 10th Floor, June Blossoms, Manuel Gonsalves Road, Bandra (West), Mumbai – 400 050
Mr. Natvarlal Bhimbhai Desai *Non-Executive and Independent Director*	82	00029023	701, 7th Floor, Kubelisque Condominm, 1629A1/2, Union Park, Pali Hill, Nargis Dutt Road, Mumbai – 400 052
Mr. D. R. Mehta *Non-Executive and Independent Director*	72	01067895	B-5, Mahavir Udyan Marg, Bajaj Nagar, Jaipur – 302015

For further details of the Directors, see the section titled "Management" beginning on page 100 of this Draft Red Herring Prospectus.

Company Secretary and Compliance Officer

Mr. S. Shankar is the Company Secretary and Compliance Officer of the Company. His contact details are as follows:

Mr. S. Shankar
Glenmark Generics Limited
Glenmark House, HDO- Corporate Bldg, Wing A
B D S Marg, Chakala, Off Western Express Highway
Andheri (E), Mumbai 400 099
Tel: (91 22) 4018 9316
Fax: (91 22) 4018 9994
Email: company.secretary@glenmark-generics.com

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders.

Book Running Lead Managers

Enam Securities Private Limited
801/802, Dalamal Towers
Nariman Point
Mumbai 400 021
Tel: (91 22) 6638 1800
Fax: (91 22) 2284 6824

Kotak Mahindra Capital Company Limited
3rd Floor, Bakhtawar
229 Nariman Point
Mumbai 400 021
Tel: (91 22) 6634 1100
Fax: (91 22) 2283 7517

E-mail: ggl.ipo@enam.com
Investor Grievance Email: complaints@enam.com
Website: www.enam.com
Contact Person: Mr. Pranav Mahajani
SEBI Reg. No. INM000006856

Email: ggl.ipo@kotak.com
Investor Grievance Email: kmccredressal@kotak.com
Website: www.kotak.com
Contact Person: Mr. Chandrakant Bhole
SEBI Registration No.: INM000008704

Syndicate Members

Kotak Securities Limited
Nirlon House, 4th floor,
Dr. Annie Besant Road,
Near Passport Office, Worli,
Mumbai – 400 030
Tel: (91 22) 6652 9191
Fax: (91 22) 6661 7046
Email: umesh.gupta@kotak.com
Website: www.kotak.com
Contact person: Mr. Umesh Gupta
SEBI Registration No.: BSE: INB 010808153; NSE: INB 230808130

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSBs collecting the ASBA Bid cum Application Form, please refer the above mentioned SEBI link.

Legal Advisors

Domestic Legal Counsel to the BRLMs

Amarchand & Mangaldas & Suresh A. Shroff & Co.
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Tel.: (91 22) 2496 4455
Fax: (91 22) 2496 3666

Domestic Legal Counsel to the Company

Trilegal
23, Madhuli, 2nd Floor
Dr. Annie Besant Road
Worli, Mumbai 400018
Tel.: (91 22) 4079 1000
Fax: (91 22) 4079 1098

International Legal Counsel to the BRLMs

Allen & Overy
9th Floor
Three Exchange Square
Central Hong Kong
Tel.: + 852 2974 7000
Fax: + 852 2974 6999

Monitoring Agency

The Monitoring Agency will be appointed prior to the filing of the Red Herring Prospectus with the RoC.

Registrar to the Issue

[●]

Bankers to the Issue and Escrow Collection Banks

[●]

Auditors to the Company

M/s. R.G.N. Price & Co.
Chartered Accountants
Simpson's Buildings
861, Anna Salai
Chennai 600 002
Tel: (91 22) 2528 1531, (91 22) 6799 3443
Fax: (91 22) 2528 0291
E-mail: rgn_price@vsnl.net, rgn_price@mtnl.net.in

Bankers to the Company

Bank of India
Mahalaxmi branch, near Mahalaxmi temple,
Bhulabhai Desai Road, Mumbai – 400 026
Tel: (91 22) 2351 1636
Fax: (91 22) 2352 0402
Email: mahalaxmi.mumbaisouth@bankofindia.co.in
Website: www.bankofindia.com

Central Bank of India
Corporate Finance Branch, 2nd floor,
Fort, Mumbai – 400 001
Tel: (91 22) 4078 5800
Fax: (91 22) 4078 5840
Email: cfbcbi@rediffmail.com
Website: www.centralbankofindia.in

ING Vysya Bank Limited
013/104, 'A' Wing, 1st floor, Floral Deck Plaza,
MIDC Central Road, Andheri (East),
Mumbai – 400 093
Tel: (91 22) 2821 3368
Fax: (91 22) 2821 3095
Email: anirban.rudra@ingvysyabank.com
Website: www.ingvysyabank.com

Kotak Mahindra Bank Limited
5 C II, Mittal Court, 224 Nariman Point,
Mumbai – 400 021
Tel: (91 22) 6656 3449
Fax: (91 22) 6656 3450
Email: shantanu.bairagi@kotak.com
Website: www.kotak.com

Axis Bank Limited
Corporate Finance Branch, Sion Trombay Road,
Mumbai – 400 000
Tel: (91 22) 2351 1636
Fax: (91 22) 2352 0402
Email: sachin.borkar@axisbank.com
Website: www.axisbank.com

Yes Bank Limited
Nehru Centre, Discovery of India,
Dr. A. B. Road, Worli, Mumbai – 400 018
Tel: (91 22) 2351 1636
Fax: (91 22) 2352 0402
Email: sunil.gulati@yesbank.in
Website: www.yesbank.in

IndusInd Bank Limited
Acme Plaza, CTS No. 32, Opposite Sangam
Talkies, Andheri – Kurla Road, Andheri (East),
Mumbai – 400 099
Tel: (91 22) 2823 7636
Fax: (91 22) 2823 7574
Email: boan@indusind.com
Website: www.indusind.com

Statement of Inter-se Allocation of Responsibilities for the Issue

The following table sets forth the distribution of responsibility and co-ordination for various activities amongst the BRLMs:

S. No.	Activity	Responsibility	Co-ordinator
1.	Capital Structuring with relative components and formalities such as type of instruments, etc.	Enam and Kotak	Enam
2.	Due-diligence of the company including its operations/management/business plans/legal, etc. Drafting and design of the Draft RHP and of statutory advertisement including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and SEBI, including finalisation of Prospectus and the RoC filing.	Enam and Kotak	Enam
3.	Drafting and approving all statutory advertisements.	Enam and Kotak	Enam
4.	Drafting and approving all non-statutory advertisements including corporate advertisements.	Enam and Kotak	Kotak
5.	Appointment of intermediaries viz. Printer(s), and Registrar to the Issue	Enam and Kotak	Enam
6.	Appointment of Advertising agency and Banker to the Issue(s)	Enam and Kotak	Kotak
7.	Non-Institutional and Retail Marketing of the Issue, which will cover, *inter alia*, • Formulating marketing strategies, preparation of publicity budget • Finalize Media & PR strategy • Finalizing centers for holding conferences for brokers, etc. • Follow-up on distribution of publicity and Issuer material including form, prospectus and deciding on the quantum of the Issue material • Finalize collection centers	Enam and Kotak	Kotak
8.	Institutional marketing of the Issue, which will cover, inter alia, • Institutional marketing strategy • Preparation and finalization of the road-show presentation • Preparation of FAQs for the road-show team • Finalizing the list and division of investors for one to one meetings, and • Finalizing road show schedule and investor meeting schedules	Enam and Kotak	Enam
9.	Co-ordination with Stock Exchanges for Book Building software, bidding terminals and mock trading	Enam and Kotak	Kotak
10.	Managing the Book and finalisation of pricing in consultation with the company	Enam and Kotak	Enam
11.	Post bidding activities including management of escrow accounts, co-ordination of allocation, intimation of allocation and dispatch of refunds to bidders, etc. The post issue activities for the Issue will involve essential follow-up steps including finalisation of trading and dealing of instruments and dispatch of certificates and demat and delivery of shares with the various agencies connected with the work such as the Registrar(s) to the Issue and the bank handling refund business. The merchant bankers shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with our company	Enam and Kotak	Kotak

Credit Rating

As the Issue is of Equity Shares, there is no credit rating for this Issue.

IPO Grading

This Issue has been graded by [●], a SEBI-registered credit rating agency, as [●], indicating [●] fundamentals. The rationale / description furnishsed by the IPO grading agency will be updated at the time of filing the Red Herring Prospectus with the Designated Stock Exchange.

Experts

Except the report of [●] in respect of the IPO grading of this Issue annexed herewith, the Company has not obtained any expert opinions.

Trustees

As the Issue is of Equity Shares, the appointment of trustees is not required.

Project Appraisal

There is no project being appraised.

Book Building Process

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Issue Price is finalized after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

- The Company;
- BRLMs;
- Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as Underwriters. The Syndicate Member are appointed by the BRLMs;
- Registrar to the Issue;
- Escrow Collection Banks; and
- SCSBs.

This being an issue for less than 25% of post issue equity capital of the Company, the SEBI Regulations read with rule 19(2) (b) of the SCRR, have permitted an issue of securities to the public through the 100% Book Building Process, wherein at least 60% of the Net Issue shall be allocated on a proportionate basis to QIBs. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs including the Mutual Funds subject to valid bids being received at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. The Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, the Company has appointed the BRLMs to manage the Issue and to procure subscriptions to the Issue.

QIB Bidders are not allowed to withdraw their Bid(s) after the Bid /Issue Closing Date. For further details, please see the section entitled "Terms of the Issue" on page 281 of this Draft Red Herring Prospectus.

The process of Book Building under SEBI Regulations is subject to change from time to time and investors are advised to make their own judgment about investment through this process prior to making a Bid or Application in the Issue.

Illustration of Book Building Process and Price Discovery Process (*Investors should note that this example is solely for illustrative purposes and is not specific to the Issue*)

Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per share, offer size of 3,000 equity shares and receipt of five bids from bidders out which one bidder has bid for 500 shares at Rs. 24 per share while another has bid for 1,500 shares at Rs. 22 per share. A graphical representation of consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book given below shows the demand for the shares of the Company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The Issuer, in consultation with the BRLMs, will finalise the issue price at or below such cut-off price, i.e., at or below Rs. 22. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding

- Check eligibility for bidding (please refer to the section entitled "Issue Procedure - Who Can Bid" on page 290 of this Draft Red Herring Prospectus);

- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

- Ensure that you have mentioned your PAN and attached copies of your PAN card to the Bid Cum Application Form. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (see section entitled "Issue Procedure" on page 289 of this Draft Red Herring Prospectus;

- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid Cum Application Form; and

- Bids by QIBs will only have to be submitted to the BRLMs.

Withdrawal of the Issue

The Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event the Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. The Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed.

Any further issue of Equity Shares by the Company shall be in compliance with applicable laws.

Bid/ Issue Programme

BID/ISSUE OPENS ON	**[●]***
BID/ISSUE CLOSES ON	**[●]**

**The Company may consider participation by Anchor Investors. The Anchor Investor Bid/ Issue Period shall be one day prior to the Bid/ Issue Opening Date.*

Bids and any revision in Bids shall be accepted **only between 10 a.m. and 3 p.m**. (Indian Standard Time) during the Bidding/ Issue Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form. On the Bid / Issue Closing Date, the Bids (excluding the ASBA Bidders) shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders, Non-Institutional Bidders and Eligible Employees bidding under the Employee Reservation Portion where the Bid Amount is in excess of Rs. 100,000 and (ii) until 5.00 p.m. or such extended time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders and Employees bidding under the Employee Reservation Portion, where the Bid Amount is up to Rs. 100,000. It is clarified that the Bids not uploaded in the book would be rejected. Bids by the ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular Bidder, the details as per the physical form of the Bidder may be taken as the final data for the purpose of allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

Due to limitation of time available for uploading the Bids on the Bid/ Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/ Issue Closing Date and, in any case, no later than the times mentioned above on the Bid/ Issue Closing Date. All times mentioned in the Draft Red Herring Prospectus are Indian Standard Time. Bidders are cautioned that in the event a large number of Bids are received on the Bid/ Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holiday).

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of time period for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchange within half an hour of such closure.

The Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bidding/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed at least two (2) days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Issue Period will be extended for three additional working days after revision of Price Band subject to the Bidding / Issue Period not exceeding 10 days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the changes on the web site of the BRLMs and at the terminals of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price but prior to filing of the Prospectus with the RoC, the Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that their respective Syndicate Members do not fulfill their underwriting obligations. The underwriting shall be to the extent of the Bids uploaded by the Underwriters including through its Syndicate/Sub Syndicate. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

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

(This portion has been intentionally left blank and will be filled in before the filing of the Prospectus with the RoC)

Name and Address of the Underwriter	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in Million)
[●]	[●]	[●]

The above mentioned amount is indicative underwriting and this would be finalized after the pricing and actual allocation.

In the opinion of the Board of Directors (based on a certificate given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of the Company.

Allocation among Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the Underwriters shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. 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 subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount.

CAPITAL STRUCTURE

The share capital of the Company as at the date of this Draft Red Herring Prospectus is set forth below:

(In Rs. million)

		Aggregate Value at Face Value	Aggregate Value at Issue Price
A	**AUTHORISED SHARE CAPITAL**		
	200,000,000 Equity Shares of Rs. 10 each	2,000.00	
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	149,578,355 Equity Shares of Rs. 10 each fully paid up	1,495.78	
C	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**[(1)]		
	[●] Equity Shares of Rs. 10 each fully paid up	[●]	5,750.00
D	**EMPLOYEE RESERVATION PORTION**		
	Upto [●] Equity Shares	[●]	[●]
E	**NET ISSUE TO THE PUBLIC**		
	[●] Equity Shares[(2)]	[●]	[●]
F	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	6,435.90	
	After the Issue		[●]
G	**EQUITY SHARE CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares of Rs. 10 each fully paid up	[●]	[●]

[(1)] The Issue has been authorised by the Board of Directors in their meeting on August 14, 2009. The Issue has been authorised by the shareholders of the Company at an EGM held on September 21, 2009.

[(2)] The Company is considering a Pre-IPO Placement of an amount aggregating up to Rs. 1,000 million with various investors ("Pre-IPO Placement"). The Pre-IPO placement is at the discretion of the Company. The Company will complete the issuance and allotment of such Equity Shares prior to filing the Red Herring Prospectus with the RoC pursuant to this Issue. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of 10% of the post Issue paid up capital being offered to the public.

Changes in the Authorised Capital

1. The initial authorised share capital of Rs. 50,000,000 divided into 5,000,000 Equity Shares of Rs. 10 each was increased to Rs. 500,000,000 divided into 50,000,000 Equity Shares of Rs. 10 each pursuant to a resolution passed by the shareholders of the Company on November 22, 2007.

2. The authorised share capital of the Company was increased from Rs. 500,000,000 divided into 50,000,000 Equity Shares of Rs. 10 each to Rs. 880,000,000 divided into 88,000,000 Equity Shares of Rs. 10 each pursuant to the order dated July 4, 2008 passed by the High Court at Bombay sanctioning the scheme of amalgamation of G. M. Pharma Limited with the Company. For further details of the scheme of amalgamation, see section titled "History and Certain Corporate Matters" on page 91 of this Draft Red Herring Prospectus.

3. The authorised share capital of the Company was increased from Rs. 880,000,000 divided into 88,000,000 Equity Shares of Rs. 10 each to Rs. 2,000,000,000 divided into 200,000,000 Equity

Shares of Rs. 10 each pursuant to a resolution passed by the shareholders of the Company on July 27, 2009.

Notes to the Capital Structure

1. a) Equity Share Capital History of the Company

Date of allotment of the Equity Shares	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment	Reasons for allotment	Cumulative No. of Equity Shares	Cumulative paid-up Equity Capital (Rs.)	Cumulative Securities Premium (Rs.)
October 1, 1994	3,500	10	10	Cash	Subscription to Memorandum	3,500	35,000	Nil
September 15, 2004	46,500	10	10	Cash	Allotment to GPL	50,000	500,000	Nil
November 29, 2007	450,000	10	10	Cash	Allotment to GPL (400,000 Equity Shares) and G. M. Pharma Limited (50,000 Equity Shares)	500,000	5,000,000	Nil
December 31, 2007	35,000,000	10	10	Cash	Allotment to GPL (33,250,000 Equity Shares) and Glenmark Exports Limited (1,750,000 Equity Shares)	35,500,000	355,000,000	Nil
March 31, 2008	1,500,000	10	10	Cash	Allotment to Mr. Vijayprakash C. Soni (75,000 Equity Shares), Mr. William McIntyre (75,000 Equity Shares), Mr. Paul Dutra (300,000 Equity Shares) and Mr. Terrace J. Coughlin (1,050,000 Equity Shares)	37,000,000	370,000,000	Nil
July 28, 2008	38,000,000	10	N.A.	Consideration other than	Allotment pursuant to	75,000,000	750,000,000	Nil

Date of allotment of the Equity Shares	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment	Reasons for allotment	Cumulative No. of Equity Shares	Cumulative paid-up Equity Capital (Rs.)	Cumulative Securities Premium (Rs.)
				cash	court approved scheme of amalgamation of G. M. Pharma Limited with the Company*			
August 26, 2009	71,510,000	10	100	Cash**	Allotment to GPL	146,510,000	1,465,100,000	6,435,900,000
September 11, 2009	3,068,355	10	10	Cash	Allotment pursuant to the Employee Stock Purchase Scheme[#]	149,578,355	1,495,783,550	6,435,900,000

** 38,000,000 Equity Shares allotted to GPL of which 2,000 Equity Shares held jointly with Mr. Glenn Saldanha, Mr. Gracias Saldanha, Mrs. Blanche Elizabeth Saldanha, Mrs. Cheryl Pinto, Mr. Abhinna Mohanty and Mr. R. V. Desai.*

*** 71,510,000 Equity Shares allotted by the Company to GPL in lieu of the balance purchase consideration payable by the Company to GPL under the Business Transfer Agreement dated December 24, 2007. For details of the Business Transfer Agreement, please see section titled "History and Certain Corporate Matters" on page 91 of this Draft Red Herring Prospectus.*

[#] *3,068,355 Equity Shares allotted to Mr. Terrance J. Coughlin (2,147,848 Equity Shares), Mr. Paul Dutra (613,671 Equity Shares), Mr. William McIntyre (153,418 Equity Shares) and Mr. Vijayprakash Soni (153,418 Equity Shares).*

b) Equity Shares allotted for consideration other than cash

Date of Allotment	No. of Equity Shares Issued	Cumulative no. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment of Consideration	Reasons for Allotment
July 28, 2008	38,000,000	38,000,000	10	N.A.	Consideration other than cash	Allotted pursuant to the scheme of amalgamation of G. M. Pharma Limited with the Company. 38,000,000 Equity Shares allotted to GPL of which 2,000 Equity Shares held jointly with Mr. Glenn Saldanha, Mr. Gracias Saldanha, Mrs. Blanche Elizabeth Saldanha, Mrs. Cheryl Pinto, Mr. Abhinna Mohanty and Mr. R. V. Desai.*

** For further details of the scheme of amalgamation, please see section titled "History and Certain Corporate Matters" on page 91 of this Draft Red Herring Prospectus.*

2. **Build-up of Promoter Shareholding**

Date of Allotment / Transfer	Nature of consideration	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price (Rs.)	Nature of Transaction	Cumulative no. of Equity Shares
GPL						
September 15, 2004	Cash	46,500	10	10	Allotment	46,500
November 3, 2004	Cash	3,000	10	10	Transfer	49,500

Date of Allotment / Transfer	Nature of consideration	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price (Rs.)	Nature of Transaction	Cumulative no. of Equity Shares
October 21, 2005	Cash	500	10	10	Transfer	50,000
November 29, 2007	Cash	400,000	10	10	Allotment	450,000
December 31, 2007	Cash	33,250,000	10	10	Allotment	33,700,000
July 28, 2008	Consideration other than cash	38,000,000	10	N.A.	Allotment pursuant to court approved scheme of amalgamation of G. M. Pharma Limited with the Company	71,700,000
August 26, 2009	Cash	71,510,000	10	100	Allotment pursuant to the Business Transfer Agreement dated December 24, 2007	143,210,000

3. **Promoter's Contribution and Lock-in**

Pursuant to the SEBI Regulations, an aggregate of 20% of the post-Issue equity share capital of the Company shall be locked in by the Promoter as minimum Promoter's contribution. Such lock-in shall commence from the date of Allotment in the Issue and shall continue for a period of three years from the date of Allotment in the Issue or from the first date of commencement of commercial production, whichever is later. The Equity Shares, which are being locked-in as minimum Promoter's contribution, are eligible for computation of minimum Promoter's contribution in accordance with the provisions of the SEBI Regulations.

(a) Details of the Equity Shares forming part of Promoter's contribution, which shall be locked-in for three years, are as follows:

GPL

Sr. No.	Date of Transfer/Allotment	Nature of Consideration	Number of Equity Shares locked in	Face Value (Rs.)	Issue/Acquisition Price per Equity Share (Rs.)	Percentage of post-Issue paid-up capital
1.	[●]	[●]	[●]	[●]	[●]	[●]
2.	[●]	[●]	[●]	[●]	[●]	[●]
3.	[●]	[●]	[●]	[●]	[●]	[●]
	Total		**[●]**			**[●]**

The minimum Promoter's contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI Regulations. The Company has obtained specific written consent from the Promoter for inclusion of the Equity Shares held by them in the minimum Promoters' contribution subject to lock-in. Further, the Promoter has given an undertaking to the effect that it shall not sell/transfer/dispose of in any manner, Equity Shares forming part of the minimum Promoters' contribution from the date of filing this Draft Red Herring Prospectus till the date of commencement of lock-in as per the SEBI Regulations.

Equity Shares held by the Promoter and offered as minimum Promoters' contribution are free from pledge.

(b) Details of pre-Issue Equity Share capital locked-in for one year:

In addition to the lock-in of 20% of the post-Issue shareholding of the Promoter for three years, as specified above, the balance pre-Issue share capital of the Company of [●] Equity Shares shall be locked-in for a period of one year from the date of Allotment in the Issue. However, 3,068,355 Equity Shares allotted to Mr. Terrance J. Coughlin (2,147,848 Equity Shares), Mr. Paul Dutra (613,671 Equity Shares), Mr. William McIntyre (153,418 Equity Shares) and Mr. Vijayprakash Soni (153,418 Equity Shares) on September 11, 2009 pursuant to the Employee Stock Purchase Scheme of the Company shall not be subject to any lock-in.

The locked-in Equity Shares held by the Promoter can be pledged only with banks or financial institutions as collateral security for any loans granted by such banks or financial institutions, provided that the pledge of shares is one of the conditions under which the loan is sanctioned. Further, Equity Shares locked in as minimum promoters' contribution may be pledged only in respect of a financial facility which has been granted for the purpose of financing one or more of the objects of the Issue and that the pledge of shares is one of the conditions under which the financing facility is sanctioned.

The Equity Shares held by persons other than Promoters prior to the Issue which are locked-in for a period of one year from the date of Allotment in the Issue may be transferred to any other person holding the Equity Shares which are locked-in alongwith the Equity Shares proposed to be transferred, subject to the continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

Further, the Equity Shares held by the Promoter which are locked-in for a period of three year from the date of Allotment in the Issue as minimum Promoter's contribution may be transferred to and among the Promoter Group or to a new promoter or persons in control of the Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

(c) Lock-in of Equity Shares to be issued, if any, to the Anchor Investor

Any Equity Shares allotted to Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment of Equity Shares in the Issue.

4. **Shareholding Pattern of the Company**

The table below presents the shareholding pattern of Equity Shares before the proposed Issue and as adjusted for the Issue:

	Pre-Issue		**Post-Issue**	
	No. of Equity Shares	**Percentage of Equity Share capital**	**No. of Equity Shares**	**Percentage of Equity Share capital**
Promoter				
GPL	143,210,000*	95.74	[●]	[●]
Total Holding of Promoter	**143,210,000***	**95.74**	**[●]**	**[●]**
Promoter Group				
Glenmark Exports Limited	1,800,000	1.20	[●]	[●]
Total Holding of Promoter Group	**1,800,000**	**1.20**	**[●]**	**[●]**
Total Holding of Promoter and Promoter Group	**145,010,000**	**96.94**	**[●]**	**[●]**

	Pre-Issue		Post-Issue	
	No. of Equity Shares	**Percentage of Equity Share capital**	**No. of Equity Shares**	**Percentage of Equity Share capital**
Mr. Terrance J. Coughlin	3,197,848	2.14	[●]	[●]
Mr. Paul Dutra	913,671	0.61	[●]	[●]
Mr. William McIntyre	228,418	0.15	[●]	[●]
Mr. Vijayprakash C. Soni	228,418	0.15	[●]	[●]
Public (pursuant to the Issue)	-	-	[●]	**[●]**
Total	**149,578,355**	**100.00**	**[●]**	**100.00**

** Includes 1,496 Equity Shares held jointly with Mr. Glenn Saldanha, 2,000 Equity Shares held jointly with Mr. Gracias Saldanha, 501 Equity Shares held jointly with Mr. Abhinna Mohanty, 501 Equity Shares held jointly with Mrs. Blanche Elizabeth Saldanha, 501 Equity Shares held jointly with Mrs. Cheryl Pinto and 501 Equity Shares held jointly with Mr. R. V. Desai.*

5. A list of top ten shareholders of the Company and the number of Equity Shares held by them is as under:

(a) As of the date of the Draft Red Herring Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage (%)
1.	GPL	143,210,000*	95.74
2.	Glenmark Exports Limited	1,800,000	1.20
3.	Mr. Terrance J. Coughlin	3,197,848	2.14
4.	Mr. Paul Dutra	913,671	0.61
5.	Mr. William McIntyre	228,418	0.15
6.	Mr. Vijayprakash C. Soni	228,418	0.15
Total		**149,578,355**	**100.00**

** Includes 1,496 Equity Shares held jointly with Mr. Glenn Saldanha, 2,000 Equity Shares held jointly with Mr. Gracias Saldanha, 501 Equity Shares held jointly with Mr. Abhinna Mohanty, 501 Equity Shares held jointly with Mrs. Blanche Elizabeth Saldanha, 501 Equity Shares held jointly with Mrs. Cheryl Pinto and 501 Equity Shares held jointly with Mr. R. V. Desai.*

(b) Ten days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage (%)
1.	GPL	143,210,000*	95.74
2.	Glenmark Exports Limited	1,800,000	1.20
3.	Mr. Terrance J. Coughlin	3,197,848	2.14
4.	Mr. Paul Dutra	913,671	0.61
5.	Mr. William McIntyre	228,418	0.15
6.	Mr. Vijayprakash C. Soni	228,418	0.15
Total		**149,578,355**	**100.00**

** Includes 1,496 Equity Shares held jointly with Mr. Glenn Saldanha, 2,000 Equity Shares held jointly with Mr. Gracias Saldanha, 501 Equity Shares held jointly with Mr. Abhinna Mohanty,501 Equity Shares held jointly with Mrs. Blanche Elizabeth Saldanha, 501 Equity Shares held jointly with Mrs. Cheryl Pinto and 501 Equity Shares held jointly with Mr. R. V. Desai.*

(c) Two years prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage (%)
1.	GPL	50,000*	100.00
Total		50,000	**100.00**

** Includes 1,000 Equity Shares held jointly with Mr. Gracias Saldanha, 500 Equity Shares held jointly with Mr. Abhinna Mohanty, 500 Equity Shares held jointly with Mrs. Blanche Elizabeth Saldanha, 500 Equity Shares held jointly with Mr. Glenn Saldanha, 500 Equity Shares held jointly with Mrs. Cheryl Pinto and 500 Equity Shares held jointly with Mr. R. V. Desai.*

6. Employee Stock Option Plan ("ESOP")

Glenmark Generics Limited ESOP Scheme 2008 ("GGL ESOP 2008")

The Company has instituted the GGL ESOP 2008 to attract, retain and motivate talented and critical employees. The GGL ESPS 2009 is aimed at encouraging employees to align individual performance with the Company's objectives and reward employee performance with ownership in proportion to their contribution.

The Company has granted 1,332,016 options convertible into 1,332,016 Equity Shares of face value Rs. 10 each. Of the 1,332,016 options granted by the Company 1,234,678 options were granted on April 1, 2008 and 97,338 options were granted on October 1, 2008. The options granted by the Company under GGL ESOP 2008 represent 0.74% of the pre-Issue paid up equity capital of the Company and [●]% of the fully diluted post-Issue paid up capital of the Company. The following table sets forth the particulars of the options granted under GGL ESOP 2008 as of the date of filing this Draft Red Herring Prospectus:

Particulars	Details
Options granted	1,332,016
Exercise price of options	1,332,016 options at Rs. 10 per option
Total options vested	Nil
Options exercised	Nil
Total number of equity shares that would arise as a result of full exercise of options already granted	1,332,016
Options forfeited/ lapsed/ cancelled	225,678
Variation in terms of options	N.A.
Money realised by exercise of options	Nil
Options outstanding (in force)	1,106,338
Person wise details of options granted to	
i) Directors and key managerial employees	Please see Note 1 below
ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil
iii) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of	Nil

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>grant</td><td></td></tr>
<tr><td>Fully diluted EPS on a pre-Issue basis</td><td>As on March 31, 2009 – Rs. 13.79 (On a unconsolidated basis (diluted))

As on March 31, 2009 – Rs. 11.89 (On a consolidated basis (diluted))</td></tr>
<tr><td>Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if the Company has used fair value of options and impact of this difference on profits and EPS of the Company</td><td>Nil</td></tr>
<tr><td>Weighted average exercise prices and weighted average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td>N.A.</td></tr>
<tr><td>Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td>N.A.</td></tr>
<tr><td>Vesting schedule</td><td>The vesting of options shall commence after a period of 18 months from the date of grant. Of the 1,332,016 options granted by the Company 1,234,678 options were granted on April 1, 2008 and 97,338 options were granted on October 1, 2008. The vesting period shall be before a period of 12 years from the date of grant. The following vesting schedule is applicable to the GGL ESOP 2008:

<table>
<tr><th>Year</th><th colspan="2">Number of options to be vested</th></tr>
<tr><td></td><td>April</td><td>October</td></tr>
<tr><td>2009</td><td>-</td><td>31,200</td></tr>
<tr><td>2010</td><td>23,233</td><td>9,534</td></tr>
<tr><td>2011</td><td>136,000</td><td>19,068</td></tr>
<tr><td>2012</td><td>230,033</td><td>28,601</td></tr>
<tr><td>2013</td><td>331,133</td><td>38,135</td></tr>
<tr><td>2014</td><td>160,067</td><td>-</td></tr>
<tr><td>2015</td><td>71,067</td><td>-</td></tr>
<tr><td>2016</td><td>28,267</td><td>-</td></tr>
</table></td></tr>
<tr><td>Lock-in</td><td>Nil</td></tr>
<tr><td>Impact on profits of the last three years and on the EPS of the last three years if the issuer had followed the accounting policies specified in clause 13 of the SEBI (Employee Stock</td><td>Nil</td></tr>
</table>

Particulars	Details
Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in respect of options granted in the last three years	
Intention of the holders of equity shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue	The options granted under GGL ESOP 2008 have not vested as on the date of filing of this Draft Red Herring Prospectus. The Company is currently not aware of any intention of the holders of such options to sell Equity Shares on conversion of such options within three months after the listing of Equity Shares pursuant to the Issue
Intention to sell equity shares arising out of the GGL ESOP within three months after the listing of equity shares by directors, senior managerial personnel and employees having GGL ESOP equity shares amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	N.A.

Note 1: Details regarding options granted to Directors and key managerial employees are set forth below:

Name of director/ Key Managerial Personnel	Total No. of options granted under GGL ESOP 2008	No. of options exercised under GGL ESOP 2008	Total No. of options outstanding under GGL ESOP 2008	No. of Equity Shares held
Mr. Jalaj Sharma	40,000	Nil	40,000	Nil
Mr. Zafrullah Khan	26,667	Nil	26,667	Nil
Mr. Percy Birdy	26,667	Nil	26,667	Nil
Mr. Terrance J. Coughlin	66,667	Nil	66,667	Nil
Mr. Paul Dutra	40,000	Nil	40,000	Nil
Dr. Vijay Soni	40,000	Nil	40,000	Nil
Mr. Sanjeev Krishnan	40,000	Nil	40,000	Nil
Dr. William McInytyre	40,000	Nil	40,000	Nil
Mr. S. Rangarajan	40,000	Nil	40,000	Nil
Mr. Ignacio Ketelhohn	10,000	Nil	10,000	Nil

Glenmark Generics Limited ESOP Scheme 2009 ("GGL ESOP 2009")

The Company has instituted the GGL ESOP 2009 to attract, retain and motivate talented and critical employees. The GGL ESPS 2009 is aimed at encouraging employees to align individual performance with the Company's objectives and reward employee performance with ownership in proportion to their contribution.

The Company has granted 1,177,468 options convertible into 1,177,468 Equity Shares of face value Rs. 10 each on August 3, 2009, which represents 0.79% of the pre-Issue paid up equity capital of the Company and [●]% of the fully diluted post-Issue paid up capital of the Company.

The following table sets forth the particulars of the options granted under GGL ESOP 2009 as of the date of filing this Draft Red Herring Prospectus:

Particulars	Details
Options granted	1,177,468
Exercise price of options	1,177,468 options at Rs. 10 per option
Total options vested	Nil
Options exercised	Nil
Total number of equity shares that would arise as a result of full exercise of options already granted	1,177,468
Options forfeited/ lapsed/ cancelled	Nil
Variation in terms of options	N.A.
Money realised by exercise of options	Nil
Options outstanding (in force)	1,177,468
Person wise details of options granted to	
i) Directors and key managerial employees	Please see Note 1 below
ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil
iii) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
Fully diluted EPS on a pre-Issue basis	As on March 31, 2009 – Rs. 13.79 (On a unconsolidated basis (diluted)) As on March 31, 2009 – Rs. 11.89 (On a consolidated basis (diluted))
Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if the Company has used fair value of options and impact of this difference on profits and EPS of the Company	Nil
Weighted average exercise prices and weighted average fair values of options whose exercise price either equals or exceeds or is less than the market price of the stock	N.A.

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td>N.A.</td></tr>
<tr><td>Vesting schedule</td><td>The following vesting schedule is applicable to the GGL ESOP 2009:

<table><tr><th>Year</th><th>No. of options to be vested</th></tr><tr><td>2010</td><td>341,045</td></tr><tr><td>2011</td><td>355,446</td></tr><tr><td>2012</td><td>380,179</td></tr><tr><td>2013</td><td>43,199</td></tr><tr><td>2014</td><td>57,599</td></tr></table></td></tr>
<tr><td>Lock-in</td><td>Nil</td></tr>
<tr><td>Impact on profits of the last three years and on the EPS of the last three years if the issuer had followed the accounting policies specified in clause 13 of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in respect of options granted in the last three years</td><td>Nil</td></tr>
<tr><td>Intention of the holders of equity shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue</td><td>The options granted under GGL ESOP 2008 have not vested as on the date of filing of this Draft Red Herring Prospectus. The Company is currently not aware of any intention of the holders of such options to sell Equity Shares on conversion of such options within three months after the listing of Equity Shares pursuant to the Issue</td></tr>
<tr><td>Intention to sell equity shares arising out of the GGL ESOP within three months after the listing of equity shares by directors, senior managerial personnel and employees having GGL ESOP equity shares amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)</td><td>N.A.</td></tr>
</table>

Note 1: Details regarding options granted to Directors and key managerial employees are set forth below:

Name of director/ Key Managerial Personnel	Total No. of options granted under GGL ESOP 2009	No. of options exercised under GGL ESOP 2009	Total No. of options outstanding under GGL ESOP 2009	No. of Equity Shares held

Name of director/ Key Managerial Personnel	Total No. of options granted under GGL ESOP 2009	No. of options exercised under GGL ESOP 2009	Total No. of options outstanding under GGL ESOP 2009	No. of Equity Shares held
Mr. Jalaj Sharma	8,822	Nil	8,822	Nil
Mr. Zafrullah Khan	27,552	Nil	27,552	Nil
Mr. Percy Birdy	22,390	Nil	22,390	Nil
Mr. Rahul Garella	36,625	Nil	36,625	Nil
Mr. Sanjeev Krishnan	77,917	Nil	77,917	Nil

Employee Stock Purchase Scheme 2009 ("GGL ESPS 2009")

The Company has instituted the GGL ESPS 2009 to attract, retain and motivate talented and critical employees. The GGL ESPS 2009 is aimed at encouraging employees to align individual performance with the Company's objectives and reward employee performance with ownership in proportion to their contribution.

The Company has granted 3,068,355 Equity Shares of face value Rs. 10 each on September 11, 2009, which represents 2.05% of the pre-Issue paid up equity capital of the Company and [●]% of the fully diluted post-Issue paid up capital of the Company. The following table sets forth the particulars of the options granted under the Scheme as of the date of filing the Draft Red Herring Prospectus:

Particulars	Details
Equity Shares issued	3,068,355
Price of the Equity Shares	3,068,355 Equity Shares at Rs. 10 per Equity Share
Money realised by allotment of Equity Shares	30,683,550
Person wise details of options granted to	
i) Directors and key managerial employees	Please see Note 1 below
ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil
iii) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
Fully diluted EPS on a pre-Issue basis	As on March 31, 2009 – Rs.13.79 (On a unconsolidated basis (diluted)) As on March 31, 2009 – Rs. 11.89 (On a consolidated basis (diluted))

Particulars	Details
Lock-in	Nil
Impact on profits of the last three years	Nil
Intention of the holders of equity shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue	The Company is currently not aware of any intention of the holders of such options to sell Equity Shares on conversion of such options within three months after the listing of Equity Shares pursuant to the Issue
Intention to sell equity shares arising out of the GGL ESPS within three months after the listing of equity shares by directors, senior managerial personnel and employees having GGL ESPS equity shares amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	N.A.

Note 1: Details regarding Equity Shares allotted to Directors and key managerial employees are set forth below:

Name of director / Key Managerial Personnel	Number of Equity Shares allotted
Mr. Terrance J. Coughlin	2,147,848
Mr. Paul Dutra	613,671
Mr. William McIntyre	153,418
Mr. Vijayprakash Soni	153,418

7. The Company, the Directors and the BRLMs have not entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person.

8. The Company, the Directors, the Promoter or the Promoter Group shall not make any, direct or indirect, payments, discounts, commissions or allowances under this Issue, except as disclosed in this Draft Red Herring Prospectus.

9. The Equity Shares held by the Promoter are not subject to any pledge.

10. None of the Directors or key managerial personnel holds Equity Shares in the Company except as stated in the section titled "Management" on page 100 of this Draft Red Herring Prospectus.

11. The Promoter, Promoter Group and Directors of the Company have not undertaken any transactions of Equity Shares during a period of six months preceding the date on which this Draft Red Herring Prospectus is filed with SEBI except as stated below:

S. No.	Name of the Company	Date of allotment of Equity Shares	No. of Equity Shares	Issue Price (in Rs.)	Nature of payment
1.	GPL	August 26, 2009	71,510,000	100	Cash
2.	Mr. Terrance J. Coughlin	September 11, 2009	2,147,848	10	Cash

12. The Company has made the following issue of Equity Shares during a period of one year preceding the date of this Draft Red Herring Prospectus which may be at a price lower than the Issue price:

S. No.	Name of person/entity	No. of Equity Shares	Issue price (Rs.)	Reason
1.	GPL	71,510,000	100	Equity Shares allotted in lieu of the purchase consideration payable under the Business Transfer Agreement dated December 24, 2007
2.	Mr. Terrance J. Coughlin	2,147,848	10	Allotment of Equity Shares made pursuant to the Employee Stock Purchase Scheme of the Company
3.	Mr. Paul Dutra	613,671	10	
4.	Mr. William McIntyre	153,418	10	
5.	Mr. Vijayprakash Soni	153,418	10	

13. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

14. Except for outstanding ESOPs, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares.

15. Except, as may be disclosed above and subject to Pre-IPO Placement, there will be no further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed.

16. Subject to the Pre-IPO Placement, the Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Issue 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 preferential or otherwise, except that if the Company enters into acquisitions, joint ventures or other arrangements, the Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

17. A total of up to [●] Equity Shares has been reserved for allocation to Eligible Employees, subject to valid Bids being received at or above the Issue Price and subject to the maximum Bid in this portion being [●]. Only Eligible Employees would be entitled to apply in this Issue under the Employee Reservation Portion, on competitive basis. Bid/ Application by Eligible Employees can also be made in the "Net Issue" and such Bids shall not be treated as multiple Bids.

18. The Equity Shares being offered in the Issue shall be made fully paid up or may be forfeited for non-payment of calls within twelve months from the date of allotment of the Equity Shares.

19. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. The Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

20. The Company has not raised any bridge loan against the Issue Proceeds.

21. The Company has 12 members as of the date of filing of this Draft Red Herring Prospectus.

22. The Company has not issued any Equity Shares out of revaluation reserves. The Company has not issued any Equity Shares for consideration other than cash except as stated above.

23. As per the RBI regulations, OCBs are not allowed to participate in the Issue.

24. In terms of Rule 19(2)(b) of the Securities Contracts Regulations Rules, 1957 ("SCRR"), this being an Issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Issue shall be allocated on a proportionate basis to QIB Bidders. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of the Company in consultation with the BRLM and the Designated Stock Exchange. Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue Portion. In case of under subscription in the Net Issue, spill over to the extent of under subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constituting 10% of the post Issue capital of the Company.

OBJECTS OF THE ISSUE

The net proceeds of the Issue, after deducting the underwriting and issue management fees, selling commission and other expenses associated with the Issue (the "**Net Proceeds of the Issue**"), are estimated to be approximately Rs. [●] million.

The Net Proceeds of the Issue are proposed to be utilised by the Company for the following objects:

(a) Funding equity investment in the Company's wholly owned subsidiary, Glenmark Generics Finance S.A., Switzerland ("**GGFSA**") for part payment of the loan arising out of Share Purchase Agreement dated June 2, 2008; and

(b) General corporate purposes.

The main objects clause of the Memorandum of Association of the Company enables it to undertake its existing activities and the activities for which the funds are being raised through this Issue. Further, the Company confirms that the activities it has been carrying out until now are in accordance with the objects clause of its Memorandum of Association.

The details of the Net Proceeds of the Issue are summarized in the table below:

(In Rs. Million)

	Amount
Gross Proceeds from the Issue	5,750.00
Issue related Expenses*	[●]
Net Proceeds from the Issue*	[●]

** To be finalised upon determination of the Issue Price*

Utilisation of Net Proceeds of the Issue

The Net Proceeds of the Issue will be utilised in accordance with the table set forth below:

(In Rs. Million)

Sr. No.	**Particulars**	**Schedule of Utilisation**
		Fiscal 2010
1.	Investment in GGFSA	4,800.00
2.	General Corporate Purposes	[●]
Total		[●]

The fund requirements and deployment of the funds mentioned above are based on internal management estimates. The Company may have to revise its expenditure and fund requirements as a result of changes, external factors which may not be within the control of its management and may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of its management.

In case of a shortfall in raising requisite capital from the Net Proceeds of the Issue towards meeting the objects of the Issue, the Company may explore a range of options including utilising its internal accruals, seeking additional debt from existing and future lenders. The Company believes that such alternate arrangements would be available to fund any such shortfalls.

Details of the Objects of the Issue

1. Funding equity investment in GGFSA for part payment of the loan arising out of Share Purchase Agreement dated June 2, 2008

GGFSA has entered into a share purchase agreement dated June 2, 2008 with Glenmark Holding S.A., Switzerland, a Group Company, ("**GHSA**") (the "**SPA**") to purchase 215,600,000 ordinary shares of Glenmark Generics Holding S.A., a subsidiary of the Company located in Switzerland, of the face value of CHF 1 each. For further details in relation to GHSA, see section titled "Group Companies" on page 118 of this Draft Red Herring Prospectus. The total purchase consideration payable by GGFSA to GHSA in terms

of the SPA is CHF 215,600,000 ("**Loan Amount**"). The SPA is governed by the laws of Switzerland. In accordance with the terms of the SPA the Loan Amount has been accounted for as a debt payable by GGFSA to GHSA. The acquisition of Glenmark Generics Holding S.A. by GGFSA in terms of the SPA was effective from April 1, 2008. For further details in relation to the SPA see section titled "History and Certain Corporate Matters" on page 91 of this Draft Red Herring Prospectus.

The Company is proposing to utilise an amount of approximately Rs. 4,800 million from the Net Proceeds of the Issue to fund equity investment in its subsidiary GGFSA which is proposed to be utilised by GGFSA towards part payment of the Loan Amount.

There is no assurance that the Company will receive dividends in relation to the equity investments in GGFSA. The equity investment made by the Company shall enable GGFSA to reduce its debt obligations as mentioned above. For further details in relation to GGFSA, see the section titled "Subsidiaries" on page 97 of this Draft Red Herring Prospectus.

2. General Corporate Purposes and other strategic initiatives

The Company intends to deploy the balance Net Proceeds of the Issue aggregating Rs. [●] million for General Corporate Purposes, including but not restricted to, meeting working capital requirements, capital expenditure towards the various facilities owned by the Company, repayment of certain debt obligations of the Company, strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies, which the Company in the ordinary course of business may face, or any other purposes as approved by the Board.

Bridge Financing Facilities

The Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the proceeds of this Issue.

Interim use of Net Proceeds of the Issue

The Company, in accordance with the policies established by the Board, will have flexibility in deploying the Net Proceeds of the Issue. Pending utilization for the purposes described above, the Company intends to temporarily invest the funds from the Issue in interest bearing liquid instruments including deposits with banks and investments in mutual funds and other financial products, such as principal protected funds, derivative linked debt instruments, other fixed and variable return instruments, listed debt instruments and rated debentures.

Issue Expenses

The Issue related expenses consist of underwriting fees, selling commission, fees payable to BRLMs to the Issue, legal counsels, Bankers to the Issue, Escrow Bankers and Registrars to the Issue, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The Company intends to use approximately Rs. [●] million towards these expenses for the Issue. All expenses with respect to the Issue will be borne out of Issue proceeds. The break-up for the Issue expenses is as follows:

Activity	Expenses* (In Rs. million)	Percentage of the Issue Expenses*	Percentage of the Issue size*
Lead Management, Underwriting and Selling Commission	[●]	[●]	[●]
SCSB Commission	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Printing and stationery (including courier, transportation charges)	[●]	[●]	[●]
Others (Registrar fees, legal fees, listing costs etc)	[●]	[●]	[●]
Fees paid to rating agency	[●]	[●]	[●]
Total	[●]	[●]	[●]

**Will be incorporated after finalisation of the Issue Price.*

Monitoring of Utilization of Funds

The Company has appointed [●] as the monitoring agency in relation to the Issue. The Board and [●] will monitor the utilization of the proceeds of the Issue. The Company will disclose the utilization of the proceeds of the Issue under a separate head along with details, for all such proceeds of the Issue that have not been utilized. The Company will indicate investments, if any, of unutilized proceeds of the Issue in the Balance Sheet of the Company for the relevant Financial Years subsequent to the listing.

Pursuant to clause 49 of the Listing Agreement, the Company shall on a quarterly basis disclose to the Audit Committee the uses and applications of the proceeds of the Issue. On an annual basis, the Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the proceeds of the Issue have been utilised in full. The statement will be certified by the statutory auditors of the Company. In addition, the report submitted by the monitoring agency will be placed before the Audit Committee of the Company, so as to enable the Audit Committee to make appropriate recommendations to the Board of Directors of the Company.

The Company shall be required to inform material deviations in the utilisation of Issue proceeds to the stock exchanges and shall also be required to simultaneously make the material deviations/adverse comments of the Audit committee/monitoring agency public through advertisement in newspapers.

Exceot as stated above, no part of the proceeds from the Issue will be paid by the Company as consideration to its Promoter, Directors, Group Companies or key managerial employees, except in the normal course of its business.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by the Company in consultation with the BRLMs on the basis of assessment of market demand and on the basis of the following qualitative and quantitative factors for the Equity Shares offered by the Book Building Process. The face value of the Equity Shares is Rs. 10 and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue price are:

1. Vertically integrated business model with respect to certain products;
2. Niche generic area focus with respect to ANDAs;
3. Capabilities for identifying and securing market exclusivity for FDF products;
4. Broad range of API products offered and under development;
5. Manufacturing facilities designed to serve the Company's export markets;
6. Established presence in the US and developing presence in Europe;
7. Experienced management team; and
8. Association with the Glenmark brand.

For details, please see the sections titled “Business” and “Risk Factors” on pages 67 and xv, respectively, of this Draft Red Herring Prospectus.

Quantitative Factors

Information presented in this section is derived from the Company’s restated unconsolidated and consolidated financial statements prepared in accordance with Indian GAAP and SEBI Regulations. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. ***Weighted Average Diluted Earnings per Share on an unconsolidated basis***

Period	EPS (Rs.)*	Weight
Year ended March 31, 2007	(0.13)	1
Year ended March 31, 2008	(0.54)	2
Year ended March 31, 2009	13.79	3
Weighted Average	6.69	

* *As on March 31, 2009, the issued, subscribed and paid up share capital of the Company was Rs. 750.00 million. Thereafter the Company has made an allotment of Equity Shares to GPL on August 26, 2009 and to certain employees under the GGL ESPS 2009 on September 11, 2009. Further, there are 1,106,338 options outstanding under GGL ESOP Scheme 2008 and 1,177,466 options outstanding under GGL ESOP Scheme 2009.*

Weighted Average Diluted Earnings per Share (EPS) on consolidated basis

Period	EPS (Rs.)*	Weight
Year ended March 31, 2007	N.A.	1
Year ended March 31, 2008	(0.54)	2
Year ended March 31, 2009	11.89	3
Weighted Average	6.62	

* *As on March 31, 2009, the issued, subscribed and paid up share capital of the Company was Rs. 750.00 million. Thereafter the Company has made an allotment of Equity Shares to GPL on August 26, 2009 and to certain employees under the GGL ESPS 2009 on September 11, 2009. Further, there are 1,106,338 options outstanding under GGL ESOP Scheme 2008 and 1,177,466 options outstanding under GGL ESOP Scheme 2009.*

Notes

i. The figures disclosed above are based on the unconsolidated and consolidated restated summary statements of the Company.

ii. Earnings per share calculations are done in accordance with Accounting Standard 20 'Earning per Share' issued by the Institute of Chartered Accountants of India.

iii. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Unconsolidated Summary Statements as appearing in Annexure IV and V respectively.

iv. The face value of each equity shares is Rs.10

2. *Price Earning (P/E) Ratio in relation to the Issue Price of Rs. [●] per share of Rs. 10 each (on a standalone basis)*

a) Based on the year ended March 31, 2009, the Earnings per Share is Rs. 13.79.

b) P/E based on the financial year ended March 31, 2009 EPS is Rs. [●] at the Floor Price and Rs. [●] at the Cap Price.

c) Industry P/E*

a. Highest : 31

b. Lowest : 11.1

c. Average : 23.8

**Source: Capital Market Volume XXIV/13 dated August 24 – September 6, 2009*

3. *Weighted Average Return on Net worth (RoNW) on an unconsolidated basis****

Year ended	RoNW (%)	Weight
Year ended March 31, 2007	(1.09)	1
Year ended March 31, 2008	(0.68)	2
Year ended March 31, 2009	58.34	3
Weighted Average	28.76	

* *Net worth has been computed by aggregating share capital, reserves and surplus and adjusting for revaluation reserves, as per the Company's restated audited financial statements.*

Weighted Average Return on net worth on a consolidated basis*

Year ended	RoNW (%)	Weight
Year ended March 31, 2007	N.A.	1
Year ended March 31, 2008	(0.70)	2
Year ended March 31, 2009	57.01	3
Weighted Average	33.93	

* *Net worth has been computed by aggregating share capital, reserves and surplus and adjusting for revaluation reserves, as per the Company's restated audited financial statements.*

4. Minimum return on increased net worth required to maintain pre-Issue EPS is [●] % to [●]%.

5. Net Asset Value per Equity Share

Net Asset Value per Equity Share represents shareholders' equity less miscellaneous expenses as dividend by weighted average number of equity shares.

(i) Net Asset Value per Equity Share as on March 31, 2009 is Rs. 23.84 on an unconsolidated basis and is Rs. 21.03 in case of a consolidated basis.

(ii) After the Issue: [●]

(iii) Issue Price: Rs. [●]

Issue Price per Equity Share will be determined on conclusion of book building process.

6. Comparison of Accounting Ratios with Industry Peers

Sr. No.	Name of the company	Face Value (Rs. per Share)	EPS (Rs.)	P/E Ratio	RoNW (%)	Book value per share (Rs.)
1.	Glenmark Generics Limited*	10	13.79	[●]	58.34	23.84
Peer Group*						
2.	Sun Pharmaceuticals Industries Limited	5	57.5	22.7	27	248.7
3.	Dr. Reddy's Laboratories Limited	5	31.7	23.4	11.1	311.8
4.	Lupin Limited	10	47.7	16.8	31	172.60
5.	Cipla Limited	2	9.7	23.5	19.2	55.9
6.	Ranbaxy Laboratories Limited	5	-	-	-	88.4
7.	GlaxoSmithKline Pharmaceuticals Limited	10	46.1	25.3	30.9	181.9

** The Company's EPS, RoNW and Book value per share have been calculated from the Company's unconsolidated restated audited financial statements on diluted basis.*

*** Source: Capital Market Volume XXIV/13 dated August 24 – September 6, 2009*

The BRLMs believe that the Issue Price of Rs. [●] per Equity Share is justified in view of the above qualitative and quantitative parameters. Prospective investors should also review the entire Draft Red Herring Prospectus, including, in particular the sections titled "Risk Factors", "Business" and "Financial Information" on pages xv, 67 and 131 respectively, of this Draft Red Herring Prospectus to have a more informed view. The face value of the Equity Shares is Rs. 10 each and the Issue Price is [●] times the face value of the equity shares.

STATEMENT OF TAX BENEFITS

Statement of special tax benefits:

A. Direct Taxes

1. **Deduction U/S 35 of the Income Tax Act, 1961 ("ITA"):**

The Company is a fully integrated global research led pharmaceutical company with five in house R&D centers located in India. Out of five R&D centers three (located at Mahape, Sanpada & Goa) are already approved from Department of Scientific & Industrial Research (DSIR) and for the other two R&D centers (located at Taloja & Ankleshwar) the application for approval has already been submitted with DSIR.

Under Section 35(2AB) of the ITA the company would be entitled to *weighted* deduction of a sum equal to one and one half times of any expenditure incurred (other than the expenditure incurred on the acquisition of any land or building) for scientific research related to the business of the company, to the extent of expenditure incurred on approved in-house research and development facilities.

Company is eligible for deduction under section 35(1)(i)/35(1)(iv), if the expenditure is incurred for a R&D centre which is not approved by DSIR.

2. **Deduction U/s 80IB of the ITA**

Under section 80-IB of the Act, profits from the business of industrial undertaking in backward states Specified in the Eighth Schedule, is eligible for 100% deduction for first five years beginning with the initial Assessment Year and thereafter 30% deduction for next five years subject to conditions specified in that section.

Company is eligible for 30% deduction for next four years (From F.Y.2009-10) for the profit derived from its industrial undertaking located in Goa.

3. **Exemptions for Special Economic Zone (SEZ) Unit:** Company is eligible for deduction under section 10AA for the Profit or gains derived from its proposed SEZ unit. Deduction will be 100% of profits or gain for the first five year and thereafter 50% of profit subject to the provisions of the section.

The provisions of Minimum Alternative Tax, as contained in section 115JB of ITA, shall not apply to the income accrued or arising from business carried on by the Company in SEZ.

Statement of General Tax Benefits:

These are the general tax benefits available to the all companies and shareholders, subject to compliance with relevant provisions.

A. Under the Income Tax Act, 1961

I. Benefits available to the company

1. As per section 10(34) of the ITA, any income by way of dividends referred to in section 115 O (i.e. dividends declared, distributed or paid by domestic companies) received on the shares of any company is exempt from tax.

2. As per section 10(35) of the ITA, the following income will be exempt in the hands of the Company:

(a) Income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10; or

(b) Income received in respect of units from the Administrator of the specified undertaking; or

(c) Income received in respect of units from the specified company:

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified Company or of a mutual fund, as the case may be.

For this purpose (i) "Administrator" means the Administrator as referred to in section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) "Specified Company" means a Company as referred to in section 2(h) of the said Act.

3. As per section 2(29A) read with section 2(42A), shares held in a company or a Unit of a Mutual Fund specified under clause (23D) of section 10 are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares in a company or a Unit of a Mutual

Fund specified under clause (23D) of section 10 are held for more than twelve months.

4. As per section 10(38) of the ITA, long term capital gains arising to the company from the transfer of long term capital asset being an equity share in a company or a unit of an equity oriented fund where such transaction is chargeable to securities transaction tax will be exempt in the hands of the Company.

For this purpose, "Equity Oriented Fund" means a fund –

(i) where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and

(ii) which has been set up under a scheme of a Mutual Fund specified under section 10(23D) of the ITA.

As per section 115JB, while calculating "book profits" the Company will not be able to reduce the long term capital gains to which the provisions of section 10(38) of the ITA apply and will be required to pay Minimum Alternate Tax @ 15% (plus applicable surcharge and education cess) of the book profits.

5. Under section 32 of the ITA, the company is entitled to claim depreciation on tangible and intangible assets as explained in the said section. Company is entitled to further depreciation of 20% under clause (1)(iia), as additional depreciation on new plants and machinery acquired and installed after 31 March 2005, subject to conditions specified therein.

6. The company will be entitled to amortise preliminary expenditure, being expenditure incurred on public issue of shares, under section 35D(2)(c)(iv) of the ITA, subject to the limit specified in section 35D(3).

7. Under section 48 of the ITA, if any long term assets (held for more than 36 months) or the long term investments in shares (held for more than 12 months) are sold the gains, if any (in case not covered under section 10(38) of the ITA), will be treated as long-term capital gains and the gains will be calculated by deducting from the gross consideration, the indexed cost of acquisition. The indexed cost of acquisition/ improvement means an amount which bears to the cost of acquisition/improvement the same proportion as cost

inflation index for the year in which the asset is transferred bears to the cost inflation index for the first year in which the asset was acquired for the year in which the improvement to the asset took place.

8. As per section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" for making investment under this section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after 1st April 2007 by:

   (i) National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

   (ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

9. The Company is entitled to a deduction under section 80G of the ITA in respect of amounts contributed as donations to various charitable institutions and funds covered under that section, subject to fulfillment of conditions prescribed therein.

10. As per section 111A of the ITA, short term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

11. As per section 112 of the ITA, taxable long-term capital gains, if any, on sale of listed securities or units or zero coupon bonds will be charged to tax at the concessional rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits in accordance with and subject to the provisions of section 48 of the ITA or at 10% (plus applicable surcharge and education cess) without indexation benefits, at the option of the Company. Under section 48 of the ITA, the long term capital gains arising out of sale of capital assets excluding bonds and debentures (except Capital Indexed Bonds issued by the Government) will be computed after indexing the cost of acquisition/ improvement.

12. Under section 115JAA(1A) of the ITA, credit is allowed in respect of any Minimum Alternate Tax ('MAT') paid under section 115JB of the ITA for any assessment year commencing on or after April 1, 2006. Tax credit eligible to be carried forward will be the difference between MAT paid and the tax computed as per the normal provisions of the ITA for that assessment year. Such MAT credit is allowed to be carried forward for set off purposes up to 7 years succeeding the year in which the MAT credit is allowable.

II. Benefits available to Resident Shareholders

1. Under section 10(32) of the ITA, any income of minor children clubbed in the total income of the parent under section 64(1A) of the ITA, will be exempt from tax to the extent of Rs.1,500 per minor child.

2. As per section 10(34) read with section 115 O of the ITA, any income by way of dividends referred to in section 115 O (i.e. dividends declared, distributed or paid by the

domestic companies) received on the shares of the Company is exempt from tax in the hands of recipient.

3. As per section 2(29A) read with section 2(42A) of ITA, shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.

4. As per section 10(38) of the ITA, long term capital gains arising from the transfer of a long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.

5. As per Section 36(1)(XV) of the ITA an amount equal to the securities transaction tax paid by the assessee in respect of the taxable securities transactions entered into in the course of his business during the previous year is deductible, if the income arising from such taxable securities transactions is included in the income computed under the head Profits and gains of business or profession

6. Under section 48 of the ITA, if the Company's shares are sold after being held for not less than twelve months, the gains (in case not covered under section 10(38) of the ITA), if any, will be treated as long term capital gains and the gains shall be calculated by deducting from the gross consideration, the indexed cost of acquisition. The indexed cost of acquisition/ improvement means an amount which bears to the cost of acquisition/improvement the same proportion as cost inflation index for the year in which the asset is transferred bears to the cost inflation index for the first year in which the asset was acquired for the year in which the improvement to the asset took place.

7. As per section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" means any bond, redeemable after three years and issued on or after 1st day of April 2007:

   (i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

   (ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

8. As per section 54F of the ITA, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years. Such benefit will not be available:

   (a) if the individual or Hindu Undivided Family owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or- purchases another residential house within a period of one year after the date

of transfer of the shares; or constructs another residential house within a period of three years after the date of transfer of the shares;and

(b) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property". If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain, the same proportion as the cost of the new residential house bears to the net consideration, will be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, will be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

9. As per Section 74 of the ITA Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

10. As per section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

11. As per section 112 of the ITA, taxable long-term capital gains, if any, on sale of listed securities will be charged to tax at the rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits or at 10% (plus applicable surcharge and education cess) without indexation benefits, whichever is less. Under section 48 of the ITA, the long term capital gains arising out of sale of capital assets excluding bonds and debentures (except Capital Indexed Bonds issued by the Government) will be computed after indexing the cost of acquisition/ improvement.

III. Benefits available to Non-Resident Indians/Non-Resident Shareholders (Other than Foregin Institutional Investors ('FIIs'))

1. As per section 10(34) read with section 115 O of the ITA, any income by way of dividends referred to in section 115 O (i.e. dividends declared, distributed or paid by the domestic companies) received on the shares of the Company is exempt from tax in the hands of recipient.

2. As per section 2(29A) read with section 2(42A) of ITA, shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.

3. As per section 10(38) of the ITA, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.

4. As per Section 36(XV) an amount equal to the securities transaction tax paid by the assessee in respect of the taxable securities transactions entered into in the course of his business during the previous year is deductible, if the income arising from such taxable securities transactions is included in the income computed under the head Profits and gains of business or profession

5. As per first proviso to section 48 of the ITA, in case of a non resident shareholder, the capital gain/loss arising from transfer of shares of the Company, acquired in convertible foreign exchange, is to be computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was initially utilized in the purchase of shares. Cost Indexation benefit will not be available in such a case. As per section 112 of the ITA, taxable long-term capital gains, if any, on sale of shares of the company will be charged to tax at the rate of 20% (plus applicable surcharge and education cess).

6. As per section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" for making investment under this section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after 1st April 2007 by:

   (i) National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

   (ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

7. As per section 54F of the ITA, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years. Such benefit will not be available:

   (a) if the individual or Hindu Undivided Family owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or- purchases another residential house within a period of one year after the date of transfer of the shares; or constructs another residential house within a period of three years after the date of transfer of the shares; and

   (b) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

   If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain, the same proportion as the cost of the new residential house bears to the net consideration, will be exempt.

   If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, will be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

8. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any,

could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

9. As per section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

10. As per section 115E of the ITA, in the case of a shareholder being a Non-Resident Indian, and subscribing to the shares of the Company in convertible foreign exchange, in accordance with and subject to the prescribed conditions, long term capital gains arising on transfer of the shares of the Company (in cases not covered under section 10(38) of the ITA) will be subject to tax at the rate of 10% (plus applicable surcharge and education cess), without any indexation benefit.

11. As per section 115F of the ITA and subject to the conditions specified therein, in the case of a shareholder being a Non-Resident Indian, gains arising on transfer of a long term capital asset being shares of the Company will not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the ITA. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the ITA then such gains would not be chargeable to tax on a proportionate basis. Further, if the specified asset or savings certificate in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such specified asset or savings certificates are transferred.

12. As per section 115G of the ITA, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the ITA, if their only source of income is income from specified investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the ITA.

13. As per section 115H of the ITA, where Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the ITA to the effect that the provisions of Chapter XII-A of ITA shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

14. As per section 115I of the ITA, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A of ITA for any assessment year by furnishing a declaration along with his return of income for that assessment year under section 139 of the ITA, that the provisions of Chapter XII-A of ITA shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the ITA.

For the purpose of aforesaid clauses "Non-Resident Indian" means an Individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

Provisions of the ITA vis-à-vis provisions of the Tax Treaty

1. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if

any, between India and the country in which the non-resident is resident. As per the provisions of section 90(2) of the ITA, the provisions of the ITA would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

IV. Benefits available to Foreign Institutional Investors ('FIIs')

1. As per section 10(34) read with section 115 O of the ITA, any income by way of dividends referred to in section 115 O (i.e. dividends declared, distributed or paid by the domestic companies) received on the shares of the Company is exempt from tax in the hands of recipient.

2. As per section 2(29A) read with section 2(42A), shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.

3. As per section 10(38) of the ITA, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt to tax in the hands of the FIIs.

4. As per section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs. However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" for making investment under this section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after 1st April 2007 by:

   (i) National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

   (ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

5. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

6. As per section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

7. As per section 115AD of the ITA, FIIs will be taxed on the capital gains that are not exempt under the provision of section 10(38) of the ITA, at the following rates:

8. Under section 90(2) of the ITA, the provisions of the ITA would prevail over the provisions of the tax treaty to the extent they are more beneficial to the non-resident. Thus, a nonresident can opt to be governed by the provisions of the ITA or the applicable tax treaty, whichever is more beneficial.

Nature of income - Rate of tax (%)

Long term capital gains – 10%

Short term capital gains (other than referred to in section 111A) - 30%

The above tax rates have to be increased by the applicable surcharge and education cess.

In case of long term capital gains, (in cases not covered under section 10(38) of the ITA), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.

9. As per section 196D of the ITA, no tax is to be deducted from any income, by way of capital gains arising from the transfer of shares referred to in section 115AD, payable to Foreign Institutional Investor.

Provisions of the ITA vis-à-vis provisions of the Tax Treaty

1. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII is resident. As per the provisions of section 90(2) of the ITA, the provisions of the ITA would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.

V. Benefits available to Mutual Funds

As per section 10(23D) of the ITA, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

B. Benefits available under the Wealth Tax Act, 1957

Asset as defined under section 2(ea) of the Wealth Tax Act, 1957 does not include shares in companies and hence, shares of the Company are not liable to wealth tax in the hands of shareholders.

C. Benefits available under the Gift Tax Act, 1958

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. Therefore, any gift of shares of the Company will not attract gift tax.

Notes:

(i) All the above benefits are as per the current laws. Accordingly, any change or amendment in the laws/regulation would impact the same.

(ii) In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investments in the shares of the company.

The above Statement of Possible Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

Pursuant to the requirements of the SEBI Regulations, the discussion on the business of the Company in this Draft Red Herring Prospectus consists of disclosures pertaining to industry grouping and classification. The industry grouping and classification is based on the Company's understanding and perception and such understanding and perception could be substantially different or at variance from the views and understanding of third parties. The industry data has been collated from various industry and / or research publications and from information available from the World Wide Web, and has not been independently verified by the Company or any of its advisors.

PHARMACEUTICALS INDUSTRY

Overview

The pharmaceutical industry includes the discovery, development, manufacturing and distribution of drugs. It is characterised by robust growth, significant investment in research and development, and increasing genericisation led by an effort to contain healthcare costs. The growth in the pharmaceutical industry is driven by a continuing need for medication for the treatment of disease, demographic shifts that strengthen this underlying demand and by improved healthcare infrastructure that provide people with greater access to medication.

The global pharmaceuticals market can be classified into two categories: regulated and unregulated/semi-regulated. The regulated markets are primarily governed by stringent government regulations such as intellectual property protection, including product patent recognition. As a result, regulated markets such as the US have greater stability for both volumes and prices while a drug is under patent protection. On the other hand, unregulated/semi-regulated markets have lower entry barriers in terms of regulatory requirements; hence they are highly competitive, with industry players primarily competing on the basis of price.

Patented Products vs. Generic Products

Patented Products

Pharmaceutical companies which hold patents for their products are given the right to exclude others from using their invented products for any commercial purpose. Pharmaceutical patent holders are allowed a certain exclusive marketing period mainly to earn the corresponding revenue on a product to recover the time and resources they spent in inventing such product. However, despite the exclusivity the patent affords, pharmaceutical companies may nonetheless grant licenses to third parties for manufacturing and/or selling the patented product in return for a fixed royalty fee or some other profit-sharing arrangement.

A patent may be granted for any product, process or idea that is inventive, new and has a commercial purpose. Broadly, there are three different types of patents, as follows:

- ***Composition of matter*** – refers to a new chemical entity and its molecular structure. This patent affords the greatest protection in terms of exclusivity granted to the patent holder;

- ***Mechanism of action*** – refers to the process through which a drug acts in the body. This patent type is becoming increasingly difficult to defend in a patent challenge; and

- ***Formulation*** – refers to the formulation developed by an inventor to enable the drug to be absorbed in the body, reach the right organs, metabolise and be eliminated from the system.

Process Patents

Pharmaceutical process patents only protect the method by which a product is made, but not the molecular structure of the product itself. If another party can make the same product by a different, non-infringing process, or "design around" the process of a product, then the holder of a process patent cannot prevent the product from being reproduced.

Regulation of Patents

Various countries have different intellectual property and patent regimes. Most regulated markets recognise product patents as well as process patents. The US, Europe, Japan and South Africa are the major markets within this category. These markets typically provide the innovator with patent protection of 20 years from the date of filing the patent application. Similarly, semi-regulated markets are also moving towards more stringent patent regulation; from a regime of process patents to a regime of product patents. Some, such as Brazil, currently have strictly regulated product patent regimes. India has also begun to grant product patents since 2005. At the same time, several countries still do not recognise product patents.

A number of emerging markets such as Brazil and India have joined or are about to join the World Trade Organization ("WTO"). As WTO members, these countries are required to accept the provisions of the General Agreement on Tariffs and Trade ("GATT"). GATT provisions require signatory countries to provide product patent protection to innovator companies. The WTO permits emerging markets a transitional period to adapt their legislation to introduce product patent protection gradually. Nonetheless, some emerging markets currently allow pharmaceutical companies to manufacture, launch and market reproductions of drugs.

Generic Products

"Generic" pharmaceutical products are pharmaceutical products that are not protected by patents. These are drugs marketed by different companies but containing the same active ingredients. The costs for generics manufacturers to develop their products and obtain regulatory approval to market and sell such products are considerably lower than for patented drug manufacturers. As a result, such companies can offer the same product at a greatly reduced price. In terms of the entire pharmaceutical market, the introduction of generic products offer consumers a choice between patented or branded products and their generic counterparts, resulting in greater competition and generally lower prices for drugs in the market.

Largely due to the increase in generic drug products, when a drug goes off-patent, its price typically falls. For example, generics of "blockbuster" drugs (generally drugs having sales of more than US$1 billion) are susceptible to significant competition as a large number of players seek to enter the market within a short period of time. On the other hand, in the case of products for "niche" sectors which have a lesser degree of scope in terms of customers, prices may not erode as substantially due to lower competition, as products for niche pharmaceutical segments are typically more complex and difficult to manufacture.

Generics that are marketed under different brands by different companies are known as "branded generics". "Pure generics" are not marketed under a brand, but rather use a generic or non-proprietary name. Producers of generic drugs may sell their products in unregulated/semi-regulated markets until regulatory recognition of patents in those markets. In regulated markets, generic drugs may be sold when the patent for a particular product has expired or has been found invalid or unenforceable.

In a branded generics market, many versions of the same drug will be marketed by different pharmaceutical companies under their own brands. India, Brazil and Russia are all examples of predominantly branded generics markets. Brand promotion and marketing are important factors to gain competitive advantage in a branded generics market. Marketing & sales set-ups are important in this category & the companies generally have large sales force in such markets. In a typical branded generics market, the first company to launch a generic version of a particular product tends to take a significant share of the market. For this reason, the speed by which a generic product comes on the market is critical for obtaining market share and maximizing revenues for a product. However, entry barriers are high for brands from reputed companies, as well as products in specialty therapy areas where the treatment is critical or lifelong, as a prescription in these therapy areas is less likely to be switched from one brand to another. Similarly, products involving differentiated technology are less likely to be switched, and typically command a premium over other products. Generic products with popular brands typically possess significant market share and can command large pricing premiums over similar products marketed under different lesser-known brands.

Consequently, pharmaceutical companies in branded generics markets expend considerable resources on building brands and strengthening relationships with doctors, often involving a large sales force.

In a pure generics market, trade and health maintenance organizations ("HMOs") are the key influence in the dispensing decision (as opposed to doctors in a branded generics market). The US and the UK are examples of predominantly pure generics markets. Low-cost manufacturing and an efficient distribution network, coupled with strong relationships with wholesalers and distributors, are the keys to succeeding in such markets. Pharmaceutical companies in pure generics markets do not require a full-fledged marketing force to liaise with the doctors; instead smaller sales teams are employed to build relationships with wholesalers and distributors of the generic products.

US Regulation of Generics Products

The US, the world's largest single pharmaceuticals market, recognizes both product and process patents. Strong patent protection, advanced medical infrastructure, high per capita gross domestic product, the availability of health insurance and an aging population are all contributory factors to the large market for pharmaceutical products in the US.

The US is a highly regulated and developed market, with high barriers to entry and strict quality standards for pharmaceutical products. The US Federal Drug Administration (the "US FDA") is the most powerful national regulatory body, driving the regulatory framework in which the pharmaceutical industry operates globally. Set out below are the main FDA applications and processes relevant to the generic drugs market.

DMFs

A Drug Master File ("DMF") is a submission to the US FDA that may be used to provide confidential, detailed information about facilities, processes or articles used in the manufacturing, processing, packaging and storing of one or more human drugs. It usually refers to the raw material or active ingredient which is used in manufacturing the finished drug (the "bulk drug"). Information in the DMF may be used to support an Investigational New Drug Application ("IND"), a New Drug Application ("NDA"), an Abbreviated New Drug Application ("ANDA"), another DMF or amendments or supplements for any of these filings. Set out below are the types of DMF filings, with Type II being the most common.

- ***Type I*** – Manufacturing site, facilities, operating procedures and personnel;
- ***Type II*** – Drug substance, drug substance intermediate, material used in drug preparation or drug product;
- ***Type III*** – Packaging material; and
- ***Type IV*** – Excipient, colorant, flavour, essence or other materials used in their preparation.

ANDAs

An ANDA contains data which when submitted to the US FDA's Center for Drug Evaluation and Research, Office of Generic Drugs, is reviewed and is the ultimate basis of approval for any generic drug product for sale. Once approved an applicant may manufacture and market the generic drug product provided that all issues related to patent protection and exclusivity have been resolved.

An ANDA filing is expected to prove the bioequivalence of the generic drug with respect to the original patented drug. A generic drug is "bioequivalent" if such generic version releases its active ingredient into the bloodstream at virtually the same speed and in virtually the same amounts as the original drug. Because the active ingredient in the generic drug has already been shown in testing of the trade-name drug to be safe and effective, bioequivalence studies only have to show that the generic version produces virtually the same levels of drug in the blood over time. Apart from bioequivalence, checks conducted by the US FDA include chemical tests, toxicity, drug interactions and inspection of facilities and packaging details. Below is a flowchart that sets out the ANDA approval process.

Hatch-Waxman Act and Paragraph IV

In 1984, the Drug Price Competition and Patent Restoration Act (the "Hatch-Waxman Act") was passed into law in the US. The primary aim of the law was to increase generic drug availability in the US market. The two most important aspects of the Hatch-Waxman Act were: i) the introduction of the ANDA generic

drug approval process (described above); and ii) the establishment of a process of generic versus brand manufacturers patent dispute.

The Hatch-Waxman Act allowed generic drug manufacturers to "challenge" an existing patent by commencing development and filing an ANDA with the US FDA prior to expiration of the branded product's patent. As a concession to this early filing, the generic manufacturer is required to identify the necessary patent holders affected by the ANDA filing. This identification is set out in the ANDA application itself, where the filer chooses between four alternative certifications or "paragraphs" in relation to the patent challenge:

- ***Paragraph I*** – The drug has not been patented;
- ***Paragraph II*** – The patent has already expired;
- ***Paragraph III*** – Date on which the patent will expire, and that the generic drug will not go on the market until that date passes; or
- ***Paragraph IV*** – Patent is not infringed upon or is invalid

A major issue with the Hatch-Waxman Act involved Paragraph IV certifications. A generic manufacturer making a Paragraph IV filing must also notify the patent holder of that notice. The patent holder has 45 days to respond to the notice; usually, patent holders respond by bringing a lawsuit challenging the generic manufacturer's contention. With such lawsuits, the issue that arose was how long the US FDA would be required to wait before approving the generic product for marketing and sale. This time period is currently 30 months, unless a final legal decision with respect to the lawsuit is rendered earlier. However, the US FDA may grant "approvable" status during this 30 month period, awaiting the outcome of the litigation the expiration of the patent or the end of the 30 months. After 30 months, even if the litigations had not been settled, the US FDA would review an "approvable" ANDA and approve such application if it complied with all US FDA requirements.

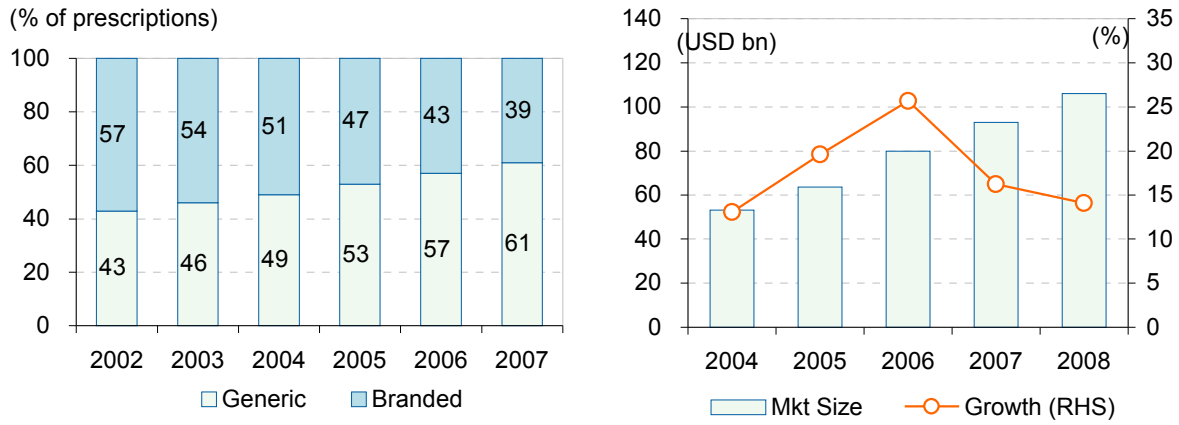
As Paragraph IV applications typically entail lawsuits and result in early entry of a generic product into the market, the US FDA provides an incentive in the form of a 180 day marketing exclusivity period to a generics manufacturer for making a Paragraph IV application. The "first to file" generics manufacturer to file an application with the US FDA containing a Paragraph IV certification is protected from competition from other generics manufacturers for a 180 day period reckoned from the first day of commercial marketing of the drug or the decision of the relevant court holding the subject patent invalid.

THE GLOBAL GENERICS MARKET

Growth and Geographic Distributions

The global generics market grew approximately 12.56% in 2008, which is more than five times the growth of the patented drugs market in the same period. In 2008, the global generics market was valued at approximately US$106.12 billion. Increasing number of patent expiries of blockbuster drugs and government encouragement on usage of generics for containing rising healthcare costs across the globe are the major driving forces of the generics market. As set out below, from 2004 to 2008, the generics market has grown at a Compound Annual Growth Rate ("CAGR") of 18.83%.

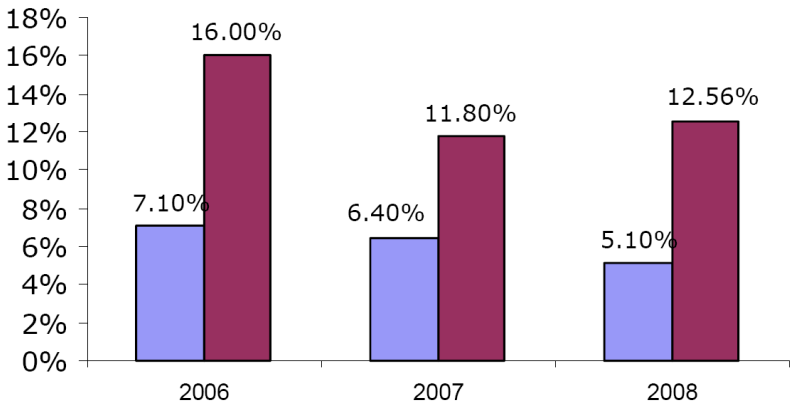
Increasing share of generics' prescriptions leading to strong growth in generics' sales



Source: Cygnus Research; Note: Prescription share is for the US market

Over the past three years, the generics market has grown at approximately twice the rate of the pharmaceuticals market in general. As set out below, the growth of the global pharmaceuticals market has steadily maintained double digit growth, while growth of the pharmaceuticals industry has seen a corresponding downward trend.

Growth rate comparison of Pharmaceutical Market vs. Generics

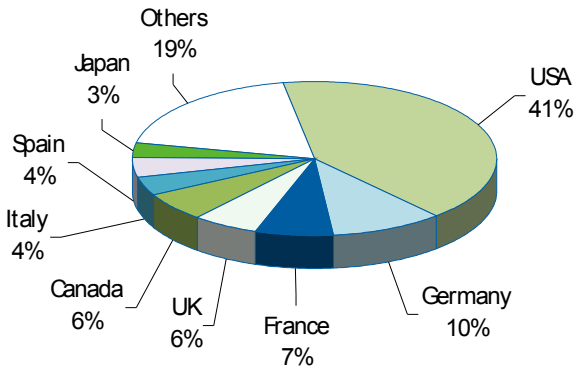


Source : Cygnus Research

The global generics market is expected to carry on this impressive growth trend. In 2008, drugs worth approximately US$ 20 billion in annual sales will face patent expiry, with leading products such as Risperdal, Fosamax, Topomax, Lamictal and Depakote all expected to lose market exclusivity in one or more major markets around the world. Moreover, in 2008, more than two-thirds of all prescriptions written in the US are expected to be for generics. New government contracting initiatives in Germany, and educational programs in Japan, Spain and Italy, are expected to drive greater demand for generics in those markets.

Eight key markets constitute approximately 80% of the total global generics market. North America accounted for almost half of the global generics market in 2008, with the US accounting for approximately 41% and Canada contributing 6%. In Europe, Germany held 10% market share and the UK held 6%. Japan's share was 3%.

Geographic representation of Global Generics Market-2008



Source: Cygnus Research

SWOT Analysis of the Generics Industry:

Key Strengths of Generics

1) Significantly cheaper than branded formulations

The cost advantage offered by generic drugs over their branded counterparts is one of the key growth drivers of the global generics industry. Branded drug prices drop sharply, by approximately 25-30% in the first 180 days exclusivity (in the US market), and by as much as 90% within a year. Such significant cost savings attract the governments of various countries to implement policies that popularize the use of generics.

Cost Comparison of 20 Branded Drugs and their Generic Counterparts

Brand name & strength	Brand cost (USD)	Generic cost (USD)	Generic name	Generic savings (USD)	Generic savings (%)
Xanax 0.5 mg	153.44	4.5	Alprazolam	148.94	97.1
Ambien 10 mg	162.48	3	Zolpidem Tartrate	159.48	98.2
Zoloft 100 mg	111.85	7.5	Sertraline Hcl	104.35	93.3
Altace 10 mg	64.15	47.4	Ramipril	16.75	26.1
Zocor 20 mg	150.79	6	Simvastatin	144.79	96.0
Valium 5 mg	161.75	1.82	Diazepam	159.93	98.9
Vicodin ES 7.5 mg / 750 mg	169.19	9.23	Hydrocodone Bitartrate /Acetaminophen	159.97	94.5
Requip1 mg	167.01	31.64	Ropinirole Hcl	135.37	81.1
Risperdal 0.5 mg	322.66	208.08	Risperidone	114.58	35.5
Paxil CR 25 mh	119	80.21	Paroxetine Hcl	38.79	32.6
Prilosec 20 mg	156.81	18.9	Omeprazole	137.91	87.9

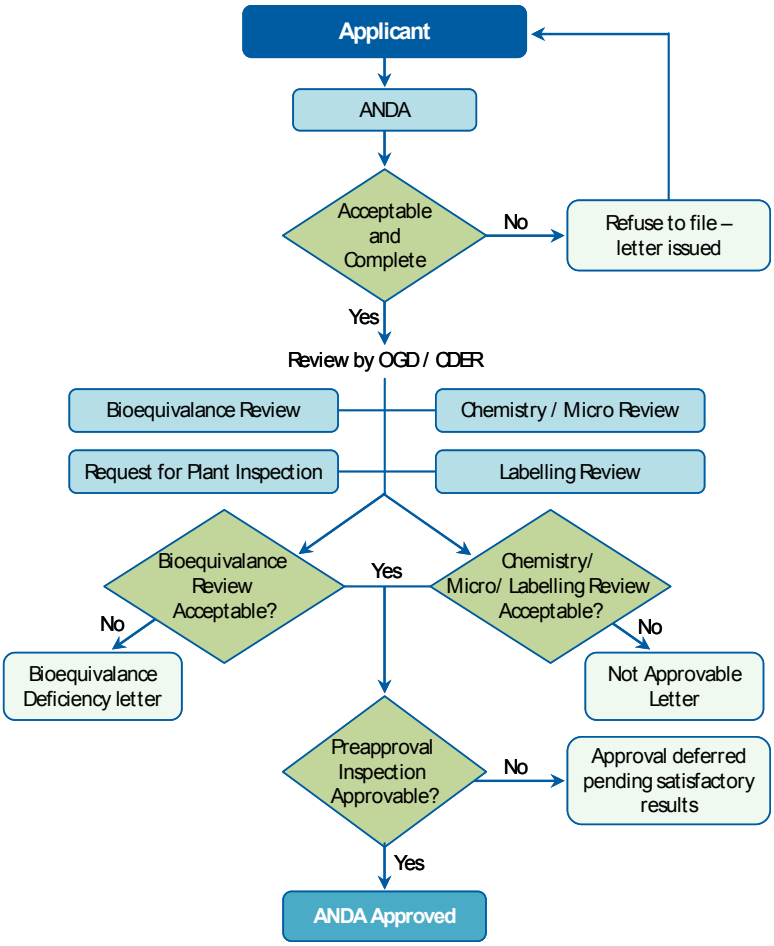
Darvocet-N 100 100 mg / 650 mg	179.63	9.6	Propoxyphene / Acetaminophen	170.03	94.7
Glucophage XR 50 mg	99.95	11.7	Metformin Hcl	88.25	88.3
Ativan 1 mg	189.31	9.9	Lorazepam	179.41	94.8
Coreg 25 mg	148.16	9	Carvedilol	139.16	93.9
Coumadin 5 mg	32.66	6.6	Warfarin Sodium	26.06	79.8
Ritalin 20 mg	137.63	25.71	Methylphenidate Hcl	111.92	81.3
Sonata 10 mg	141.41	25.98	Zaleplon	115.44	81.6
Wellbutrin XL 150 mg	199.44	113.4	Bupropion Hcl	86.04	43.1
Toprol XL 50 mg	38.35	19.5	Metoprolol Succinate	18.85	49.2

Source: Cygnus Research

2) Shorter development cycle v/s NCEs
Unlike New Chemical Entities ("NCEs"), generic drugs are ‘abbreviated’, in that they are generally not needed to include preclinical (animal) and clinical (human) data to establish safety and effectiveness. Instead, generic applicants must scientifically demonstrate that their product is bioequivalent (i.e., performs in the same manner as the innovator drug).

Consequently, generic drug development takes just over three years, compared with seven years it takes for a new chemical entity. A generic drug gets approved by the US FDA in about 15-24 months. (Source: Cygnus Research)

Generic approval process

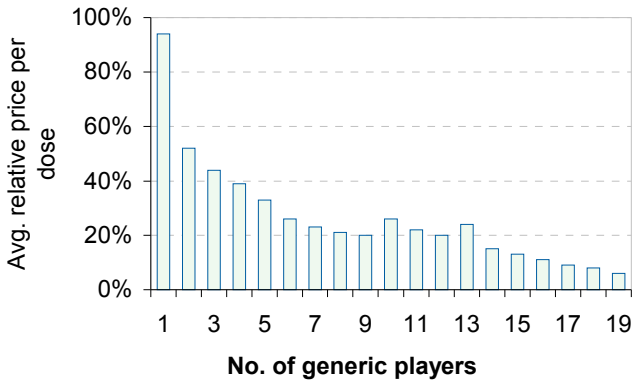


Generics - Key Weaknesses

1) Suffer continuous price erosion

While branded/patented products take price escalations occasionally, generic companies suffer annual price erosion of 5-10% on their existing portfolios as additional competitors come in at lower price points. As a consequence, they need a continuous stream of ANDA approvals to augment the existing portfolio and maintain a healthy growth rate.

More generic competition lowers prices

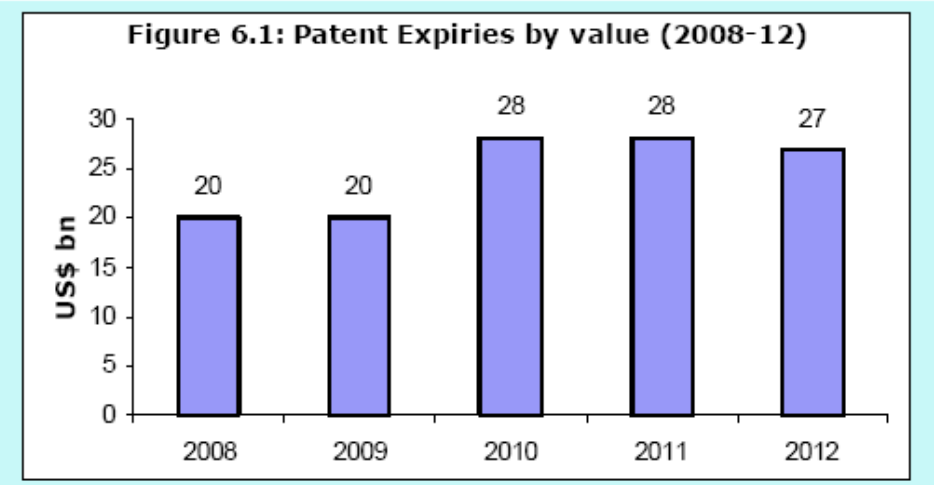


Source: FDA; Note: Data from 1999-2004

Key Opportunities for Generics

1) Significant patent expiries through 2012
Drugs worth approximately US$ 103 billion are expected to lose patent protection globally from 2009 to 2012, highlighting the significant growth opportunity for generics going forward.

Rise in patent expiries going forward



Source: Cygnus Research

Drug Patent Expiries - 2009

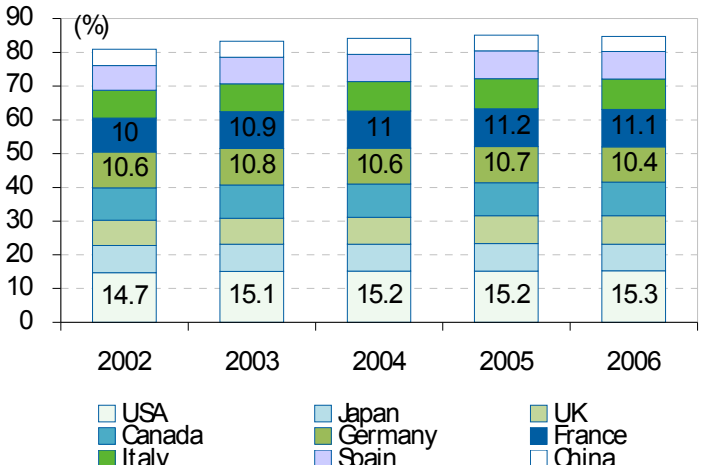
Sr. no	Brand name	Generic name	Company	Indication use
1	Acular	Ketorolac	Allergan	Eye pain
2	Arimidex	Anastrozole	AstraZeneca	Breast cancer
3	Avandia	Rosiglitazone	GlaxoSmithKline	Diabetes
4	Avelox	Moxifloxacin	Bayer	Antibiotic
5	Cellcept	Mycophenolate mofetil	Roche	Organ rejection
6	Flomax	Tamusulosin	Boehringer Ingelheim	BPH
7	Glyset	Miglitol	Pfizer	Diabetes
8	Imitrex	Sumatriptan	GlaxoSmithKline	Migraine
9	Keppra	Levetiracetam	UCB	Epilepsy
10	Prevacid	Lansoprazole	TAP	Heartburn
11	Valtrex	Valacyclovir	GlaxoSmithKline	Herpes
12	Xenical	Orlistat	Roche	Obesity

Source: Cygnus Research; Note: Patent expiries are for the US

2) Rising healthcare expenditure
Globally, rising healthcare expenditure in different countries has raised concerns among governments, who are searching for ways to bring down healthcare costs. One of the preferred measures is to encourage the use of generics as they are priced cheaper compared with branded formulations.

Some of the key measures adopted by governments to promote generics to reduce healthcare costs are:
- Centralized procurement, e.g. 68% of generic sales in Germany are centrally procured;
- Generic substitution, e.g. generics account for only ~17% by volume and ~6% by value of the market in Japan and the government is actively encouraging generic substitution;
- Waiving co-payments for patients using generics, e.g. the US
- Promoting and monitoring physician prescription habits; and
- Simplification of the regulatory procedures for generic approvals

Healthcare expenditure as a percentage of GDP



Source: WHO, Cygnus Research

Key Threats to Generics

1) Warning letters/ Import Alerts could affect businesses

In 2008, the US FDA issued an "Import Alert" against Ranbaxy for repeated violations of current good manufacturing practices ("cGMP") from its Paonta Sahib facility and a warning letter for its Dewas facility. Since then, Ranbaxy's sales and profitability have been adversely affected. Caraco, a subsidiary of Sun Pharmaceuticals, had its manufactured products seized in June 2009, with further sales prevented until the facility was certified as being in compliance.

Recently, the US FDA issued an "Import Alert" to Apotex Pharmeceuticals, Canada's biggest drugmaker after an inspection identified "deviations from manufacturing rules". Prior to that, the US FDA closed down Teva Animal Health's facility in St. Joseph, Missouri for "significant" violations of cGMPs in the manufacture of veterinary products. A consent decree has been signed by the US FDA and Teva, whereby the company agreed to cease operations in such facility until it complied with federal regulations.

2) Use of patent extensions will reduce generic launches

Brand drug companies are using patent extension as a very important strategy to protect their blockbuster drugs from generic competition. These companies are exploring other means to protect their market share as their R&D pipelines are relatively thin, which decreases the probability of new product launches. Hence, to maintain their revenue inflow, they often seek to extend the patent expiry dates of their blockbuster drugs.

Increasing number of patent expiries is one of the major growth drivers of the generics industry. However, when these patent expiry dates are extended, the growth of the generics industry is greatly affected as it will lead to a decline in generic drug launches.

Some of the common patent extension strategies include:

- Approval for additional indications;
- Pediatric extensions;
- Next-generation product launches (combinations and new formulations);
- Patent litigation; and
- Rx-to-OTC switching

Recent patent extensions

S no	Company	Brand
1	Pfizer	Lipitor
2	AstraZeneca	Arimidex
3	Forest laboratories	Namenda

Source: Cygnus Research

In January 2009, Pfizer secured patent extension on its blockbuster drug Lipitor. With this, Pfizer prevented Apotex Inx and Teva Pharmaceuticals from selling generic substitutes until November 2011. Similarly, in March 2009, Forest Laboratories secured patent extension for five years for its Namenda product. This extension will expire on April 11, 2015 instead of September 13, 2013. In 2007, AstraZeneca was granted pediatric exclusive patent extension for its Arimidex product from the US FDA.

Growth Drivers for the Generics Industry:

The Patent Cliff:

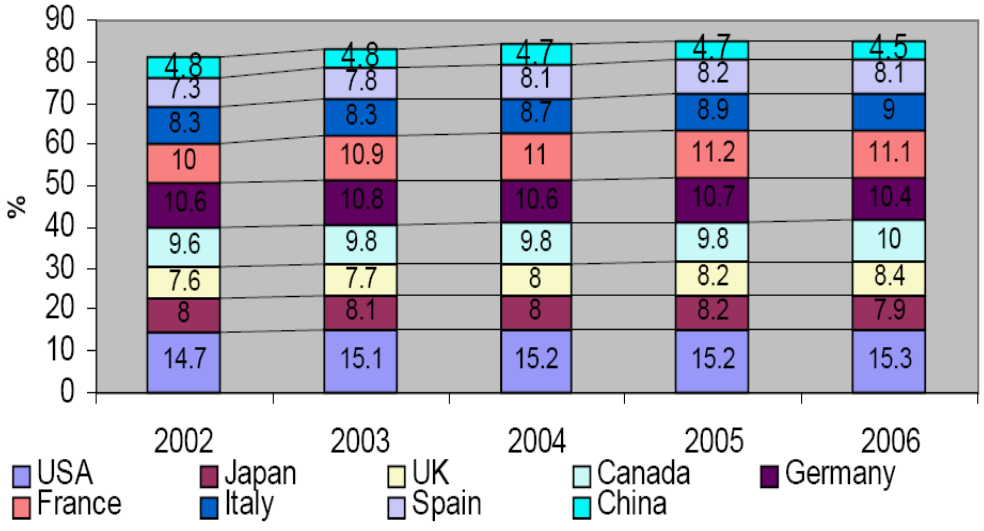
The growth of generics industry is supported by the increasing number of patent expiries of blockbuster drugs. When the patent of a drug expires, generic companies can manufacture and market a generic version of that drug provided an ANDA approval is received from the USFDA. Hence, patent expiries allow generic companies to market new drugs and thereby drive the growth of the generics industry. From 2009 to 2012, drugs worth approximately US$ 103 billion are expected to lose their patents. In 2009 alone, drugs worth US$20 billion are expected to lose their patent. Continuing patent expiries result in the growth of the generic drugs at a higher level compared to that of branded drugs.

Relative Cost Advantage

The relative cost advantage offered by generics over branded drugs is significant as prices for generic drugs are typically 50 to 95% cheaper than those for branded pharmaceuticals .
Global Healthcare Expenditure Control

An analysis of healthcare expenditure in major pharmaceutical markets reveals that healthcare expenditures by countries have consistently increased in recent years .

Healthcare Expenditure as a % GDP (2002-06)



Source: WHO, Cygnus Research

This increase in expenditures has raised concern and prompted governments to constantly search for proper measures and policies to control healthcare costs. The encouragement of generics use has been one of the measures commonly employed by these governments, as generics are generally priced significantly cheaper compared with branded drugs. The measures adopted by governments and regulatory agencies to encourage genericization include:

- Providing financial incentives to physicians for prescribing generics;
- Providing incentives to pharmacists for generic substitution; and
- Simplifying the regulatory procedures of generic approvals.

Targeted Research and development

The pharmaceutical industry is a research intensive industry. All major pharmaceutical companies have their own R&D unit and certain companies also actively engage in new drug development research. Generally, research and development budgets of pharmaceutical companies have increased in recent years, although the return of profit on this increased investment has been smaller in part due to the increased competition in the global pharmaceuticals market. To keep in step with their competitors, generic drug companies are gradually increasing their R&D spending. However, compared to larger pharmaceutical companies which focus more on process and new drug development, generic companies also invest in research for new drug delivery systems ("NDDS"). Investment in NDDS is an attractive option as its development takes lesser time compared with new drug development and is patentable. Indian companies, which do not have enough financial strength to fund new drug research can concentrate more on this segment. Indian companies are well suited for NDDS development as they have the process development skills required for the development of NDDS. An NDDS can be developed within three years at a relatively lower cost than the development cost for a new drug.

Key Trends

Increased Generecization in various markets

The cost advantage offered by the generic drugs over their branded counterparts is one of the main factors that drives the growth of the global generics industry. This potential for significant savings has attracted the governments of various countries to implement policies that popularize the use of generics, which in turn drives the continued growth of the generics industry. Other major factors that contribute to the steady growth of the industry are the increase of patent expiries for branded products, shifting disease patterns and the change in the age structure of the global population.

Rapid Consolidation

The global generics industry is undergoing rapid consolidation. In 2008, generic companies undertook numerous acquisitions and entered into numerous joint ventures and partnership agreements to fortify their respective marketing positions. The major example of this trend in 2008 was the acquisition of Barr Pharmaceuticals by Teva Pharmaceuticals Industries Limited for US$8.9 billion. In the first half of 2009, this trend has continued with Pfizer entering into a series of agreements with Aurobindo Pharma to market various products that are no longer patent protected. Under this agreement, Pfizer has acquired the right to sell 39 generic solid oral doses products in the US and 20 in Europe. The major forces that drive consolidation in the generics industry include:

- The need to increase market presence to take advantage of the continued growth of the generics market;
- The need for companied to expand their product portfolio and gain access to complementary products; and
- The need for cost savings to remain competitive in the highly price-sensitive generics market.

Patent Challenges

With the enactment of the Hatch-Waxman Act, applicants who wished to market generic versions of blockbuster drugs were allowed to file an ANDA with the US FDA. The amendment introduced provisions to challenge the patent of the drug innovator by submitting a Paragraph IV application wherein, if an ANDA applicant proves that he has not infringed the innovator's drug patent, it is authorized by the US FDA to market the generic version of that drug on an exclusive basis for a period of 180 days. During this exclusivity period, significant profits are generated by successful ANDA applicants. This is the prime attracting factor for generic companies to challenge the innovator's drug patents. In 2007, the number of Paragraph IV filings by generic companies totaled 86, a growth of 51.85% compared with the previous year. In 2008, there were 70 Paragraph IV filings made.

Innovative Strategies

Generics companies are constantly adopting unique strategies to protect their market position in a highly competitive industry. Some of these strategies are set out below.

- ***Increased presence in niche pharmaceutical areas –*** compared to blockbuster drugs, drugs manufactured for niche pharmaceutical areas such as oncology and hormones are typically subject to less competition due to the fact that these areas have a narrower target market and the production process for drugs in these areas are highly complex. Generics companies are increasingly expanding their product portfolios into these niche areas, as an effective way of spreading their risk and minimizing dependence on a particular area or product;

- ***Direct distribution systems*** – generics companies have sought to distribute their products in a manner that will build better relationships with consumers due to the increasing demand for special handling, patient convenience and distribution efficiencies. As a result, distribution channels are moving towards direct distribution and dispensing by replacing traditional middlemen and non-retail distribution channels. Community pharmacy models are also increasing with more patients receiving their medicines at their home, via home healthcare, mail order or internet pharmacy;

- ***Increased contracting*** - Major companies are increasingly moving towards centralized contracting, which is benefits generics manufacturers with a broad portfolio and a low-cost manufacturing base. Companies with the breadth and scale to fulfill high-volume contracts from these major companies are most likely to continue thriving in the rapidly evolving pharmaceuticals market, as major company payers are turning to contracting as a way to encourage price competition.

India's presence in the global generics market

In 2008, the generics market in India was valued at US$ 6.11 billion, registering a growth of 9% compared with the previous year. The generics market in India grew at a CAGR of 10.49% from 2004 to 2008. The Indian pharmaceutical market is dominated by generic drugs, as generic drugs accounted for approximately 88% of the market share in value terms and around 90-95% in volume terms of the market in India in 2008.

Low-cost quality manufacturing alternative

Being a price sensitive market, the generics market in India is primarily driven by cost, both in manufacturing and sales. Drug prices in India are among the cheapest in the world, and as a result, the productions cost of drugs in India is low compared with other countries. Moreover the quality of drugs manufactured in India have reached global standards with various regulatory changes made in the recent past, foremost of which is required compliance with Schedule M for pharmaceutical manufacturing plants in India. India has 100 US FDA-inspected plants outside the US, which makes it a low-cost manufacturing base for pharmaceuticals companies across the globe. Inspections by the US FDA greatly facilitate approval of drugs manufactured in India for sale into the US and various other markets.

Strong Reverse Engineering Capabilities

For a bulk drug to be manufactured and sold in any market, a DMF has to be submitted to and approved by the US FDA. Particularly with respect to generics drugs, generics companies must possess strong reverse

engineering and chemistry capabilities to consistently deconstruct a branded product and produce an API or generic equivalent that will pass regulatory scrutiny.

As of September 2008, Indian pharmaceutical companies made approximately 45.3% of the 589 total DMF submissions globally. The number of DMF submissions by Indian companies increased from 14.5% in 2000 to 45.7% in 2007 Moreover, the submissions grew at a CAGR of 30% from 2000 to 2008 compared with the 13% CAGR of global DMF submissions in the same period. India also has the highest number of DMF filings among all key competing economies, with 1,614 filings, three times higher than that of next best competitor.

With respect to ANDAs submitted to the US FDA for potential generic formulations products, Indian ANDAs approved by the US FDA (out of total ANDAs approved) increased from 6.0% in 2001 to 27.30% in 2008. The increase in number of ANDA approvals received by Indian companies continues to strengthen the Indian generics market and has allowed it to increase its presence and profile in the global generics market.

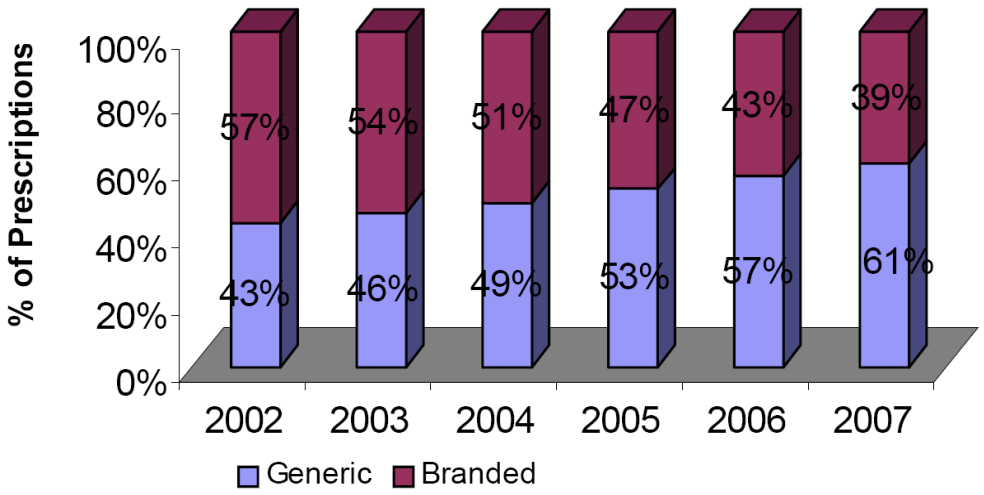
Major Markets

The major markets for generics have been segmented into North America, Europe and the Asia Pacific. North America is comprised of the US and Canada; Europe includes Germany, the UK, France, Italy and Spain; and Japan, China and India are the main countries which comprise the Asia Pacific region. The generics market environment for some of the main countries in these regions is described below.

United States

In 2008, the US generics market grew 5.61% compared with the previous year and was valued at US$39.25 billion. From 2004 to 2008, the US generics market recorded a CAGR of 15.18%. Market growth in the US is primarily attributable to patent expiries and the increased acceptance of generics by medical professionals as well as healthcare companies. Market studies have indicated that generics prescriptions in the US increased from 43% of total prescriptions dispensed in the US in 2002 to 61% in 2007. Of these prescriptions, branded prescriptions comprised 39% of total prescriptions dispensed in 2007, while generics prescriptions comprised 61% (compared to approximately 57% and 43% of total prescription dispensed in 2002, respectively), indicating the general increase in demand for prescriptions of generic drugs in the US.

Growth of Generic prescriptions (2002-07)



Source : Cygnus Research

In the US, generics companies who gain 180 days of marketing exclusivity for their products can sell their products at prices of up to 90% of the original branded product. Taken together with the relatively lower costs of production of a generics company, this translates into a significant profit opportunity for a generics company. However, with the entry of additional competitors after the 180 day marketing exclusivity period, there is corresponding price erosion wherein prices can fall by approximately 80% of the original branded drug's price in a short amount of time.

United Kingdom

In 2008, the UK generics market was valued at US$5.5 billion, registering a growth of 17% compared with the previous year. The market grew at a CAGR of 15.6% from 2004 to 2008, with growth primarily attributable to the government's encouragement of the use of generics to reduce the National Health Service drug budget, as well as to the increasing number of patent expiries in the past five years. In addition, incentives for prescribing and dispensing generics have also contributed to the growth of the market. The UK generics pharmaceutical market is expected to grow at a CAGR of 12% from 2008 to 2012.

In the UK, the Pharmaceutical Price Regulation Scheme, which governs the pricing of new drugs, does not apply to generic medicines, and companies are generally free to set prices of generic medicines. This system resulted in intense competition in the generics market, with companies offering incentives such as discounts to pharmacists to remain competitive. However, The National Health Service could not benefit fully from the cost-saving potential of generic medicines. In April 2005, a new pricing system for categories of generic medicines came into effect in the UK. The new system allowed freedom of pricing and also introduced an additional measure to stimulate price competition between generic companies by enabling the Department of Health to intervene in case the market environment and regulations in place failed to create price competition.

Germany

In 2008, the German generics market was valued at US$ 7.9 billion, registering a growth of 7% compared with the previous year. The German market grew at a CAGR of 9.03% from 2004 to 2008. The high cost of patented drugs in Germany compared with other European countries is one of the prime drivers of the generics market in the country. The increase in the demand for generic medicines has also been due to incentives given to pharmacists and physicians to prescribe more of generics instead of branded drugs. The generic pharmaceutical market in Germany is expected to grow at a CAGR of 11% from 2008 to 2012.

A free medicine policy prevails in Germany, where ex-factory prices of medicines are set independently by pharmaceutical companies, and this competition to gain market share in the generics market has put generic companies under constant pressure to reduce their prices.

Japan

In 2008, the generics market in Japan was valued at US$3.5 billion, registering a growth of 8% compared with the previous year. The Japanese generics market grew at a CAGR of 7.6% from 2004 to 2008. Growth in the generics drug market is mainly driven by Japanese government policies to cut surging health costs, patent expiration of a number of blockbuster drugs, wide scale promotion and awareness campaigns of generics, and increasing investment by both domestic and international manufacturers in Japan. The generics pharmaceutical market in Japan is expected to grow at a CAGR of 22% from 2008 to 2012.

BUSINESS

Overview

The Company is a generic pharmaceutical company with research and development, manufacturing, marketing and distribution capabilities. It focuses on the development, manufacturing, marketing and distribution of generic finished dosage forms ("FDFs") through wholesalers, distributors, retailers and other channels, including hospitals and through open tenders. The Company also develops, manufactures, markets and distributes active pharmaceutical ingredients ("APIs") to other pharmaceutical companies. For certain of its products, the Company manufactures the APIs used in its FDFs. The Company has five manufacturing facilities in India, two of which have been inspected by the US Food and Drug Administration ("US FDA") and the Medicines and Healthcare products Regulatory Agency ("UK MHRA"), and a new facility in Argentina.

The Company markets its products in various regulated and semi-regulated markets around the world. It primarily sells its FDF products in the United States ("US") and the European Union ("EU"), as well as its oncology FDF products in South America. The Company supplies APIs to customers in approximately 65 countries, including the US, various countries in the EU, South America and India.

As of September 18, 2009, the Company is authorised to distribute approximately 49 FDF products in the US, markets approximately 66 APIs globally and has approximately 41 Drug Master Files ("DMFs") filed with the US FDA. The Company's main FDF products are Oxcarbazepine (anticonvulsant), Gabapentin (anticonvulsant), Hydroxyzine (sedating antihistamine), Naproxen (non-steroidal anti-inflammatory or "NSAID") and Pravastatin Sodium (antilipemic), while its main API products are Topiramate, Amiodarone, Telmistartan, Esomeprazole Magnesium, Lornoxicam, Linezolid and Perindopril Erbumine. To assist in its manufacturing and marketing efforts internationally, the Company has three operating subsidiaries located in each of the US, the UK and Argentina.

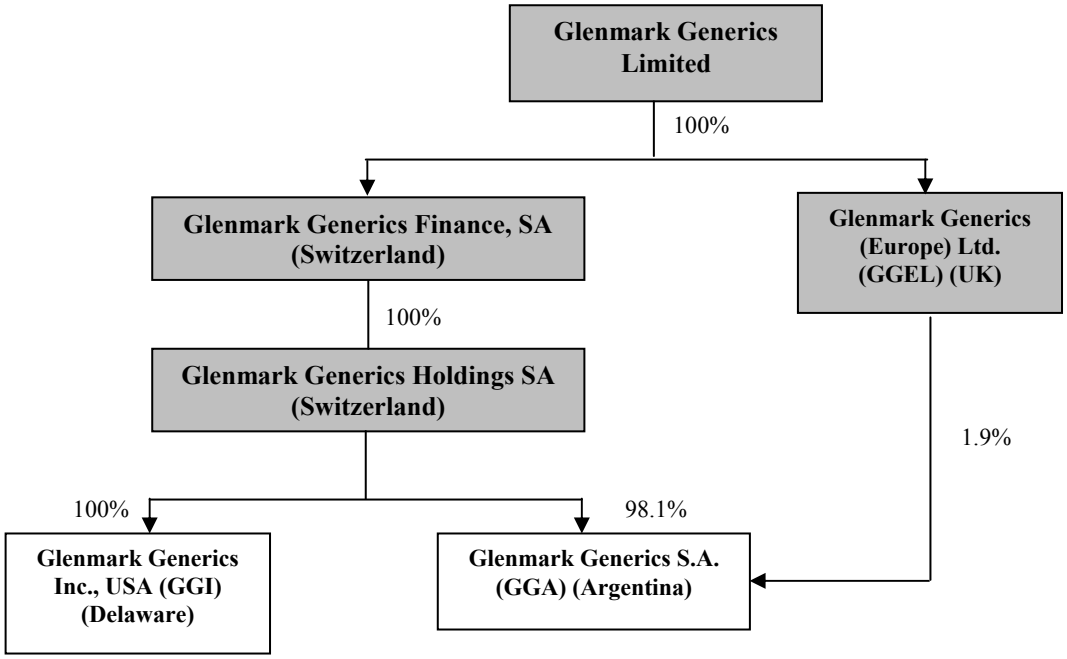
As part of its business strategy, the Company files Abbreviated New Drug Applications ("ANDAs") with the US FDA, some of which include Paragraph IV certifications which may result in marketing exclusivity opportunities under US law. In Fiscal 2008, Glenmark Generics Inc., USA obtained 180 days joint exclusivity for Oxcarbazepine (Trileptal). As of September 18, 2009, the Company is involved in ongoing litigations for securing exclusivity opportunities with respect to six of its ANDA filings. For more details with respect to the ANDA filing process and marketing exclusivity, see "Industry Overview—Pharmaceuticals Industry - US Regulation of Generics Products— Hatch-Waxman Act and Paragraph IV" beginning on page 54 of this Draft Red Herring Prospectus. Moreover, the Company's ANDA pipeline of FDF products focuses on niche generics segments such as dermatology/semi-solids, hormones, modified release, controlled substances/CII and "first to file"/Paragraph IV products, which the Company believes are subject to lesser competition due to the relative complexities involved in their production and higher entry barriers.

The Company's consolidated sales in Fiscal 2009 was Rs. 10,326.06 million. In Fiscal 2009, sales from FDFs contributed Rs. 7,885.15 million, or 76.36% of the Company's consolidated sales, and sales from APIs contributed Rs. 2,440.91 million, or 23.64% of its consolidated sales. Sales from FDFs in the US, the primary regulated market in which the Company conducts business and the largest pharmaceutical market in the world (Source: Cygnus Research), amounted to Rs. 7,337.73 million, or 71.06% of the Company's consolidated sales in Fiscal 2009. Sales from India amounted to Rs. 1,326.61 million, or 12.85 % of the Company's consolidated sales.

The Company is a subsidiary of Glenmark Pharmaceuticals Limited ("GPL"), a company which began operations in the pharmaceutical industry in 1977. In 2008, pursuant to a business reorganization, GPL's generic pharmaceutical FDF and API businesses, including all related land, machinery, equipment and employees, were transferred to the Company. For further details see, "History and other Corporate Matters" beginning on page 91 of this Draft Red Herring Prospectus.

Corporate Structure

The Company's corporate structure as of September 18, 2009 is set out below.



For more details in relation to the Company's subsidiaries, see "Subsidiaries" on page 97 of this Draft Red Herring Prospectus.

Strengths

The Company believes it possesses the following competitive advantages:

- ***FDFs***

- *Vertically integrated business model with respect to certain products.* With respect to certain of its FDF products, the Company has a vertically integrated business model with research and development, manufacturing, marketing and distribution capabilities. The Company believes this business model helps to lower its production costs and allows it to control the value chain for these products in a more efficient manner. The Company's manufacturing facilities in India serve to control its production costs and strengthen its position as a low-cost producer, while its research and development team provides additional support for the integration business model through continued efforts to increase the number of its APIs which can be used to produce the Company's FDF products. In addition, the Company believes it has established a marketing presence in regulated markets such as the US and the UK through a dedicated marketing team.

- *Range of FDF products in the US market.* As of March 31, 2009, the Company's FDF products in the US included anticonvulsants such as Gabapentin, Oxcarbazepine, sedating antihistamine such as Hydroxyzine, non-steroidal anti-inflammatory or "NSAID" such as Naproxen, and an antilipemic such as Pravastatin Sodium. Inorder to expand its range of products in the market, Company has entered into partnership deals for joint development and supply with other

Companies such as Invagen, Shasun, LVT and a deal with Paul Capital for funding the clinical trials for development of dermatology products.

- *Niche generic area focus with respect to ANDAs.* Till FY 08-09, the Company has 87 ANDAs filed or marketed (including partner filings with other pharmaceutical companies), with a focus on niche generic pharmaceutical categories such as dermatology/semi-solids, hormones, modified release and controlled substances/CII. Any new products approved from these ANDA filings would allow the Company to market and sell these products in the US, the largest pharmaceutical market in the world (Source: Cygnus Research). The Company's ANDAs by niche segment are set out below.

ANDAs filed/marketed (including partner filings)	**Till FY 08-09**
Dermatology	18
Controlled substances	6
Modified release	4
Hormones	7
"first to file"/Paragraph IV	9
Immediate release	43
TOTAL	**87**

- *Capabilities for identifying and securing market exclusivity for FDF products.* The Company believes it possesses the necessary skills and technological and intellectual property capabilities, including in-house infrastructure and research and development capabilities, to develop FDF products which can be submitted to regulatory authorities for marketing and sale approval. In addition, the Company believes it has an intellectual property management team with developed capabilities in identifying products for which it can secure marketing exclusivity under US law, as well as experience in Paragraph IV litigations. In Fiscal 2008, the Company obtained 180 day joint exclusivity for Oxcarbazepine in the North American market. As of September 18, 2009, the Company believes it has four sole first to file opportunities for Ezetemibe tablets, Trandolapril+Verapamil tablets, Fluticasone lotion and Atovaquone+Proguanil HCl tablets.

- ***APIs***

- *Facilities.* The Company has three API manufacturing facilities in India at Ankleshwar, Mohol, and Kurkumbh, with the Ankleshwar facility having been inspected by the US FDA. The Company believes that its manufacturing facilities in India and the process efficiencies in these facilities enable the Company to lower overall production costs and provide the Company with a competitive advantage.

- *Broad range of API products offered and under development.* As of June 30, 2009, the Company markets approximately 66 API products in approximately 65 countries, and the Company believes that it has the necessary resources, experience and network to launch additional API products in these countries in the future. As of March 31, 2009, the Company has 41 DMFs filed with the US FDA.

- *Research and development.* The Company believes it has strong research and development capabilities for the identification and development of potential API products, including capabilities with respect to process development, analytical research and clinical research.

- ***Manufacturing Facilities Designed to Serve the Company's Export Markets***

  The Company's manufacturing facilities have been built in accordance with the WHO's current cGMP guidelines. Certain of the Company's manufacturing facilities have been inspected by the US FDA, the UK MHRA, Brazil's National Health Surveillance Agency ("ENVISA"), as well as South African regulatory authorities. Such inspections can allow the Company to market its FDF products in the US and other countries on registration and approval of such products with the relevant authorities. To further strengthen its manufacturing capabilities, the Company has invested significant resources in capital expenditure projects, including an oncology manufacturing facility in Argentina, which was recently approved by the National Health Authorities –INAME (Instituto Nacional del Medicamento).

- ***Established Presence in the US and Developing Presence in Europe***

  The Company believes it has an established presence in the US and a developing presence in Europe, particularly due to the following:

  - as of September 18, 2009, the Company is authorised to distribute approximately 49 FDF products in the US, and believes it has continued to maintain consistent market share in most products it sells;

  - the Company has entered into agreements for sourcing of APIs and FDFs with companies that possess approvals to manufacture such products for sale in the US and EU markets; and

  - the Company has entered into 19 licensing and supply agreements with leading European generic companies. The Company also sells its products in the UK and other countries in the EU through its own distribution network as well as through third party distribution arrangements.

- ***Experienced management team***

  The Company has a qualified senior management team possessing an average of approximately 20 years of experience in the domestic and international pharmaceutical industries, including in the areas of research and development, regulatory affairs, manufacturing, quality control, sales and marketing and finance.

- ***Association with the Glenmark brand***

  Following completion of this Issue, the Company will continue to be a majority-owned subsidiary of GPL, and the Company believes it will continue to benefit from GPL's general business reputation and track record in the pharmaceutical industry. See "History and Certain Corporate Matters–Name License Agreement dated February 11, 2008 between GPL and the Company" on page 95 of this Draft Red Herring Prospectus.

Strategies

The Company intends to continue to strengthen its position and diversify its reach in regulated generics drug markets and expand its operations in semi-regulated markets in order to achieve long-term sustainable growth and increase its shareholder value. The Company's principal strategies and initiatives to achieve these objectives are set out below.

- *Continue to build product range and presence in niche generic segments.* The Company aims to enter into new niche generic segments and identify new products in these segments,

primarily in regulated markets such as the US and EU. In addition, the Company intends to improve its market position in niche segments such as dermatology/semi-solids, hormones, controlled substances/CII, and modified release products through the introduction of new products.

- *Expand FDF business in non-US markets.* The Company intends to expand its FDF sales into markets apart from the US. In particular, the Company aims to market and sell FDF products to additional countries in Europe and South America, in order to expand its global reach and diversify its geographic coverage.

- *Continue focus on research and development.* The Company intends to continue making investments in research and development with the objectives, among others, of expanding its product portfolio and marketing a wider range of FDF products across various categories. Moreover, through its research efforts, the Company also intends to develop and utilize new dosage forms for existing products such as modified release tablets and capsules, semi-solid preparations, inhalators, solutions/suspensions, injectables and products on other technology platforms.

- *Maximize backward integration capabilities.* The Company aims to consolidate its position as a low-cost producer through continued backward integration of its API products for the manufacture of its FDF products. By increasing the number of FDF products it produces using its own APIs, the Company capitalizes on its API manufacturing capabilities in India which contributes significantly to its overall cost competitiveness in the market. Increased backward integration also develops the Company's logistics and operations efficiencies across the organization.

- *Further expand API portfolio.* The Company aims to position itself as a preferred supplier of APIs globally by increasing the number of DMFs and dossiers it files in the US and the EU, respectively, as well as increasing levels of service and quality to existing customers. Moreover, the Company believes that increasing its portfolio of API products will increase opportunities to form new partnerships and build relationships with other pharmaceutical companies.

- *Develop products and presence in oncology.* The Company intends to continue to invest in and develop products for the oncology segment of its portfolio, and has primarily focused its South American operations to these ends. The Company's oncology manufacturing plant in Argentina, which received approval from the National Health Authorities –INAME (Instituto Nacional del Medicamento) in September 2009, will serve as the Company's global hub for manufacturing and distribution of oncology products.

- *Explore potential acquisition and partnership opportunities.* The Company intends to explore inorganic opportunities for expanding its reach in the generics industry through potential acquisitions as and when such opportunities arise. The Company also intends to develop new and existing business partnerships with other major generic drug companies to capitalize on business opportunities to further increase its profile in the rapidly consolidating generics industry.

Business

The Company mainly generates income from its sales of FDFs and APIs. In Fiscal 2009, FDFs and APIs generated Rs. 7,885.15 million and Rs. 2,440.91 million, respectively, of the Company's consolidated sales.

FDFs

FDFs are finished pharmaceutical products ready for consumption by a patient. Sales of FDFs accounted for approximately 76.36% of the Company's consolidated sales in Fiscal 2009.

The Company has three subsidiaries which market and sell FDFs. Glenmark Generics Inc., USA (″GGI") focuses on the US market, while Glenmark Generics (Europe) Limited ("GGEL") and Glenmark Generics S.A. ("GGA") in Argentina focus on the European and South American markets, respectively. GGI has ANDAs either approved or pending approval with the US FDA for dermatology/semi-solids, controlled substance/CII, modified release, hormones, "first to file"/Paragraph IV and immediate release products. GGEL markets a portfolio of solid orals and semi-solid products. GGA mainly sells oncology products in South America. GGA sources these products from various third-party manufacturers, but expects to manufacture certain of these products with the coming into operation of its oncology manufacturing facility in Argentina which was recently approved by the National Health Authorities –INAME (Instituto Nacional del Medicamento).

The Company supplies its FDF products to a number of markets, the most significant of which is the US, the largest pharmaceutical market in the world (Source: Cygnus Research). The Company's FDF sales in the US were Rs. 7,337.73 million (approximately US$ 157.90 million) in Fiscal 2009. Of the Company's total sales of FDF products in Fiscal 2009, 6.52% was from niche segments.

The Company's main FDF products are Oxcarbazepine and Gabapentin (anticonvulsants), Hydroxyzine (sedating antihistamine), Naproxen (NSAID) and Pravastatin (antilipemic). The Company has an end-to-end business model (with development, manufacturing, marketing and distribution capabilities) which positions it well in the US generics market. The Company seeks to increasingly integrate its manufacturing infrastructure and production competencies in APIs to support its FDF production and ANDA filings. This integration is key in building market share in the generics market, where consumers seek lower cost alternatives to brand name pharmaceutical products. This integration strategy is also essential in building the Company's position and profile in the generics market as a quality low-cost producer. The Company continues to launch new FDF products based on strategic filings and progressive approvals obtained for its ANDA applications with the US FDA.

APIs

APIs are essentially the active ingredients for any pharmaceutical product, and are the principal raw materials for FDF products. APIs become FDFs when the dosage is prepared for human consumption either in oral forms like tablets, capsules, dry syrups, or liquid orals, as well as in sterile forms like injectable dry powder vials or liquid injectables.

The Company produces several different APIs for use in the production of various pharmaceutical products. The Company's main APIs are Amiodarone HCl, Telmisartan, Esomperazole Magnesium, Topiramate and Perindopril Erbumine. Sales from APIs contributed approximately 23.64% of the Company's total consolidated income in Fiscal 2009.

The Company sells its APIs in India and exports them to approximately 66 countries. In addition, the Company also supplies APIs for use in the manufacture of its FDFs. This backward integration with FDFs contributes to the cost competitiveness of the Company, as consumers continue to seek lower prices for generic substitutes to brand name pharmaceuticals. The Company's principal markets to date for its APIs include the US, Europe, South America and India.

Sales in the Indian market contributed 54.35% of the Company's sales and operating income from APIs in Fiscal 2009. In India, the Company markets its APIs to Indian and multinational companies who are also the Company's competitors with respect to FDFs.

In the US, the Company expects that over the next few years, several key products will come off-patent, providing significant opportunities for its API products. However, the Company can only sell its APIs in the US after submission of a DMF and approval of the product by the US FDA. In turn, any drug for which an ANDA is being filed must have a DMF in place with respect to a particular supplier providing the underlying API. With several of the Company's DMFs supporting ANDA filings, the Company anticipates expanding API opportunities following approval by the US FDA. In European markets, the Company is required to obtain a European DMF ("EDMF") and, where applicable, a Certificate of Suitability ("CoS") from the European Directorate for the Quality of Medicines & Healthcare Agency. See ″Industry Overview—Pharnaceuticals Industry - US Regulation of Generics Products—Hatch-Waxman Act and Paragraph IV″ beginning on page 54 of this Draft Red Herring Prospectus.

As of September 18, 2009, the Company has 41 DMFs in the US, as well as 18 EDMFs and 11 CoS in the EU. Several of the Company's API products are currently sold in Europe based on certifications and approvals received. The Company has also filed approximately 146 process patents in the last three years.

Sales, Marketing and Distribution Network

Regulated markets: In the US, the Company mainly distributes its FDF products to wholesalers, distributors and pharmacy chains, and the Company has a sales team that coordinates the sale and distribution of these products to customers. In Europe, the Company sells its products mainly to generic drug companies. The Company has in-house marketing teams which are responsible for marketing API products in the US and EU.

India: In India, the Company has a sales team to market its products. The sales are made directly or through agents to generic drug companies. Sales to agents are made on a commission basis. Sales made directly to generic drug companies are made on an order basis and the Company does not have any long-term contracts with these companies.

Semi-regulated markets: Key emerging markets for the Company include various countries in Asia, South America and the Middle East. The Company's sales strategy includes building relationships with key customers in each of these markets and partnering with them in their product launches by providing timely regulatory and technical support.

Products

FDFs
United States

The following table sets out products the Company is authorised to distribute in the US:

Therapeutic Area	Product
Vasodilating Agent	Dipyridimole
	Nitroglycerin Sublingual*
Antiemetic	Ondansetron HCl
	Ondansetron ODT
Antifungal antibiotics	Fluconazole
	Nystatin
ACE inhibitor	Trandolapril (for blood pressure)
Anticonvulsants	Gabapentin
	Oxcarbazepine
	Zonisamide
Anti-inflammatory (including corticosteroids)	Nabumetone
	Mometasone Furoate (Cream)
	Mometasone Furoate (Ointment)
	Betamethasone
	Betamethasone Dipropionate Cream
	Alclometasone Dipropionate (Cream)
	Alclometasone Dipropionate (Ointment)

Controlled Substances	Morphine Sulfate*
	Oxycodone*
	Codeine Sulphate*
Dermatological	Clobetasol Propionate Cream
	Clobetasol Propionate Emulsion Cream
	Clobetasol Propionate Gel
	Clobetasol Propionate Ointment
	Clobetasol Propionate Topical Solution
Hypertension treatment	Hydralazine Hydrochloride
	Fosinopril Sodium and Hydrochlorothiazide
NSAID	Naproxen
	Naproxen Sodium Tablets
	Meloxicam
Anti-epileptic	Levetiracetam
	Lamotrigine CD Tablets
Analgesic	Nabumetone Tablets
Antimycotic	Nystatin Oral Solution
Antilipemic Agent	Pravastatin Sodium
Antifungal	Terbinafine HCl
Antihypertensive	Carvedilol
Hormone replacement	Esterified Estrogen (EEMT)*
Glycemic control (Anti-diabetic)	Metformin Hydrochloride
Opiate agonist	Oxycodone capsules*
Pain management	Morphine sulphate (Oral Concentrate Solution)*
Renal homotransplantations/Anti-arthritis	Azathioprine
Ulcer treatment	Ranitidine
Bipolar Disorder treatment	Lithium Carbonate
Sedative / Hypnotic	Zopidem Tartrate
	Hydroxyzine
Antihypertensive	Verapamil

**Pre-1938 products are unnaproved but are manufactured in accordance with applicable laws and regulations*

The Company places particular focus on the US generics market which constitutes the largest generics market globally. The Company has entered into agreements for the supply of FDFs to customers such as AmeriSourceBergen, Cardinal, McKesson, Walgreens, CVS, Caremark, Rite Aid and others.

The Company's range of FDF products for the US comprises mature generics (generic products genericized for a few years) and niche generics. Some of the Company's products under development include generic versions of products which are yet to go off-patent.

The Company was authorised to distribute 11 new products in the North American market in Fiscal 2009. The Company filed ANDAs for 22 products with the US FDA in Fiscal 2009, of which several are potential first to file Paragraph IV applications.

During the first quarter of Fiscal 2010, the Company received three final approvals and two tentative approvals from the US FDA. The Company received tentative approval for the 10mg tablets of Ezetimibe, which constitutes the first tentative approval granted by the US FDA for a generic version of the drug. The Company also successfully launched two products during the first quarter of Fiscal 2010 in the US including Hydralazine tablets and Alclometasone Dipropionate Cream. In addition, the Company also filed six new ANDAs in the first quarter of Fiscal 2010.

The following table sets out the products for which the Company believes it is the sole first to file applicant.

Products for which Glenmark Generics Limited is the sole applicant to claim "first-to-file" status

Product	Brand name	Plaintiff	Sales* (year ending March 31, 2009)
Ezetimibe	Zetia	Schering Plough	US$1.4 billion
Trandolapril + Verapamil	Tarka	Abbott/Sanofi-Aventis	US$72 million
Fluticasone lotion 0.005%	Cutivate	Nycomed	US$37 million
Atovaquone & Proguanil HCl	Malarone	Glaxosmithkline	US$53 million

* According to IMS MIDAS data MAT 3Q09. Figures only represent the size of the market for the product for the given period, and is not reflective of the Company's projected or expected sales from such product.

During US FDA inspections in 2008 of the Company's Ankleshwar and Goa facilities, the Company's physical facilities and manufacturing processes were reviewed. After addressing certain observations as part of the review process, the Company continues to file and receive ANDA approvals with respect to various FDFs produced from these facilities.

Although product prices post-genericization tend to be lower as a result of the intense competition from other companies in the generics market, the Company anticipates that the generics market will continue to present opportunities for revenue growth as new key products go off-patent. The Company intends to continue to launch additional products over time, based on further approvals expected to be received from the US FDA. Nevertheless, there are a number of risks associated with this strategy, and no assurance can be given that the Company will be able to exploit the post-genericization opportunities. See "Risk Factors—Risks Relating to the Company's Business and Industry" beginning on page xv of this Draft Red Herring Prospectus.

Europe

The following table sets out the Company's main products in the European market:

Category	Product	Indication/Treatment
ACE Inhibitor	Perindopril Tablets	Hypertension
ACE Inhibitor/Diuretic	Perindopril/Indapamide Tablets	Hypertension

Category	Product	Indication/Treatment
Oral blood glucose lowering drug	Glimepiride Tablets	Type 2 diabetes mellitus
Antihistaminic	Levocetirizine Tablets	Symptomatic treatment of allergic rhinitis (including persistent allergic rhinitis) and chronic idiopathic urticaria
Dopamine agonist	Ropinirole Tablets	Idiopathic Parkinson's disease
Anti-epileptic; Antimigraine preparation	Topiramate Tablets	Epilepsy and migraine
Selective Beta blocking agent	Nebivolol Tablets	Hypertension, chronic heart failure
Antipsychotic	Olanzapine Tablets	Schizophrenia and moderate to severe manic episodes
Antipsychotic	Olanzapine Orodispersible Tablets	Schizophrenia and moderate to severe manic episodes
Dopamine agonists	Pramipexole Tablets	Idiopathic Parkinson's disease
Potent Glucocorticoid	Repaglinide Tablets	Psoriasis (excluding widespread plaque psoriasis) and atopic dermatitis, which respond to external treatment with glucocorticoids
Potent Glucocorticoid	Mometasone Cream	Psoriasis (excluding widespread plaque psoriasis) and atopic dermatitis, which respond to external treatment with glucocorticoids
Antipsoriatics for topical use	Mometasone Ointment	Topical treatment of plaque psoriasis (psoriasis vulgaris) amenable to topical therapy

The Company's European operations are focused on developing three revenue streams: dossier licensing income, third party commercial supplies and front-end sales.

Parallel to its US generics strategy, the European business has filed numerous Marketing Authorization Applications ("MAAs") with regulatory agencies in Europe and has a portfolio of more than 35 EU Common Technical Documents ("CTDs") covering solid and semi-solid dossiers at various stages of development. The Company's product development and submission strategy is managed by a project management team based in the UK, which is supported by the Company's intellectual property and product development infrastructure in India.

As of September 18, 2009, Glenmark’s European product portfolio comprised of 18 approved marketing authorizations (“MAs”) held by GGEL (based on dossiers developed across five active ingredients, which are the drug substances which are pharmaceutically active). In addition, the Company has 12 MAAs for products on file across Europe with various regulators and other products planned for submission in Fiscal 2010.

On the commercial sales front, the Company has developed a sales infrastructure in the UK, as well as licensing and distribution partners in other European markets. In Fiscal 2009, the Company launched its first product, Perindopril in the UK and the Netherlands. Several out-licensing deals were also entered into in Fiscal 2009 with leading generic companies in other European markets.

Oncology Category	Products
Cytostate Agents	Carboplatin, Cisplatin, Docetaxel, Doxorubicin, Epirubicin, Etoposide, Ifosfamide, Itrinotecan, Leucovorin, Oxaliplatin, Paclitaxel
Anti-Emetic Agents	Ondansetron
Anti-Hemorrhagic Agents	Somatostatin
Biophosphonates	Pamidronate, Zledroninc Acid
Hormonal Agents	Anastrozole, Bicalutamide, Ciproterone, Finasteride, Letrozole, Megestrol

As of Fiscal 2009, the Company has filed for registration and has received approvals of oncology products in various jurisdictions around the world, including:

- Brazil, Venezuela, Colombia and others in the South American region; and
- India, Pakistan and others in the rest of the world ("RoW") region.

In Argentina, the Company has filed a total of six dossiers and approximately 56 extra-company dossiers (excluding Brazil, Trinidad and Tobago, RoW and any other intra-company operations) for its oncology products. The Company has received approvals for five products in Fiscal 2009 and one product for Fiscal 2010. Sales of the Company's oncology products from Argentina are made in approximately 21 countries and comprise a range of cancer therapy products such as cytotoxics, hormonal agents and supportive therapies. In Fiscal 2008, the Company launched 70 oncology products across 11 countries. In Fiscal 2009, the Company launched several new products in Argentina, Ecuador, Venenzuela, Yemen, Paraguay and Mexico. The Company also filed 14 dossiers in the first quarter of Fiscal 2010 and launched one new product in Argentina.

For its oncology products and operations, the Company has a team of qualified professionals, pharmacists and physicians based in Argentina. The Company also has a medical department in Argentina with the main purpose of providing quality guidance and medical support to internal and external personnel including customers and oncologists. The medical department is involved in customer-oriented research carried out in consultation with oncologists to develop products for new therapy areas.

In order to strengthen the Company's operations and distribution capabilities in the South American region, it commissioned the construction of a 46,000 sq. ft. oncological injectibles facility near Buenos Aires, Argentina, which is scheduled to be in operation by December 2009. The Company expects the facility to serve as the hub for its manufacture of lyophilized and liquid injectibles for use in oncology therapies. The facility is projected to have a production capacity of approximately one million vials per annum and would be a central distribution point for the Company's products in 20 countries across South America. This facility received approval from the National Health Authorities –INAME (Instituto Nacional del Medicamento) in September 2009. See "—Property" on page 82 of this Draft Red Herring Prospectus.

APIs

The table below sets out the Company's API products across various categories such as anti-allergy products, anticonvulsants and ACE inhibitors, among others.

Category	API Product
Treatment of Intermittent Claudication	Cilostazol
	Cilazapril
Anti-allergy	Desloratadine
	Loratadine
Anti-ulcer	Esomeprazole & Esomeprazole Potassium
Anticonvulsant	Oxcarbazepine
	Topiramate
	Zonisamide
ACE inhibitor	Moexpril HCl
	Olmesartan
	Perindopril
	Trandolparil
	Telemisartan
Anti-fungal	Itraconazole
	Terbinafine HCl
	Fluconazole
Anti-acne	Adapalene
Treatment of Benign Prostate Hyperplasia	Alfuzosin HCl
Anti-arrhythmic Agent	Amiodarone HCl
Treatment of Chemotherapy Induced Nausea & Vomiting (CINV)	Aprepitant
Antidepressant	Bupropion HCl
Anti-hyperlipidemic	Ezetimibe
Anti-diabetic	Glimepiride
Treatment of Actinik Keratosis	Imiquimod
Calcium Channel Blocker	Lercanidipine
Antibiotic	Linezolid
Treatment of Parkinson's Disease	Ropinirole
Treatment of hypercholesterolemia	Rosuvastatin
Treatment of Insomnia	Zolpidem Tartrate

Research and Development

The Company's research and development ("R&D") strategy focuses on (i) developing new FDFs for the global generics market, particularly the US and EU, (ii) developing new API products for integration with its FDFs as well as for sale globally, (iii) improving manufacturing processes for existing FDF and API products, (iv) developing its intellectual property capabilities, particularly with respect to ANDA filings with Paragraph IV certifications and non-infringing, intellectual property driven novel synthetic processes if APIs, and (v) conducting bioequivalence studies for obtaining regulatory approvals for new products. See "Industry Overview— Pharmaceuticals Industry - US Regulation of Generics Products— Hatch-Waxman Act and Paragraph IV" beginning on page 54 of this Draft Red Herring Prospectus.

To achieve these R&D strategies, the Company has established specialized research units and departments for process research development, formulation research, analytical research, clinical research and intellectual property management.

The Company conducts its R&D activities at its facilities in Sanpada (Turbhe) and Taloja in Navi Mumbai, India. Pursuant to a common services agreement, the Company also conducts R&D activities at a facility owned by GPL in Mahape, Navi Mumbai. Each of the Company's R&D facilities is equipped with modern scientific technology and analytical instruments.

As of June 30, 2009, the Company employed approximately 292 scientists and specialists for its R&D activities, several of whom are PhDs with post-doctoral experience from US and European universities.

In Fiscal 2009, the Company spent approximately Rs. 1,722.35 million, or approximately 16.67% of its total consolidated sales, on R&D (Revenue and Capital Expenditures) in India including the new Taloja R & D Centre, and other R & D facilities acquired from GPL vide Business Transfer Agreement dated December 24, 2007.

Manufacturing and Packaging

The Company is a vertically integrated generic pharmaceutical company with capabilities to manufacture FDF products as well as APIs. For a detailed description of the Company's manufacturing facilities, see "—Property" on page 82 of this Draft Red Herring Prospectus. The Company's APIs are manufactured at facilities located in Ankleshwar, Mohol and Kurkumbh, India. The Company's FDFs are manufactured at facilities in Goa, India. The Company's oncology manufacturing facility in Argentina is expected to commence operations by December 2009.

The Company sources its plant and equipment for manufacturing facilities from Indian and foreign vendors who have established track records in the industry. In respect of API manufacturing, high technology and critical equipment relating to sterile production and clean rooms are sourced from leading international vendors including Waters Gmbh, Multimode Equipments and GMM Pfaudler. In respect of FDF manufacturing, the Company sources high technology branded equipment such as Cadmach, Sejong, Shimadzu, Kwon Dah, Bosch, Fedagiri, IMA, CVC USA and Stilmas, as well as other reputed local and foreign equipment.

The regulatory requirements in international markets demand cGMP compliant equipment and facilities in all stages of development and manufacture. The Company believes that all of its manufacturing facilities are cGMP compliant. Some of the Company's facilities such as those situated at Goa and Ankleshwar, have been inspected by several regulatory authorities such as the US FDA, the UK MHRA and ENVISA. The Company expects more inspections in the future as a result of its increasing DMF and ANDA filings.

FDFs

FDF products are packaged in individual and multiple doses for consumption. In Fiscal 2009, certain of the Company's APIs were integrated as raw materials for the production of FDFs, with the balance being outsourced from various third party suppliers. The Company has identified alternate suppliers for its raw materials in the event it requires urgent supplies or is unsatisfied with the raw materials supplied by current suppliers.

FDFs are typically classified as injectable, oral products, semi-solids, solutions, suspensions or inhalators. Injectable products include dry powder vials and liquid injectables which are filled under aseptic conditions. Oral products include tablets, capsules, dry syrups and liquid oral suspensions. Tablets, capsules, dry syrups and liquid oral suspensions require the addition of excipients to convert them into the final dosage form. Controlled environmental conditions for the production of these FDF variants are adopted at all areas of the Company's manufacturing process as per cGMP requirements.

The Company's manufacture of FDFs is subject to strict quality and contamination controls. The Company's Goa facilities have been built according to US FDA standards. This facility has been inspected by the US FDA and produces the majority of the Company's FDF products sold in the US. The Company expects to produce FDFs at its oncology facility in Argentina, which was approved by the National Health Authorities –INAME (Instituto Nacional del Medicamento) in September 2009.

Several international vendors who supply R&D equipment to the Company also supply equipment for the Company's quality control/quality assurance divisions; such international vendors include Perkin Elmer, Waters, Shimadzu, Agilent Erweka and Metler Sartorius.

APIs

API production involves considerable lead times in ordering and procuring raw materials, as well as an extended credit period on sale of the final product. The Company therefore maintains reasonably high levels of inventory to compensate for the order replenishment cycle. The manufacturing process requires a wide variety of raw materials that the Company obtains from sources that it believes comply with the requirements of the various regulatory authorities in the markets where the Company conducts its business. The Company has entered into supply arrangements for its key raw materials with suppliers from Europe, China and Korea. For other raw materials, the Company has in place arrangements with various established suppliers. The Company has back-up power generation facilities at certain locations, as well as modern effluent treatment and pollution control facilities.

The manufacturing stages for the Company's products involve combining raw materials through one or more chemical reactions, mixing the combinations in reactors for a set period of time under specified process conditions, drying and micronizing, and then storage of the products. APIs are generally stored in controlled storage facilities before being dispatched, and are generally packaged for dispatch in sealed drums. The Company has several reactors, centrifuges, driers and varied production equipment for high throughput. The Company also has versatile facilities to initiate reactions at different temperatures ranging from -70^{o}C to +150^{o}C, and has two sterile crystallization and two lyophilization units, as well as sophisticated spray drying facilities, powder processing facilities and several solvent recovery facilities.

Competition

FDFs

With respect to FDFs, the Company competes with different companies in various markets across different therapeutic and product categories, and within each category with respect to dosage strengths and drug delivery.

United States

In the US, the Company is subject to intense competition in the generic drugs market from other generic drug manufacturers, brand-name pharmaceutical companies (through authorised generics), as well as manufacturers of brand-name drugs that have continued to produce their products after patent expirations. Major companies that sell FDFs in the US include Mylan, Sandoz, Teva and Apotex. The Company believes that the primary competitive factors in the US are the ability to introduce generic equivalents for brand name drug products in sufficient volume within the shortest period of time after their relevant patents expire, are invalidated or are otherwise legally circumvented, as well as price, product quality, prompt delivery, breadth of product line, customer service and reputation. New drugs and future developments in improved or advanced drug delivery technologies or other therapeutic techniques may also provide therapeutic or cost advantages to competing products.

Europe

In Europe, the Company competes with other generic drug manufacturers (several major multinational generic drug companies and various local generic drug companies), original manufacturers of branded drug products that continue to produce those products after patent expirations and manufacturers of therapeutically similar drugs. As in the US, the generics market in Europe is very competitive, with the main competitive factor being price, though name reputation and customer service are also important factors.

India

In India, the Company competes with other domestic manufacturers who offer a wide range of products across many therapeutic categories in contrast with non-domestic manufacturers who tend to import a smaller portion of their products for sale in niche areas. The Indian market is highly competitive and price conscious with several manufacturers offering the same product but under their own brand names. Recent patent legislation has resulted in global research based companies introducing their own patented products. As a result, these companies have begun to increase their market share in select segments and also forming strategic alliances with Indian companies for joint marketing of their products.

APIs

The global API market can broadly be divided into regulated and semi-regulated markets. Semi-regulated markets offer minimal entry barriers in terms of regulatory requirements, including with respect to the qualification process and intellectual property rights. The regulated markets such as the US, Europe and Japan, on the other hand, have high regulatory entry barriers. As a result, there is a premium for quality and regulatory compliance along with greater stability for both volume and prices in regulated markets.

In India, the API business is a mature industry and is intensely competitive. Although the API business is highly fragmented with numerous small and medium sized players, the Company believes that there are only a small number of companies with the infrastructure, experience and resources required to enter regulated markets. The Company believes that its main international competitors in the API segment are Italian and Spanish API manufacturers, while its main competitors from India are Dr Reddy's and Ranbaxy.

Property

Except for the land on which its manufacturing facility in Argentina is situated, the Company does not own any of the land on which its registered office, corporate office and manufacturing facilities are situated, and has entered into lease and other agreements for the use of these properties. Details with respect to registered office, corporate office and the principal facilities of the Company are set forth below.

Location	Approximate Area (in sq. m.)	Year Established	Term of lease/agreement	Monthly Rental
Registered Office - Mumbai, India (under an agreement with GPL to use facilities)	-	2008	Five years from April 1, 2009	Rs. 1,000
Corporate Office – Mumbai, India (under an agreement to use two floors of the premises)	-	2008	Expires on December 12, 2010	Rs. 2,208,504
R&D Facility				
Sanpada**,** Navi Mumbai, India	725	2008	Expires on June 14, 2012	Rs. 425,000
Clinical Research Unit				
Taloja, Navi Mumbai, India	9,870	2009	25 years from December 1994	Nil
FDFs				
Kundaim, Goa, India	700	2008	30 years from October 27, 1988	Rs. 1,400
Colvale (Main Plant), Goa, India	67,772	2008	30 years from December 2002	Rs. 228,680
Hormones Plant, Goa, India	3,660	2008	30 years from June 2004	Rs. 40, 576
Argentina	9,754	2009	-	-
API				
Ankleshwar, India	201,780	2008	99 years from January 1991	Rs. 86,765
Kurkumbh, India	7,200	2008	99 years from March 1995	Nil
Mohol, India	8,775	2008	25 years from June 2004	Rs. 6,775

The Company acquired/leased the above facilities consequent to the transfer of generic formulations and API businesses from GPL in April, 2008.

All of the Company's manufacturing facilities are at or near optimal capacity utilization. If required, the Company can increase capacity by building additional facilities or restructuring its current utilization plan.

The Company is currently considering the construction of a new FDF plant and API facility at Indore, special economic zone and Jambusar, special economic zone.

Intellectual Property

GGA has filed 28 trademark applications in various jurisdictions for registration of trademarks over 'Servycal', 'S' (with design) and 'Zoledra'. 14 applications have been approved by the trademark authorities in countries such as Argentina, Chile, Colombia, Venezuela, Peru, Ecuador, Mexico and Panama.

The Company has filed approximately 146 process patents in the last three years in various countries including India, the US, the EU and also under the Patent Cooperation Treaty. At present, the Company has received five patents in India and five patents in the US.

Employees

As of August 31, 2009, the Company had 1,399 permanent employees, which included corporate and managerial staff, sales staff and staff located at manufacturing facilities and including employees of subsidiaries. Approximately 478 of these permanent employees have post-graduate qualifications (including more than 25 doctorate holders). Approximately 300 of the Company's employees are engaged in R&D activities. The Company conducts regular technical and refresher training programs for all of its employees.

The Company's employees are not currently unionized, and there have been no work disruptions, strikes, lock-outs or other employee unrest. The Company believes that its relations with its employees are good.

Regulations and Environment

The Company's products, facilities, manufacturing, research, preclinical testing, clinical trials, labelling, pricing, and sales and marketing activities are all subject to extensive regulation by numerous governmental authorities, including authorities in India, the UK, the European Union, as well as the US FDA. As of the date of this Draft Red Herring Prospectus, the Company has not encountered any material compliance issues and believes that its operations, facilities and products are all materially compliant with applicable regulations.

The Company is required to obtain and maintain regulatory approval to market FDF products in India, the US, the European Union, Japan and other markets. For example, the Company is allowed to sell an API in the US only after submission of a DMF. Moreover, in the US, any drug for which an ANDA is being filed must have a DMF in place with respect to the supplier of the underlying API. For European markets, the Company is required to obtain an EDMF or a CoS for API products. An MAA for FDFs is filed only after an EDMF is filed or a CoS is obtained. As of September 18, 2009, the Company has 41 DMFs on file in the US, 18 EDMFs or CoS filed with European regulators and 11 CoS filed with the European Directorate for the Quality of medicines and Healthcare.

With respect to the Company's manufacturing facilities, the regulatory requirements in international markets typically require cGMP from the earliest stages of technology development. The Company's facilities located in India have been approved by the Drug Controller General of India ("DCGI"). In addition, certain of the Company's facilities have been inspected by the US FDA, the UK MHRA and other regulators in relation to the marketing and sale of APIs and FDFs in their respective jurisdictions. As the Company seeks to sell new products and existing products through new production processes, it may be subject to additional inspections of its facilities and processes.

The Company's R&D activities are subject to Indian laws regulating matters such as good laboratory practices ("GLP") and the use and disposal of potentially hazardous materials. The Company's clinical laboratory testing activities are subject to Indian and international laws such as the Ethical Guidelines for Biomedical Research on Human Subjects, 2005, issued by the Indian Council of Medical Research, New Delhi and the ICH Guidance for Industry, E6 Good Clinical Practice: Consolidated Guidance, April 1996, each relating to bioequivalence trials on human subjects, animal welfare and bioethics. Furthermore, to the extent that the Company contracts with drug manufacturers to perform clinical trials on drugs that require approval in a particular country, such trials must conform to the specifications established by that country. For example, to meet US FDA requirements, clinical trials must include a placebo or other control group and must be conducted in accordance with "good clinical practice" ("GCP"). The Company believes its R&D clinical research activities comply with GLP and GCP.

With respect to environmental compliance, the Company is required to obtain annual environmental clearances in relation to air and water pollution from the pollution control boards of the Indian states in which its facilities are located The Company is also committed to maintaining high standards in the areas of environment and health and safety, and believes it has complied materially with all applicable environmental regulations.

The Company maintains a department dedicated to environmental-related matters, and the Company also works with experts to maintain a framework of environment-friendly technologies and operating conditions for its products, with a view to generating fewer pollutants and treating them effectively. The Company has installed infrastructure to ensure adequate treatment of all effluents at its manufacturing facilities, such as a computerized monitoring system for effluent treatment. For example, in its Goa

Facility, the Company has in place a "zero-discharge" system where treated effluents are used for gardening; in its Mohol facility, the Company has a similar zero-discharge" system where effluents are treated through forced evaporations. In its Ankleshwar and Kurkumbh plants, the Company has vent gas condensation systems using temperatures as low as -10^{o}C to -20^{o}C to capture gaseous emissions. The Company also believes it complies with common Effluent Treatment Plant regulations in relation to the discharge of treated effluents, and common Treatment, Storage and Disposal Facilities regulations with respect to the disposal of hazardous wastes.

Insurance

All of the Company's property, plant and equipment are insured under standard fire & special perils cover. The Company also carries product liability insurance coverage, as well as insurance policies that cover products during shipment to distributor locations. The Company believes that its insurance coverage is adequate and consistent with industry standards. However, as the Company enters additional markets with its products, the Company intends to take necessary additional insurance coverage as may be appropriate. The Company has also taken out medical insurance policies, personal accident insurance policies and workmen's compensation policies for its employees.

REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to the Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

The Company is engaged in the business of manufacturing, selling and exporting pharmaceutical products and is governed by a number of central and state legislations that regulate its business. Additionally, the Company is subject to and affected by certain foreign laws, particularly laws relating to intellectual property.

The following discussion summarises certain significant Indian laws and regulations that govern the Company's business.

The Drugs and Cosmetics Act, 1940 ("DCA")

Matters pertaining to drug formulations, biologicals and APIs are governed by the DCA which regulates the import, manufacture, distribution and sale of drugs in India as well as aspects relating to labelling, packing and testing. The legislation provides the procedure for testing and licensing new drugs. These procedures involve obtaining a series of approvals for different stages at which the drugs are tested, before the drug controller general of India ("**DCGI**") grants the final license to allow the drugs to be manufactured and marketed. At the first instance, an application is made to the DCGI, an authority established under the DCA. The DCGI issues a no objection certificate upon examining the medical data, the chemical data and the toxicity of the drug. This allows the drug to move on to the next stage of testing at the central drug laboratories. At the central drug laboratories the drug is subjected to a series of tests for its chemical integrity and analytical purity and if it meets the standards required by the authority, the authority issues a certificate in that respect.

In case of APIs, the DCGI issues a manufacturing and marketing license. These licenses are submitted by the company seeking to produce the drug, to the drug control administration of the state which clears the drug for manufacturing and marketing. The drug control administration also provides the approval for technical staff as per the DCA and Drugs and Cosmetics Rules, 1945 framed under the legislation abiding by the WHO and cGMP inspection norms. The approvals for licensing are to be obtained from the drug control administration. The Central Drugs Standard Control Organisation ("**CDSCO**") is responsible for testing and approving APIs and formulations in consultation with the DCGI.

The approval process for conducting clinical trials, manufacturing and marketing of a drug depends on whether the drug is a new chemical entity or a recombinant deoxyribonucleic acid ("**RDNA**") product. For new chemical entities, the DCGI is the approving authority. However, for RDNA products, applications have to be submitted to the Department of Biotechnology, Government of India, ("**DBT**") after which they are processed for scientific, safety and efficacy issues by an advisory committee comprising the DBT, the chairman of the review committee on Genetic Manipulation, the DCGI, the Ministry of Health and Family Welfare, and other experts. If the advisory committee is satisfied, it then recommends the proposal to DCGI who then clears the proposal for Phase I clinical trials. The DCGI reviews the clinical data after every phase based on which it grants approval for entering into the next phase. The Phase III clinical data is examined by the DCGI in consultation with the Genetic Engineering Approval Committee ("**GEAC**"). Thereafter, the DCGI grants the final approval for manufacturing and marketing the product.

According to the DCA and the applicable guidelines for generating pre-clinical and clinical data for RDNA based vaccines, diagnostics and other biologicals, human clinical trials can be conducted in four sequential phases that may overlap under some circumstances:

- *Phase I*: In this phase, the drug or treatment is introduced into a small group of healthy human beings to evaluate its safety, determine a safe dosage range and identify its side effects.

- *Phase II:* This phase involves studies on a selected group of patients to identify possible adverse effects and risks, to determine the efficacy of the product for specific targeted diseases and to further evaluate its safety.

- *Phase III:* Upon Phase II evaluations demonstrating that a dosage range of the product is effective and has an acceptable safety profile, further trials are undertaken on larger groups of patients to confirm their effectiveness, monitor side effects, compare it to commonly used treatments and collect information that will allow the drug or treatment to be used safely.

- *Phase IV*: In this phase, a study of post-marketing information with regard to the drug's risks, benefits and optimal use is carried out.

Further, the DCGI has vide a notification made registration of human clinical trial mandatory from June 15, 2009, which will be applicable for clinical trials initiated after June 15, 2009.

Under the DCA, the Government may, by notification in the official gazette, regulate or restrict the manufacture, sale or distribution of a drug, if it is satisfied that such drug is essential to meet the requirements of an emergency arising due to epidemic or natural calamities and that in the public interest, it is necessary or expedient to do so or that the use of such drug is likely to involve any risk to human beings or animals or that it does not have the therapeutic value claimed or purported to be claimed for it or contains ingredients and in such quantity for which there is no therapeutic justification.

The Essential Commodities Act, 1955 ("ECA")

The ECA gives powers to the government besides others, to control production, supply and distribution of essential commodities for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices. Using the powers under it, various ministries/departments of the Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The state governments have issued various control orders to regulate various aspects of trading in essential commodities such as food grains, edible oils, pulses kerosene, sugar and drugs.

The Drugs (Prices Control) Order, 1995 ("DPCO")

The DPCO was promulgated under section 3 of the ECA and is to be read with the DCA. The DPCO fixes the price for certain APIs and formulations which fall within the purview of the legislation and are called as scheduled drugs and scheduled formulations, respectively.

The National Pharmaceutical Pricing Authority ("**NPPA"**) is responsible for the collection of data and study of the pricing structure of APIs and formulations and to enforce prices and availability of the medicines in the country, under the DPCO. Upon recommendation of the NPPA, the Ministry of Chemicals and Fertilizers, Government of India fixes ceiling prices of the APIs and formulations and issues notifications on drugs which are scheduled drugs and scheduled formulations. The NPPA arrives at the recommended prices for the scheduled drugs and formulations after collection and analysis of data on costing which includes data on raw material, composition, packing materials, process losses, overhead allocation and appointment, capacity utilisation, technical data on manufacturing work orders and packing work orders.

The Government has the power under the DPCO to recover amounts charged in excess of the notified price from the company. There are penal provisions for violation of any rules and regulations under the ECA. As per section 7 of the ECA, the penalty for contravention of the DPCO is minimum imprisonment of three months, which may extend to seven years and the violator is also liable to pay fine. Presently there are 74 scheduled drugs under the DPCO. These provisions are applicable to all scheduled formulations irrespective of whether they are imported or patented, unless they are exempted. However, the prices of other drugs can be regulated, if warranted in public interest.

Prices of non-scheduled formulations are fixed by the manufacturers themselves keeping in view factors like cost of production, marketing expenses, research and development expenses, trade commission, market competition, product innovation and product quality. The NPPA monitors the prices of medicines as per monthly audit reports.

The following information is required to be printed on the label of a medicine under the provisions of the DCA and the DPCO:

- Name of the formulation
- Composition of the formulation
- Pack size
- Address of the manufacturer
- Manufacturing license number
- Date of manufacture
- Expiry date
- Maximum retail price (excluding local taxes).

The Government has formulated a draft National Pharmaceutical Policy, 2006 in which it has recommended, *inter alia*, that patented drugs, that is, formulations under product patents which are launched in India after January 1, 2005 would be subject to price negotiations before granting them marketing approval. The draft National Pharmaceutical Policy, 2006 has been circulated to various stake holders to elicit their views before the new policy on drug price control mechanism is finalised. The draft National Pharmaceutical Policy, 2006 has not yet been notified by the Government and is not in effect as of the date of this Draft Red Herring Prospectus. The draft National Pharmaceutical Policy, 2006 may undergo further changes before it is notified by the Government.

Clinical Research

Clinical trials are required to comply with the "requirement and guidelines on clinical trials for import and manufacture of new drug" as contained in Schedule Y of the Drugs and Cosmetics Rules, 1945 as well as the guidelines for good clinical practices for clinical research in India issued by the Ministry of Health and Family Welfare. Additionally, the guidelines on generating pre-clinical and clinical data for RDNA based vaccines, diagnostics and other biologicals have been prescribed by the DBT. Tests for bioequivalence are required to comply with the Guidelines for Bioequivalence and Bioequivalence Studies issued by the CDSCO. These guidelines describe when bioequivalence studies are necessary and lay down the requirements for their design, conduct and evaluation.

For bio-medical wastes produced from research activities or from the testing of biologicals, the Biomedical Waste (Management and Handling) Rules, 1998 requires the setting up of requisite bio-medical waste treatment facilities and adherence with certain procedures for the disposal of this waste.

Ethical Guidelines for Biomedical Research on Human Participants, 2006 ("ICMR Code")

The Indian Council of Medical Research ("**ICMR**") has issued the ICMR Code which envisages that medical and related research using human beings as research participants must, necessarily, *inter alia*, ensure that the research is conducted under conditions in a manner conducive to and consistent with their dignity, well being and under conditions of professional fair treatment and transparency. Further such research is subjected to evaluation at all stages of the same.

As required by the ICMR Code, it is mandatory, amongst others, that all proposals on biomedical research involving human participants should be cleared by an internally constituted institutional ethics committee ("**IEC**") to safeguard the welfare and the rights of the participants.

These ethics committees are entrusted not only with the initial review of the proposed research protocols prior to initiation of the projects but also have a continuing responsibility of regular monitoring of the approved programmes to foresee the compliance of the ethics during the period of the project. Such an ongoing review has to be in accordance with the international guidelines wherever applicable and the standard operating procedures of the WHO.

The ICMR Code also provides that the human participants may be paid for the inconvenience and time spent, and should be reimbursed for expenses incurred, in connection with their participation in the research. They may also receive free medical services. During the period of research if any such participant requires treatment for complaints other than the one being studied, necessary, free ancillary care or appropriate treatments may be provided. However, payments should not be so large or the medical services so extensive as to make prospective participants consent readily to enroll in research against their better judgment, which would then be treated as undue inducement.

While both registered and unregistered trademarks are protected under Indian law, the registration of trademarks offers significant advantages to the registered owner. Registered trademarks may be protected by means of an action for infringement and unregistered trademarks may only be protected by means of the common law remedy of passing off.

Indian Environmental Regulation

The three major statutes in India, which seek to regulate and protect the environment against pollution related activities in India are the Environment Protection Act, 1986, the Water (Prevention and Control of Pollution) Act 1974 and the Air (Prevention and Control of Pollution) Act, 1981. The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (**"PCB"**), which are vested with diverse powers to deal with water and air pollution, have been established at the central level and in each state. 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 investigations to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation if the authorities are aware of or suspect pollution. All industries and factories are required to obtain consent orders from the PCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms laid down. These required to be renewed annually.

The issue of management, storage, and disposal of hazardous waste is regulated by the Hazardous Waste Management Rules, 1989 made under the Environment Protection Act, 1986. Under these rules, the PCBs are empowered to grant authorisation for collection, treatment, storage and disposal of hazardous waste, either to the occupier or the operator of the facility. A similar regulatory framework is also established with respect to bio-medical waste under the Bio-Medical Waste (Management and Handling) Rules, 1998.

In addition, the Ministry of Environment and Forests looks into Environment Impact Assessment (EIA). The Ministry of Environment and Forests receives proposals for expansion, modernisation and setting up of projects and the impact which, such projects would have on the environment is assessed by the ministry before granting clearances for the proposed projects.

The Factories Act, 1948

The Factories Act, 1948, as amended (the "**Factories Act**"), defines a 'factory' to be any premises on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the 'occupier' of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or both.

Indian Patent Regulation

The Patents Act, 1970 governs the patent regime in India. Historically, India granted patent protection only to processes and not to products in respect of food, medicine or drugs. However, as a signatory to the Trade Related Agreement on Intellectual Property Rights ("**TRIPS**"), India was required to ensure that its patent laws were in compliance with the TRIPs by January 1, 2005. Under this new patent regime, India is required to recognise product patents as well as process patents. The new regime provides for:

- Recognition of product patents in respect of food, medicine and drugs;
- Patent protection period of 20 years as opposed to the earlier seven year protection for process;

- Patent protections allowed on imported products; and
- Under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer.

India was granted a ten-year grace period to comply with product patent laws. Accordingly, the actual product patent regime came into force from 2005. However, during the transition period, India had to provide a pipeline protection to drugs patents after 1995. The validity period of patent for these products is calculated from the date of applying for the patent and since the implementation of product patents, the patent will be granted for the balance of the 20 year patent term from the date of filing of the application for pipeline protection.

The Patents (Amendment) Act, 2005 passed by Indian Parliament on March 17, 2005, has made certain changes to the Patents Act, 1970 ("**Patents Act**"). The definition of inventive step in the Patents Act has been amended to exclude incremental improvements or ever greening of patents. Under the amended Patents Act, an inventive step must involve a technical advance as compared to the existing knowledge or must have economic significance or both. Further, the invention must be non-obvious to a person skilled in the art. Another amendment, with a view to reducing ever greening of patents, is the expansion of the section 3 which determines what are not patents. Section 3(d) of the Patents Act has been amended such that the following are not patents:

- the mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance, or
- the mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant.

The explanation to section 3(d) clarifies that salts, esters, ethers, polymorphs, metabolites, pure form, particle size, isomers, mixtures of isomers, complexes, combinations, and other derivatives of known substance shall be considered the same substance, unless they differ significantly in properties with regard to efficacy. Hence, this explanation will ensure that derivatives, isomers, metabolites of known substances are not easily patentable without the establishment of significant improvements in properties.

The proviso to section 11A (7) has been introduced in the Patents Act to provide protection to those Indian enterprises which have made significant investment and have been producing and marketing a product prior to January 1, 2005, for which a patent has been granted through an application made under section 5(2) of the Patents Act and have continued to manufacture the product covered by the patent on the date of grant of the patent. In such a case, the patent-holder shall only be entitled to receive reasonable royalty from such enterprises and cannot institute infringement proceedings against such enterprises.

Trade Marks

The Trade Marks Act, 1999 ("**Trademark Act**") governs the statutory protection of trademarks in India. In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits the registration of trademarks for goods and services. Certification marks and collective marks can also be registered under the Trademark Act. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. However, the registration of a trademark that is not inherently distinctive on the basis of intent to use may be difficult to obtain.

Applications for a trademark registration may be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. If not renewed after ten years, the mark lapses and the registration has to be restored. The average timeline for the completion of the entire registration process is three to four years. However, it is likely that this timeline may be reduced in the near future due to initiatives which have been recently undertaken to expedite trademark filings.

Miscellaneous

Certain legislations such as the Narcotic Drugs and Psychotropic Substances Act, 1985, the Industries (Development and Regulation) Act, 1951, the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989, the Standards of Weights and Measures Act, 1976 the Explosives Act, 1884 and the Explosive

Rules, 1983, Indian Boiler Regulations, 1950 and the Packaged Commodities Rules, 1977 are also applicable to the Company. A wide variety of labour laws are also applicable to a manufacturing company such as ours, including the Contract Labour (Regulation and Abolition) Act, 1970, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employees State Insurance Act, 1948, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Payment of Gratuity Act, 1972, the Payment of Wages Act, 1936, the Trade Unions Act, 1926 and the Workmen's Compensation Act, 1922.

HISTORY AND CERTAIN CORPORATE MATTERS

The Company was originally incorporated as Glenmark Organics Limited, as a wholly owned subsidiary of GPL on September 29, 1994 in Maharashtra under the Companies Act. The Company received the certificate of commencement of business on September 12, 1996. The name of the Company was changed to its present name, Glenmark Generics Limited, pursuant to a resolution of the shareholders dated November 22, 2007. The fresh certificate of incorporation consequent upon the change of name was granted to the Company on November 29, 2007.

Pursuant to a re-organisation of its business, GPL transferred its generics business to the Company with effect from April 1, 2008 by entering into a business transfer agreement dated December 24, 2008. For details in relation to the transfer of business from GPL to the Company please see "– Business Transfer Agreement dated December 24, 2007 between GPL and the Company" on page 92 of this Draft Red Herring Prospectus. Further, the Company acquired its subsidiary Glenmark Generic Holdings S.A. by way of a share purchase agreement entered into between Glenmark Holding S.A., Switzerland and Glenmark Generics Finance S.A., Switzerland, a wholly owned subsidiary of the Company. For details in relation to the share purchase agreement please see "– Share Purchase Agreement dated June 2, 2008 between Glenmark Holding S.A. and Glenmark Generics Finance S.A." on page 95 of this Draft Red Herring Prospectus.

Further, G. M. Pharma Limited has merged with the Company in accordance with a scheme of amalgamation approved by the High Court of Bombay on July 4, 2008 in accordance with Sections 391 to 394 of the Companies Act. For details in relation to the scheme of amalgamation please see "– Scheme of Amalgamation" on page 93 of this Draft Red Herring Prospectus.

Main Objects of the Company

The main objects of the Company as contained in the Memorandum of Association are as follows:

"To carry on business of manufacturers, refiners, importers, exporters, manipulators, dealers, purchasers, sellers, wholesalers, retailers, agents and distributors of pharmaceuticals, drugs, medicines, chemicals, food products, alkalis, acids, tannins, essences, biological products, health foods, tonics, minerals and other waters, cosmetics, soaps, oils, fats, milk products, proteins, paints, varnishes, dyestuffs, compounds, salts and marine minerals."

Amendments to the Memorandum of Association

Since incorporation, the following changes have been made to the Memorandum of Association:

Date	Particulars
November 22, 2007	(i) The name of the Company was changed from Glenmark Organics Limited to Glenmark Generics Limited; (ii) The main objects clause of the Company was altered to bring them in consonance with the proposed business activities. Other clauses of the Articles were added, modified wherever necessary; and (iii) The authorised share capital of the Company was increased from Rs. 50 million to Rs. 500 million
July 24, 2008	The authorised share capital of the Company was increased from Rs. 500 million to Rs. 880 million pursuant to the order of the High Court of Judicature of Bombay dated July 4, 2008 sanctioning the Scheme
July 27, 2009	The authorised share capital of the Company was increased from Rs. 880 million to Rs. 2,000 million

Key Milestones

The table below sets forth some of the key events and milestones in the history of the Company:

Date	Details
July 4, 2008	The High Court at Bombay approved the scheme of amalgamation of G. M. Pharma Limited with the Company
December 24, 2007	The Company entered into a Business Transfer Agreement with GPL for transfer of the generics business

Promoter and Subsidiaries

For details regarding the Promoter, please see the section titled "Promoter" on page 113 of the Draft Red Herring Prospectus. For details regarding the subsidiaries of the Company, please see the section titled "Subsidiaries" on page 97 of this Draft Red Herring Prospectus.

Business Transfer Agreement dated December 24, 2007 between GPL and the Company

The Company entered into an agreement for transfer of business (the "**Agreement**") with GPL on December 24, 2007 whereby GPL shall transfer, grant, sell, convey and assign and deliver, as a going concern and the Company shall accept, purchase and acquire the generics business free and clear from all encumbrances except as set forth in the Agreement. The generics business has been defined in the Agreement to mean any and all assets, the operations associated with the assets, liabilities, company personnel (employees of GPL engaged in generics business), distribution network, intellectual property rights, goodwill, material contracts including supply and sales contracts (or such other rights or tangible and intangible properties which the seller may acquire in the ordinary course of business) of the generics business undertakings situated at Goa Kundaim, Goa main plant at Colvale, Goa Hormones plant at Colvale, Ankleshwar, Kurkumbh, Mohol, Turbhe (Sanpada) and the property located at Taloja Industrial Area until closing for producing, marketing and sale and distribution of the products, subject to identified exclusions. The transfer is effective from April 1, 2008. The Company is to pay purchase price of Rs. 7,500.00 million to GPL, which is payable on or prior to December 31, 2009 or within 3 months thereon or such extended time as may be agreed in writing. In terms of the Agreement, the Company is required to pay interest at the rate of 12% pa from January 2009 on the principal amount outstanding.

Assets: The assets transferred include the assets existing on the date of the agreement and those acquired up to closing date in connection with the Generic Business. These assets include any and all fixed assets and improvements including machinery and equipment including leased equipment and property used in connection with the undertakings relating to generic business; all inventories, trade receivables, loans and advances and other current assets as at the closing; any rights, claims and obligations payable under purchased contracts as also the rights, title and interest in and the goodwill appurtenant to the purchased contracts; any and all rights, claims and obligations under products and products registration with regulatory authorities; all rights including goodwill and intellectual property rights relating to the Generic Business; other than those excluded, all rights, title, interest to claims and causes of action that may arise in favour of GPL in relation to the generics business up to closing date; any and all consents in any property in relation to the generics business; services of all or substantially all but not less than 80% of the company personnel attached to the generics business, whose names are on rolls as on the date of the Agreement, which shall be updated as of closing date. The name "Glenmark" and variations of the same and any logos and trademarks use by GPL and its group companies has expressly been excluded from the assets transferred alongwith corporate and other statutory books and tax records of GPL.

Liabilities: Under the provisions of the Agreement, the Company shall assume the liabilities (as set out in the indicative list to the Agreement) which shall include the current liabilities of the generics business as provided in the accounts drawn up at closing. Further all debts, liabilities, agreements or other obligations known, unknown, hidden, incurred or arising after the closing date in relation to the generics business but referable to period prior to the closing date shall be the sole responsibility and liability of GPL and the liabilities which are incurred or arising after the closing date in relation to the generics business but referable to period prior to the closing date, for the acts or omissions of the GPL which are actively continued by the Company after the closing date, shall be apportioned between the parties on and from the date on which the Company actively continues such acts or omissions.

Employees: The Agreement provides that the employees of GPL in relation to the generics business shall become the employees of the Company from the closing date simultaneously with the transfer of the generics business.

Apportionment: In accordance with the terms of the Agreement, all outgoings in relation to the generics business referable to periods prior to the close of the generics business on the closing date shall be borne by GPL and thereafter by the Company and all the income referable to the periods prior to close of business on the closing date shall belong to GPL and thereafter to the Company.

Closing: The Agreement provides for certain conditions precedent to be fulfilled before the transaction contemplated under the Agreement can be consummated. Some of the conditions precedent are: GPL shall receive all material consents to sell and operate the generics business and GPL to obtain consents from lenders and no objection from their counterparties to material contracts. In addition, the employees of GPL in relation to the generics business have to be informed that their employment will be transferred to the Company at least 15 days prior to the Closing date. The closing shall take place 7 business days after the date on which GPL gives to the Company, a written notice together with copies of the final approval of the material consents and confirmation of the continued satisfaction of the other condition precedents. The transactions contemplated by the Agreement shall be consummated on the closing date. From the execution of the Agreement, GPL will make commercially reasonable efforts where possible to assign or otherwise transfer to the Company all commercial relationships and contracts of the generics business, as they existed prior to the Agreement.

Restrictions: The Agreement provides that until the receipt of the total purchase price certain acts of the Company shall be subject to the prior and express written consent of GPL. These acts include mortgage or creation of encumbrance on the assets of GPL, participation in other companies through investments, technical know-how and other strategic alliances, acquisition of rights referring to patents, trademarks, copyrights or other intellectual property rights, assignment or licensing of any rights relating to patents, trademarks or other intellectual property rights, lend money to third parties and borrow money except for inter-seller transfers, modification and changes in the existing business of GPL, addition of new business lines or modification of the scope of the sellers business and approval of the capitalisation of profit and / or distribution of dividend.

The Agreement also enumerates certain activities which cannot be undertaken by GPL, until closing while conducting the generics business in the ordinary course, except with the prior permission in writing of the Company. This includes that GPL shall not: creation of any charge or encumbrance over the generics business, fail to take any action required to maintain insurance with respect to the generics business, sell, license or otherwise dispose of any assets except in the regular course of business, will not merge or approve any amalgamation scheme with respect to the generics business, make any material change in or modification to the manufacturing process.

Of the sum of Rs. 7,500.00 million payable by the Company to GPL under the Agreement, the Company paid a sum of Rs. 349.00 million to GPL. Thereafter, the Company issued and allotted 71,510,000 equity shares of Rs. 10 each for cash at a premium of Rs. 90 per equity share to GPL in lieu of the outstanding debt on account of balance purchase consideration of Rs. 7,151.00 million payable by the Company to GPL. For further details, please see section titled "Capital Structure – Equity Share Capital History of the Company" on page 22 of this Draft Red Herring Prospectus. The Company has paid a sum of Rs. 557.19 million to GPL as interest in accordance with the terms of the Agreement.

Scheme of Amalgamation

On January 31, 2008, the Board of Directors of G. M. Pharma Limited (the "**Transferor Company**") approved the Scheme of Amalgamation (the "**Scheme**"), under Sections 391 to 394 of the Companies Act for the amalgamation of the Transferor Company with the Company. The Company obtained the approval of its shareholders for the Scheme on January 31, 2008. The Scheme was approved by the High Court of Bombay on July 4, 2008. Pursuant to the scheme, 38,000,00 Equity Shares were allotted.

Rationale for the Scheme

The Transferor Company and the Company were engaged in similar business operations as part of the Glenmark group. A consolidation of the Transferor Company's and the Company would therefore expected to lead to greater synergy in operations, resulting in more efficient utilisation of economic benefits, tax, benefits, and create a stronger base for future growth of business in general and the Company in particular. The amalgamation is expected to result in administrative rationalization and organizational efficiencies.

Summary of the Scheme

A summary of the terms and conditions of the Scheme were:

(i) The Scheme envisages the transfer of the Undertaking (as defined below) of the Transferor Company to the Company pursuant to Sections 391 to 394 of the Companies Act and other relevant provisions of the Companies Act in the manner provided for in the Scheme, and the consequent issue of equity shares by the Company to the shareholders of the Transferor Company as per the Share Exchange Ratio (as defined hereinafter).

(ii) The "Appointed Date" for the Scheme was January 31, 2008.

(iii) "Undertaking" shall mean:

a) all the assets and properties, movables or immovable, corporeal or incorporeal, present, future or contingent of whatsoever nature of the Transferor Company as on the Appointed Date.

b) all the debts, liabilities, duties and obligations of whatsoever nature of the Transferor Company as on the Appointed Date and as appearing in the books of account of the Transferor Company.

c) without prejudice to the generality of sub-clause (a) above, the undertaking shall include all the Transferor Company's properties, reserves, assets including leasehold rights, tenancy rights, investments of all kinds, allotments, approvals, consents, licenses industrial and other licenses, registrations, contracts, engagements, arrangements of all kind, benefits under the agreements/contracts, account opening forms including the agreements with clients, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated, permits, authorisations, quota rights, patents, trademarks, whether those applied or to be applied for after the Appointed Date or registered designs, copyrights and other intellectual properties, authorities, privileges various exemption, incentives and other intellectual properties, domain names, import quotas, fittings and fixtures, V-sats, telephones, telex, facsimile and other communication facilities, utilities, electricity and other services and equipments, vehicles, cash balances, reserves, security deposits, refunds, outstanding balances, stocks, investments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, benefits of all agreements and all other rights, interests, advantages, benefits and approvals belonging to or in ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, and all books of accounts, documents and records as on the Appointed Date.

The Scheme inter alia also provided for:

a) the manner of vesting and transfer of the assets of the Undertaking of the Transferor Company in the Company;

b) the transfer of contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature relating to the Transferor Company to the Company from the Appointed Date;

c) the transfer of all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company to the Company from the Appointed Date;

d) the transfer of all debts, liabilities, duties, and obligations of the Transferor Company to the Company;

e) the transfer of all suits, actions and proceedings by or against the Transferor Company to the Company;

f) the manner in which Transferor Company shall be deemed to have been carrying on all business and activities relating between the Appointed Date and the Effective Date for and on account of, and in trust for, the Company;

g) the transfer of employees engaged by the Transferor Company to the Company on terms and conditions not less favourable than those on which they are engaged in the Transferor Company;

h) provisions for the dissolution without winding up of the Transferor Company upon the effectiveness of the Scheme;

i) the issuance of 1 fully paid up share of face value of Rs. 10 by the Company to the shareholders of the Transferor Company whose names are recorded in the Register of Members on the record date for every 1 equity shares held by such shareholder in the Transferor Company and matters related thereto;

j) the costs vis-à-vis the transfer, implementation of the Scheme shall be borne by the Company;

k) the authorised share capital of the Company shall automatically stand increased by an amount equal to the authorised share capital of the Transferor Company;

l) the transfer of all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company to the Company; and

m) On the Scheme becoming effective the Transferor Company shall stand dissolved without winding up.

Name License Agreement dated February 11, 2008 between GPL and the Company

The Company has entered into a name license agreement (the "**Name License Agreement**") with GPL on February 11, 2008 whereby the Company has been granted a license to use name "Glenmark" and any variations of the same, any logos and trademarks of such names and the corporate name and trade-names of GPL (the "**Name**"). Under the provisions of the Name License Agreement, the Company has a non-exclusive and non-assignable license to use and affix the Name in the Company's corporate name for the purpose of conducting and promoting its business. This includes the right to use the Name in Licensee's corporate name for customary corporate communication purposes on business cards or letterheads, domain name or as part of an email address. The Company is to pay a royalty of Rs. 100,000 per month towards the license granted by GPL. By an addendum dated September 24, 2008 the term of the Name License Agreement has been extended from one year to a period of three years.

The Name License Agreement does not grant the Company a right to use the Name as or as a part of any of its trademarks. The Company shall not use the Name in combination with any other name or mark. Further, the interest and goodwill established by the use of the Name shall inure to the benefit of GPL.

The Name License Agreement can be terminated by either party by giving the other party a six months written notice. In accordance with the provisions of the Name License Agreement, within 60 days of termination or expiration of the agreement, the Company shall cease the Name and make applications to Registrar of Companies or other authorities to remove the Name from the corporate name of the Company. The Company shall also be required to remove all signs with the Name, cease using materials bearing the Name and within 75 days of expiration or termination give evidence to GPL that these obligations have been complied.

Share Purchase Agreement dated June 2, 2008 between Glenmark Holding S.A. and Glenmark Generics Finance S.A.

By a share purchase agreement (the "**SPA**") dated June 2, 2008 Glenmark Holding S.A., Switzerland sold 251,600,000 ordinary shares of 1 CHF each of Glenmark Generic Holdings S.A. to Glenmark Generics Finance S.A., Switzerland for a consideration of CHF 215,600,000. These shares are sold including the right to receive dividend and other distributions declared, paid or made after the completion of transfer of shares. The shares are transferred free from all encumbrances. Under the provisions of the SPA, the

consideration shall be treated outstanding on inter-company account as a debt from Glenmark Generics Finance S.A. and interest on the same shall be in accordance with the Swiss Federal tax administration ruling. Under the provisions of the SPA, the seller warrants that it has the right to sell and transfer the full legal and beneficial interest. The SPA is governed by the laws of Switzerland.

SUBSIDIARIES

The Company has the following five subsidiaries:

1. Glenmark Generics Finance S.A., Switzerland
2. Glenmark Generics Holding S.A., Switzerland
3. Glenmark Generics (Europe) Limited, UK
4. Glenmark Generics Inc., USA
5. Glenmark Generics S.A., Argentina

Details in relation to each of the subsidiaries of the Company are as set forth:

1. Glenmark Generics Finance S.A., Switzerland

Glenmark Generics Finance S.A. was incorporated on June 2, 2008 in Switzerland.

Principal Business

Glenmark Generics Finance S.A. is the holding company of Glenmark Generics Holding S.A.. Glenmark Generics Finance S.A. acquired 215,600,000 equity shares of Glenmark Generics Holding S.A. aggregating 100% of its shareholding pursuant to a share purchase agreement dated June 2, 2008 entered into with Glenmark Holding S.A., Switzerland. For further details please see section titled "History and Certain Corporate Matters" on page 91 of this Draft Red Herring Prospectus.

Capital Structure

The authorised share capital of Glenmark Generics Finance S.A. is CHF 1.50 million divided into 1,500,000 equity shares of CHF 1 each and the paid up capital is CHF 1.50 million divided into 1,500,000 equity shares of CHF 1 each.

Shareholding of the Company

The Company holds 1,500,000 equity shares aggregating 100% of the shareholding of Glenmark Generics Finance S.A..

2. Glenmark Generics Holding S.A., Switzerland

Glenmark Generics Holding S.A. was incorporated on March 7, 2008 in Switzerland.

Principal Business

Glenmark Generics Holding S.A. is the holding company of Glenmark Generics Inc. and Glenmark Generics S.A..

Capital Structure

The authorised share capital of Glenmark Generics Holding S.A. is CHF 215.60 million divided into 215,600,000 equity shares of CHF 1 each and the paid up capital is CHF 215.60 million divided into 215,600,000 equity shares of CHF 1 each.

Shareholding of Glenmark Generics Finance S.A.

Glenmark Generics Finance S.A. holds 215,600,000 equity shares aggregating 100% of the shareholding of Glenmark Generics Holding S.A..

3. Glenmark Generics (Europe) Limited, UK

Glenmark Generics (Europe) Limited was incorporated as Glenmark Pharmaceuticals (UK) Limited on February 10, 2004 in the United Kingdom. Its name was changed to Glenmark Pharmaceuticals (Europe) Limited and a certificate of incorporation on change of name was granted on September 14, 2006.

Subsequently its name was changed to Glenmark Generics (Europe) Limited and a certificate of incorporation on change of name was granted on November 26, 2007. Glenmark Generics (Europe) Limited acquired 219,696 equity shares of Glenmark Generics S.A., Argentina aggregating 0.65% of its shareholding pursuant to a share purchase agreement entered into with Glenmark Farmaceutica Limited and acquired 1,466,791 equity shares of Glenmark Generics S.A., Argentina aggregating 4.34% of its shareholding pursuant to a share purchase agreement entered into with Glenmark Generics Holding S.A. both dated April 1, 2008.

Principal Business

Glenmark Generics (Europe) Limited is engaged in the business of manufacture, marketing and distribution of generic pharmaceuticals products.

Capital Structure

The authorised share capital of Glenmark Generics (Europe) Limited is GBP 10.00 million divided into 10,000,000 equity shares of GBP 1 each and the paid up capital is GBP 6.29 million divided into 6,285,121 equity shares of GBP 1 each.

Shareholding of the Company

The Company holds 6,285,121 equity shares aggregating 100% of the shareholding of Glenmark Generics (Europe) Limited.

4. Glenmark Generics Inc., USA

Glenmark Generics Inc. was incorporated on March 5, 2003 in Delaware, USA. The name of the company was changed from Glenmark Pharmaceuticals Inc. to Glenmark Generics Inc. with effect from April 1, 2008.

Principal Business

Glenmark Generics Inc. is engaged in the business of carrying out, inter alia, activities relating to the manufacture, marketing and distribution of generic pharmaceutical products.

Capital Structure

The authorised share capital of Glenmark Generics Inc. is as set forth below:

(i) Common stock – Class A of USD 50.00 million divided into 50,000,000 shares of USD 1 each
(ii) Common Stock – Class B of USD 0.30 million divided into 300,000 shares of USD 1 each
(iii) Preferred Stock – USD 1.00 million divided into 1,000,000 shares of USD 1 each

The paid up capital of Glenmark Generics Inc. is USD 42.67 million divided into 42,665,819 Class A common stock of USD 1 each.

Shareholding of Glenmark Generics Holding S.A.

Glenmark Generics Holding S.A. holds 42,665,819 Class a common stock aggregating 100% of the shareholding of Glenmark Generics Inc.

5. Glenmark Generics S.A., Argentina

Glenmark Generics S.A. was originally incorporated as Servycal S.A. on June 18, 1996 in Buenos Aires, Argentina. The name of the company was changed from Servycal S.A. to Glenmark Generics S.A. with effect from April 1, 2008.

Principal Business

Glenmark Generics S.A. is involved in the business relating to generic research, manufacturing and distribution of oncology products.

Capital Structure

The authorised share capital of Glenmark Generics S.A. is ARS 94.80 million divided into 94,800,000 equity shares of ARS 1 each and the paid up capital is ARS 88.97 million divided into 88,974,571 equity shares of ARS 1 each.

Shareholding of Glenmark Generics Holding S.A. and Glenmark Generics (Europe) Limited

Glenmark Generics Holding S.A. holds 87,288,084 equity shares aggregating 98.10% of the shareholding of Glenmark Generics S.A. and Glenmark Generics (Europe) Limited holds the balance 1,686,487 equity shares aggregating to 1.90%.

MANAGEMENT

Board of Directors

The Articles of Association of the Company require that the Directors of the Company shall not be less than three and not more than 12. The Company currently has eight Directors.

The details regarding the Board of Directors as on the date of this Draft Red Herring Prospectus are set forth below:

Name, Father's Name, Designation, Address, Occupation and Term	Nationality	Age (in years)	Other Directorships/Partnerships
Mr. Glenn Saldanha (S/o Mr. Gracias Saldanha) *Chairman and Non-Executive Director* Address: Rustomjees La Solita, Flat No.1101, 11th Floor, 16 Turner Road, 72A off Gurunanak Road, Bandra (West) Mumbai 400 050 Occupation: Business Term: Liable to retire by rotation DIN: 00050607	Indian	40	• Glenmark Pharmaceuticals Limited • Glenmark Exports Limited • Glenmark Impex LLC • Glenmark Generics Inc. USA • Glenmark Dominicana S.A. • Glenmark Pharmaceutical S.A., Switzerland • Glenmark Holding S.A., Switzerland • Glenmark Generics Holding S A, Switzerland • Glenmark Generics Finance S. A • Glenmark Therapeutics Inc, USA
Mr. Terrance J. Coughlin (S/o Terrance John Coughlin) *Whole Time Director* Address: 43 Chester Hill Road Warwick NY 10990 USA Occupation: Service Term: Three years w.e.f. April 1, 2008 DIN: 02135498	US	44	• Glenmark Generics Inc., USA • Glenmark Therapeutic Inc., USA
Mr. Jalaj Sharma (S/o Surendra Sharma) *Whole Time Director* Address: Flat No. 125 and 126, West End, 'D' Wing, Raheja Vihar, Chandivali Farm Road,	Indian	46	-

Name, Father's Name, Designation, Address, Occupation and Term	Nationality	Age (in years)	Other Directorships/Partnerships
Chandivali, Andheri (E) Mumbai – 400 072 Occupation: Service Term: Three years with effect from April 1, 2009 DIN: 02626340			
Mr. R.V. Desai (S/o Mr. Vasudeo Desai) *Non-Executive Director* Address: 102, Shrinath Bhavan, Nicholas Wadi, Y. Twada Road, Dahisar (West) Mumbai 400 068 Occupation: Service Term: Liable to retire by rotation* DIN: 00050838	Indian	51	• Glenmark Dominicana S.A. • Glenmark Pharmaceuticals SRO • Glenmark Generics Holdings S.A. • Glenmark Holding S. A., Switzerland • Glenmark Pharmaceuticals S.A., Switzerland • Glenmark Generics Finance S. A. • Glenmark Pharmaceuticals Colombia Ltda. • Glenmark Therapeutics Inc. USA • Glenmark Pharmaceuticals Egypt S. A. E. • Glenmark Pharmaceuticals Mexico S.A. DE CV • Glenmark Pharmaceuticals Venezuela, CA • Badatur S.A.
Mr. Julio F. Ribeiro (S/o Angelo Frederick Ribeiro) *Non-Executive and Independent Director* Address: 5 Floor, Room 51, Sagar Tarang Building, 15 A K A G Khan Road, Mumbai – 400 030 Occupation: Retired IPS Term: Liable to retire by rotation DIN: 00047630	Indian	80	• Glenmark Pharmaceuticals Limited • VVF Limited • Fullerton India Credit Company Limited
Mr. Sridhar Gorthi (S/o Anant Bhanu Gorthi) *Non-Executive and Independent Director* Address: 1002, 10th Floor, June Blossoms, Manuel Gonsalves Road,	Indian	37	• Glenmark Pharmaceuticals Limited • Triconsult India Private Limited • Hathway Cables and Datacom Limited • Pay Pal Payments Private Limited • Aurora Communications and Events (India) Private Limited • Insite India Advisors Private

Name, Father's Name, Designation, Address, Occupation and Term	Nationality	Age (in years)	Other Directorships/Partnerships
Bandra (West), Mumbai – 400 050 Occupation: Lawyer Term: Liable to retire by rotation DIN: 00035824			Limited **Partnerships** • Trilegal
Mr. Natvarlal Bhimbhai Desai (S/o Bhimbhai Bhylabhai Desai) *Non-Executive and Independent Director* Address: 701, Kubelisque Condominm, Union Park, Pali Hill, Nargis Dutt Road, Mumbai – 400 052 Occupation: Retired banker Term: Liable to retire by rotation* DIN: 00029023	British	82	• Glenmark Pharmaceuticals Limited
Mr. D. R. Mehta (S/o Hanwant Raj Mehta) *Non-Executive and Independent Director* B-5, Mahavir Udyan Marg, Bajaj Nagar, Jaipur – 302 015 Occupation: Retired IAS Term: Liable to retire by rotation* DIN: 01067895	Indian	72	• Glenmark Pharmaceuticals Limited • Poly Medicare Limited • Jain Irrigation Systems Limited • SPICE Investment & Finance Advisor Private Limited • JMC Projects (India) Limited • Atul Rajasthan Date Palms Limited

** Mr. R. V. Desai, Mr. Natvarlal Bhimbhai Desai and Mr. D. R. Mehta have been appointed as additional Directors of the Company by a resolution passed by the Board dated August 14, 2009. Their appointment as Non-Executive Directors is subject to approval of the shareholders of the Company at its ensuing AGM.*

Relationship between Directors

None of the Directors are related to each other.

Brief Biographies of the Directors

Mr. Glenn Saldanha, aged 40, has been the Director of the Company since December 18, 2007 and is currently the Chairman of the Company. He holds a bachelors degree in Pharmacy and a masters degree in Business Administration from Leonard Stern School of Business, New York University. He joined GPL in 1998 as Director and took over as Managing Director and Chief Executive Officer in 2000. Mr. Saldanha joined Eli Lilly's global marketing team in Indianapolis soon after graduating from New York University.

His last assignment was with Price Waterhouse Coopers, USA ("PWC"). As consultant at PWC, he had the opportunity to work with top pharmaceutical companies, like Rhone Poulenc Rhorer, Bristol Myers Squibb, Astra Merck and Smith Kline Beecham. He has been instrumental in growing Glenmark from an Indian formulations business in 1999 to a global pharmaceutical firm with interests spanning discovery research, branded business in over 80 countries and generic and bulk active businesses globally. He was responsible for launching and running Glenmark's generic and API businesses.

Mr. Terrance J. Coughlin, aged 44, has been the Director of the Company since March 26, 2008 and is currently a whole time director and the Chief Executive Officer of the Company. He joined Glenmark Pharmaceuticals in 2004 as President, Glenmark Pharmaceuticals Inc. and was responsible for Glenmark's North American activities and global API marketing. He holds a bachelors degree in science and chemistry from Michigan University and has over 20 years experience in the generic pharmaceutical industry. Prior to Glenmark, he spent nine years with Dr. Reddy's Laboratories, where he helped start their US operations as director of business development and later as senior vice president. He was responsible for global API sales and pipeline management (API and finished dosage). Mr. Terrance J. Coughlin has also worked with Wyckoff Chemical Company (an API manufacturer) in various capacities in quality control /quality assurance, as sales manager and director of sales and has also held a technical position in the chemicals and metals division of Dow Chemical Company.

Mr. Jalaj Sharma, aged 46, has been the Director of the Company since April 1, 2009 and is currently the Whole Time Director and President – Operations of the Company. Mr. Jalaj Sharma joined GPL in 2005 as Vice President - Formulations Supply Chain. He presently oversees the research and development functions and the end to end supply chain including all manufacturing facilities for both the formulations as well as the API businesses. He is also responsible for the Argentina supply chain and the new manufacturing facility at Buenos Aires. Mr. Jalaj Sharma holds a post graduate degree in Business Management (Finance) from All India Management Association, Delhi and also holds a degree in Mechanical Engineering from the Institute of Technology, Varanasi. He has over 22 years of experience as a professional working in various sectors such as FMCG, Steel, Engineering, Pharmaceuticals and Electronics. Prior to joining Glenmark, he has worked with organizations like PepsiCo India Limited, Ispat Industries, Altos India Limited and Bharat Electronics.

Mr. R. V. Desai, aged 51, has been the Director of the Company since August 14, 2009. Mr. R.V. Desai is a graduate in science from the University of Mumbai and a Chartered Accountant. He joined GPL in 1983 and was previously employed with Progressive Business Consultants Private Limited. He has over 26 years of experience in the pharmaceutical industry.

Mr. Julio F. Ribeiro, aged 80, has been the Director of the Company since August 14, 2008. He holds a bachelors degree in Commerce and a bachelor's degree in law from the Bombay University. He is a retired government official and has served the country under various assignments. Amongst the major positions held, he has been the ex Commissioner of Police, Mumbai, former Special Secretary to Government of India, Ministry of Home Affairs, former Director General of Police, Punjab, Ex-Adviser to the Governor of Punjab, Ex-Ambassador of India to Romania.

Mr. Sridhar Gorthi, aged 37, has been the Director of the Company since August 14, 2008. He holds a BA, LLB (Hons.) from the National Law School of India University, Bangalore. He is presently a partner in Trilegal and has previously worked with Arthur Anderson and Lex Inde, Mumbai. He has been involved in providing legal advisory services to various multinational and domestic corporations on restructuring, debt, finance, joint ventures and acquisition / mergers.

Mr. Natvarlal Bhimbhai Desai, aged 82, has been the Director of the Company since August 14, 2009. He is a matriculate from Bombay University. He is a retired general manager of Bank of Baroda. He has over 45 years experience in the banking sector. He has worked in India and overseas. He was the chairman of Bank of Baroda Uganda Limited. He was the founder and managing director of Equitorial Bank PLC, UK from which he retired in 1992.

Mr. D. R. Mehta, aged 72, has been the Director of the Company since August 14, 2009. He holds a degree in bachelors in arts and an LLB degree from Rajasthan University. He also holds management degrees from Royal Institute of Public Administration, London and from Alfred Sloan School of Management, Massachusetts Institute of Technology, Boston, United States of America. Mr. D. R. Mehta was a civil servant for almost forty years and has experience in administration and management of public

affairs. He joined the Indian Administrative Services in 1961 and has held positions in the Government of Rajasthan and in the Government of India. He served in the Government of Rajasthan as collector of three districts and secretary of various departments like industry, mines and state enterprises. He was the joint secretary (banking), Controller of Capital Issues and additional secretary (banking) in the Ministry of Finance, Government of India. He was also the secretary of the Committee on Financial Policy in the cabinet secretariat in the Government of India. Further, he was the Director General of Foreign Trade in the Government of India, Ministry of Commerce. He was also the deputy governor of the Reserve bank of India and the chairman of SEBI. He was also the chairman of the emerging markets committee of the International Organization of Securities Commission.

Details of Appointment of Whole time Directors

Mr. Terrance J. Coughlin has been appointed as Whole Time Director of the Company with effect from April 1, 2008. The Company has made an application dated June 23, 2008 to the Under Secretary to the Government of India, Ministry of Corporate Affairs in relation to the appointment of Mr. Terrance J. Coughlin as a whole time Director of the Company and the remuneration payable to him as approved by the Compensation Committee of the Board.

Mr. Jalaj Sharma has been appointed as Whole Time Director of the Company with effect from April 1, 2009 for a period of three years.

Remuneration of Whole time Directors

The remuneration of the following executive Directors is as per the terms of appointment contained below:

Mr. Terrance J. Coughlin

The remuneration payable to Mr. Terrance J. Coughlin under the terms of the Board resolution dated March 26, 2008 with effect from April 1, 2008 for a period of three years is as follows:

Salary:	Not exceeding Rs. 55,230,000 per annum (equivalent to USD 1,315,000 at an exchange rate of 1 USD = Rs. 42), subject to such annual increment within the said limit as the Board may determine form time to time on recommendation of the Compensation Committee.
Perquisites:	• Personal accident insurance • Use of car and telephone • Other allowances not exceeding 5% of basic salary • Annual performance bonus as determined by the Board not exceeding 40% of the basic salary

During Fiscal 2009, Mr. Terrance J. Coughlin was paid a gross remuneration of Rs. 28.06 million (USD 603,816) in his capacity as the President of Glenmark Generics Inc., a subsidiary of the Company.

Mr. Jalaj Sharma

The remuneration payable to Mr. Jalaj Sharma under the terms of the Board resolution dated April 1, 2009 effective from April 1, 2009 for a period of three years is as follows:

Salary:	• Not exceeding Rs. 3,275,000 per annum. • Personal pay: not exceeding Rs. 1,290,000 per annum • House rent allowance: not exceeding Rs. 1,637,500 per annum • Education allowance for dependent children of Rs. 2,400 per annum.
Perquisites:	• Medical reimbursement: Subject to ceiling of 1% of basic salary • Leave travel re-imbursement: not exceeding 15% of basic salary per annum • Personal accident insurance • Use of car and telephone • Retirement benefits: not exceeding 12% of basic salary • Gratuity: not exceeding 4.81 % of basic salary • Other allowances: not exceeding Rs. 705,000 per annum

	• Annual performance bonus not exceeding 50% of basic salary

During Fiscal 2009, Mr. Jalaj Sharma was paid a gross compensation of Rs. 6.60 million by the Company.

In relation to other Directors of the Company, apart from sitting fees and reimbursement of expenses, no remuneration is payable by the Company. The Company has not entered into any service contracts with the Directors which provide for benefits upon termination of employment of the Directors.

Shareholding of the Directors

The Articles of Association do not require the Directors to hold any qualification Shares. The following is the shareholding of the Directors in the Company:

S. No.	Name of Director	Number of Equity Shares
1.	Mr. Glenn Saldanha*	1,496
2.	Mr. R.V. Desai*	501
3.	Mr. Terrance J. Coughlin	3,197,848

** Equity Shares held jointly with GPL*

Interests of Directors

All the Directors may be deemed to be interested to the extent of fees payable to them, if any, for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them, if any under the Articles of Association, and to the extent of remuneration paid to them, if any for services rendered as an officer or employee of the Company. The Directors may also be interested to the extent of the options of the Company held by them.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to the companies, firms, trusts, in which they are interested as Directors, members, partners, trustees and Promoter, pursuant to this Issue. All of the Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

The Directors have no interest in any property acquired by the Company within two years of the date of this Draft Red Herring Prospectus.

Mr. Sridhar Gorthi, an independent director on the Board of the Company, is also a partner of Trilegal which represents the Company as its advocates and solicitors. Mr. Gorthi may be interested in the Company to the extent of the fees paid to Trilegal towards legal services rendered by it to the Company.

Except as stated in the section titled "Related Party Transactions" on page 127 of this Draft Red Herring Prospectus, the Directors do not have any other interest in the business of the Company.

Changes in the Board of Directors in the last three years

The changes in the Board of Directors during the last three years are as follows:

Name	Date of Change	Reason
Mr. Glenn Saldanha	December 18, 2007	Appointment as additional director
Mr. R. V. Desai	January 21, 2008	Appointment as additional director
Mr. Pushpinder Bindra	March 26, 2008	Appointment as additional director
Mr. Terrance J. Coughlin	March 26, 2008	Appointment as additional director
Mr. Pushpinder Bindra	August 5, 2008	Vacation of office under section 283 of the Companies Act
Mr. Julio F. Ribeiro	August 14, 2008	Appointment as additional director
Mr. Sridhar Gorthi	August 14, 2008	Appointment as additional director
Mr. Glenn Saldanha	September 5, 2008	Appointment
Mr. R. V. Desai	September 5, 2008	Appointment
Mr. Terrance J. Coughlin	September 5, 2008	Appointment

Name	Date of Change	Reason
Mr. Julio F. Ribeiro	September 5, 2008	Appointment as director (in casual vacancy)
Mr. Sridhar Gorthi	September 5, 2008	Appointment as director (in casual vacancy)
Mr. Gracias Saldanha	September 5, 2008	Resignation
Mrs. Blanche Saldanha	September 5, 2008	Resignation
Mrs. Cherylann Maria Pinto	September 5, 2008	Resignation
Mr. R. V. Desai	April 1, 2009	Resignation
Mrs. Blanche Saldanha	April 1,2009	Appointment as additional director
Mr. Jalaj Sharma	April 1, 2009	Appointment
Mrs. Blanche Saldanha	August 14, 2009	Resignation
Mr. R. V. Desai	August 14, 2009	Appointment
Mr. Natvarlal Bhimbhai Desai	August 14, 2009	Appointment
Mr. D. R. Mehta	August 14, 2009	Appointment

Corporate Governance

The Company has complied with the requirements of the applicable regulations, including the listing agreement to be entered in to with the Stock Exchanges and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. 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.

The Company has a Board constituted in compliance with the Companies Act and listing agreement to be entered in to with the Stock Exchanges and in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. The executive management of the Company provides the Board detailed reports on its performance periodically.

Currently, the Board of Directors has eight Directors and the Chairman of the Board of Directors is a Non-Executive Director. In compliance with Clause 49 of the equity listing agreement, the Company has two executive Directors and six non-executive Directors, including four independent Directors, on its Board of Directors.

Committees of the Board

Audit Committee

The members of the Audit Committee are:

1. Mr. Julio F. Ribeiro, Chairman
2. Mr. Sridhar Gorthi
3. Mr. Natvarlal Bhimbhai Desai

The Audit Committee was reconstituted by a meeting of the Board of Directors held on August 14, 2009. The terms of reference of the Audit Committee are:

1. Oversight of the company's financial reporting process and the disclosure of its financial information;
2. Recommending to the Board, the appointment, re-appointment and replacement of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
   (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
   (ii) Changes, if any, in accounting policies and practices and reasons for the same

(iii) Major accounting entries involving estimates based on the exercise of judgment by management
(iv) Significant adjustments made in the financial statements arising out of audit findings
(v) Compliance with listing and other legal requirements relating to financial statements
(vi) Disclosure of any related party transactions
(vii) Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the board for approval;
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
7. 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;
8. Discussion with internal auditors any significant findings and follow up there on;
9. 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;
10. Discussion 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;
11. To look 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;
12. Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
13. Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by the statutory auditors, internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the chief internal auditor; and
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The powers of the Audit Committee shall include the power:

1. To investigate activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operation;
2. statement of significant related party transactions;
3. internal audit reports relating to internal control weaknesses;
4. the appointment, removal and terms of remuneration of the chief internal auditor; and
5. review of the financial statements of the unlisted subsidiary companies, in particular, the investments made by them if any.

The scope and function of the Audit Committee are in accordance with Section 292A of the Companies Act and Clause 49 of the Listing Agreement.

Compensation Committee

The Compensation Committee was reconstituted by a meeting of the Board of Directors held on August 14, 2009. The members of the Compensation Committee are:

1. Mr. Julio F. Ribeiro, Chairman
2. Mr. Sridhar Gorthi
3. Mr. Natvarlal Bhimbhai Desai
4. Mr. Glenn Saldanha

The terms of reference of the Compensation Committee are as follows:

1. 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, 1992; or
   (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
2. Determine on behalf of the Board and the shareholders the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.
3. Perform such functions as are required to be performed by the Compensation Committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("ESOP Guidelines"), in particular, those stated in Clause 5 of the ESOP Guidelines.
4. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Shareholders'/Investors' Grievances Committee

The Shareholders/ Investors' Grievance Committee was constituted by a meeting of the Board of Directors held on August 14, 2009. The members of the Shareholders'/Investors' Grievance Committee are:

1. Mr. Julio F. Ribeiro, Chairman
2. Mr. Sridhar Gorthi
3. Mr. R. V. Desai

The terms of reference of the Shareholders/Investor Grievance Committee are as follows:

1. Approval of the requests for share transfers and transmissions;
2. Approval of the requests pertaining to Remat of shares, requests received for issuance of renewed and duplicate share certificates, subdivision, consolidation; and
3. to specifically look into the redressal of shareholder and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

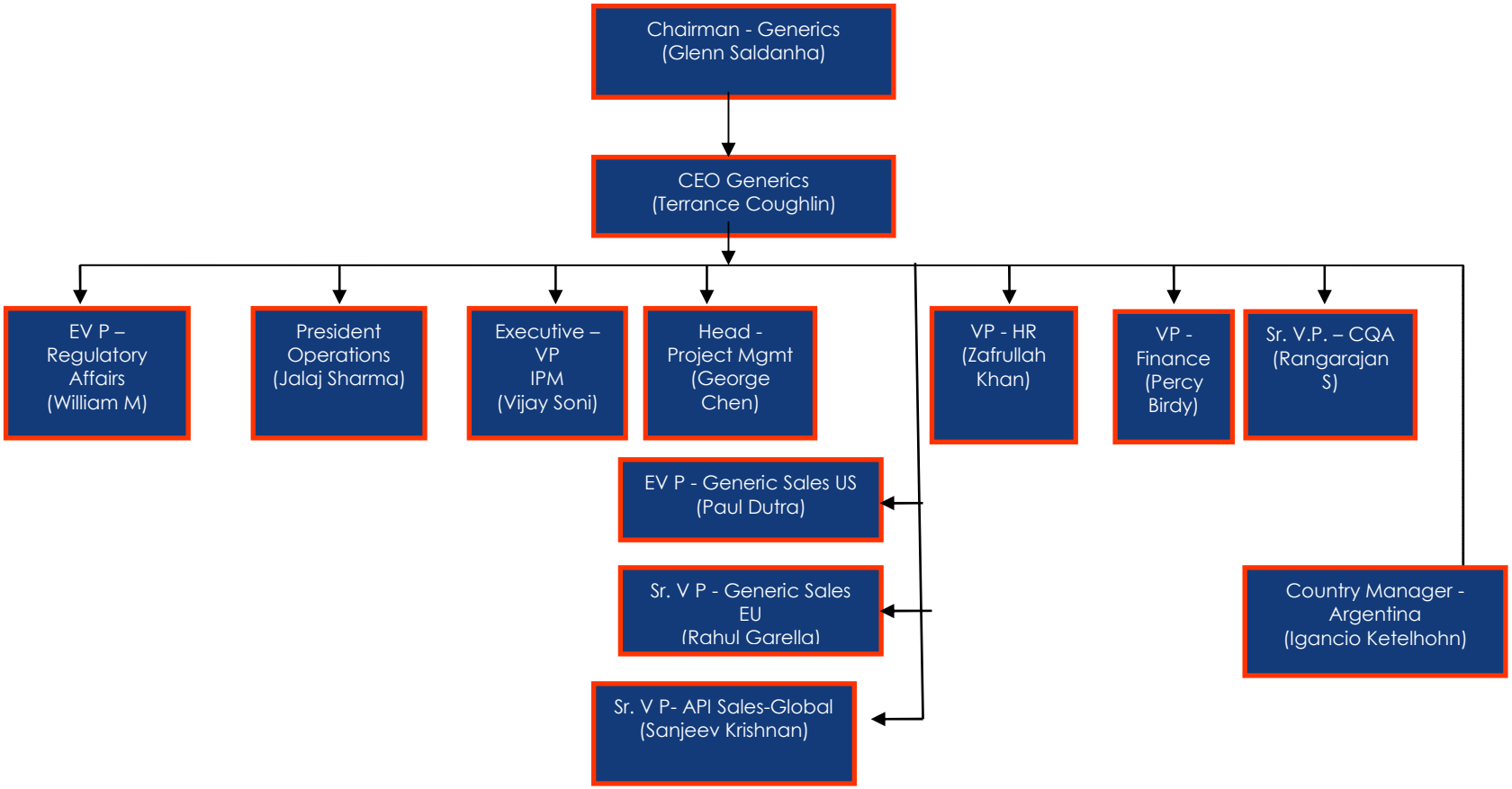
Borrowing Powers of the Board

In terms of the Articles of Association, the Board may, from time to time, at its discretion raise or borrow any sum or sums of money for the purposes of the Company and subject to the provisions of the Companies Act may secure payment or repayment of the same in such manner and terms as prescribed by the Board of Directors, in particular by issue of bonds, debentures or debenture-stock of the Company either secured or unsecured by a mortgage or charge over all or any of the property of the Company including its uncalled capital for the time being, and debenture-stock bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Pursuant to a resolution passed by the shareholders at the AGM dated September 5, 2008 in accordance with the provisions of the Companies Act, 1956, the Board has been authorized to borrow moneys (apart from temporary loans obtained from the bankers of the Company in ordinary course of business), from time to time, for the purpose of Company's business upto an aggregate amount of Rs. 18,000 million.

Pursuant to resolution passed by the shareholders at the AGM dated September 5, 2008, the Company has accorded its consent to the Board of Directors to mortgage and/or create charge in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine. The charge/mortgage may be created on all or any of the movable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company to or in favour of the lender(s), agent(s), trustee(s) or any other person whomsoever participating in extending financial assistance for securing the borrowings of the Company.

Organisation chart of the Company



Key Management Personnel

In addition to the Whole Time Directors, Mr. Terrance J. Coughlin and Mr. Jalaj Sharma, provided below are the key managerial employees of the Company.

Mr. Zafrullah Khan, aged 41, is Vice President – Human Resources. He joined GPL as General Manager – Human Resources on December 15, 2004 and currently heads the Human Resources function for the Company. He holds a bachelors degree in science from Orissa University and masters in business administration from Xavier Institute of Management. Prior to joining the Company, he worked with Radisson as Director – Human Resources and with companies such as the Park, E.I. H. Limited, Mesco Pharmaceutical Limited and Vardhman Group. He has worked in the areas of manpower planning, recruitment and selection, training and development, industrial relations and organisational development. During the Fiscal 2009, Mr. Zafrullah Khan was paid a gross compensation of Rs. 3.47 million by the Company.

Mr. Percy Birdy, aged 41, is the Chief Financial Officer of the Company. He joined GPL as Vice President (Finance) on December 1, 2007. He is a chartered accountant and a cost accountant and holds a bachelors degree in commerce from the Sydenham College, Mumbai. Prior to joining the Company, he worked with Essel Propack Limited as Global Finance Controller and with companies such as Parke Davis and Warner Lambert Company where he worked in the area of Financial Budgeting and Business Plans. During Fiscal 2009, Mr. Percy Birdy was paid a gross compensation of Rs. 4.03 million by the Company.

Mr. Rangarajan Subramanian, aged 60, is Senior Vice President – Quality and heads the corporate quality assurance function of the Company. He joined GPL on March 12, 2008. He holds a masters degree in science (Chemistry) from Madras University. Prior to joining the Company, he worked with Ranbaxy Laboratories Limited as Director – Quality and with companies such as Hithaishi Chemicals, Asian Paints, Cipla Limited and UB Limited. During Fiscal 2009, Mr. Rangarajan Subramanian was paid a gross compensation of Rs. 7.89 million by the Company.

Mr. Rahul Garella, aged 39, is the Senior Vice President EU Business and is an employee of a subsidiary of the Company, Glenmark Generics (Europe) Limited. He joined GPL as Vice President API Sales (EU Business) on July 25, 2005. He holds a bachelors degree in Engineering from Jamia Milia Islamia University, New Delhi and post graduate diploma in Business Management (Marketing) from Institute of Management and Technology, Ghaziabad. Prior to joining the Company he worked with Orchid Chemicals and Pharmaceuticals Limited in the capacity of Regional Head – Europe and with companies such as Ranbaxy Laboratories Limited and Ballarpur Industries Limited. In the year 1994 – 1995, he was awarded the Chairman's citation for consistent outstanding performance at Ballarpur Industries Limited. During Fiscal 2009, Mr. Rahul Garella was paid a gross compensation of USD 0.28 million by Glenmark Generics (Europe) Limited.

Mr. Ignacio Ketelhohn, aged 42, is Country Manager of Argentina and is an employee of a subsidiary of the Company, Glenmark Generics S.A.. He joined Glenmark Generics S.A. on October 14, 2008. He holds Bachelors degree in Business Administration from Universidad Catolica Argentiina and a Masters in Business Administration from Belford University. Prior to joining Glenmark Generics S.A., he worked with Sandoz. During Fiscal 2009, Mr. Ignacio Ketelhohn was paid a gross compensation of USD 0.10 million by Glenmark Generics S.A..

Mr. Vijay Soni, aged 46, is Executive Vice President, Intellectual Property, USA and is an employee of a subsidiary of the Company, Glenmark Generics Inc. He joined Glenmark Generics Inc. on January 22, 2005. He holds a masters degree in science from Sardar Patel University and holds a post graduate degree in Organic Chemistry from Saurashtra University. Prior to joining Glenmark Generics Inc., he worked with Dr. Reddy's Laboratories. During Fiscal 2009, Mr. Vijay Soni was paid a gross compensation of USD0.25 million by Glenmark Generics Inc.

Mr. Paul Dutra, aged 40, is Executive Vice President, Generic Pharmaceuticals North America and is an employee of a subsidiary of the Company, Glenmark Generics Inc. He heads the Generic Formulation sales for US. He joined Glenmark Generics Inc., USA on July 16, 2003. He holds a bachelors degree in political science from Salve Regina University. Prior to joining Glenmark Generics Inc. he worked with Dr. Reddy's Laboratories. During Fiscal 2009, Mr. Paul Dutra was paid a gross compensation of USD 0.40 million by Glenmark Generics Inc.

Mr. Sanjeev Krishan, aged 37, is Senior Vice President of API and is an employee of a subsidiary of the Company, Glenmark Generics Inc. He heads the Global API Sales. He joined Glenmark Pharmaceuticals Inc. on February 1, 2005. He holds a masters degree in science from the Indian Institute of Technology, Roorkee and a post graduate diploma in management from Symbiosis, Pune. Prior to joining Glenmark Generics Inc., he worked with Dr. Reddy's Laboratories. During the Fiscal 2009, Mr. Sanjeev Krishan was paid a gross compensation of USD 0.19 million by Glenmark Generics Inc.

Mr. William McIntryre, aged 56, is the Executive Vice President of Regulatory Affairs of Glenmark Generics Inc. and is responsible for the global regulatory affairs. He joined Glenmark Pharmaceuticals Inc. on April 12, 2006. He holds a bachelors degree in Arts from Elmira College and post graduate degree from Albert Gordon Laboratory of Experimental Hematology, New York. Prior to joining Glenmark Generics Inc. he worked with Alpharma as Vice President – Global Regulatory Affairs and companies such as Dr. Reddy's Laboratories Inc, DUSA Pharmaceuticals Inc, Schein Pharmaceutical, Inc, Danbury Pharmacal, Inc, American Home Products, Purdue Frederick Research Centre, Pfizer Pharmaceuticals, Smith Kline and French Laboratories, Avon Products and New York University Medical Centre. During Fiscal 2009, Mr. William McIntryre was paid a gross compensation of USD 0.25 million by Glenmark Generics Inc.

Mr. George Chen, aged 29, is Director of Project Management and is an employee of a subsidiary of the Company, Glenmark Generics Inc. He joined Glenmark Pharmaceuticals Inc. on June 25, 2007. He holds a Doctor of Pharmacy from the Rutgers University and Lean Six Sigma Black Belt from Six Sigma Academy. Prior to joining Glenmark Generics Inc., he worked with Pliva Inc as Associate Director – Project Management and companies such as Par Pharmaceutical, Alpharma Inc and Purepac Pharmaceuticals. During Fiscal 2009, Mr. George Chen was paid a gross compensation of USD 0.14 million by Glenmark Generics Inc.

Except as mentioned above, all key managerial personnel are permanent employees of the Company. The key managerial personnel of the Company are not related to each other.

Shareholding of Key Managerial Personnel

The following is the shareholding of the Key Managerial Personnel in the Company:

S. No.	Name of the Key Managerial Personnel	Number of Equity Shares
1.	Mr. Paul Dutra	913,671
2.	Mr. William McIntyre	228,418
3.	Mr. Vijayprakash Soni	228,418

Employee Stock Option Scheme and Employee Stock Purchase Scheme

For details please see section titled "Capital Structure" on page 21 of this Draft Red Herring Prospectus.

Bonus or profit sharing plan of the Key Management Personnel

The Company does not have any bonus or profit sharing plan of the Key Management Personnel.

Interests of Key Management Personnel

The key management personnel of the Company do not have any interest in the Company other than to the extent of the remuneration, employee stock options held, if any, Equity Shares allotted under employee stock purchase scheme or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

None of the key management personnel have been paid any consideration of any nature from the Company, other than their remuneration.

Changes in the Key Management Personnel

The changes in the key management personnel in the last three years are as follows:

Name of the Key Management Person	Date	Reason for Change
Mr. Pushpinder Bindra	August 5, 2008	Vacation of office under section 283 of the Companies Act
Mr. B. Vasudevan	May 7, 2008	Resignation from the post of President - Operations
Dr. Yaqoob Ali	November 5, 2008	Resignation from the post of Vice President - Technical
Mr. Jalaj Sharma	September 30, 2008	Promoted as President – Operations from the designation of Senior Vice President – Supply Chain Management

PROMOTER

The Promoter of the Company is Glenmark Pharmaceuticals Limited.

Glenmark Pharmaceuticals Limited ("GPL")

GPL was incorporated on November 18, 1977 under the Companies Act, 1956.

Registered Office

The registered office of GPL is located at B/2, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai 400 026.

Principal Business of GPL

The principal business of GPL is to carry on the business of manufacturers, refiners, importers, exporters, manipulators, dealers, purchasers, sellers, wholesalers, retailers, agents and distributors of pharmaceuticals, drugs, medicines, chemicals, food products, alkalis, acids, tannins, essences, biological products, health foods, tonics, minerals and other waters, cosmetics, soaps, oils, fats, milk products, proteins, paints, varnishes, dyestuff, compounds, salts and marine minerals.

Board of Directors of GPL

The Board of Directors of GPL comprises of:

1. Mr. Gracias Saldanha
2. Mr. Glenn Saldanha
3. Mr. Abhinna Mohanty
4. Mrs. Cheryl Pinto
5. Mr. Julio F. Riberio
6. Mr. Natvarlal B. Desai
7. Mr. M. Gopal Krishnan
8. Mr. Sridhar Gorthi
9. Mrs. B. E. Saldanha
10. Mr. D. R. Mehta

Shareholding Pattern

The shareholding pattern of GPL as on June 30, 2009 is as follows:

	Category of shareholder	**Number of shareholders**	**Number of Shares**	**Number of Shares held in dematerialized form**	**Total shareholding as a % of total number of Shares**		**Shares pledged or otherwise encumbered**	
					As a % of (A+B)	**As a % of (A+B+ C)**	**Number of Shares**	**As a % of total number of Shares**
(A)	**Shareholding of Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Individuals/ Hindu Undivided Family	15	2,961,019	2,961,019	1.18	1.18	-	-
	Any other (specify)	**1**	**127,533,560**	**127,533,560**	**50.89**	**50.89**	**-**	**-**
	Trusts	1	127,533,560	127,533,560	50.89	50.89	-	-
	Sub Total (A) (1)	**16**	**130,494,597**	**130,494,597**	**52.08**	**52.08**	**-**	**-**
(2)	**Foreign**	0	0	0	0	0	-	-

	Category of shareholder	Number of shareholders	Number of Shares	Number of Shares held in dematerialized form	Total shareholding as a % of total number of Shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+ C)	Number of Shares	As a % of total number of Shares
	Sub Total (A) (2)	**0**	**0**	**0**	**0**	**0**	**-**	**-**
	Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)	**16**	**130,494,597**	**130,494,597**	**52.08**	**52.08**	**-**	**-**
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/ UTI	30	2,950,657	2,950,657	1.18	1.18	-	-
(b)	Financial Institutions / Banks	11	3,919,939	3,919,939	1.56	1.56	-	-
(c)	Foreign Institutional Investors	212	66,815,510	66,815,510	26.66	26.66	-	-
	Sub-Total (B)(1)	**253**	**73,686,106**	**73,686,106**	**29.41**	**29.41**	**-**	**-**
(2)	**Non-institutions**							
(a)	Bodies Corporate	1,661	10,497,499	10,493,499	4.19	4.19	-	-
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	64,096	21,844,909	20,556,412	8.72	8.72	-	-
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	23	9,737,878	8,537,878	3.89	3.89	-	-
(c)	**Any Other (specify)**	**3,411**	**4,324,587**	**4,199,587**	**1.73**	**1.73**	**-**	**-**
	i. Directors and their relatives and friends	6	110,359	80,359	0.04	0.04	-	-
	ii. Hindu undivided families	1,359	868,023	868,023	0.35	0.35	-	-
	iii. Non Resident Indians	1,585	2,170,067	2,075,067	0.87	0.87	-	-
	iv. Trusts	12	24,484	24,484	0.01	0.01	-	-
	v. Clearing Members	448	1,151,154	1,151,154	0.46	0.46	-	-
	vi. Overseas Corporate Bodies	1	500	500	-	-	-	-
	Sub-Total (B)(2)	**69,191**	**46,404,873**	**43,787,376**	**18.52**	**18.52**	**-**	**-**
(B)	**Total Public Shareholding (B)= (B)(1)+(B)(2)**	**69,444**	**120,090,979**	**117,473,482**	**47.92**	**47.92**	**-**	**-**
	TOTAL (A)+(B)	**69,460**	**250,585,558**	**247,968,061**	**100.00**	**100.00**	**-**	**-**
(C)	Shares held by Custodians and against which Depository Receipts have been issued	**-**	**-**	**-**	-	**-**	**-**	**-**
	GRAND TOTAL (A)+(B)+(C)	**69,460**	**250,585,558**	**247,968,061**	-	**100.00**	**-**	**-**

There has been no change in management or control of GPL.

Financial Performance

The summary audited financials of GPL for the last three fiscal years are as follows:

(In Rs. million, except share data)

Particulars	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	250.52	248.73	240.12
Reserves (excluding revaluation reserves) and surplus	15,731.04	14,930.00	6,623.53
Income (including other income)	22,900.45	20,550.21	12,672.33
Profit After Tax and Minority Interest	1,916.64	6,321.33	3,100.60
Earning Per Share (face value Re. 1 each)	7.7	25.84	12.99*
Net asset value per share	7.5	24.96	11.56*

* Restated Earning Per Share and Net asset value per share considering face value of Re. 1 (The face value in Fiscal 2007 was Rs. 2 per share.)

GPL has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

Share Price Information

Equity shares of GPL are listed on BSE and NSE.

The monthly high and low of the closing market price of the equity shares of GPL having a face value of Re. 1 each on BSE for the last six months is as follows:

Month	High (Rs.)	Low (Rs.)
August 2009	280.35	202.00
July 2009	274.45	203.35
June 2009	266.80	199.05
May 2009	268.00	161.90
April 2009	217.50	147.50
March 2009	167.00	123.00

The monthly high and low of the closing market price of the equity shares of GPL having a face value of Re. 1 each on NSE for the last six months is as follows:

Month	High (Rs.)	Low (Rs.)
August 2009	281.00	190.00
July 2009	274.80	203.15
June 2009	266.40	198.30
May 2009	267.80	156.25
April 2009	217.75	145.10
March 2009	166.30	123.15

The market capitalisation of GPL on the closing price of Rs. 227.40 per equity share on the BSE as on September 25, 2009 was Rs. 61,302.7 million.

The market capitalisation of GPL on the closing price of Rs. 277.30 per equity share on the NSE as on September 25, 2009 was Rs. 61,275.8 million.

Details of the last issue undertaken by GPL

GPL had undertaken a qualified institutional placement of 18,712,935 equity shares of Re. 1 each at a price of Rs. 221 per equity share, including a premium of Rs. 220 per equity share, aggregating to Rs. 4,135.56 million to qualified institutional buyers on September 18, 2009

Mechanism for redressal of investor grievance

All share related transactions namely, transfer, transmission, transposition, nomination, dividend, change of name / address / signature, registration of mandate / power of attorney, replacement / split / consolidation of share certificate / demat / remat of shares, issue of duplicate certificates are being handled by GPL's registrar and transfer agent, M/s. Karvy Computershare Private Limited, which discharges investor service functions through a vast number of investor service centres across the country.

The board of directors of GPL has constitutes a shareholders' / investors' grievance committee which consists of the following Directors: Mr. J. F. Ribeiro, Mr. Glenn Saldanha and Mr. N. B. Desai. The terms of reference of the shareholders' / investors' grievance committee is as per Clause 49 of the listing agreement. One of the primary functions carried out by shareholders' / investors' grievance committee is to approve request for rematerialisation of shares as well as the sub-division, consolidation, issue of renewed and duplicate share certificates. The shareholders' / investors' grievance committee oversees all matters encompassing shareholders' / investors' grievance committee. The board of directors of GPL has also constituted a share transfer committee consisting of Ms. Cheryl Pinto, Director and Mr. Marshall Mendonza, Vice President (Legal & Company Secretary) is also a member of the Committee. The terms of reference of the share transfer committee is approving the share transfers.
The status of the number of Complaints for the year ended March 31, 2009 is as provided below:

Complaints outstanding as on April 1, 2008	Nil
Complaints received during the year ended March 31, 2009	50
Complaints resolved during the year ended March 31, 2009	50
Complaints outstanding as on March 31, 2009	Nil

Interests of the Promoter and Common Pursuits

The Promoter of the Company is interested to the extent of it shareholding in the Company.

Except as stated otherwise in this Draft Red Herring Prospectus, the Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Promoter is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by the Company other than in the normal course of business.

The Promoter does not have any interest in any venture that is involved in any activities similar to those conducted by the Company.

Payment of benefits to the Promoter

Except as stated in the section titled "Related Party Transactions" on page 127 of this Draft Red Herring Prospectus, there has been no payment of benefits to the Promoter during the two years prior to the filing of this Draft Red Herring Prospectus.

Confirmations

Further, the Promoter has not been declared as a wilful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoter in the past or are pending against them except as disclosed in section titled "Outstanding Litigation and Material Developments" beginning on page 218 of this Draft Red Herring Prospectus.

Companies with which the Promoter has disassociated in the last three years

GPL divested its investment in Glenmark Generics (Europe) Limited, formerly known as Glenmark Pharmaceuticals (Europe) Limited, which was a wholly owned subsidiary of GPL to its subsidiary G.M. Pharma Limited

The Company undertakes that the details of the PAN, Bank Account Number, Company Registration number and the address of the Registrar of Companies where Promoter is registered will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus with the Stock Exchanges.

Promoter Group

The following entities form part of the Promoter Group of the Company:

Trusts

1. Saldanha Family Trust

Companies

1. Glenmark Pharmaceuticals Limited
2. Badatur S.A., Uruguay
3. Glenmark Distributors SP. Z.O.O, Poland
4. Glenmark Dominicana S.A., Dominican Republic
5. Glenmark Exports Limited, India
6. Glenmark Farmaceutica Ltda, Brazil
7. Glenmark Holding S.A., Switzerland
8. Glenmark Impex LLC, Russia
9. Glenmark Pharmaceuticals (Australia) Pty. Limited, Australia
10. Glenmark Pharmaceuticals (Europe) Limited, UK
11. Glenmark Pharmaceuticals (Malaysia) Sdn. Bhd., Malaysia
12. Glenmark Pharmaceuticals (Thailand) Company Limited
13. Glenmark Pharmaceuticals Egypt (SAE)
14. Glenmark Pharmaceuticals EOOD Bulgaria.
15. Glenmark Pharmaceuticals Mexico S.A. De C.V.
16. Glenmark Pharmaceuticals Nigeria Ltd., Nigeria
17. Glenmark Pharmaceuticals Peru SAC
18. Glenmark Pharmaceuticals S.A., Switzerland
19. Glenmark Pharmaceuticals S.R.L, Romania
20. Glenmark Pharmaceuticals s.r.o Czech Republic
21. Glenmark Pharmaceuticals SK SRO, Slovak Republic
22. Glenmark Pharmaceuticals South Africa (Pty) Limited, South Africa
23. Glenmark Pharmaceuticals SP. Z.O.O, Poland
24. Glenmark Pharmaceuticals (Thailand) Company Limited
25. Glenmark Pharmaceuticals Venezuela CA
26. Glenmark Pharmaceuticals Colombia LTD A
27. Glenmark Pharmaceuticals FZE (UAE)
28. Glenmark Philippines Inc., Philippines
29. Glenmark South Africa (Pty) Limited
30. Glenmark Therapeutics Inc., USA

GROUP COMPANIES

A. Companies forming part of the Group Companies

Unless otherwise stated none of the companies forming part of Group Companies is a sick company under the meaning of SICA and none of them are under winding up.

Five largest Group Companies (based on turnover)

1. Glenmark Exports Limited, India

Corporate Information

Glenmark Exports Limited was incorporated on September 10, 1996 in India. The company is engaged in the business of registration and marketing of pharmaceutical products.

Interest of the Promoter

GPL holds 100% of the equity share capital of the company.

Financial Information

(In Rs. million, except share data)

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	18.50	18.50	1.00
Reserves (excluding revaluation reserves) and surplus	7.38	7.38	7.38
Income (including other income)	353.10	350.34	244.75
Profit After Tax	-	-	-
Earning Per Share (face value Rs. 10 each)	-	-	-
Net asset value per share	13.99	13.99	83.78

2. Glenmark Farmaceutica Ltda, Brazil

Corporate Information

Glenmark Farmaceutica Ltda was incorporated on April 13, 2004 in Brazil. The company is engaged in the business of registration, marketing and distribution of pharmaceutical products.

Interest of the Promoter

Glenmark Holding S.A., a wholly owed subsidiary of GPL, holds 100% of the equity share capital of the company.

Financial Information

(In Rs. million, except share data)

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	3,551.81	2,476.07	1,700.82
Reserves (excluding revaluation reserves) and surplus	1,705.01	1,869.55	880.38

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income (including other income)	1,243.16	2,088.93	1,249.49
Profit After Tax	(50.49)	991.30	461.66
Earning Per Share (face value BRL 1 each)	(0.31)	8.55	4.92
Net asset value per share	32.67	37.47	27.53

3. Glenmark Impex LLC, Russia

Corporate Information

Glenmark Impex LLC was incorporated on March 7, 2001 in Russia. The company is engaged in the business of marketing and distribution of pharmaceutical products.

Interest of the Promoter

GPL holds 100% of the equity share capital of the company.

Financial Information

(In Rs. million, except share data)

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	432.29	140.49	79.25
Reserves (excluding revaluation reserves) and surplus	325.00	322.45	204.96
Income (including other income)	994.16	870.77	629.96
Profit After Tax	101.73	85.62	237.40
Earning Per Share (face value RUR 1 each)	0.80	1.23	19.99
Net asset value per share	2.84	5.40	5.99

4. Glenmark Pharmaceuticals SRO, Czech Republic

Corporate Information

Glenmark Pharmaceuticals SRO was incorporated in Czech Republic. The company is engaged in the business of manufacturing, registration, marketing and distribution of pharmaceutical products.

Interest of the Promoter

Glenmark Holding S.A., a wholly owned subsidiary of GPL, holds the 100% of the equity share capital of the company.

Financial Information

(In Rs. million, except share data)

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	470.30	468.26	-
Reserves (excluding revaluation reserves) and surplus	(152.91)	(123.30)	-
Income (including other income)	768.26	377.94	-
Profit After Tax	62.54	(44.35)	-

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Earning Per Share (face value CZK 760 each)	210.97	(149.63)	-
Net asset value per share	1,067.30	1,163.92	-

5. Glenmark Pharmaceuticals (Europe) Limited, UK

Corporate Information

Glenmark Pharmaceuticals (Europe) Limited was incorporated on November 7, 2007 in the United Kingdom. The company is engaged in the business of research and development of pharmaceutical products.

Interest of the Promoter

Glenmark Holding S.A., a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

Financial Information

(In Rs. million, except share data)

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	290.32	0.00*	-
Reserves (excluding revaluation reserves) and surplus	(30.33)	-	-
Income (including other income)	188.71	-	-
Profit After Tax	(8.22)	-	-
Earning Per Share (face value GBP 1 each)	(4.43)	-	-
Net asset value per share	72.02	0.00	-

** The equity capital of Glenmark Pharmaceuticals (Europe) Limited in Fiscal 2008 was one ordinary share of 1 GBP.*

B. Group Companies with negative net worth

1. Glenmark Pharmaceuticals EOOD, Bulgaria

Corporate Information

Glenmark Pharmaceuticals EOOD was incorporated on April 20, 2008 in Bulgaria. The company is engaged in the business of registration of pharmaceutical products.

Interest of the Promoter

Glenamark Holding S.A., a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

Financial Information

(In Rs. million, except share data)

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	0.18	0.18	-
Reserves (excluding revaluation	(18.91)	(0.01)	-

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
reserves) and surplus			
Income (including other income)	-	-	-
Profit After Tax	(20.45)	-	-
Earning Per Share (face value BGN 1 each)	(14,080,736)	-	-
Net asset value per share	(3,747,400)	32,355.00	-

2. Glenmark Pharmaceuticals Mexico S.A. De CV, Mexico

Corporate Information

Glenmark Pharmaceuticals Mexico S.A. De CV was incorporated on August 21, 2008 in Mexico. The company is engaged in the business of marketing and distribution of pharmaceutical products.

Interest of the Promoter

Badatur S.A., a wholly owned subsidiary of Glenmark Holding S.A. which is a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

Financial Information

(In Rs. million, except share data)

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	0.22	-	-
Reserves (excluding revaluation reserves) and surplus	(14.86)	-	-
Income (including other income)	-	-	-
Profit After Tax	(15.56)	-	-
Earning Per Share (face value PESO 1 each)	(485.29)	-	-
Net asset value per share	(292.82)	-	-

3. Glenmark Pharmaceuticals Venezuela, Venezuela

Corporate Information

Glenmark Pharmaceuticals Venezuela was incorporated on November 5, 2008 in Venezuela. The company is engaged in the business of marketing of pharmaceutical products.

Interest of the Promoter

Badatur S.A., a wholly owned subsidiary of Glenmark Holding S.A. which is a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

Financial Information

(In Rs. million, except share data)

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	2.01	-	-
Reserves (excluding revaluation reserves) and surplus	(21.43)	-	-

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Income (including other income)	-	-	-
Profit After Tax	(19.63)	-	-
Earning Per Share (face value BS 1 each)	(13,677.95)	-	-
Net asset value per share	(1,816.11)	-	-

4. Glenmark Pharmaceuticals Peru SAC, Peru

Corporate Information

Glenmark Pharmaceuticals Peru SAC was incorporated on July 21, 2008 in Peru. The company is engaged in the business of marketing of pharmaceutical products.

Interest of the Promoter

Badatur S.A., a wholly owned subsidiary of Glenmark Holding S.A. which is a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

Financial Information

(In Rs. million, except share data)

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	0.04	-	-
Reserves (excluding revaluation reserves) and surplus	(21.65)	-	-
Income (including other income)	-	-	-
Profit After Tax	(20.30)	-	-
Earning Per Share (face value SOLE 1 each)	(15,941.27)	-	-
Net asset value per share	(7,716.43)	-	-

5. Glenmark Pharmaceuticals SK SRO, Slovak Republic

Corporate Information

Glenmark Pharmaceuticals SK SRO was incorporated in Slovak Republic. The company is engaged in the business of marketing and distribution of pharmaceutical products.

Interest of the Promoter

Glenmark Pharmaceutical SRO, a wholly owned subsidiary of Glenmark Holding S.A. which is a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

Financial Information

(In Rs. million, except share data)

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Equity Capital	0.46	-	-
Reserves (excluding revaluation reserves) and surplus	(1.53)	-	-
Income (including other income)	15.67	-	-

Particulars	For the year ended		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
Profit After Tax	(1.10)	-	-
Earning Per Share (face value EURO 1 each)	(813.53)	-	-
Net asset value per share	(161.02)	-	-

C. Details of other Group Companies

1. Glenmark Holding S.A., Switzerland

Corporate Information

Glenmark Holding S.A. was incorporated on May 17, 2006 in Switzerland. The company is a holding company of entities from Europe, Brazil and Latin American Countries.

Interest of the Promoter

Glenmark South Africa (Pty) Limited, a wholly owned subsidiary of Glenmark Holding S.A., which is a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

2. Glenmark Pharmaceuticals S.A., Switzerland

Corporate Information

Glenmark Pharmaceuticals S.A. was incorporated on July 2, 2004 in Switzerland. The company is engaged in the business of research and development of pharmaceutical products.

Interest of the Promoter

Glenmark Holding S.A., a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

3. Glenmark Pharmaceuticals S.R.L., Romania

Corporate Information

Glenmark Pharmaceuticals SRL was incorporated on January 15, 2008 in Romania. The company is engaged in the business of marketing and distribution of pharmaceutical products.

Interest of the Promoter

Glenmark Holding S.A., a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

4. Glenmark South Africa (PTY) Limited, South Africa

Corporate Information

Glenmark South Africa (Pty) Limited was incorporated on April 7, 2003 in South Africa. The company is a holding company of Glenmark Pharmaceuticals (Pty) Limited.

Interest of the Promoter

Glenmark Holding S.A., a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

5. Glenmark Pharmaceuticals South Africa (PTY) Limited, South Africa

Corporate Information

Glenmark Pharmaceuticals South Africa (Pty) Limited, South Africa was incorporated in South Africa. The company is engaged in the business of marketing and distribution of pharmaceutical products.

Interest of the Promoter

Glenmark Holding S.A., a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

6. Glenmark Pharmaceuticals (Nigeria) Limited, Nigeria

Corporate Information

Glenmark Pharmaceuticals (Nigeria) Limited was incorporated on April 28, 2004 in Nigeria. The company is engaged in the business of registration, marketing and distribution of pharmaceutical products.

Interest of the Promoter

GPL holds 100% of the equity share capital of the company.

7. Glenmark Dominicana S.A., Dominican Republic

Corporate Information

Glenmark Dominicana S.A. was incorporated on June 1, 2004 in the Dominican Republic. The company is engaged in the business of registration of pharmaceutical products.

Interest of the Promoter

GPL holds 100% of the equity share capital of the company.

8. Glenmark Pharmaceuticals (Australia) PTY Limited, Australia

Corporate Information

Glenmark Pharmaceuticals (Australia) PTY Limited was incorporated on October 31, 2005 in Australia. The company is engaged in the business of registration of pharmaceutical products.

Interest of the Promoter

GPL holds 100% of the equity share capital of the company.

9. Glenmark Pharmaceuticals (Malaysia) Sdn Bhd, Malaysia

Corporate Information

Glenmark Pharmaceuticals (Malaysia) Sdn Bhd was incorporated on July 22, 2004 in Malaysia. The company is engaged in the business of registration of pharmaceutical products.

Interest of the Promoter

GPL holds 100% of the equity share capital of the company.

10. Glenmark Philippines Inc, Philippines

Corporate Information

Glenmark Philippines Inc was incorporated on January 28, 2004 in Philippines. The company is engaged in the business of marketing, registration and distribution of pharmaceutical products.

Interest of the Promoter

GPL holds 100% of the equity share capital of the company.

11. Glenmark Pharmaceuticals Egypt SAE, Egypt

Corporate Information

Glenmark Pharmaceuticals Egypt SAE was incorporated on January 15, 2008 in Egypt. The company is engaged in the business of marketing, registration and distribution of pharmaceutical products.

Interest of the Promoter

GPL holds 100% of the equity share capital of the company.

12. Glenmark Pharmaceuticals FZE, UAE

Corporate Information

Glenmark Pharmaceuticals FZE was incorporated on November 19, 2008 in United Arab Emirates. The company is engaged in the business of marketing of pharmaceutical products.

Interest of the Promoter

GPL holds 100% of the equity share capital of the company.

13. Glenmark Therapeutics Inc, USA

Corporate Information

Glenmark Therapeutics Inc was incorporated in the United States of America. The company is engaged in the business of regulatory matters in relation to branded pharmaceutical business.

Interest of the Promoter

Glenmark Holding S.A., a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

14. Glenmark Pharmaceuticals Sp. Zoo, Poland

Corporate Information

Glenmark Pharmaceuticals Sp. Zoo was incorporated in Poland. The company is engaged in the business of marketing pharmaceutical products.

Interest of the Promoter

Glenmark Holding S.A., a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

15. Glenmark Distributors Sp. Zoo, Poland

Corporate Information

Glenmark Distributors Sp. Zoo was incorporated in Poland. The company is engaged in the business of distribution of pharmaceutical products.

Interest of the Promoter

Glenmark Holding S.A., a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

16. Badatur S.A., Uruguay

Corporate Information

Badatur S.A. was incorporated on December 28, 2007 in Uruguay. The company is a holding company for entities from Latin American countries.

Interest of the Promoter

Glenmark Holding S.A., a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

17. Glenmark Pharmaceuticals Colombia Ltda, Colombia

Corporate Information

Glenmark Pharmaceuticals Colombia Ltda was incorporated on October 8, 2008 in Colombia. The company is engaged in the business of registration of pharmaceutical products.

Interest of the Promoter

Badatur S.A., Urugauy, a wholly owned subsidiary of Glenmark Holding S.A. which is a wholly owned subsidiary of GPL, holds 100% of the equity share capital of the company.

18. Glenmark Pharamceutical (Thailand) Company Limited

Corporate Information

Glenmark Pharmaceuticals (Thailand) Company Limited was incorporated on June 30, 2008 in Thailand. The company is engaged in the business of registration of pharmaceutical products.

Interest of the Promoter

GPL holds 49% of the share capital of the company.

RELATED PARTY TRANSACTIONS

Transactions with related parties of the Company on a consolidated basis:

(Rs. In Million)

		For the year ended March 31,				
Sr. No.	**Particulars**	**2005**	**2006**	**2007**	**2008**	**2009**
1.	**Sale of Goods & Services (Net) to**	-	-	-	-	**347.27**
	-Glenmark Pharmaceuticals S.R.O (Formerly known as Medicamenta A.S Czech Republic)	-	-	-	-	19.77
	-Glenmark Pharmaceuticals SA., Switzerland	-	-	-	-	31.99
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	295.51
2	**Sales/transfer of Fixed Assets to**	-	-	-	-	**4.22**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	4.22
4	**Allotment of Shares to**	-	-	-	**354.50**	**380.00**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	336.50	380.00
	-Glenmark Exports Limited , India	-	-	-	18.00	-
5.	**Purchase consideration - Shares Pending Allotment to**	-	-	-	**380.00**	**-**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	380.00	**-**
6.	**Advances given to**	-	-	-	**349.00**	**-**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	349.00	**-**
7.	**Loan taken from**	-	-	-	**260.53**	**1,962.29**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	241.00	903.33
	-Glenmark Holding SA., Switzerland	-	-	-	19.53	1,058.96
8.	**Loan repaid to**	-	-	-	**222.50**	**1,374.27**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	222.50	762.51
	-Glenmark Holding SA., Switzerland	-	-	-	-	611.76
9.	**Interest payable on Loan taken from**	-	-	-	**0.44**	**586.29**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	0.43	257.57
	-Glenmark Holding SA., Switzerland	-	-	-	0.01	328.72
10.	**Expenses paid on behalf of Group by :**	-	-	-	**0.21**	**115.39**
	-Glenmark Farmaceutica Ltda, Brazil	-	-	-	-	28.30
	-Glenmark Pharmaceuticals Ltd, India	-	-	-	0.21	87.09
11.	**Expenses paid by Group on behalf of :**	-	-	-	**2.61**	**101.74**

	-Glenmark Pharmaceuticals SA., Switzerland	-	-	-	-	54.82
	-Glenmark Therapeutic Inc., USA	-	-	-	-	24.74
	-Glenmark Pharmaceuticals (Europe)Limited, UK	-	-	-	2.61	13.12
	-Glenmark Pharmaceuticals S.R.L, Romania	-	-	-	-	5.02
	-Glenmark Pharmaceuticals EOOD Bulgaria.	-	-	-	-	4.04
12.	**Purchase of DEPB Licenses from**	-	-	-	-	**36.05**
	-Glenmark Exports Limited	-	-	-	-	3.11
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	32.94
13.	**Purchase of Goods from**	-	-	-	-	**22.40**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	22.40
14.	**Purchase of Business from**	-	-	-	-	**7,500.00**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	7,500.00
15.	**Purchase of Investment from**	-	-	-		**9,793.80**
	-Glenmark Holding SA., Switzerland	-	-	-	-	9,793.80
16.	**Purchase of fixed assets from**	-	-	-	-	**87.92**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	87.92
17.	**Net Asset /Liability transferred to**	-	-	-	-	**179.42**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	179.42
18.	**Labour Charges Paid (Net) to**	-	-	-	-	**5.26**
	-Glenmark Pharmaceuticals Limited, India.	-	-	-	-	5.26
19.	**Remuneration of Key management personnel**	-	-	-		**41.31**
	Mr. Pushpinder Bindra- Whole time director	-	-	-	-	13.25
	Mr. Terrance J. Coughlin	-	-	-	-	28.06

d) Related party balances

	Receivable/(Payable) from/ (to) subsidiary companies	-	-	-	**135.37**	**(19,744.38)**
	-Glenmark Pharmaceuticals Ltd., India	-	-	-	148.11	(7,858.35)
	-Glenmark Exports Ltd., India	-	-	-	-	(3.12)
	-Glenmark Farmaceutica Ltda, Brazil	-	-	-	0.08	(49.69)
	-Glenmark Pharmaceuticals s.r.o, Czech Republic	-	-	-	-	16.09
	-Glenmark Pharmaceuticals SA , Switzerland	-	-	-	-	41.81

	-Glenmark Pharmaceuticals (Europe) Ltd , U.K.	-	-	-	6.64	1.72
	-Glenmark Therapeutic Inc., USA	-	-	-	-	5.22
	-Glenmark Holding S.A.,Switzerland	-	-	-	(19.54)	(11,906.50)
	-Glenmark Generics Inc., USA *	-	-	-	0.08	-
	-Glenmark Pharmaceuticals S.R.L, Romania	-	-	-	-	8.44

***** Glenmark Generics Inc., USA became indirect subsidiary of the company with effect from 1st April, 2008.

DIVIDEND POLICY

Under the Companies Act, the Company can pay dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the annual general meeting, who have the right to decrease but not to increase the amount of the dividend recommended by the board of directors. The dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both.

The Company has not paid any dividends in the last five fiscal years. The Company does not have any formal dividend policy for the shares. The declaration and payment of equity dividend would be governed by the applicable provisions of the Companies Act and Articles of Association of the Company.

SECTION V – FINANCIAL INFORMATION

FINANCIAL INFORMATION

AUDITORS' REPORT

(as required by Part II of Schedule II of the Companies Act, 1956)

To
The Board of Directors
Glenmark Generics Limited,
B/2 Mahalaxmi Chambers,
22 Bhulabhai Desai Road,
Mahalaxmi,
MUMBAI - 400 026.

Dear Sirs,

1) We have examined the attached financial information of Glenmark Generics Limited ("the Company"), as approved by the Board of Directors of the Company, prepared in terms of the requirements of Paragraph B, Part - II of Schedule II of the Companies Act, 1956 ("the Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date ("SEBI ICDR Regulations") and in terms of our engagement agreed upon with you in accordance with our engagement letter dated September 4, 2009 in connection with the proposed Initial Public Offer (IPO) of Equity Shares of the Company.

2) These information have been extracted by the Management from the audited financial statements for the financial years ended March 31, 2009, March 31 2008, March 31, 2007, March 31, 2006 and March 31, 2005. Audit for the financial year ended March 31, 2009 was conducted by us. Audit for the financial year ended March 31, 2008 was conducted by M/s Price Waterhouse and for the financial years ended March 31, 2007, March 31, 2006 and March 31, 2005 was conducted by M/s N.K. Mittal & Co. and accordingly, reliance has been placed on the financial information examined by them for the said years. The financial information included for these financial years i.e. 2004-05, 2005-06, 2006-07 and 2007-08 are based solely on the reports submitted by the respective Auditors and have been relied upon by us while expressing our opinion and reporting on various restated financial information and Annexures thereof expressly stated in the following paragraphs.

3) Further to our report under paragraphs (1) and (2) above, in accordance with the requirements of paragraph B, Part-II of Schedule-II of the Act, the SEBI ICDR Regulations and terms of our engagement agreed with you, we report that:

   (a) The Restated Summary Statement of Assets and Liabilities of the Company as at March 31, 2009, March 31, 2008, March 31, 2007, March 31, 2006 and March 31, 2005 as set out in Annexure 2 to this report are after making adjustments and regrouping as in our opinion were appropriate.

   (b) The Restated Summary Statement of Profit and Loss of the Company for the years ended March 31, 2009, March 31, 2008, March 31, 2007, March 31, 2006 and March 31, 2005 as set out in Annexure 1 to this report are after making adjustments and regrouping as in our opinion were appropriate.

   (c) The Restated Summary Statement of Cash Flows of the Company for the years ended March 31, 2009, March 31, 2008, March 31, 2007, March 31, 2006 and March 31, 2005 as set out in Annexure 12 to this report are after making adjustments and regrouping as in our opinion were appropriate.

4) Based on the above, we are of the opinion that the Restated Financial information have been made in accordance with the provisions of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations , and after incorporating;

(i) Adjustments suggested in paragraph 9 of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations,

(ii) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods; and

(iii) Adjustments for the material amounts in the respective financial years to which they relate.

(iv) And there are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.

5) We have also examined the following other financial information as restated related to the Company set out in Annexures prepared by the Management and approved by the Board of Directors relating to the Company for the years ended March 31, 2009, March 31,2008, March 31,2007, March 31,2006 and March 31,2005:

(i) Statement of Accounting Ratios – Annexure 3
(ii) Statement of Tax Shelters – Annexure 4
(iii) Statement of Capitalization as at March 31, 2009 – Annexure 5
(iv) Statement of Secured loans – Annexure 6
(v) Statement of Unsecured loans – Annexure 7
(vi) Statement of Sundry Debtors – Annexure 8
(vii) Statement of Loans and Advances Given – Annexure 9
(viii) Statement of Unquoted Investments – Annexure 10
(ix) Statement of Contingent Liabilities – Annexure 11
(x) Statement of Earnings Per Share – Annexure 13
(xi) Statement of Working Capital – Annexure 14
(xii) Statement of Other Income – Annexure 15
(xiii) Statement of Significant Accounting Policies – Annexure 16
(xiv) Statement of Segment Reporting – Annexure 17
(xv) Statement of Related Party Transactions – Annexure 18
(xvi) Statement of Dividend paid / proposed – Annexure 19

In our opinion, the financial information contained in Annexures 3 to 11, 13 to 15 and 17 to 19 of this report read along with Significant Accounting Policies (Annexure 16) have been prepared after making adjustments and regrouping as considered appropriate in accordance with Paragraph B, Part II of Schedule II of the Act and SEBI ICDR Regulations.

6) This report is intended solely for the use of the management and for inclusion in the Draft Red Herring Prospectus in connection with the proposed IPO of equity shares of the Company and should not be used, referred to or circulated for any other purpose without our prior written consent.

For R.G.N. Price & Co.
Chartered Accountants

(R. Rangarajan)
Partner
Membership No. 41883

Place: Mumbai
Date: September 28, 2009

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF UNCONSOLIDATED PROFIT AND LOSS, AS RESTATED

Annexure 1
(Rs. In Million)

Particulars	For the Year Ended March 31,				
	2005	2006	2007	2008	2009
Income :					
Sales	-	-	-	-	7,810.31
Other Income	-	-	-	-	836.88
Increase/(Decrease) in Inventory	-	-	-	-	1,057.13
Total Income	**-**	**-**	**-**	**-**	**9,704.32**
Expenditure :					
Materials consumed	-	-	-	-	4,613.74
Purchase of Traded Goods	-	-	-	-	60.21
Staff cost	-	-	-	-	347.06
Other Manufacturing expenses	-	-	-	-	442.88
Selling and Operating expenses	0.28	0.01	0.01	7.26	971.22
Interest (Net)	-	-	-	0.43	524.11
Depreciation	-	-	-	-	211.87
Total Expenditure	**0.28**	**0.01**	**0.01**	**7.69**	**7,171.09**
Net profit before tax and exceptional items	**(0.28)**	**(0.01)**	**(0.01)**	**(7.69)**	**2,533.23**
Exceptional items	-	-	-	-	1,111.07
Net profit before tax	(0.28)	(0.01)	(0.01)	(7.69)	1,422.16
Taxation :					
-Current year	-	-	-	-	162.25
-MAT Credit Entitlement	-	-	-	-	(162.24)
-Deferred Tax	-	-	-	(2.61)	372.38
-Fringe Benefit Tax	-	-	-	-	6.63
Total Taxation	**-**	**-**	**-**	**(2.61)**	**379.02**
Net profit after tax	(0.28)	(0.01)	(0.01)	(5.08)	1,043.14

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF UNCONSOLIDATED ASSETS AND LIABILITES, AS RESTATED

Annexure 2
(Rs. In Million)

Particulars		As on March 31,				
		2005	2006	2007	2008	2009
A.	**Fixed Assets**					
	Gross Block	-	-	-	-	6,053.99
	Less: Depreciation	-	-	-	-	211.82
	Net Block	-	-	-	-	5,842.17
	Less: Revaluation Reserve	-	-	-	-	-
	Net Block after adjustment for Revaluation Reserve	**-**	**-**	**-**	**-**	**5,842.17**
B.	**Investments**	**-**	**-**	**-**	**578.24**	**831.54**
C.	**Current Assets, Loans and Advances**					
	Inventories	-	-	-	-	1,813.59
	Receivables	-	-	-	-	4,778.65
	Cash and Bank balance	0.64	0.64	0.63	19.52	30.71
	Loans and Advances	-	-	-	349.05	2,122.06
	Total	**0.64**	**0.64**	**0.63**	**368.57**	**8,745.01**
	Total Assets (A)+(B)+(C)	**0.64**	**0.64**	**0.63**	**946.81**	**15,418.72**
D.	**Liabilities and Provisions**					
	Secured Loan	-	-	-	-	2,611.86
	Unsecured Loan	-	-	-	203.50	1,991.25
	Deferred Tax Liability (Net)	-	-	-	(2.61)	369.75
	Sundry Liabilities	0.02	0.03	0.02	0.95	8,652.76
	Provisions	-	-	-	-	4.98
	Total	**0.02**	**0.03**	**0.02**	**201.84**	**13,630.60**
E.	**Net Worth**					
	Represented by:					
	Share Capital	0.50	0.50	0.50	750.00	750.00
	Reserves and Surplus	0.12	0.11	0.11	(5.03)	1,038.12
	Less: Revaluation Reserve	-	-	-	-	-
	Reserves (Net of Revaluation Reserve)	0.12	0.11	0.11	(5.03)	1,038.12
	Less: Miscellaneous expenditure not written off	-	-	-	-	-
	Net Worth	**0.62**	**0.61**	**0.61**	**744.97**	**1,788.12**
	Total Liabilities (D)+(E)	**0.64**	**0.64**	**0.63**	**946.81**	**15,418.72**

Notes:
Gross Block of Fixed Assets includes CWIP.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
ACCOUNTING RATIOS ON UNCONSOLIDATED BASIS

Annexure 3
(Rs. In Million)

Particulars	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Net Worth (A)	0.62	0.61	0.61	744.97	1,788.12
Restated Profit after Tax (B)	(0.28)	(0.01)	(0.01)	(5.08)	1,043.14
No. of Shares outstanding at the end of the year (in million) (C)	0.05	0.05	0.05	75.00	75.00
Weighted Average number of Shares outstanding for Basic EPS (in million) (D)	0.03	0.05	0.05	9.35	75.00
Weighted Average number of Shares outstanding for Diluted EPS (in million) (E)	0.03	0.05	0.05	9.35	75.65
Earning Per Share (EPS) (Rs.) (B/D)	(9.09)	(0.11)	(0.13)	(0.54)	13.91
Diluted Earning Per Share (Rs.) (B/E)	(9.09)	(0.11)	(0.13)	(0.54)	13.79
Return on Net Worth (%) (B/A)	(45.39)	(0.88)	(1.09)	(0.68)	58.34
Net Asset Value Per Share (Rs.) (A/C)	12.43	12.32	12.19	9.93	23.84

For the purpose of calculating diluted earnings per share, the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares from the exercise of options on unissued share capital. Since GGL Shares are not listed on any of the stock exchanges, book value as on 31st March, 2009 is considered as fair value for the calculation of diluted earnings per share due to exercise of option on unissued equity share capital.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF UNCONSOLIDATED TAX SHELTER

Annexure 4
(Rs. In Million)

PARTICULARS		For the Year Ended March 31,				
		2005*	2006*	2007*	2008*	2009
	Rate of Tax	**36.59%**	**33.66%**	**33.66%**	**33.99%**	**33.99%**
A.	**Profit Before Tax (A)**	**(0.01)**	**(0.01)**	**(0.01)**	**(7.69)**	**1,422.16**
	Notional Tax On Book Profit Adjustments	-	-	-	-	483.39
B.	**Permanent Differences**					
	Weighted Deduction for R & D Expenses eligible under section 35(2AB)(Additional 50% of expenses)	-	-	-	-	(336.53)
	Donations	-	-	-	-	0.16
	Others					
	Total Permanent Differences (B)	**-**	**-**	**-**	**-**	**(336.37)**
C.	**Timing Difference**					
	Difference between book depreciation and tax depreciation	-	-	-	-	(1,707.61)
	Deduction under section 35D	-	-	-	5.29	(1.32)
	Tax Duty and other sum under section 43B	-	-	-	-	48.68
	Total Timing Difference (C)	**-**	**-**	**-**	**5.29**	**(1,660.25)**
D.	**Net Difference (B+C)**	**-**	**-**	**-**	**5.29**	**(1,996.62)**
	Tax Saving Thereon	-	-	-	-	483.39
	Taxable Income As Per IT Return (A+D)	(0.01)	(0.01)	(0.01)	(2.40)	(574.46)
	Tax As Per Income Tax Return under section 115 JB					
	Tax Rate under section 115JB	7.84%	8.42%	11.22%	11.33%	11.33%
	Tax under section 115JB	**-**	**-**	**-**	**-**	162.24
	Total Tax as per Return	-	-	-	-	162.24
	Tax On Extra-Ordinary Items	-	-	-	-	-
	Tax On Profit Before Extra-Ordinary Items	-	-	-	-	162.24
E.	**Carried Forward Losses / Unabsorbed Depreciation at the Year End**	**0.01**	**0.01**	**0.02**	**2.42**	**576.88**

* As per Income tax return filed.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
CAPITALISATION STATEMENT ON UNCONSOLIDATED BASIS

Annexure 5
(Rs. In Million)

Particulars	As on March 31,				
	2005	2006	2007	2008	2009
Borrowings					
Short Term Debt	-	-	-	203.50	1,991.25
Long Term Debt (*)	-	-	-	-	2,611.86
Total Debt	**-**	**-**	**-**	**203.50**	**4,603.11**
Shareholders' Funds					
Share Capital					
-Equity	0.50	0.50	0.50	(#) 750.00	750.00
Less- Calls in arrears	-	-	-	-	-
-Preference	-	-	-	-	-
Share premium	-	-	-	-	-
Reserves & Surplus	0.12	0.11	0.11	(5.03)	1,038.12
Less- Miscellaneous expenditure not written off	-	-	-	-	-
Total Shareholders' Funds	**0.62**	**0.61**	**0.61**	**744.97**	**1,788.12**
Long term Debt / Equity ratio	-	-	-	-	1.46:1

(*) Long Term Debt includes Term Loans and Working Capital facilities with banks.
(#) includes Rs. 380.00 million (38 million shares of Rs. 10 each) pending allotment of shares to the shareholders of GM Pharma Limited pursuant to the scheme of amalgamation of GM Pharma Limited with the Company (appointed date being 31st January, 2008) approved by the Hon'ble High Court of Mumbai on 4th July, 2008. Subsequently on 28th July, 2008 these shares were allotted to the shareholders of GM Pharma Limited.

Note: Since 31st March 2009 (which is the last date as of which financial information has been given), paid up share capital was increased from Rs. 750.00 million to Rs. 1,495.78 million, pursuant to allotment of 71,510,000 shares of Rs. 10 each at a premium of Rs. 90 per share to GPL on 26th August, 2009 and 3,068,355 shares of Rs. 10 each at par to key managerial personnel on 11th September, 2009.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
DETAILS OF SECURED LOAN ON UNCONSOLIDATED BASIS

Annexure 6
(Rs. In Million)

Particulars	Secured against	Date of Availment @	As on March 31,					Total Sanctioned amount	Interest Rate	Repayable on @	Amount
			2005	2006	2007	2008	2009				
Term Loan											
Bank of India Loan	Fixed Assets of Taloja R & D	02.01.2009	-	-	-	-	229.95	600.00	(BPLR, Floating) minimum 13.25%	30 equal Monthly Installments commencing from July 2011	-
HSBC Term Loan	Charge creation is pending	01.04.2008#	-	-	-	-	133.33	400.00	9.4% (Fixed)	01.09.2009	133.33
Total			**-**	**-**	**-**	**-**	**363.28**	**1,000.00**		**-**	**-**
Working Capital Facilities with Banks											
Bank of India	Hypothecation of Stocks and Receivables	*	-	-	-	-	1,042.09	1,100.00	(BPLR, Floating) minimum 13.25%	-	-
Central Bank of India	Hypothecation of Stocks and Receivables	*	-	-	-	-	1,206.49	1,500.00	(BPLR Floating)	-	-
Total			**-**	**-**	**-**	**-**	**2,248.58**	**2,600.00**			
Total Secured Loans			-	-	-	-	**2,611.86**			-	-

@ Dates are in DD.MM.YYYY format
* On various different dates during the year.
# Loan of Rs. 266.66 million transferred from GPL under Business Transfer Agreement dated 24th December, 2007.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
DETAILS OF UNSECURED LOANS ON UNCONSOLIDATED BASIS

Annexure 7
(Rs. In Million)

S No.	Particulars	Date of availment@	As on March 31,					Term of Loan (in days)	Interest Rate	Repayment Schedule	
			2005	2006	2007	2008	2009			Repayment Date *@	Amount
1.	Standard Chartered Bank Loan	05.03.2009	-	-	-	-	300.00	46	12% (Fixed)	20.04.2009	300.00
2.	ING Vysya Bank Loan	14.02.2009	-	-	-	-	140.93	180	14% (Fixed)	13.08.2009	140.93
3.	Yes Bank Loan	26.02.2009	-	-	-	-	553.60	180	11.5% (Fixed)	25.08.2009	553.60
4.	Kotak Mahindra Bank Loan	23.01.2009	-	-	-	-	150.00	90	12.25% (Fixed)	23.04.2009	150.00
5.	Axis Bank Loan	19.03.2009	-	-	-	-	502.10	180	12.75% (Floating)	15.09.2009	502.10
6.	Loan from Glenmark Pharmaceuticals Limited, India	#	-	-	-	203.50	344.32	365	12% (Floating)	15.04.2010	344.32
7.	Other Deposits		-	-	-	-	0.30			N.A.	N.A.
	Total		**-**	**-**	**-**	**203.50**	**1,991.25**				

@ Dates are in DD.MM.YYYY format
* Repayment Schedule for Loan Outstanding as on 31st March, 2009.
# On various different dates during the year.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
AGE WISE ANALYSIS OF SUNDRY DEBTORS ON UNCONSOLIDATED BASIS

Annexure 8
(Rs. In Million)

Name	Age wise break-up	As on March 31,				
		2005	2006	2007	2008	2009
Glenmark Generics Inc., USA	Less than six months	-	-	-	-	3,474.16
	More than six months	-	-	-	-	663.40
	Total	**-**	**-**	**-**	**-**	**4,137.56**
Glenmark Pharmaceuticals S.A., Switzerland	Less than six months	-	-	-	-	17.21
	More than six months	-	-	-	-	15.67
	Total	**-**	**-**	**-**	**-**	**32.88**
Glenmark Pharmaceuticals S. R. O., Czech Republic (formerly known as Medicamenta A. S.)	Less than six months	-	-	-	-	12.83
	More than six months	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**12.83**
Others	Less than six months	-	-	-	-	332.24
	More than six months	-	-	-	-	263.14
	Total	**-**	**-**	**-**	**-**	**595.38**
Total Sundry Debtors	**Less than six months**	**-**	**-**	**-**	**-**	**3,836.47**
	More than six months	**-**	**-**	**-**	**-**	**942.21**
	Total	**-**	**-**	**-**	**-**	**4,778.65**

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF LOANS AND ADVANCES ON UNCONSOLIDATED BASIS

Annexure 9
(Rs. In Million)

Particulars	As on March 31				
	2005	2006	2007	2008	2009
Advances recoverable from Group Companies					
Glenmark Pharmaceuticals Limited, India	-	-	-	349.00	-
Glenmark Generics Inc., USA	-	-	-	-	430.23
Glenmark Generics Finance S.A., Switzerland	-	-	-	-	257.24
Total	**-**	**-**	**-**	**349.00**	**687.47**
Others					
Advances recoverable in cash or kind or for value to be received	-	-	-	-	238.59
Advance Tax (net of provision)	-	-	-	-	438.49
MAT Credit Entitlement	-	-	-	-	162.24
Balance with Excise Authorities	-	-	-	-	561.73
Deposits	-	-	-	0.05	33.54
Total				**0.05**	**1,434.59**
Total Loans and Advances	**-**	**-**	**-**	**349.05**	**2,122.06**

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
DETAILS OF UNQUOTED INVESTMENTS ON UNCONSOLIDATED BASIS

Annexure 10
(Rs. In Million)

Sr. No.	Particulars	As on March 31,									
		2005		2006		2007		2008		2009	
		No. of Shares	Aggregate Book Value	No. of Shares	Aggregate Book Value	No. of Shares	Aggregate Book Value	No. of Shares	Aggregate Book Value	No. of Shares	Aggregate Book Value
1	National Savings Certificate – Sixth Issue	-	-	-	-	-	-	-	0.01	-	0.01
2	Glenmark Generics (Europe) Ltd., UK (Face value of GBP 1 each)	-	-	-	-	-	-	6,285,121	578.23	6,285,121	578.23
3	Glenmark Generics Finance S.A., Switzerland (Face value of CHF 1 each at a premium of CHF 3 per share)	-	-	-	-	-	-	-	-	1,500,000	253.30
	Total		**-**		**-**		**-**		**578.24**		**831.54**

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
CONTINGENT LIABILITIES ON UNCONSOLIDATED BASIS

Annexure 11

The Company has the following Contingent Liabilities for which no provision has been made in the books of accounts:

(Rs. In Million)

Sr. No.	Particulars	As on March 31,				
		2005	2006	2007	2008	2009
1.	Bank guarantees	-	-	-	-	49.86
2.	Disputed taxes / duties (Excise Duty)	-	-	-	-	6.48
3.	Open letters of credit (Refer Note a)	-	-	-	-	92.73
	Total	-	-	-	-	**149.07**

Note : a) The total amount related to Letter of Credit outstanding as on 31st March, 2009.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
UNCONSOLIDATED CASH FLOW STATEMENT

Annexure 12
(Rs. In Million)

	Particulars	For the Year ended March 31,				
		2005	2006	2007	2008	2009
A.	**Cash Flow from Operating Activities :**					
	Net Profit before tax	(0.28)	(0.01)	(0.01)	(7.69)	1,422.16
	Adjustment for :					
	- Depreciation	-	-	-	-	211.87
	- Preliminary Expenses	-	-	-	3.12	-
	- Interest Expenses	-	-	-	0.43	529.68
	- Interest Income	-	-	-	-	(5.57)
	- Amortisation or Write Off of Expenses	0.28	-	-	-	3.37
	- Provision for Doubtful Debts	-	-	-	-	22.00
	- Provision for Gratuity and Leave Encashment	-	-	-	-	4.98
	- Unrealised Foreign Exchange (gain)/loss	-	-	-	-	(181.77)
	Operating Profit before Working Capital changes	**-**	**(0.01)**	**(0.01)**	**(4.14)**	**2,006.72**
	Adjustment for Changes in Working Capital :					
	-(Increase) / Decrease in Sundry Debtors	-	-	-	-	(1,266.29)
	-(Increase) / Decrease in Other Receivables	-	-	-	(349.05)	(1,149.52)
	-(Increase) / Decrease in Inventories	-	-	-	-	(202.60)
	-Increase / (Decrease) in Trade and Other Payables	-	0.01	-	0.50	(756.37)
	Cash Generated from Operations	**-**	**-**	**(0.01)**	**(352.69)**	**(1,368.06)**
	-Taxes(Paid) / Received (Net of Tax deducted at source)	-	-	-	-	(607.37)
	Net cash from Operating Activities	**-**	**-**	**(0.01)**	**(352.69)**	**(1,975.43)**
B.	**Cash Flow from Investing Activities :**					
	Purchase of Fixed Assets	-	-	-	-	(1,166.37)
	Capital Work in Progress	-	-	-	-	(739.23)
	Proceeds from Sale / Transfer of Fixed Assets	-	-	-	-	3.67
	Purchase of Investments	-	-	-	(18.24)	(253.30)
	Interest received	-	-	-	-	3.23
	Net cash used in Investing Activities	**-**	**-**	**-**	**(18.24)**	**(2,152.00)**
C.	**Cash Flow from Financing Activities :**					
	Proceeds from Fresh Issue of Share Capital (including Securities Premium)	0.46	-	-	369.50	-
	Proceeds / (Repayment) of Long Term Borrowings	-	-	-	(185.00)	363.28
	Proceeds / (Repayment) of Short Term Borrowings	-	-	-	203.50	1,787.76
	Proceeds from Working Capital Facilities movement	-	-	-	-	2,248.57
	Interest Paid	-	-	-	-	(260.99)
	Net cash used in Financing Activities	**0.46**	**-**	**-**	**388.00**	**4,138.62**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**0.46**	**-**	**(0.01)**	**17.07**	**11.19**
	Cash and Cash Equivalents as at the beginning of the year	0.18	0.64	0.64	0.63	19.52
	Cash and Cash Equivalents received on amalgamation of GM Pharma Limited	-	-	-	1.82	-
	Cash and Cash Equivalents as at the end of the year	**0.64**	**0.64**	**0.63**	**19.52**	**30.71**
	Cash and Cash Equivalents comprise					
	Cash	-	-	-	-	0.19
	Deposits with Scheduled banks	-	-	-	0.03	13.74
	Balance with Scheduled banks	0.64	0.64	0.63	19.49	15.22
	Balance with Non-Scheduled banks					1.56
	Total	**0.64**	**0.64**	**0.63**	**19.52**	**30.71**

Note: - The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
EARNINGS / (LOSS) PER SHARE

Annexure 13

(Rs. In Million)

Particulars	Year ended March 31,				
	2005	**2006**	**2007**	**2008**	**2009**
Profit after tax	(0.28)	(0.01)	(0.01)	(5.08)	1,043.14
Weighted Average no. of Shares for Basic Earnings (in million)	0.03	0.05	0.05	9.35	75.00
Weighted Average no. of Shares for Diluted Earnings (in million)	0.03	0.05	0.05	9.35	75.65
Basic Earnings Per Share (Rs.)	(9.09)	(0.11)	(0.13)	(0.54)	13.91
Diluted Earning Per Share (Rs.)	(9.09)	(0.11)	(0.13)	(0.54)	13.79
Face Value Per Share (Rs.)	10	10	10	10	10

For the purpose of calculating diluted earnings per share, the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares from the exercise of options on unissued share capital. Since GGL Shares are not listed on any of the stock exchanges, book value as on 31st March, 2009 is considered as fair value for the calculation of diluted earnings per share due to exercise of option on unissued equity share capital.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF WORKING CAPITAL ON UNCONSOLIDATED BASIS

Annexure 14
(Rs. In Million)

Sr. No	Particulars	As on March 31,		Increase / (Decrease)
		2008	2009	
1	Current Assets	368.57	8,745.01	8,376.44
2	Less-Current Liabilities other than Bank Finance	0.95	8,657.74	8,656.79
3	Working Capital Gap	367.62	87.27	(280.35)
4	Less : Bank Finance	-	-	-
5	Net Working Capital	367.62	87.27	(280.35)
	Long Term Working Capital (Margin) requirement for the year	**367.62**	**87.27**	**(280.35)**

Note: Current Liabilities include Rs.7,362.59 million towards consideration payable to Glenmark Pharmaceuticals Limited for purchase of Generic Business.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
DETAILS OF OTHER INCOME ON UNCONSOLIDATED BASIS

Annexure 15
(Rs. In Million)

Particulars	For the year ended March 31,				
	2005	2006	2007	2008	2009
Exchange Gain	-	-	-	-	545.03
Export Incentive	-	-	-	-	214.95
Miscellaneous Income	-	-	-	-	76.90
Total	**-**	**-**	**-**	**-**	**836.88**

1. In view of the management, all the other income mentioned above are mainly related to the business of the Company and except for exchange gain are recurring in the nature.
2. The classification of the other income as recurring / non-recurring and related / not related to the business activities is based on the current operation and the business of the Company as determined by the management.
3. The above amounts are as per the Statement of Profit and Loss, as restated of the Company.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF UNCONSOLIDATED RECONCILATION OF PROFIT AS PER AUDITED ACCOUNTS AND RESTATED PROFITS

(Rs. In Million)

Particulars	For the Year Ended March 31,				
	2005	**2006**	**2007**	**2008**	**2009**
Profit as per Audited Financials	(0.05)	(0.01)	(0.01)	(5.08)	1,043.14
Add / (Less) Adjustments :					
Add : Preliminary expenses written off	(0.23)	-	-	-	-
Restated Profit as per statement of profit and loss	**(0.28)**	**(0.01)**	**(0.01)**	**(5.08)**	**1,043.14**

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
SIGNIFICANT ACCOUNTING POLICIES ON UNCONSOLIDATED BASIS

Annexure 16

i) Basis of Accounting

The Financial Statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable Accounting Standards notified under section 211(3C) of the Companies Act,1956 and the relevant provisions of the Companies Act,1956.

ii) Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. The Company capitalises all costs relating to the acquisition and installation of fixed assets. Expenditure of revenue nature, incurred in setting up of new projects, is capitalised as an indirect cost towards construction of the fixed assets.

Depreciation is provided using the straight line method, pro-rata to the period of use of assets, based on the useful lives of fixed assets as estimated by the management, or at the rates specified in Schedule XIV of the Companies Act, 1956, whichever is higher.

Fixed assets having aggregate cost of Rs 5,000 or less are depreciated fully in the year of acquisition.

The Company has estimated the useful life of its assets as follows:

Category	**Estimated useful life(*) (in years)**
Plant and machinery	8 - 20
Vehicles	5 - 6
Equipments and air conditioners	4 - 20
Furniture and fixtures	10
Trademarks	10

Leasehold land and improvement is amortised over the period of lease.
(*) Except for the assets acquired from Glenmark Pharmaceuticals Limited under Business Transfer Agreement, dated 24th December, 2007 where estimated useful life is as per certification from valuer.

iii) Foreign Currency Transactions

(a) Foreign currency transactions are recorded at the exchange rates prevailing on 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 Profit and Loss Account. Non-monetary foreign currency items are carried at cost.

(b) Gain/ loss on account of foreign exchange fluctuation in respect of liabilities in foreign currencies specific to acquisition of fixed assets are adjusted to the Profit & Loss account.

iv) Investments

Long term investments are stated at cost. Provision, where necessary, is made to recognize a decline, other than temporary, in the value of the investments.

v) Inventories

Inventories of finished goods, consumable stores & spares are valued at cost or net realisable value, whichever is lower. Cost of raw materials and packing materials is ascertained on weighted average cost basis. Cost of work-in-process and finished goods include the cost of materials consumed, labour and manufacturing overheads. Excise and customs duty accrued on production or import of goods, as applicable, are included in the valuation of inventories.

vi) Employee Benefits

In case of Defined Contribution plans, the Company's contributions to these plans are charged to the Profit and Loss Account as incurred. Liability for Defined Benefit plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method. The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors. The expected rate of return of plan assets is the Company's expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations. Plan assets are measured at fair value as at the Balance Sheet date. The liability for leave encashment and compensated absences is provided on the basis of valuation, as at Balance Sheet date, carried out by an independent actuary.

vii) Revenue Recognition

The Company recognizes revenue on despatch of goods to customers. Revenues from services are recognized on completion of such services. Revenue from contract research being in the nature of product development activities is recognized as per the terms of the agreement. Revenues are recorded at invoice value, inclusive of excise duty and sales-tax, but net of returns and trade discounts.

viii) Research and Development

Capital expenditure on Research and Development (R&D) is capitalised as fixed assets. Development cost relating to the new and improved product and / or process development is recognised as an intangible asset to the extent that it is expected that such asset will generate future economic benefits. Other research and development costs are expensed as incurred.

ix) Income-tax

Current Tax
Provision for Current Tax has been made in accordance with the Income Tax and Wealth Tax Laws prevailing for the relevant assessment year.

Deferred Tax
Deferred income taxes are recognised for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for tax purposes. The effect on deferred tax assets and liabilities because of a change in tax rates is recognised in the Statement of Profit and Loss using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.
Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Fringe Benefit Tax
Provision for Fringe Benefit Tax has been made in accordance with the Income Tax Laws prevailing for the relevant assessment year.

x) Leases

Finance Leases
Assets acquired under finance lease are recognised as assets with corresponding liabilities in the Balance Sheet at the inception of the lease at amounts equal to lower of the fair value of the leased asset or at the present value of the minimum lease payments. These leased assets are depreciated in line with the Company’s policy on depreciation of fixed assets. The interest is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating Leases

Lease rent in respect of assets taken on operating lease are charged to the Profit and Loss Account as per the terms of lease agreements.

xi) Borrowing Costs

Borrowing costs that are attributable to the acquisition and construction of a qualifying asset are capitalised as a part of the cost of the asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

xii) Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exist, the Company estimates the recoverable amount of the asset . If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount ,the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

xiii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the periods in which the results are known / materialize.

xiv) Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED
SIGNIFICANT NOTES FORMING PARTS OF ACCOUNTS.
RELATED PARTY DISCLOSURES ON UNCONSOLIDATED BASIS

Annexure 18

In accordance with the requirements of Accounting Standard -18 "Related Party Disclosures", the names of the related parties where control exist and / or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are as follows:

a) Parties where control exists

i) Holding Company
Glenmark Pharmaceuticals Limited, India

ii) Wholly owned subsidiary Companies
Glenmark Generics (Europe) Ltd , U.K. (formerly known as Glenmark Pharmaceuticals (Europe) Limited)
Glenmark Generics Finance SA , Switzerland

iii) Indirect subsidiary
Glenmark Generics Inc.,USA. (formerly known as Glenmark Pharmaceuticals Inc.)
Glenmark Generics S. A., Argentina (formerly known as Servycal S.A.)
Glenmark Generics Holding SA., Switzerland

iv) Associate / Fellow Subsidiary Companies
Glenmark Exports Ltd., India
Glenmark Dominicana S.A.,Dominican Republic
Glenmark Impex LLC , Russia
Glenmark Philippines Inc., Philippines
Glenmark Farmaceutica Ltda, Brazil
Glenmark Pharmaceuticals (Europe) Limited, UK
Glenmark Pharmaceuticals Nigeria Ltd., Nigeria
Glenmark Pharmaceuticals Sdn.Bhd.,Malaysia
Glenmark Pharmaceuticals Thailand Co Ltd.
Glenmark Pharmaceuticals S.A.,Switzerland (GSA)
Glenmark Pharmaceuticals South Africa (Pty) Ltd.,South Africa
Glenmark South Africa (Pty) Ltd
Glenmark Pharmaceuticals (Australia) Pty.Ltd., Australia
Glenmark Holding S.A.,Switzerland (GHSA)
Glenmark Pharmaceuticals s.r.o Czech Republic (formerly known as Medicamenta a.s.)
Glenmark Pharmaceuticals S.R.L, Romania
Glenmark Pharmaceuticals EOOD Bulgaria.
Glenmark Pharmaceuticals Mexico sa . de .c.v , Mexico
Glenmark Pharmaceuticals Peru SAC
Glenmark Pharmaceuticals SP. Z.O.O, Poland
Glenmark Distributors SP Z.O.O, Poland
Badatur S.A., Uruguay
Glenmark Therapeutics Inc , USA
Glenmark Pharmaceuticals Egypt (S A E)
Glenmark Pharmaceuticals FZE (U A E)
Glenmark Pharmaceuticals Venezuela CA
Glenmark Pharmaceuticals Colombia LTD A

b) Key management personnel
Mr. Glenn Saldanha

Mr. Terrance J. Coughlin
Mr. Rajesh V. Desai (resigned on 1st April, 2009)
Mr. Pushpinder Bindra (resigned on 5th August, 2008)
Mr. Jalaj Sharma (appointed w.e.f 1st April, 2009)

c) Transactions with related parties during the year

(Rs. In Million)

		For the year ended				
Sr. No.	**Particulars**	**2005**	**2006**	**2007**	**2008**	**2009**
1.	**Sale of Goods & Services (Net) to**	**-**	**-**	**-**	**-**	**4,924.71**
	-Glenmark Generics Inc., USA	-	-	-	-	4,525.80
	-Glenmark Pharmaceuticals S.R.O.(Formerly known as Medicamenta A.S., Czech Republic)	-	-	-	-	16.30
	-Glenmark Pharmaceuticals S.A., Switzerland	-	-	-	-	31.99
	-Glenmark Generics (Europe) Limited, U.K.	-	-	-	-	55.11
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	295.51
2	**Sales/transfer of Fixed Assets to**	**-**	**-**	**-**	**-**	**4.22**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	4.22
3.	**Investment in Share Capital of**	**-**	**-**	**-**	**18.23**	**253.30**
	-Glenmark Generics (Europe) Limited, U.K.	-	-	-	18.23	-
	-Glenmark Generics Finance S.A., Switzerland	-	-	-	-	253.30
4	**Allotment of Shares to**	**0.46**	**-**	**-**	**354.50**	**380.00**
	-Glenmark Pharmaceuticals Limited, India	0.46	-	-	336.50	380.00
	-Glenmark Exports Limited, India				18.00	-
5.	**Purchase consideration - Shares Pending Allotment to**	-	-	-	**380.00**	-
	-Glenmark Pharmaceuticals Limited, India	-	-	-	380.00	-
6.	**Advances given to**	**-**	**-**	**-**	**349.00**	**-**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	349.00	-
7.	**Loan taken from**	**-**	**-**	**-**	**241.00**	**903.33**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	241.00	903.33
8	**Loan repaid to**	**-**	**-**	**-**	**222.50**	**762.51**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	222.50	762.51
9.	**Loan given to**	**-**	**-**	**-**	**-**	**234.48**
	-Glenmark Generics Finance S.A., Switzerland	-	-	-	-	234.48
10.	**Interest payable on Loan taken from**	**-**	**-**	**-**	**0.43**	**257.57**

		For the year ended				
Sr. No.	**Particulars**	**2005**	**2006**	**2007**	**2008**	**2009**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	0.43	257.57
11.	**Interest on Loan Given to**	-	-	-	-	**4.68**
	-Glenmark Generics Finance S.A., Switzerland	-	-	-	-	4.68
12.	**One Time allowance given to customers**	-	-	-	-	**1,111.07**
	-Glenmark Generics Inc., USA.	-	-	-	-	1,111.07
13	**Expenses paid on behalf of Glenmark Generics Ltd, India by**	-	-	-	**0.21**	**244.05**
	-Glenmark Generics Inc., USA	-	-	-	-	75.00
	-Glenmark Farmaceutica Ltda, Brazil	-	-	-	-	28.30
	-Glenmark Generics (Europe) Ltd., U.K	-	-	-	-	53.66
	-Glenmark Pharmaceuticals Limited, India	-	-	-	0.21	87.09
14.	**Purchase of DEPB Licenses from**	-	-	-	-	**36.06**
	-Glenmark Exports Limited	-	-	-	-	3.12
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	32.94
15.	**Purchase of Goods from**	-	-	-	-	**22.40**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	22.40
16.	**Purchase of Business from**	-	-	-	-	**7,500.00**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	7,500.00
17	**Purchase of fixed assets from**	-	-	-	-	**87.92**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	87.92
18	**Net Asset / Liability transferred**	-	-	-	-	**179.42**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	179.42
19.	**Labour Charges Paid (Net)**	-	-	-	-	**5.26**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	5.26
20.	**Remuneration to Key Management Personnel**	-	-	-	-	**13.25**
	Mr. Pushpinder Bindra- Whole time director	-	-	-	-	13.25

d) Related party balances

		For the year ended				
Sr. No.	**Particulars**	**2005**	**2006**	**2007**	**2008**	**2009**
	Receivable/(Payable) from / (to) subsidiary companies	-	-	-	**144.85**	**(3,046.73)**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	144.85	(7,858.35)
	-Glenmark Exports Ltd., India	-	-	-	-	(3.12)
	-Glenmark Farmaceutica Ltda, Brazil	-	-	-	-	(48.09)
	-Glenmark Pharmaceuticals S.R.O., Czech Republic	-	-	-	-	12.83
	-Glenmark Generics Finance S.A., Switzerland	-	-	-	-	257.24
	-Glenmark Generics (Europe) Ltd , U.K.	-	-	-	-	(7.89)
	-Glenmark Pharmaceuticals S.A.,Switzerland	-	-	-	-	32.87
	-Glenmark Generics Inc., USA	-	-	-	-	4,567.78

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
SIGNIFICANT NOTES FORMING PARTS OF ACCOUNTS.

SEGMENT INFORMATION ON UNCONSOLIDATED BASIS

Annexure 17

Business segments

The Company is primarily engaged in a single segment business of manufacturing and marketing of Pharmaceutical Formulations and Active Pharmaceutical Ingredients and is managed as one entity, for its various activities and is governed by a similar set of risks and returns.

Geographical segments

In the view of the management, the Indian and export markets represent geographical segments.

Sales by market - The following is the distribution of the Company's sale by geographical market:

Particulars	Year Ended March 31,	
	2008	2009
Geographical segment	Rs. In Million	Rs. In Million
India	-	1,326.61
Other than India	-	6,483.70
Total	-	7,810.31

The following table shows the carrying amount of segment assets and additions to fixed assets by geographical area in which the assets are located
Assets and additions to fixed assets by geographical area –

Particulars	As on March 31,			
	2008		2009	
	India	Others*	India	Others*
	Rs. In Million	Rs. In Million	Rs. In Million	Rs. In Million
Carrying amount of segment asset	946.81	-	10,842.90	4,575.83
Additions to tangible assets	-	-	3440.30	-

* Others represent receivables from debtors located outside India

AMALGAMATION OF GM PHARMA LIMITED

The scheme of Amalgamation ("the Scheme") of GM Pharma Limited with the Company was duly approved by the Board of the Company at its meeting held on January 31, 2008 and subsequently sanctioned by the Hon'ble High Court of Mumbai on July 04, 2008. The certified copy of the order passed by the Hon'ble High Court was filed with the Registrar of Companies on July 24, 2008.

Pursuant to the above Scheme the entire business and all assets and liabilities of GM Pharma Limited were transferred and vested in the Company effective from July 24, 2008 and appointed date being January 31, 2008. GM Pharma was engaged in pharmaceutical business, same as the Company. Amalgamation entries as of January 31, 2008 & considered in Financial Statement for the year ending 31st March, 2008.

Particulars	**Rs. In Million**
Transfer of Investment	560.00
Transfer of other assets	4.94
Transfer of Profit and Loss Debit Balance	0.60
Transfer of Loan Liability	(185.00)
Purchase Consideration	**380.00**

The Scheme approved by the Hon'ble High Court provides, the purchase consideration to be discharged by way of issue of shares to the shareholders of GM Pharma Limited in the proportion of one fully paid equity share of Rs.10 each of the company for every one equity share of Rs.10 each held in GM Pharma Limited.

Pending allotment of shares to the shareholders of GM Pharma Limited, the purchase consideration has been disclosed under Share Capital Suspense account as on 31st March, 2008. Subsequently, on July 28, 2008, 38,000,000 shares have been allotted to the shareholders of GM Pharma Limited.

The amalgamation qualifies to be accounted for under "Pooling of interest method" as per the Accounting Standard (AS-14) "Accounting for Amalgamations" issued by the Institute of Chartered Accountant of India, but the accounting treatment as per the scheme approved by the Hon'ble High Court has been given effect in the above financials for the previous year ended 31st March, 2008 which is as under :

i) The assets and Liabilities of GM Pharma Limited as at January 31, 2008 were incorporated in the Financial Statements of the Company at their book values.

ii) The Authorised Share Capital of the Company automatically stands increased by an amount equal to the Authorised Share Capital of GM Pharma Limited.

iii) The debit balance in the Profit and Loss account of GM Pharma Limited is debited to Profit and Loss account of the Company.

BUSINESS TRANSFER AGREEMENT:

The Board of Directors at its meeting held on December 20, 2007, approved a detailed formal plan of acquisition from Glenmark Pharmaceuticals Limited, India (GPL) Active Pharmaceuticals Ingredients and Generic Pharmaceuticals Business together with the Land, Building Plant and Machinery, Brands, Trademarks and other assets at its Plant in Goa, Ankleshwar, Kurkumbh, Mohol all located in India as also the employees pertaining to the said business as a going concern. Subsequently, the company has entered into the Business Transfer Agreement dated December 24, 2007 for the acquisition of the above business of GPL with effect from April 01, 2008. The valuation of India API and Generic business of GPL as a going concern consisting of manufacturing, development facilities, other assets and liabilities has been carried out by independent valuers as Rs.7,500 million as per the terms and conditions of Business Transfer Agreement, Rs.349 million has been paid to GPL on December 22,2007 and the same is disclosed as Loans and Advances in the financial statements for the year ended 2008.
The assets and liabilities of the Generic business of GPL as on 1st April,2008 that were taken over by the Company as on that date was independently valued by the management (in certain class of assets with the assistance of consultants in the field) and suitably recorded in the books of the Company, at such values.
The excess cost of acquisition over fair value of assets acquired is treated as Goodwill. The same is amortised over 5 years from the date of acquisition of such assets.

EXCEPTIONAL ITEM

The exceptional item represents Rs. 1,111.07 towards the share of the Company towards one time additional sales allowances of Rs. 1,169.55 given to customers by Glenmark Generics Inc., USA during the year.

CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on capital account, net of advances, not provided for as at March 31, 2009 aggregate Rs.151.56 (2008 -Nil)

TAXATION

Provision for current taxation for the Company of Rs.162.24 million represents Minimum Alternate Tax pursuant to the provisions of Section 115JB of the Income Tax Act, 1961 of India.

The Finance Act, 2005 inserted sub section (1A) to section 115JAA to grant tax credit in respect of MAT paid under section 115JB of the Act with effect from assessment year 2006-07 and allowed a carry forward of the credit for a period of 7 years. In accordance with the Guidance Note issued on "Accounting For Credit Available in Respect of Minimum Alternative Tax (MAT) under the Income Tax Act 1961" issued by the Institute of Chartered Accountants of India, the Company has recognised MAT Credit which is expected to be set-off against the tax liability, other than MAT in future years. Accordingly, an amount of Rs.162.24 million for the current year is included as MAT Credit Entitlement in Schedule 12 - Loans and Advances.

EMPLOYEE STOCK OPTION

Pursuant to the resolution passed by the Board of Directors on March 26, 2008 and members of the Company at the Extraordinary General Meeting held on March 31, 2008, the Company had introduced Employee Stock Option Plan 2008 ("the scheme") for permanent employees and eligible directors of the Company, the Holding Company & its subsidiaries, as may be decided by the Compensation Committee. The scheme provides that the total number of options granted there under will be 1,850,000. Each option on exercise is convertible into one equity share of the Company having face value of Rs. 10 each. 1,115,005 options have been granted at an exercise price of Rs 10 each as decided by the Compensation Committee.

EMPLOYEE BENEFITS

The Group has with effect from1st April, 2007, adopted Accounting Standard 15, Employee Benefits (Revised 2005), issued by the Institute of Chartered Accountants of India ("the revised AS 15"). Consequently, the additional liability for employee benefits based on acturial valuation as at 31st March, 2009 are as under :

The disclosures as required as per the revised AS 15 are as under:

1. Brief description of the Plans

The Group has various schemes for long-term benefits such as provident fund, gratuity, leave encashment and pension fund. In case of funded schemes, the funds are recognized by the income tax authorities and administered through appropriate authorities. The Group's Defined Contribution plans are employees' provident fund and pension scheme since the Company has no further obligation beyond making the contributions. The Group's defined plans include Gratuity and Leave encashment.

	(Rs.in million) **2008-2009**
2. Charge to the Profit and Loss Account based on contribution	
Provident Fund, Pension Fund	16.46

3. Disclosures for Defined Benefit Plans based on actuarial reports as on 31st March, 2009

(I) Change in Defined Benefit Obligation

(Rs. in million)

Particulars	Gratuity (Funded Plan)	Leave encashment (Funded Plan)
Opening Defined Benefit Obligation (*)	9.00	10.18
Current Service Cost	-	-
Interest Cost	-	-
Actuarial loss/ (gain)	3.14	4.91
Benefits paid	(0.35)	(1.76)
Closing Defined Benefit Obligation	**11.79**	**13.33**

(*) Represents Liability related to employees transferred from Glenmark Pharmaceuticals Limited to Glenmark Generics Limited, w.e.f. 1st April, 2008 as per Business Transfer Agreement.

(II) Change in Fair Value of Assets

Opening Fair Value of Plan assets	-	-
Expected return on plan assets	-	-
Actuarial gain/ (loss)	(0.02)	0.48
Contribution by employer (*)	9.85	11.95
Benefits paid	(0.35)	(1.76)
Closing Fair Value of plan assets	**9.48**	**10.67**

(*) Includes transfer of Fund Balance of Rs. 9.00 million and Rs. 10.18 million for Gratuity and Leave Encashment fund respectively by Glenmark Pharmaceuticals Limited.

(III) Amount recognized in the Balance Sheet

Present value of obligation as at the year end	11.79	13.33
Fair Value of plan assets as at year end	9.48	10.66
Amount recognized as on 31st March, 2009.	**2.31**	**2.67**

(IV) Expenses recognized in the Profit and Loss account

Current Service Cost	-	-
Interest on defined benefit obligation	-	-
Expected return on plan assets	-	-
Net actuarial loss/ (gain) recognized in the current year	3.16	4.43
Total expense	**3.16**	**4.43**

(v) Asset information

Administered by Birla Sunlife Insurance Co.Ltd. And LIC of India	**100%**	**100%**

(VI) Principal Actuarial assumptions used

Discount rate (p.a.)	**8%**	**8%**
Expected rate of return on plan assets (p.a.)	**8%**	**8%**
Salary escalation	**5%**	**5%**

MANAGERIAL REMUNERATION

(a) Paid / payable to directors (refer note i)

(Rs. in million)

Particulars	For the Year Ended March 31,	
	2009	**2008**
Salaries, perquisites & other benefits	13.07	-
Contribution to PF	0.18	-
	13.25	-

(b) Computation of net profits in accordance with Section 349 and Section 309(5) of the Companies Act, 1956.

(Rs. in million)

Particulars	For the Year Ended March 31,	
	2009	**2008**
Profit before taxation as per Statement of Profit And Loss	1,422.15	-
Add: Depreciation as per Statement of Profit and Loss	211.87	-
Provision for Doubtful Debts	22.00	-
Sub-Total	1,656.02	-
Less: Depreciation calculated under section 350 of the Companies Act, 1956	211.87	-
Net profit in accordance with Section 349	1,444.15	-
Add: Managerial remuneration paid/payable to directors	13.25	-
Net profit in accordance with Section 309(3) of the Companies Act, 1956	1,457.40	-
Maximum managerial remuneration allowed under Section 198 of the Companies Act, 1956, 5 Per cent of the above	72.87	-

Note: i) The Company has made necessary application to the Central Government for payment of remuneration to Mr. Pushpinder Bindra and the approval for the same is pending.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
DIVIDEND POLICY ON UNCONSOLIDATED BASIS

Annexure 19

The Company has not declared or paid any dividend on its Equity Shares during the last five fiscal years. The declaration and payment of any dividends in the future will be recommended by the Board and approved by the shareholders of the Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by the Board.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF QUALIFICATION IN AUDITORS REPORT:

Below is the relevant extract from the Annexure (referred in Para 3*) of the Auditor's Report dated 19th June, 2009 to the Members of the Company on the Financial Statements of the Company for the year ended 31st March, 2009.

According to the information and explanations provided to us and the records of the company examined by us, in our opinion, the company was regular in depositing undisputed provident fund, employee's state insurance, income tax, wealth tax, customs duty, excise duty, cess and other material statutory dues applicable to it with the appropriate authorities with the exception of delays of up to 10 months noticed in deposit of service tax of Rs.0.96 millions and delays of up to 11 months in deposit of Maharashtra VAT of Rs. 1.14 millions and the same have been remitted on or before 31st March 2009. There were no arrears as at 31st March 2009 for a period of more than six months from the date they became payable.

* Para 3 of the Auditor's Report dated 19th June, 2009 to the Members of the Company on the Financial Statements of the Company for the year ended 31st March, 2009 deals with the compliance of Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956.

AUDITORS' REPORT
(as required by Part II of Schedule II of the Companies Act, 1956)

To
The Board of Directors
Glenmark Generics Limited,
B/2 Mahalaxmi Chambers,
22 Bhulabhai Desai Road,
Mahalaxmi,
MUMBAI - 400 026

Dear Sirs,

1) We have examined the attached restated consolidated financial information of Glenmark Generics Limited ("the Company") and its subsidiaries as approved by the Board of Directors of the Company, prepared in terms of the requirements of Paragraph B, Part - II of Schedule II of the Companies Act, 1956 ("the Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date ("SEBI ICDR Regulations") and in terms of our engagement agreed upon with you in accordance with our engagement letter dated September 4, 2009 in connection with the proposed Initial Public Offering ("IPO")of Equity Shares of the Company.

2) These information have been prepared by the Management from the audited consolidated financial statements for the years ended March 31, 2009 and March 31, 2008. Audit for the financial years ended March 31, 2009 and March 31, 2008 was conducted by us.

We did not audit the financial statements of the subsidiaries viz. Glenmark Generics (Europe) Ltd. – U.K., Glenmark Generics S.A., Servycal - Argentina, Glenmark Generics Inc. - U.S.A., Glenmark Generics Holding S.A. - Switzerland, Glenmark Generics Finance S.A. -Switzerland, for the Financial Year ended March 31, 2009 whose Financial Statements reflect total assets of Rs 2755.28 Millions and total revenues of Rs 2529.49 Millions. Also we did not audit the financial statements of the subsidiary viz. Glenmark Generics (Europe) Ltd. - U.K. for the financial year ended March 31, 2008, whose financial statements reflect total assets of Rs 47.64 Millions and total revenue of Rs Nil during that year. These financial statements have been audited by other firm of Chartered Accountants whose audit reports have been furnished to us and our opinion in so far as it relates to the amounts included in these Consolidated Restated Summary Statement of Assets & Liabilities and Consolidated Restated Summary Statement of Profit & Loss Account are based solely on the audit report of the other auditor.

Based on the above we report that, in our opinion and according to the information and explanations given to us, we have found the same to be correct and the same have been accordingly used in the financial information appropriately.

3) In accordance with the requirements of paragraph B, Part-II of Schedule-II of the Act, the SEBI ICDR Regulations and terms of our engagement agreed with you, we report that:

(a) The Consolidated Restated Summary Statement of Assets and Liabilities of the Company and its subsidiaries as at March 31, 2009 and March 31, 2008 were examined by us as set out in Annexure 2 to this report, are after making adjustments and regroupings as in our opinion were appropriate and are described in detail in Annexure 15.

(b) The Consolidated Restated Summary Statement of Profit and Loss of the Company and its subsidiaries for the years ended March 31, 2009 and March 31, 2008 were examined

by us, as set out in Annexure 1 to this report are after making adjustments and regroupings as in our opinion were appropriate and are described in detail in Annexure 15.

(c) The Consolidated Restated Summary Statement of Cash Flows of the Company for the years ended March 31, 2009 and March 31, 2008 as set out in Annexure 11 to this report are after making adjustments and regroupings as in our opinion were appropriate.

(d) Based on the above and also as per the reliance placed on the reports submitted by the other auditors for the subsidiaries for the Financial Years ended March 31, 2009 and March 31, 2008, we confirm that the Restated Financial information have been made in accordance with the provisions of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations , and after incorporating;

(i) Adjustments suggested in paragraph 9 of sub-clause (B) of clause (IX) of Part A of Schedule VIII of the SEBI ICDR Regulations,
(ii) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods; and
(iii) Adjustments for the material amounts in the respective financial years to which they relate.
(iv) Further, there are no extra-ordinary items that need to be disclosed separately in the accounts and qualification requiring adjustments.

4) We have also examined the following consolidated other financial information as restated related to the Company set out in Annexures prepared by the Management and approved by the Board of Directors relating to the Company and its subsidiaries for the years ended March 31, 2009 and March 31, 2008:

1) Statement of Accounting Ratio - Annexure 3
2) Statement of Tax Shelters – Annexure 4
3) Statement of Capitalisation Statement - Annexure 5
4) Statement of Secured Loans - Annexure 6
5) Statement of Detail of Unsecured Loans - Annexure 7
6) Statement of Age wise Analysis of Sundry Debtors - Annexure 8
7) Statement of Loans and Advances Given - Annexure 9
8) Statement of Details Of Unquoted Investments - Annexure 10
9) Statement of Contingent Liabilities - Annexure 11
10) Statement of Earning Per Share - Annexure 13
11) Statement of Working Capital - Annexure 14
12) Statement of Details of Other Income - Annexure 15
13) Statement of Significant Accounting Policies - Annexure 16
14) Statement of Segment Information - Annexure 17
15) Statement of Related Party Disclosures - Annexure 18

In our opinion, the financial information contained in Annexures 3 to 14, 16 and 17 of this report read along with Significant Accounting Policies (Annexure 15) have been prepared after making adjustments and regrouping as considered appropriate in accordance with Paragraph B, Part II of Schedule II of the Act and SEBI ICDR Regulations.

5) This report is intended solely for the use of the Management and for inclusion in the Draft Red Herring Prospectus in connection with the proposed IPO of equity shares of the Company and should not be used, referred to or circulated for any other purpose without our prior written consent.

For R.G.N. Price & Co.
Chartered Accountants

(R. Rangarajan)
Partner
Membership No. 41883

Place: Mumbai
Date: September 28, 2009

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF CONSOLIDATED PROFIT AND LOSS, AS RESTATED

Annexure 1
(Rs. In Million)

Particulars	For the Year Ended March 31,				
	2005	2006	2007	2008	2009
Income :					
Sales	-	-	-	-	10,326.06
Other Income	-	-	-	-	850.62
Increase/(Decrease) in Inventory	-	-	-	-	2,729.42
Total Income	-	-	-	**-**	**13,906.10**
	-	-	-		
Expenditure :	-	-	-		
Materials consumed	-	-	-	-	4,802.40
Purchase of Traded Goods	-	-	-	-	2,495.75
Staff cost	-	-	-	-	804.13
Other Manufacturing expenses	-	-	-	-	582.25
Selling and Operating expenses	-	-	-	7.26	1,562.64
Interest (Net)	-	-	-	0.43	744.23
Depreciation	-	-	-	-	298.57
Total Expenditure	-	-	-	**7.69**	**11,289.97**
	-	-	-		
Net profit before tax and exceptional items	-	-	-	**(7.69)**	**2,616.13**
	-	-	-		
Exceptional items	-	-	-	-	1,169.55
	-	-	-		
Net profit before tax	-	-	-	(7.69)	1,446.58
	-	-	-		
Taxation :	-	-	-		
-Current year	-	-	-	-	374.67
-MAT Credit Entitlement	-	-	-	-	(162.24)
-Deferred Tax	-	-	-	(2.61)	328.09
-Fringe Benefit Tax	-	-	-	-	6.62
Total Taxation	-	-	-	**(2.61)**	**547.14**
	-	-	-		
Net profit after tax	-	-	-	(5.08)	899.44

Note
The consolidated financial statements are applicable only for the Fiscal 2008 and Fiscal 2009

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF CONSOLIDATED ASSETS AND LIABILITES, AS RESTATED

Annexure 2
(Rs. In Million)

Particulars		As on March 31,				
		2005	2006	2007	2008	2009
A.	**Fixed Assets**					
	Gross Block	-	-	-	565.50	17,275.30
	Less: Depreciation	-	-	-	21.05	493.95
	Net Block	-	-	-	544.45	16,781.35
	Less: Revaluation Reserve	-	-	-	-	-
	Net Block after adjustment for Revaluation Reserve	**-**	**-**	**-**	**544.45**	**16,781.35**
B.	**Investments**	**-**	**-**	**-**	**0.01**	**0.01**
C.	**Current Assets, Loans and Advances**					
	Inventories	-	-	-	-	3,545.90
	Receivables	-	-	-	5.55	4,818.21
	Cash and Bank balance	-	-	-	44.15	176.21
	Loans and Advances	-	-	-	376.72	1,783.46
	Total	-	-	-	**426.42**	**10,323.78**
	Total Assets (A)+(B)+(C)	-	-	-	**970.88**	**27,105.14**
D.	**Liabilities and Provisions**					
	Secured Loan	-	-	-	-	2,611.86
	Unsecured Loan	-	-	-	223.04	4,211.24
	Deferred Tax Liability (Net)	-	-	-	(2.61)	284.05
	Sundry Liabilities	-	-	-	22.70	18,415.43
	Provisions	-	-	-	-	4.98
	Total	-	-	-	**243.13**	**25,527.56**
E.	**Net worth**					
	Represented by:					
	Share Capital	-	-	-	750.00	750.00
	Reserves and Surplus	-	-	-	(22.25)	827.58
	Less: Revaluation Reserve	-	-	-	-	-
	Reserves (Net of Revaluation Reserve)	-	-	-	-	-
	Less: Miscellaneous expenditure not written off	-	-	-	-	-
	Net Worth	-	-	-	**727.75**	**1,577.58**
		-	-	-		
	Total Liabilities (D)+(E)	-	-	-	**970.88**	**27,105.14**

Note:
Gross Block of Fixed Assets includes CWIP and Goodwill on Consolidation.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
ACCOUNTING RATIOS ON CONSOLIDATED BASIS

Annexure 3
(Rs. In Million)

Particulars	**FY 2005**	**FY 2006**	**FY 2007**	**FY 2008**	**FY 2009**
Net Worth (A)	-	-	-	727.75	1,577.58
Restated Profit after Tax (B)	-	-	-	(5.07)	899.44
No. of Shares outstanding at the end of the year (in million) (C)	-	-	-	75.00	75.00
Weighted Average number of Shares outstanding for Basic EPS (in million) (D)	-	-	-	9.35	75.00
Weighted Average number of Shares outstanding for Diluted EPS (in million) (E)	-	-	-	9.35	75.65
Earning Per Share (EPS) (Rs.) (B/D)	-	-	-	(0.54)	11.99
Diluted Earning Per Share (Rs.) (B/E)	-	-	-	(0.54)	11.89
Return on Net Worth (%) (B/A)	-	-	-	(0.70)	57.01
Net Asset Value Per Share (Rs.) (A/C)	-	-	-	9.70	21.03

For the purpose of calculating diluted earnings per share, the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares from the exercise of options on unissued share capital. Since GGL Shares are not listed on any of the stock exchanges, book value as on 31st March,2009 is considered as fair value for the calculation of diluted earnings per share due to exercise of option on unissued equity share capital.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
CAPITALISATION STATEMENT ON CONSOLIDATED BASIS

Annexure 4
(Rs. In Million)

Particulars	As on March 31,				
	2005	2006	2007	2008	2009
Borrowings					
Short Term Debt	-	-	-	223.04	4,211.24
Long Term Debt (*)	-	-	-	-	2,611.86
Total Debt	**-**	**-**	**-**	**223.04**	**6,823.10**
Shareholders Fund					
Share Capital					
-Equity	-	-	-	# 750.00	750.00
Less- Calls in arrears	-	-	-	-	-
-Preference	-	-	-	-	-
Share premium	-	-	-	-	-
Reserves & Surplus	-	-	-	(22.25)	827.58
Less- Miscellaneous expenditure not written off	-	-	-	-	-
Total Shareholders Fund	**-**	**-**	**-**	**727.75**	**1,577.58**
Long term Debt / Equity ratio	-	-	-	-	1.66:1

(*) Long Term Debt includes Term Loans and Working Capital Facilities with Banks.

(#) includes Rs. 380.00 million (38 million shares of Rs. 10 each) pending allotment of shares to the shareholders of GM Pharma Limited pursuant to the scheme of amalgamation of GM Pharma Limited with the Company (appointed date being 31st January, 2008) approved by the Hon'ble High Court of Mumbai on 4th July, 2008. Subsequently on 28th July, 2008 these shares were allotted to the shareholders of GM Pharma Limited.

Note: Since 31st March 2009 (which is the last date as of which financial information has been given), paid up share capital was increased from Rs. 750.00 million to Rs. 1,495.78 million, pursuant to allotment of 71,510,000 shares of Rs. 10 each at a premium of Rs. 90 per share to GPL on 26th August, 2009 and 3,068,355 shares of Rs. 10 each at par to key managerial personnel on 11th September, 2009.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
DETAILS OF SECURED LOAN ON CONSOLIDATED BASIS

Annexure 5
(Rs. In Million)

Particulars	Secured against	Date of Availment @	As on March 31,					Total Sanctioned amount	Interest Rate	Repayable on @	Amount
			2005	2006	2007	2008	2009				
Term Loan											
Bank of India Loan	Fixed Assets of Taloja R & D	02.01.2009	-	-	-	-	229.95	600.00	(BPLR, Floating) minimum 13.25%	30 equal Monthly Installments commencing from July 2011	-
HSBC Term Loan	Charge creation is pending	01.04.2008#	-	-	-	-	133.33	400.00	9.4% (Fixed)	01.09.2009	133.33
Total			**-**	**-**	**-**	**-**	**363.28**	**1,000.00**		**-**	**-**
Working Capital Facilities with Banks											
Bank of India	Hypothecation of Stocks and Receivables	*	-	-	-	-	1,042.09	1,100.00	(BPLR, Floating) minimum 13.25%)	-	-
Central Bank of India	Hypothecation of Stocks and Receivables	*	-	-	-	-	1,206.49	1,500.00	11.50% (Floating)	-	-
Total			**-**	**-**	**-**	**-**	**2,248.58**	**2,600.00**			
Total Secured Loans			-	-	-	-	**2,611.86**			-	-

@ Dates are in DD.MM.YYYY format
* On various different dates during the year.
# Loan of Rs. 266.66 million transferred from GPL under Business Transfer Agreement dated 24th December, 2007.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
DETAILS OF UNSECURED LOANS ON CONSOLIDATED BASIS

Annexure 6
(Rs. In Million)

S No.	Particulars	Date of availment @	As on March 31,					Term of Loan (in days)	Interest Rate	Repayment Schedule	
			2005	2006	2007	2008	2009			Repayment Date *	Amount
1.	Standard Chartered Bank Loan	05.03.2009	-	-	-	-	300.00	46	12% (Fixed)	20.04.2009	300.00
2.	ING Vysya Bank Loan	14.02.2009	-	-	-	-	140.93	180	14% (Fixed)	13.08.2009	140.93
3.	Yes Bank Loan	26.02.2009	-	-	-	-	553.60	180	11.5% (Fixed)	25.08.2009	553.60
4.	Kotak Mahindra Bank Loan	23.01.2009	-	-	-	-	150.00	90	12.25% (Fixed)	23.04.2009	150.00
5.	Axis Bank Loan	19.03.2009	-	-	-	-	502.10	180	12.75% (Floating)	15.09.2009	502.10
6.	Loan from Glenmark Pharmaceuticals Limited, India	#	-	-	-	203.50	344.32	365	12% (Floating)	15.04.2010	344.32
7.	Loan from Glenmark Holding S.A., Switzerland	#	-	-	-	19.54	2,219.99	365	4.5% (Fixed)	31.03.2010	2,219.99
8.	Other Deposits		-	-	-	-	0.30			N.A.	N.A.
	Total		**-**	**-**	**-**	**223.04**	**4,211.24**				

@ Dates are in DD.MM.YYYY format
* Repayment Schedule for Loan Outstanding as on 31st March, 2009.
# On various different dates during the year.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
AGE WISE ANALYSIS OF SUNDRY DEBTORS ON CONSOLIDATED BASIS

Annexure 7
(Rs. In Million)

Name	Age wise break-up	As on March 31,				
		2005	2006	2007	2008	2009
Glenmark Pharmaceuticals S.A., Switzerland	Less than six months	-	-	-	-	17.21
	More than six months	-	-	-	-	15.67
	Total	**-**	**-**	**-**	**-**	**32.88**
Glenmark Pharmaceuticals S. R. O., Czech Republic (formerly known as Medicamenta A. S.)	Less than six months	-	-	-	-	12.83
	More than six months	-	-	-	-	3.26
	Total	**-**	**-**	**-**	**-**	**16.09**
Others	Less than six months	-	-	-	5.55	4,369.88
	More than six months	-	-	-	-	399.36
	Total	**-**	**-**	**-**	**5.55**	**4,769.24**
Total Sundry Debtors	**Less than six months**	**-**	**-**	**-**	**5.55**	**4,399.92**
	More than six months	**-**	**-**	**-**	**-**	**418.29**
	Total	**-**	**-**	**-**	**5.55**	**4,818.21**

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF LOANS AND ADVANCES ON CONSOLIDATED BASIS

Annexure 8
(Rs. In Million)

Particulars	As on March 31				
	2005	2006	2007	2008	2009
Advances recoverable from Group Companies					
Glenmark Therapeutic Inc., U.S.A.	-	-	-	-	5.23
Glenmark Holding S.A., Switzerland	-	-	-	-	107.29
Glenmark Pharmaceuticals S.A., Switzerland	-	-	-	-	8.93
Glenmark Pharmaceuticals (Europe), Ltd, UK	-	-	-	6.65	1.72
Glenmark Farmaceutica Ltda, Brazil	-	-	-	0.08	-
Glenmark Pharmaceuticals Limited, India	-	-	-	352.25	-
Glenmark Pharmaceuticals S.R.L, Romania	-	-	-	-	8.44
Glenmark Generics Inc., USA*	-	-	-	0.08	
Total	**-**	**-**	**-**	**359.06**	**131.61**
Others					
Advances recoverable in cash or kind or for value to be received	-	-	-	-	276.50
Advance Tax (net of provision)	-	-	-	-	449.64
MAT Credit Entitlement	-	-	-	-	162.24
Balance with Excise Authorities	-	-	-	-	561.73
Deposits	-	-	-	9.32	41.43
Others	-	-	-	8.34	160.31
Total	**-**	**-**	**-**	**17.66**	**1,651.85**
Total Loans and Advances	**-**	**-**	**-**	**376.72**	**1,783.46**

* Glenmark Generics Inc., USA became indirect subsidiary of the company with effect from 1st April, 2008

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
DETAILS OF UNQUOTED INVESTMENTS ON CONSOLIDATED BASIS

Annexure 9

(Rs. In Million)

Sr. No.	Particulars	As on March 31,									
		2005		2006		2007		2008		2009	
		No. of Shares	Aggregate Book Value	No. of Shares	Aggregate Book Value	No. of Shares	Aggregate Book Value	No. of Shares	Aggregate Book Value	No. of Shares	Aggregate Book Value
1	National Savings Certificate –Sixth Issue	-	-	-	-	-	-	-	0.01	-	0.01
	Total								**0.01**		**0.01**

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
CONTINGENT LIABILITIES ON CONSOLIDATED BASIS

Annexure 10

The Company has the following Contingent Liabilities for which no provision has been made in the books of accounts

(Rs. In Million)

		As on March 31,				
Sr. No.	**Particulars**	**2005**	**2006**	**2007**	**2008**	**2009**
1	Bank guarantees	-	-	-	-	49.86
2	Disputed taxes / duties (Excise Duty)	-	-	-	-	6.48
3	Open letters of credit (Refer Note a)	-	-	-	-	92.73
	Total	-	-	-	-	**149.07**

Note: a) The total amount related to Letter of Credit outstanding as on 31st March, 2009.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
EARNINGS / (LOSS) PER SHARE (CONSOLIDATED BASIS)

Annexure 12
(Rs. In Million)

Particulars	Year ended March 31,				
	2005	2006	2007	2008	2009
Profit after tax	-	-	-	(5.08)	899.44
Weighted Average No. of Shares for Basic Earnings (in million)	-	-	-	9.35	75.00
Weighted Average No. of Shares for Diluted Earnings (in million)	-	-	-	9.35	75.65
	-	-	-		
Basic Earnings Per Share (Rs.)	-	-	-	(0.54)	11.99
Diluted Earning Per Share (Rs.)	-	-	-	(0.54)	11.89
Face Value Per Share (Rs.)	-	-	-	10	10

For the purpose of calculating diluted earnings per share, the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares from the exercise of options on unissued share capital. Since GGL Shares are not listed on any of the stock exchanges, book value as on 31st March,2009 is considered as fair value for the calculation of diluted earnings per share due to exercise of option on unissued equity share capital.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF WORKING CAPITAL ON CONSOLIDATED BASIS

Annexure 13
(Rs. In Million)

Sr. No	Particulars	As on March 31,		Increase / (Decrease)
		2008	2009	
1	Current Assets	426.41	10,323.78	9,897.37
2	Less-Current Liabilities other than Bank Finance	22.70	18,415.43	18,392.73
3	Working Capital Gap	403.71	(8,091.65)	(8,495.36)
4	Less : Bank Finance	-	-	-
5	Net Working Capital	403.71	(8091.65)	(8495.36)
	Long Term Working Capital (Margin) requirement for the year	**403.71**	**(8091.65)**	**(8495.36)**

Note: Current Liabilities include Rs.7,362.59 million towards consideration payable to Glenmark Pharmaceuticals Limited, India for purchase of Generic Business in India and Rs.9,793.80 million payable to Glenmark Holding S.A., Switzerland for purchase of Glenmark Generics Holding S.A., Switzerland which is a holding company of Glenmark Generics Inc., USA and Glenmark Generics S.A., Argentina.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
DETAILS OF OTHER INCOME ON CONSOLIDATED BASIS

Annexure 14
(Rs. In Million)

Particulars	For the year ended March 31,				
	2005	2006	2007	2008	2009
Exchange Gain	-	-	-	-	565.88
Export Incentive	-	-	-	-	220.89
Lease Rent	-	-	-	-	7.66
Miscellaneous Income	-	-	-	-	56.19
Total	**-**	**-**	**-**	**-**	**850.62**

1. In view of the management, all the other income mentioned above are mainly related to the business of the Company and except for exchange gain are recurring in the nature.
2. The classification of the other income as recurring / non-recurring and related / not related to the business activities is based on the current operation and the business of the Company as determined by the management.
3. The above amounts are as per the Statement of Profit and Loss, as restated of the Company.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
CONSOLIDATED CASH FLOW STATEMENT

Annexure 11
(Rs. In Million)

	Particulars	For the Year ended March 31,				
		2005	2006	2007	2008	2009
A.	**Cash Flow from Operating Activities :**					
	Net Profit before tax	-	-	-	(7.69)	1,446.58
	Adjustment for :					
	- Depreciation	-	-	-	-	298.57
	- Preliminary Expenses	-	-	-	3.12	-
	- Interest Expenses	-	-	-	0.43	752.22
	- Interest Income	-	-	-	-	(7.99)
	- Amortisation or Write Off of Expenses	-	-	-	-	7.42
	- Provision for Doubtful Debts	-	-	-	-	24.18
	- Provision for Gratuity and Leave Encashment	-	-	-	-	4.98
	- Unrealised Foreign Exchange (gain)/loss	-	-	-	-	(41.42)
	Operating Profit before Working Capital changes	-	-	-	**(4.14)**	**2,484.54**
	Adjustment for Changes in Working Capital :					
	-(Increase) / Decrease in Sundry Debtors	-	-	-	(5.55)	(1,577.49)
	-(Increase) / Decrease in Other Receivables	-	-	-	(349.58)	(794.86)
	-(Increase) / Decrease in Inventories	-	-	-	-	(1,934.91)
	-Increase /(Decrease) in Trade and Other Payables	-	-	-	9.68	1803.83
	Cash Generated from Operations	-	-	-	**(349.59)**	**(18.89)**
	-Taxes(Paid) / Received (Net of Tax deducted at source)	-	-	-	-	(830.93)
	Net cash from Operating Activities	-	-	-	**(349.59)**	**(849.82)**
B.	**Cash Flow from Investing Activities :**					
	Purchase of Fixed Assets	-	-	-	54.78	(3,937.86)
	Capital Work in Progress	-	-	-	-	(1,168.18)
	Proceeds from Sale of Fixed Assets	-	-	-	-	12.58
	Interest received	-	-	-	-	7.99
	Net cash used in Investing Activities	**-**	**-**	**-**	**(54.78)**	**(5,085.47)**
C.	**Cash Flow from Financing Activities :**					
	Proceeds from Fresh Issue of Share Capital :(including Securities Premium)	-	-	-	369.50	-
	Exchange Fluctuation Reserve	-	-	-	0.83	(49.61)
	Proceeds / (Repayment) of Long Term Borrowings	-	-	-	(165.46)	363.28

	Proceeds / (Repayment) of Short Term Borrowings	-	-	-	203.50	3,988.20
	Proceeds from Working Capital Facilities movement	-	-	-	-	2,248.58
	Interest Paid	-	-	-	-	(483.10)
	Net cash used in Financing Activities	-	-	-	**408.37**	**6,067.35**
	Net Increase / (Decrease) in Cash and Cash Equivalents	-	-	-	**4.00**	**132.06**
	Cash and Cash Equivalents as at the beginning of the year	-	-	-	0.63	44.15
	Cash and Cash Equivalents received on amalgamation of GM Pharma Limited (includes balance of Glenmark Generics (Europe) Limited of Rs.37.70 million)	-	-	-	39.52	-
	Cash and Cash Equivalents as at the end of the year	-	-	-	**44.15**	**176.21**
	Cash and Cash Equivalents comprise					
	Cash	-	-	-	-	1.27
	Deposits with Scheduled banks	-	-	-	0.03	13.74
	Balance with Scheduled banks	-	-	-	19.49	15.22
	Balance with Non-Scheduled banks				24.63	145.98
	Total	-	-	-	**44.15**	**176.21**

Note: - The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
STATEMENT OF RECONCILATION OF PROFIT AS PER AUDITED ACCOUNTS AND RESTATED PROFITS

(Rs. In Million)

Particulars	For the Year Ended March 31,				
	2005	**2006**	**2007**	**2008**	**2009**
Profit as per Audited Financials	-	-	-	(5.08)	899.44
Add / (Less) Adjustments :	-	-	-	-	-
				-	-
Restated Profit as per statement of profit and loss	**-**	**-**	**-**	**(5.08)**	899.44

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
SIGNIFICANT ACCOUNTING POLICIES FOR CONSOLIDATED FINANCIAL STATEMENTS

Annexure 15

BACKGROUND

(a) The Consolidated Financial Statements relate to Glenmark Generics Limited (the "Company") and its following subsidiaries (the "Group").

Name of the Subsidiary	**Country of Incorporation**	**Ownership and Percentage either directly or through subsidiaries as at March 31, 2009**
Glenmark Generics (Europe) Limited., U.K.	U.K.	100%
Glenmark Generics Finance SA, Switzerland	Switzerland	100%
Glenmark Generics Holding SA., Switzerland *	Switzerland	100%
Glenmark Generics Inc, USA.**	U.S.A.	100%
Glenmark Generics SA, Argentina***	Argentina	100%

*held through Glenmark Generics Finance S.A., Switzerland
**held through Glenmark Generics Holding S.A., Switzerland
***held through Glenmark Generics Holding S.A., Switzerland (98.1%) and Glenmark Generics (Europe) Limited., U.K. (1.9%)

Basis of preparation of Consolidated Financial Statements:

i) The Consolidated Financial Statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and notified by the Companies Act, 1956 to the extent applicable.
The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate Financial Statements.

(a) In respect of Subsidiary Companies, the Financial Statements have been consolidated on a line-by-line basis by adding together the book values of like item of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and unrealised profits/losses on intra-group transactions as per Accounting Standard 21 "Consolidated Financial Statements" as notified by the Companies (Accounting Standard) Rules, 2006
(b) The excess of cost to the Company of its investment in the Subsidiary Company over the Company's share of net assets of the Subsidiary Company is recognised in the Financial Statements as Goodwill, which is amortised/ tested for impairment, if any, at each balance sheet date. The excess of Company's share of net assets of the Subsidiary Company over the cost of acquisition is treated as Capital Reserve
(c) The results of operations of a subsidiary are included in the Consolidated Financial Statements from the date on which the parent-subsidiary relationship comes into existence
(d) The translations of Financial Statements into Indian Rupees relating to non-integral foreign operations have been carried out using the following procedures:
(e) - assets and liabilities have been translated at closing exchange rates at the year end; and
(f) - Income and expenses have been translated at an average exchange rates.

(g) The resultant translation exchange gain/(loss) has been disclosed as Exchange Fluctuation Reserve under Reserves and Surplus
(h) The Notes and Significant Accounting Policies to the Consolidated Financial Statements are intended to serve as a guide for better understanding of the Group's position. In this respect, the Group has disclosed such notes and policies, which represent the requisite disclosure

ii) Fixed Assets and Depreciation and amortisation

Fixed assets are stated at cost less accumulated depreciation and amortisation. The Group capitalises all costs relating to the acquisition and installation of fixed assets. Expenditure of revenue nature, incurred in setting up of new projects, is capitalised as an indirect cost towards construction of the fixed assets.

Depreciation is provided using the straight line method, pro-rata to the period of use of assets, based on the useful lives of fixed assets as estimated by the management, or at the rates specified in Schedule XIV of the Companies Act, 1956, whichever is higher.

Fixed assets having aggregate cost of Rs 5,000 or less are depreciated fully in the year of acquisition.

The Company has estimated the useful life of its assets as follows:

Category	**Estimated useful life(*) (in years)**
Plant and machinery	8 - 20
Vehicles	5 - 6
Equipments and air conditioners	4 – 20
Furniture and fixtures	10
Trademarks	10

Leasehold land and improvement is amortised over the period of lease
(*) Except for the assets acquired from Glenmark Pharmaceuticals Limited under Business Transfer Agreement dated 24th December,2007, where estimated useful life is as per certification from valuer.

iii) Borrowing Costs

Borrowing costs that are attributable to the acquisition and construction of a qualifying asset are capitalised as a part of the cost of the asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.

iv) Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired.If any such indication exist, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

v) Foreign Currency Transactions

(a)Foreign currency transactions are recorded at the exchange rates prevailing on 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 Profit and Loss Account. Non-monetary foreign currency items are carried at cost.

(b) Gain/loss on account of foreign exchange fluctuation in respect of liabilities in foreign currencies specific to acquisition of fixed assets are recognised in the Profit and Loss Account.

vi) Investments

Long term investments are stated at cost. Provision, where necessary, is made to recognize a decline, other than temporary, in the value of the investments.

vii) Inventories

Inventories of finished goods, consumable stores & spares are valued at cost or net realisable value, whichever is lower. Cost of raw materials and packing materials is ascertained on weighted average cost basis. Cost of work-in-process and finished goods include the cost of materials consumed, labour and manufacturing overheads. Excise and customs duty accrued on production or import of goods, as applicable, is included in the valuation of inventories.

viii) Employee Benefits

Long-term Employee Benefits
In case of Defined Contribution plans, the Company's contributions to these plans are charged to the Profit and Loss Account as incurred. Liability for Defined Benefit plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method. The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors. The expected rate of return of plan assets is the Company's expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations. Plan assets are measured at fair value as at the Balance Sheet date. The liability for leave encashment and compensated absences is provided on the basis of valuation, as at Balance Sheet date, carried out by an independent actuary.

ix) Revenue Recognition

The Group recognises revenue on despatch of goods to customers. Revenues from services are recognized on completion of such services. Revenue from IP asset/ Marketing rights is recognized on transfer of ownership/ right to use in accordance with the terms of relevant agreements. Revenue from contract research being in the nature of product development activities is recognized as per the terms of the agreement. Revenues are recorded at invoice value, inclusive of excise duty and sales-tax, but net of returns and trade discounts.

x) Research and Development

Capital expenditure on Research and Development (R&D) is capitalised as fixed assets. Development cost relating to the new and improved product and/or process development is recognised as an intangible asset to the extent that it is expected that such asset will generate future economic benefits. Other research and development costs are expensed as incurred.

xi)Taxation

Current Tax
Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred Tax
Deferred tax is recognised, subject to the consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets are not recognised on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred assets can be realised.

Deferred tax assets/liabilities recognised as above is after excluding the amounts, which are getting reversed during the tax holiday period.

Fringe Benefit Tax
Provision for Fringe Benefit Tax has been made in accordance with the Income Tax Laws prevailing for the relevant assessment years.

xii) Leases

Finance Leases
Assets acquired under finance lease are recognised as assets with corresponding liabilities in the Balance Sheet at the inception of the lease at amounts equal to lower of the fair value of the leased asset or at the present value of the minimum lease payments. These leased assets are depreciated in line with the Group's policy on depreciation of fixed assets. The interest is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period

Operating Leases
Lease rent in respect of assets taken on operating lease are charged to the Profit and Loss Account as per the terms of lease agreements.

xiii) Use of Estimates

The preparation of Financial Statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the periods in which the results are known/materialize

xiv) Provisions and Contingent Liabilities

The Group recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED
SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED BASIS
RELATED PARTY DISCLOSURES AS PER CONSOLIDATED FINANCIAL STATEMENT

Annexure 17

In accordance with the requirements of Accounting Standard -18 "Related Party Disclosures", the names of the related parties where control exist and / or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are as follows:

a) Parties where control exists

i) Holding Company
Glenmark Pharmaceuticals Limited, India

ii) Associate /Fellow Subsidiary Companies
Glenmark Exports Ltd., India
Glenmark Dominicana S.A.,Dominican Republic
Glenmark Impex LLC , Russia
Glenmark Philippines Inc., Philippines
Glenmark Farmaceutica Ltda, Brazil
Glenmark Pharmaceuticals (Europe) Limited, UK
Glenmark Pharmaceuticals Nigeria Ltd., Nigeria
Glenmark Pharmaceuticals Sdn.Bhd.,Malaysia
Glenmark Pharmaceuticals Thailand Co Ltd.
Glenmark Pharmaceuticals S.A.,Switzerland (GSA)
Glenmark Pharmaceuticals South Africa (Pty) Ltd.,South Africa
Glenmark South Africa (Pty) Ltd
Glenmark Pharmaceuticals (Australia) Pty.Ltd., Australia
Glenmark Holding S.A.,Switzerland (GHSA)
Glenmark Pharmaceuticals s.r.o Czech Republic (formerly known as Medicamenta a.s.)
Glenmark Pharmaceuticals S.R.L, Romania
Glenmark Pharmaceuticals EOOD Bulgaria.
Glenmark Pharmaceuticals Mexico sa . de .c.v
Glenmark Pharmaceuticals Peru SAC
Glenmark Pharmaceuticals SP. Z.O.O, Poland
Glenmark Distributors SP Z.O.O,
Badatur S.A., Uruguay
Glenmark Therapeutics Inc , USA
Glenmark Pharmaceuticals Egypt (S A E)
Glenmark Pharmaceuticals FZE (U A E)
Glenmark Pharmaceuticals Venezuela CA
Glenmark Pharmaceuticals Colombia LTD A

b) Key management personnel
Mr. Glenn Saldanha
Mr. Terrance J.Coughlin
Mr. Rajesh V.Desai (resigned on 1st April, 2009)
Mr. Pushpinder Bindra (resigned on 5th August, 2008)
Mr. Jalaj Sharma (appointed w.e.f 1st April, 2009)

c) Transactions with related parties during the year

(Rs. In Million)

		For the year ended March 31,				
Sr. No.	**Particulars**	**2005**	**2006**	**2007**	**2008**	**2009**
1.	**Sale of Goods & Services (Net) to**	-	-	-	-	**347.27**
	-Glenmark Pharmaceuticals S.R.O (Formerly known as Medicamenta A.S Czech Republic)	-	-	-	-	19.77
	-Glenmark Pharmaceuticals SA., Switzerland	-	-	-	-	31.99
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	295.51
2	**Sales/transfer of Fixed Assets to**	-	-	-	-	**4.22**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	4.22
4	**Allotment of Shares to**	-	-	-	**354.50**	**380.00**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	336.50	380.00
	-Glenmark Exports Limited , India	-	-	-	18.00	-
5.	**Purchase consideration - Shares Pending Allotment to**	-	-	-	**380.00**	**-**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	380.00	**-**
6.	**Advances given to**	-	-	-	**349.00**	**-**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	349.00	**-**
7.	**Loan taken from**	-	-	-	**260.53**	**1,962.29**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	241.00	903.33
	-Glenmark Holding SA., Switzerland	-	-	-	19.53	1,058.96
8.	**Loan repaid to**	-	-	-	**222.50**	**1,374.27**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	222.50	762.51
	-Glenmark Holding SA., Switzerland	-	-	-	-	611.76
9.	**Interest payable on Loan taken from**	-	-	-	**0.44**	**586.29**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	0.43	257.57
	-Glenmark Holding SA., Switzerland	-	-	-	0.01	328.72
10.	**Expenses paid on behalf of Group by :**	-	-	-	**0.21**	**115.39**
	-Glenmark Farmaceutica Ltda, Brazil	-	-	-	-	28.30
	-Glenmark Pharmaceuticals Ltd, India	-	-	-	0.21	87.09
11.	**Expenses paid by Group on behalf of :**	-	-	-	**2.61**	**101.74**
	-Glenmark Pharmaceuticals SA., Switzerland	-	-	-	-	54.82
	-Glenmark Therapeutic Inc., USA	-	-	-	**-**	24.74

	-Glenmark Pharmaceuticals (Europe)Limited, UK	-	-	-	2.61	13.12
	-Glenmark Pharmaceuticals S.R.L, Romania	-	-	-	-	5.02
	-Glenmark Pharmaceuticals EOOD Bulgaria.	-	-	-	-	4.04
12.	**Purchase of DEPB Licenses from**	-	-	-	-	**36.05**
	-Glenmark Exports Limited	-	-	-	-	3.11
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	32.94
13.	**Purchase of Goods from**	-	-	-	-	**22.40**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	22.40
14.	**Purchase of Business from**	-	-	-	-	**7,500.00**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	7,500.00
15.	**Purchase of Investment from**	-	-	-		**9,793.80**
	-Glenmark Holding SA., Switzerland	-	-	-	-	9,793.80
16.	**Purchase of fixed assets from**	-	-	-	-	**87.92**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	87.92
17.	**Net Asset /Liability transferred to**	-	-	-	-	**179.42**
	-Glenmark Pharmaceuticals Limited, India	-	-	-	-	179.42
18.	**Labour Charges Paid (Net) to**	-	-	-	-	**5.26**
	-Glenmark Pharmaceuticals Limited, India.	-	-	-	-	5.26
19.	**Remuneration of Key management personnel**	-	-	-		**41.31**
	Mr. Pushpinder Bindra- Whole time director	-	-	-	-	13.25
	Mr. Terrance J. Coughlin	-	-	-	-	28.06

d) Related party balances

	Receivable/(Payable) from/ (to) subsidiary companies	-	-	-	**135.37**	**(19,744.38)**
	-Glenmark Pharmaceuticals Ltd., India	-	-	-	148.11	(7,858.35)
	-Glenmark Exports Ltd., India	-	-	-	-	(3.12)
	-Glenmark Farmaceutica Ltda, Brazil	-	-	-	0.08	(49.69)
	-Glenmark Pharmaceuticals s.r.o, Czech Republic	-	-	-	-	16.09
	-Glenmark Pharmaceuticals SA , Switzerland	-	-	-	-	41.81
	-Glenmark Pharmaceuticals (Europe) Ltd , U.K.	-	-	-	6.64	1.72
	-Glenmark Therapeutic Inc., USA	-	-	-	-	5.22

	-Glenmark Holding S.A.,Switzerland	-	-	-	(19.54)	(11,906.50)
	-Glenmark Generics Inc., USA *	-	-	-	0.08	-
	-Glenmark Pharmaceuticals S.R.L, Romania	-	-	-	-	8.44

* Glenmark Generics Inc., USA became indirect subsidiary of the company with effect from 1st April, 2008.

GLENMARK GENERICS LIMITED
(FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)(CONSOLIDATED)
SIGNIFICANT NOTES FORMING PARTS OF ACCOUNTS

2) SEGMENT INFORMATION AS PER CONSOLIDATED FINANCIAL STATEMENT

Annexure 16

Business segments

The Group is primarily engaged in a single segment business of manufacturing and marketing of pharmaceutical formulations and active pharmaceutical ingredients and is governed by a similar set of risks and returns.

Geographical segments

In the view of the Management, the Indian and export markets represent geographical segments.
Sales by market -- The following is the distribution of the Company's sale by geographical market:

(Rs. In Million)

Particulars	**For the Year ended March 31,**	
Geographical segment	**2008**	**2009**
India	-	1,326.61
Other than India*	-	8,999.45
Total	-	10,326.06

Assets and additions to Fixed assets by geographical area – the following table shows the carrying amount of segment assets and additions to Fixed assets by geographical area in which the assets are located:

(Rs. In Million)

Particulars	**As on March 31,**			
	2008		**2009**	
	India	**Others***	**India**	**Others***
Carrying amount of segment assets	368.58	517.67	10,011.36	9,693.40
Additions to fixed assets	-	55	3,440.30	2,949.87

* Others represent receivables from debtors located outside India including those related to deemed exports and cash and bank balances of branches outside India.

3) AMALGAMATION OF GM PHARMA LIMITED

The scheme of Amalgamation ("the Scheme") of GM Pharma Limited with the Company was duly approved by the Board of the Company at its meeting held on January 31, 2008 and subsequently sanctioned by the Hon'ble High Court of Mumbai on July 04, 2008. The certified copy of the order passed by the Hon'ble High Court was filed with the Registrar of Companies on July 24, 2008.
Pursuant to the above Scheme the entire business and all assets and liabilities of GM Pharma Limited were transferred and vested in the Company effective from July 24, 2008 and appointed date being January 31, 2008. GM Pharma was engaged in pharmaceutical business, same as the Company. Amalgamation entries as of January 31, 2008 & considered in Financial Statement for the year ending 31st March, 2008.

Particulars	**Rs. In Millions**
Transfer of Investment	560.00
Transfer of other assets	4.94
Transfer of Profit and Loss Debit Balance	0.06
Transfer of Loan Liability	(185.00)
Purchase Consideration	**380.00**

The Scheme approved by the Hon'ble High Court provides, the purchase consideration to be discharged by way of issue of shares to the shareholders of GM Pharma Limited in the proportion of one fully paid equity share of Rs.10 each of the company for every one equity share of Rs.10 each held in GM Pharma Limited.

Pending allotment of shares to the shareholders of GM Pharma Limited, the purchase consideration has been disclosed under Share Capital Suspense account as on 31st March, 2008. Subsequently, on July 28, 2008, 38,000,000 shares have been alloted to the shareholders of GM Pharma Limited.

The amalgamation qualifies to be accounted for under "Pooling of interest method" as per the Accounting Standard (AS-14) "Accounting for Amalgamations" issued by the Institute of Chartered Accountant of India, but the accounting treatment as per the scheme approved by the Hon'ble High Court has been given effect in the above financials for the previous year ended 31st March, 2008 is as under :
i) The assets and Liabilities of GM Pharma Limited as at January 31, 2008 were incorporated in the Financial Statements of the Company at their book values.
ii) The Authorised Share Capital of the Company automatically stands increased by an amount equal to the Authorised Share Capital of GM Pharma Limited.
iii) The debit balance in the Profit and Loss account of GM Pharma Limited is debited to Profit and Loss account of the Company.

ACQUISITION OF GENERICS BUSINESS

Business Transfer Agreement: (India Business)
The Board of Directors at its meeting held on December 20, 2007,approved a detailed formal plan of acquisition from Glenmark Pharmaceuticals Limited, India (GPL) Active Pharmaceuticals Ingredients and Generic Pharmaceuticals Business together with the Land, Building, Plant and Machinery, Brands, Trademarks and other assets at its Plant in Goa, Ankleshwar, Kurkumbh, Mohol all located in India as also the employees pertaining to the said business as a going concern. Subsequently, the company has entered into the Business Transfer Agreement dated December 24, 2007 for the acquisition of the above business of GPL with effect from April 01, 2008. The valuation of India API and Generic business of GPL as a going concern consisting of manufacturing, development facilities, other assets and liabilities has been carried out by independent valuers as Rs. 7,500.00 million as per the terms and conditions of Business Transfer Agreement, Rs.349.00 million has been paid to GPL on December 22,2007 and the same is disclosed as Loans and Advances in the financial statements for the year ended March 31, 2008.

The assets and liabilities of the Generic business of GPL as on 1st April, 2008 that were taken over by the Company as on that date was independently valued by the management (in certain class of assets with the assistance of consultants in the field) and suitably recorded in the books of the Company, at such values.

The excess cost of acquisition over fair value of assets acquired is treated as Goodwill. The same is amortised over 5 years from the date of acquisition of such assets.

Overseas Business
During the year Glenmark Generics Limited, India incorporated a wholly owned subsidiary in Switzerland, Glenmark Generics Finance S.A.(GGFSA). GGFSA acquired Glenmark Generics Inc., USA and Glenmark Generics S.A., Argentina by acquiring Glenmark Generics Holding S.A., Switzerland from Glenmark Holding S.A., Switzerland for the consideration of Rs. 9,793.80 million effective 1st April, 2008. The excess consideration over the assets value has been recognised as Goodwill.

EXCEPTIONAL ITEM

The exceptional item represents Rs. 1,169.55 million towards one time additional sales allowances given to customers by Glenmark Generics Inc., USA during the year.

CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on capital account, net of advances, not provided for as at March 31, 2009 aggregate Rs.151.56 million (2008 -Nil)

EMPLOYEE STOCK OPTION PLAN

Pursuant to the resolution passed by the Board of Directors on March 26, 2008 and members of the Company at the Extraordinary General Meeting held on March 31, 2008, the Company had introduced Employee Stock Option Plan 2008 ("the scheme") for permanent employees and eligible directors of the Company, the Holding Company & its subsidiaries, as may be decided by the Compensation Committee. The scheme provides that the total number of options granted there under will be 1,850,000. Each option on exercise is convertible into one equity share of the Company having face value of Rs. 10 each. 1,115,005 options have been granted at an exercise price of Rs 10 each as decided by the Compensation Committee, not exercised on the balance sheet date.

EMPLOYEE BENEFITS

The Glenmark Group has with effect from 1st April, 2007, adopted Accounting Standard 15, Employee Benefits (Revised 2005), issued by the Institute of Chartered Accountants of India ("the revised AS 15"). Consequently, the additional liability for employee benefits based on acturial valuation as at 31st March, 2009 are as under:
The disclosures as required as per the revised AS 15 are as under:

1 Brief description of the Plans
The Group has various schemes for long-term benefits such as provident fund, gratuity, leave encashment, pension fund and social securities. In case of funded schemes, the funds are recognized by the income tax authorities and administered through appropriate authorities. The Group's Defined Contribution Plans are employees' provident fund and pension scheme since the Company has no further obligation beyond making the contributions. The Group's Defined Benefits Plans include Gratuity and Leave encashment.

	(Rs.in million) **2008-2009**
2 Charge to the Profit and Loss Account based on contributions	
Provident Fund, Pension Fund and Social Securities.	22.26

3 Disclosures for Defined Benefit Plans based on actuarial reports as on 31st March, 2009

(I) Change in Defined Benefit Obligation

(Rs.in million)

Particulars	Gratuity (Funded Plan)	Leave encashment (Funded Plan)
Opening defined benefit obligation (*)	9.00	10.18
Current Service Cost	-	-
Interest Cost	-	-
Actuarial loss/ (gain)	3.14	4.91
Benefits paid	(0.35)	(1.76)
Closing defined benefit obligation	**11.79**	**13.33**

(*) Represents Liability related to employees transferred from Glenmark Pharmaceuticals Limited to Glenmark Generics Limited, w.e.f. 1st April, 2008 as per Business Transfer Agreement.

(II) Change in Fair Value of Assets

Opening Fair Value of Plan assets	-	-
Expected return on plan assets	-	-
Actuarial gain/ (loss)	(0.02)	0.48
Contribution by employer (*)	9.85	11.95
Benefits paid	(0.35)	(1.76)
Closing fair value of plan assets	**9.48**	**10.67**

(*) Includes transfer of Fund Balance of Rs. 9.00 million and Rs. 10.18 million for Gratuity and Leave Encashment fund respectively by Glenmark Pharmaceuticals Limited, pursuant to acquisition of Generics business of Glenmark Pharmaceuticals Ltd. w.e.f. 1st April, 2008

(III) Amount recognized in the Balance Sheet

Present value of obligation as at the year end	11.79	13.33
Fair value of plan assets as at year end	9.48	10.66
Amount recognized as on 31st March, 2009	**2.31**	**2.67**

(IV) Expenses recognized in the Profit and Loss account

Current Service Cost	-	-
Interest on defined benefit obligation	-	-
Expected return on plan assets	-	-
Net actuarial loss/ (gain) recognized in the current year	3.16	4.43
Total expense	**3.16**	**4.43**

(v) Asset information

Administered by Birla Sunlife Insurance Co. Ltd. And LIC of India	**100%**	**100%**

(VI) Principal Acturial assumptions used

Discount rate (p.a.)	**8%**	**8%**
Expected rate of return on plan assets (p.a.)	**8%**	**8%**
Salary escalation	**5%**	**5%**

GLENMARK GENERICS LIMITED (FORMERLY KNOWN AS GLENMARK ORGANICS LIMITED)
DIVIDEND POLICY

The Company has not declared or paid any dividend on its Equity Shares during the last five fiscal years. The declaration and payment of any dividends in the future will be recommended by the Board and approved by the shareholders of the Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by the Board.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of the Company's financial condition and results of operations is based on the Company's consolidated restated financial statements as of and for the Fiscal years ended March 31, 2008 and 2009. This discussion should be read together with the Company's Indian GAAP financial statements and related notes included elsewhere in this Draft Red Herring Prospectus. The Company prepares its unconsolidated and consolidated financial statements in accordance with Indian GAAP, which differs in some respects from IFRS and US GAAP. This discussion contains forward-looking statements and reflects management's current views of the Company with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth under "Risk Factors" beginning on page xv of this Draft Red Herring Prospectus and elsewhere in this Draft Red Herring Prospectus.

The Company's consolidated restated financial statements for the Fiscal years ended March 31, 2008 and 2009, as well as its unconsolidated restated financial statements for the Fiscal years ended March 31, 2005, 2006, 2007, 2008 and 2009, also included in this Draft Red Herring Prospectus, may be of limited value to prospective investors as the Company had limited operations and income prior to April 1, 2008, the effective date of the Business Transfer Agreement transferring the generic finished dosage forms ("FDF") and active pharmaceutical ingredients ("API") businesses of GPL to the Company. See "History and Corporate Matters–Business Transfer Agreement dated December 24, 2007 between GPL and the Company" beginning on page 92 of this Draft Red Herring Prospectus. As a result, previous year comparative figures have been included only where applicable. This Draft Red Herring Prospectus must therefore be considered in light of the risks and uncertainties inherent in new businesses, or businesses with limited operating histories.

Overview

The Company is a generic pharmaceutical company with research and development, manufacturing, marketing and distribution capabilities. It focuses on the development, manufacturing, marketing and distribution of FDFs through wholesalers, distributors, retailers and other channels, including hospitals and through open tenders. The Company also develops, manufactures, markets and distributes APIs to other pharmaceutical companies. For certain of its products, the Company manufactures the APIs used in its FDFs. The Company has five manufacturing facilities in India, two of which have been inspected by the US Food and Drug Administration ("US FDA") and the Medicines and Healthcare products Regulatory Agency ("UK MHRA"), and a new facility in Argentina.

The Company markets its products in various regulated and semi-regulated markets around the world. It primarily sells its FDF products in the United States ("US") and the European Union ("EU"), as well as its oncology FDF products in South America. The Company supplies APIs to customers in approximately 65 countries, including the US, various countries in the EU, South America and India.

As of September 18, 2009, the Company is authorised to distribute approximately 49 FDF products in the US, markets approximately 66 APIs globally and has approximately 41 Drug Master Files ("DMFs") filed with the US FDA. The Company's main FDF products are Oxcarbazepine (anticonvulsant), Gabapentin (anticonvulsant), Hydroxyzine (sedating antihistamine), Naproxen (non-steroidal anti-inflammatory or "NSAID") and Pravastatin Sodium (antilipemic), while its main API products are Topiramate, Amiodarone, Telmistartan, Esomeprazole Magnesium, Lornoxicam, Linezolid and Perindopril Erbumine. To assist in its manufacturing and marketing efforts internationally, the Company has three operating subsidiaries located in each of the US, the UK and Argentina.

As part of its business strategy, the Company files Abbreviated New Drug Applications ("ANDAs") with the US FDA, some of which include Paragraph IV certifications which may result in marketing exclusivity opportunities under US law. In Fiscal 2008, Glenmark Generics Inc., USA obtained 180 days joint exclusivity for Oxcarbazepine (Trileptal). As of September 18, 2009, the Company is involved in ongoing litigations for securing exclusivity opportunities with respect to six of its ANDA filings. For more details

with respect to the ANDA filing process and marketing exclusivity, see "Industry Overview – Pharmaceuticals Industry ―US Regulation of Generics Products― Hatch-Waxman Act and Paragraph IV" beginning on page 54 of this Draft Red Herring Prospectus. Moreover, the Company's ANDA pipeline of FDF products focuses on niche generics segments such as dermatology/semi-solids, hormones, modified release, controlled substances/CII and "first to file"/Paragraph IV products, which the Company believes are subject to lesser competition due to the relative complexities involved in their production and higher entry barriers.

The Company's consolidated sales in Fiscal 2009 was Rs. 10,326.06 million. In Fiscal 2009, sales from FDFs contributed Rs. 7,885.15 million, or 76.36% of the Company's consolidated sales, and sales from APIs contributed Rs. 2,440.91 million, or 23.64% of its consolidated sales. Sales from FDFs in the US, the primary regulated market in which the Company conducts business and the largest pharmaceutical market in the world (Source: Cygnus Research), amounted to Rs. 7,337.73 million, or 71.06% of the Company's consolidated sales in Fiscal 2009. Sales from India amounted to Rs. 1,326.61 million, or 12.85 % of the Company's consolidated sales.

The Company is a subsidiary of Glenmark Pharmaceuticals Limited ("GPL"), a company which began operations in the pharmaceutical industry in 1977. In 2008, pursuant to a business reorganization, GPL's generic pharmaceutical FDF and API businesses, including all related land, machinery, equipment and employees, were transferred to the Company. For further details see, "History and other Corporate Matters" beginning on page 91 of this Draft Red Herring Prospectus.

Factors Affecting the Company's Results of Operations

The Company's results of operations have been influenced and will continue to be influenced by the several factors, including the following:

Government and Other Regulatory Approvals

The Company operates in an industry and certain geographical markets, such as the US and the EU, that are subject to a high degree of regulation with respect to the marketing and sale to the public of generic pharmaceutical products. The Company's income is significantly dependent on the number of products it can sell into these markets. The Company has secured US FDA approval for a number of its products, allowing it to sell such products in the US and derive sales income. To maintain income growth, the Company continues to file for approvals of its new products with the US FDA and other government and regulatory agencies. In Fiscal 2009, the Company received approval for 11 products from the US FDA. Any delay in the granting or approvals for new products, or any withdrawal of approval for existing products would adversely affect the Company's results of operations. The Company must ensure that government and other regulatory agencies do not withdraw approvals for sales of the Company's existing products and continue to approve the Company's new products for sale in their respective markets in a timely manner.

Price Erosion

The generics industry, particularly in the US, is subject to significant price erosion, as the prices for a generic product typically decline as new competitors introduce their own versions of generic products and any marketing exclusivity enjoyed by a generics company expires. See "Industry Overview―Major Markets―United States" beginning on page 65 of this Draft Red Herring Prospectus. The Company has implemented strategies to minimize the effect of price erosion on its results of operations.

Research and Development

To complement its existing product portfolio and improve its operational efficiencies, the Company continually invests in research and development. The Company's growth is dependent on an increase in the number of FDFs it develops, as well as maintaining its position as a low-cost producer of pharmaceuticals

through efficient manufacturing and production processes. As of June 30, 2009 the Company had 20 new API products in development, as well as 70 new FDF products in development. The Company must ensure that its research and development efforts result in new additional products and continue to improve production efficiency.

Expiring Patents

The Company's income is also affected by the number of pharmaceutical products whose patents expire. As existing patents of other pharmaceutical companies for branded versions of these products expire, the Company can file for marketing and sale of generic low-cost versions of these products with the relevant regulatory authorities. Certain regulatory authorities such as the US FDA grant periods of exclusivity to generic drug companies who are the "first to file" applications for the marketing and sale of their FDFs. The Company must continue to develop marketable FDF substitutes for products going "off-patent" in a cost-effective, efficient and timely manner to maximize its profitability in relation to its FDFs. See "Industry Overview—Pharmaceuticals Industry - US Regulation of Generics Products—Hatch-Waxman Act and Paragraph IV" beginning on page 54 of this Draft Red Herring Prospectus.

Industry Competition and Consolidation

The generics industry is subject to increased competition from the introduction of competing products and new generics companies, as well as a trend towards consolidation of industry players. All these factors render the Company's goals to continually expand its customer base and increase market share a significant challenge. The consolidation of various competitors to expand or augment existing operations or products lines and extend the scope of their geographical operations may have a significant adverse effect on the Company's income and financial condition. In addition, the introduction of competing generic products both with respect to the key products the Company sells, which compose a significant portion of its income or subsequent to any market exclusivity it has acquired, would materially and adversely affect its margins on those products, as prices trend lower when the number of substitutes for a generic product increases.

Production Costs

The Company's strategy to maintain its position as a low-cost producer and increase its cost competitiveness is dependent on efficient management of its production costs. Adequate availability of key raw materials at manageable price levels is critical and any price fluctuations may materially affect the Company's margins. The Company aims to be a low-cost producer through continued backward integration of its API products for the manufacture of its FDF products. By increasing the number of FDF products it produces using its own APIs, the Company capitalizes on its API manufacturing capabilities in India which contribute significantly to its overall cost competitiveness in the market. Increased backward integration also develops the Company's logistics and operations efficiencies across the organization. Any disruption in the supply of the Company's required raw materials, a significant increase in prices for or excise duties levied on these raw materials, changes in the Company's salary costs or any setbacks in its planned or expected integration strategies with respect to its API and FDF operations could have a material effect on its results of operations.

Macroeconomic Factors

Macroeconomic factors, both in the Indian and international contexts, such as economic instability, political uncertainty, social upheavals or acts of God could influence the Company's performance. In addition, fluctuations in interest rates, exchange rates and inflation would have a material effect on key aspects of the Company's operations, including the costs of its raw materials, the prices at which it can sell its products, the cost of borrowing required to fund the Company's operations and profit margins.

Critical Accounting Policies

The methods, estimates and judgments that the Company uses in applying its accounting policies may have a significant impact on its results of operations as reported in the consolidated financial statements. Some of the accounting policies require the Company to make difficult and subjective judgments, often as a result of the need to make estimates of matters that are inherently uncertain. The Company's estimates and assumptions are based on historical experiences, including changes in business environment. However, actual results may differ materially from estimates under different conditions, sometimes materially.

Basis of Preparation of Consolidated Financial Statements

The Company's consolidated financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and notified by the Companies Act, 1956 to the extent applicable. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's unconsolidated financial statements.

In respect of subsidiary companies, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and unrealised profits/losses on intra-group transactions as per Accounting Standard 21 "Consolidated Financial Statements" as notified by the Companies (Accounting Standard) Rules, 2006.

The excess of cost to the Company of its investment in a subsidiary company over the Company's share of net assets of such subsidiary is recognized in the consolidated financial statements as Goodwill, which is amortised/tested for impairment, if any, at each balance sheet date. The excess of the Company's share of net assets of the subsidiary company over the cost of acquisition is treated as Capital Reserve.

The results of operations of a subsidiary are included in the consolidated financial statements from the date on which the parent-subsidiary relationship comes into existence.

The translations of financial statements into Indian Rupees in relation to non-integral foreign operations have been carried out using the following procedures:

- Assets and liabilities have been translated at closing exchange rates at the year end; and
- Income and expenses have been translated at average exchange rates.

The resulting translation exchange gain/(loss) has been disclosed as Exchange Fluctuation Reserve under Reserves and Surplus.

Borrowing Costs

Borrowing costs that are attributable to the acquisition and construction of a qualifying asset are capitalised as a part of the cost of the asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

Impairment of Assets

The Company assesses, at each balance sheet date, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance

sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as of the balance sheet date are translated at the rates of exchange prevailing at such date. Gain/ loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognised in the profit and loss account. Non-monetary foreign currency items are carried at cost.

Gain/loss on account of foreign exchange fluctuations in respect of liabilities in foreign currencies specific to acquisition of fixed assets are recognised in the profit and loss account.

Inventories

Inventories of finished goods, consumable stores & spares are valued at cost or net realisable value, whichever is lower. Cost of raw materials and packing materials is ascertained on weighted average cost basis. Cost of work-in-process and finished goods include the cost of materials consumed, labour and manufacturing overheads. Excise and customs duty accrued on production or import of goods as applicable, is included in the valuation of inventories.

Research and Development

Capital expenditures on research and development is capitalised as fixed assets. Development cost relating to the new and improved product and/or process development is recognised as an intangible asset to the extent that it is expected that such asset will generate future economic benefits. Other research and development costs are expensed as incurred.

Leases

Finance leases

Assets acquired under finance lease are recognised as assets with corresponding liabilities in the balance sheet at the inception of the lease at amounts equal to lower of the fair value of the leased asset or at the present value of the minimum lease payments. These leased assets are depreciated in line with the Company's policy on depreciation of fixed assets. The interest is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating leases

Lease rents in respect of assets categorized as operating leases are charged to the profit and loss account in accordance with the terms of the respective lease agreements.

Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that likely requires an outflow of resources, and a reliable estimate can be made of the amount of the obligation. Disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but likely will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Revenue Recognition

The Company recognizes revenue on the dispatch of products to customers. Revenues from services are recognized upon completion of such services. Revenues from intellectual property assets/marketing rights are recognized on the transfer of ownership/right to use such assets or rights in accordance with the terms of the relevant agreements. Revenue from contract research activities, being in the nature of product development activities, is recognized as per the terms of the relevant agreements. Revenues are recorded at invoice value, inclusive of excise duties and sales tax, but net of returns and trade discounts.

Fixed Assets, Depreciation and Amortisation

Fixed assets are stated at cost less accumulated depreciation and amortization. The Company and its subsidiaries capitalize all costs in relation to the acquisition and installation of fixed assets. Expenditure of a revenue nature, incurred in the setting up of new projects, is capitalised as an indirect cost towards the construction of fixed assets.

Depreciation is provided for using the straight-line method, based on the useful life of the particular asset as estimated by the Company's management or at rates specified by Schedule XIV of the Companies Act, 1956, whichever is higher.

Fixed assets with an aggregate cost of Rs. 5,000 or less are fully depreciated in the year of acquisition.

Provision for Taxation

The Company's provision for taxation consists of income tax, fringe benefit tax, wealth tax and deferred tax.

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax is recognised, subject to the considerations of prudence, on timing differences with respect to the difference between taxable income and accounting income recognized in one period and capable of reversal in one or more subsequent periods.

Deferred tax assets/liabilities as recognised above exclude amounts which are reversed during the Company's tax holiday period.

Provisions for fringe benefit tax are made in accordance with prevailing income tax laws for the relevant years of assessment.

Results of Operations

The following table sets out the Company's consolidated restated profit and loss statement, the components of which are expressed as a percentage of total income for the periods indicated.

Particulars	For the Year Ended March 31,			
	2008[1]		2009	
	(Rs. In Million)	% of Total Income	(Rs. In Million)	% of Total Income
Income :				
Sales	-	-	10,326.06	74.26
Other Income[2]	-	-	850.62	6.12
Increase/(Decrease) in Inventory	-	-	2,729.42	19.62
Total Income	**-**	**-**	**13,906.10**	**100.00**
Expenditure :				
Materials consumed	-	-	4,802.40	34.53

	For the Year Ended March 31,			
	2008[1]		2009	
Purchase of Traded Goods	-	-	2,495.75	17.95
Staff cost	-	-	804.13	5.78
Other Manufacturing expenses	-	-	582.25	4.19
Selling and Operating expenses	7.26	-	1,562.64	11.24
Interest (Net)	0.43	-	744.23	5.35
Depreciation	-	-	298.57	2.15
Total Expenditure	**7.69**	-	**11,289.97**	**81.19**
Net profit before tax and exceptional items	**(7.69)**	-	**2,616.13**	**18.81**
Exceptional items[3]	-	-	1,169.55	8.41
Net profit before tax	(7.69)	-	1,446.58	10.40
Taxation :				
-Current year	-	-	374.67	2.69
-MAT Credit Entitlement	-	-	(162.24)	(1.17)
-Deferred Tax	(2.61)	-	328.09	2.36
-Fringe Benefit Tax	-	-	6.62	0.05
Total Taxation	**(2.61)**	-	**547.14**	**3.93**
Net profit after tax	(5.08)	-	899.44	6.47

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(1) The Company acquired its FDF and API business from GPL with effect from April 1, 2008; hence, Fiscal 2008 numbers are not comparable.
(2) Other income comprises exchange gain, export incentives, lease rent and other miscellaneous income.
(3) Exceptional items in Fiscal 2009 refers to Rs. 1,169.55 million towards one-time additional sales allowances given to customers by Glenmark Generics Inc., USA

Income. Substantially all of the Company's income is derived from the sale of its FDFs and APIs, as well as income derived from its intellectual property-related assets. Payment terms for the Company's products vary with the terms of its agreements. Income from intellectual property-related assets are recognized on the transfer of ownership.

Expenditure. The Company's expenditures consist of materials consumed, purchase of credit goods, staff cost, other manufacturing expenses and selling and operating expenses. Selling and operating expenses mainly consist of sales promotion expenses, insurance premiums, rental expenses and other out of pocket and miscellaneous expenses.

Depreciation. Depreciation relates primarily to the manufacturing facilities and equipment owned by the Company and is calculated using the straight-line method.

Interest (net). The Company's finance costs represent its interest on loans and from banks and other interest. These interest charges are offset by interest income received by the Company from its deposits with banks.

Provision for Taxation. The Company's provision for taxation encompasses income tax, fringe benefit tax, wealth tax and deferred tax. Deferred tax arises mainly due to the timing differences in the depreciation rates applicable to the books of accounts and under the Income Tax Act, as well as credit for certain depreciation and tax losses.

Consolidated Results for Fiscal 2009

Income. The Company's consolidated total income in Fiscal 2009 was Rs. 13,906.10 million. This income was primarily due to income from sale of the Company's FDF products and APIs during the year, as well as other income and increases/(decreases) in inventory.

Sales. The Company's consolidated sales amounted to Rs. 10,326.06 million in Fiscal 2009. The Company's sales from FDFs in the US were Rs. 7,337.73 million; sales from FDFs in Europe amounted to Rs. 146.94 million and sales from Argentina totalled Rs. 400.48 million. The Company's sales from APIs in Fiscal 2009 were Rs. 2,440.91 million.

Other income. Other income was Rs. 850.62 million in Fiscal 2009, consisting mainly of Rs. 565.88 million of exchange gains, Rs. 220.89 million of export incentives (duty drawback) and other miscellaneous income (mainly scrap sales) of Rs. 63.85 million.

Increase in Inventory. The Company's inventory increased by Rs. 2,729.42 million in Fiscal 2009, mainly due to an increase in inventory of FDFs in its warehouse in the US, as well an increase in semi-finished goods and work in progress at its Goa and Ankleshwar facilities. The Company maintains high inventories of products in the US to take advantage of any opportunities in the market and reduce its freight costs.

Expenditure. The Company's consolidated total expenditure in Fiscal 2009, excluding exceptional items, was Rs. 11,289.97 million.

Materials consumed. In Fiscal 2009, the Company's expenditures for materials consumed amounted to Rs. 4,802.40 million. Materials consumed consisted mainly of raw and packing materials used in the production of the Company's FDF and API products.

Purchase of traded goods. In Fiscal 2009, the Company's purchase of traded goods amounted to Rs. 2,495.75 million. Purchases of traded goods mainly consist of products procured by the Company's US subsidiary from partners with whom the Company has entered into joint development and marketing agreements.

Staff Cost. In Fiscal 2009, the Company's staff costs amounted to Rs. 804.13 million. Staff costs consist mainly of compensation paid to employees across all offices of the Company, as well as its contribution to pension funds.

Other manufacturing expenses. In Fiscal 2009, the Company's other manufacturing expenses amounted to Rs. 582.25 million. The Company's other manufacturing expenses consist of labour charges of Rs. 171.95 million, power and fuel charges of Rs. 154.67 million, consumables, stores and spares of Rs. 109.95 million, plant maintenance expenses of Rs. 42.26 million and other expenses incurred by the Company for its production of API and FDF products.

Selling and Operating Expenses. In Fiscal 2009, the Company's consolidated selling and operating expenses were Rs. 1,562.64 million. The Company's selling and operating expenses mainly consist of sales promotion expenses of Rs. 546.69 million, professional fees of Rs. 178.93 million and outbound freight expenses of Rs. 225. 25 million.

Interest. The Company's net interest expense was Rs. 744.23 million in Fiscal 2009, mainly due to interest payable on its borrowings, as well interest on amounts payable to GPL and the subsidiaries of GPL under the Business Transfer Agreement and Share Purchase Agreement respectively. See "History and Corporate Matters–Business Transfer Agreement dated December 24, 2007 between GPL and the Company" beginning on page 92 of this Draft Red Herring Prospectus and "History and Corporate Matters–Share Purchase Agreement dated June 2, 2008 between Glenmark Holding SA and Glenmark Generics Finance SA" on page 95 of this Draft Red Herring Prospectus.

Depreciation. The Company's depreciation/amortisation was Rs. 298.57 million in Fiscal 2009, primarily due to depreciation from assets transferred from GPL under the Business Transfer Agreement and other asset additions. See "History and Corporate Matters—Business Transfer Agreement dated December 24, 2007 between GPL and the Company" beginning on page 92 of this Draft Red Herring Prospectus.

Net *Profit before Tax and Exceptional Items*. The Company's profit before tax and exceptional items was Rs. 2,616.13 million.

Exceptional Items. Exceptional items recognized by the Company in Fiscal 2009 refers to Rs. 1,169.55 million being one time additional sales allowances given by Glenmark Generics Inc. USA to customers on account of price erosion on sales of Oxcabazepine. Oxcarbazepine was the first product sold with joint exclusivity by the Company. The Company now believes it has a better understanding of the US generics market with respect to exclusivity conditions and will be well positioned for gains from its future Paragraph IV opportunities.

Net Profit before tax. The Company's profit before tax in Fiscal 2009 was Rs. 1,446.58 million.

*Provision f*or *Taxation*. In Fiscal 2009, the Company's total tax liability was Rs. 547.14 million. This tax liability consisted of current year taxes of Rs. 374.67 million, deferred taxes of Rs. 328.09 million and fringe benefit taxes of Rs. 6.62 million. The Company's MAT credit entitlement was Rs. 162.24 million in Fiscal 2009, reducing its net tax liabilities. The Company's effective corporate tax rate in Fiscal 2009 was 37.82% (consisting of a current tax rate of 26.36% and a deferred tax rate of 11.46%).

Net Profit after tax. The Company's net profit after tax was Rs. 894.44 million in Fiscal 2009.

Liquidity and Capital Resources

The Company finances its working capital requirements primarily through funds generated from operations and bank financing. The Company's principal sources of liquidity are cash, cash equivalents and the cash flow that it generates from operations. The Company had combined cash and cash equivalents of Rs. 44.15 million and Rs. 176.21 million as of March 31, 2008 and 2009, respectively. The following is a summary of the Company's combined cash flow data for the periods indicated:

	Year ended March 31,	
	2008	2009
	Rs. Millions	Rs. Millions
	(Audited)	
Net cash (used in)/provided by operating activities	(349.59)	(849.82)
Net cash (used in)/provided by investing activities	(54.78)	(5,085.47)
Net cash (used in)/provided by financing activities	408.37	6,067.35
Net (decrease)/increase in cash and cash equivalents at the end of the year	4.00	132.06

Net cash provided by operating activities primarily consists of net profit adjusted for certain non-cash items (including depreciation), interest paid, gain/loss due to foreign exchange fluctuation and the effect of changes in working capital and other activities.

Net cash used in operating activities in Fiscal 2009 was Rs. 849.82 million and consisted mainly of taxes paid, as well as adjustments for changes in working capital. The difference between the Company's net profit before extraordinary items and tax and net cash used in operating activities primarily resulted from an increase in inventory of Rs. 1,934.91 million and an increase in sundry debtors of Rs. 1,577.49 million and other receivables of Rs. 794.86 million, which partially offset the increase in trade and other payables of Rs. 1,803.83 million.

Net cash used in investing activities was Rs. 5,085.47 million in Fiscal 2009. Cash used in investing activities primarily reflected the Company's cash outflows for purchase of fixed assets totalling Rs. 3,937.86 million in Fiscal 2009, as well as capital works in progress for the year amounting to Rs. 1,168.18 million.

Net cash from financing activities was Rs. 6,067.35 million in Fiscal 2009, consisting mainly of proceeds from the Company's issue of share capital (including securities premium) and proceeds from short-term borrowings. The proceeds were partially offset by repayments of long-term borrowings made by the Company, as well as a decrease in exchange fluctuation reserves.

Capital Expenditures

Historically, the Company has incurred capital expenditures in the normal course of its business in relation to the expansion of existing facilities and is expected to continue incurring such capital expenditures in the future. The Company has also completed construction of a new oncology manufacturing facility in Argentina. In Fiscal 2009, the Company's consolidated capital expenditures, classified as additions to Gross Block, amounted to Rs. 4,730.96 million.

Statement of Indebtedness and Contingent Liabilities

Borrowings

As of March 31, 2009, the Company had outstanding secured loans of Rs. 2,611.86 million and unsecured loans of Rs. 4,211.24 million, none of which were subsequently capitalized. The Company's secured loans mainly consist of term loans and working capital facilities secured from banks. The Company's term loans are secured against its fixed assets, while its working capital facilities are secured by hypothecation of stocks and receivables. The Company's unsecured loans consist of short term loans from banks, as well as loans from GPL and Glenmark Holdings S.A., Switzerland, which together accounted for approximately 61.72% of its total loans.

Working Capital

Taking into account the net proceeds of the Issue and available banking facilities, the Company believes that it has sufficient working capital for its present requirements.

Contractual Obligations and Commercial Commitments

The Company's contractual obligations as of March 31, 2009 comprised an estimated amount of Rs. 151.56 million for contracts remaining to be executed on capital account (net of advances) and contingent liabilities not provided for of Rs. 149.07 million. The Company expects that such obligations and commitments will not have any material effects on its liquidity and cash flows in future periods. The Company has lease obligations with respect to the land on which its manufacturing facilities are situated on. See "Business—Property" on page 82 of this Draft Red Herring Prospectus.

Contingent liabilities

The table below sets out material contingent liabilities that have not been provided for as of March 31, 2009.

Nature of Contingent Liability	**(Rs. millions)**
Bank Guarantees	49.86
Disputed taxes/duties (Indirect Tax)	6.48
Open letters of credit	92.73
TOTAL	**149.07**

Quantitative and Qualitative Disclosures about Market Risk

Risk Management

The Company is exposed to market risk as a result of its manufacturing and borrowing activities. The Company is exposed to market risk from changes in both foreign currency exchange rates and interest rates. The Company faces foreign exchange risk to the extent its income, costs, assets or liabilities are denominated in currencies other than Indian rupees. The Company's interest rate risk results from changes in interest rates which may affect the cost of its financing. The Company does not use financial instruments such as foreign currency options, interest rate swaps or forward rate agreements to manage its market risk. Also, the Company does not hold or issue derivative or other financial instruments for trading purposes.

Commodities Risk

The Company is exposed to market risk with respect to commodity prices from its purchase and sale of FDF products and APIs, as well as raw material components for such FDF products. Prices for these raw material components can fluctuate sharply over short periods of time. The prices of the Company's raw materials used in its API products are generally more volatile. Raw material expense forms the largest portion of the Company's operating expenses. The cost of materials/goods represented 52.48% of the Company's consolidated total income in Fiscal 2009. The Company evaluates and manages its commodity price risk exposure through its operating procedures and sourcing policies. In the normal course of business, the Company purchases its raw materials under annual supply contracts based on prevailing market conditions. The Company does not use any derivative financial instruments or futures contracts to hedge its remaining exposure to fluctuations in commodity prices. The Company does not apply hedging techniques with respect to changes in the purchase and sale prices of its active pharmaceutical ingredients. Accordingly, significant increases in the prices of its raw materials could affect its results of operations.

Interest Rate Risk

The Company is exposed to market risk with respect to changes in interest rates related to its borrowings. Interest rate risk exists with respect to the Company's indebtedness that bears interest at floating rates tied to certain benchmark rates, including the Bank's Prime Lending Rate ("BPLR"), as well as borrowings where the interest rate is reset based on changes in interest rates set by RBI. The Company has not entered into agreements to hedge risks associated with changes in interest rates.

As of June 30, 2009, the Company had outstanding floating rate loans of Rs. 5,773.86 million, which comprised 73.88% of its total loan funds. The Company's borrowings from banks amounting to Rs. 5,294.07 million, or 67.74% of its total loan funds. The Company's indebtedness to banks was exposed to risk in the form of policy changes by the RBI with respect to interest rates. The interest rates on these borrowings follow the RBI's policies which are generally announced through credit policy measures issued twice a year. Moreover, the Company's interest rate risk is affected primarily by the short-term interest rates set by Indian banks.

Foreign Currency Exchange Rate Risk

The Company is exposed to exchange rate risk primarily from its receivables, which are mainly denominated in foreign currencies and payables, as well as from its foreign currency debt and assets.

Approximately 87.15% of the Company's consolidated sales in Fiscal 2009 were derived from sales outside India. Substantially all of its non-Indian sales income is denominated in foreign currencies, primarily in US dollars and Euros. Approximately 83.01% of Company's unconsolidated sales in fiscal 2009 were derived from sales outside India.

The Company imports a substantial amount of its raw materials and imports some of the equipment used in its manufacturing facilities. The prices the Company pays for these imports are denominated in foreign

currencies, primarily the US dollar. Approximately 24.38% of the Company's raw materials by value for its India manufacturing facilities were imported in Fiscal 2009. In addition, a portion of the Company's other operating expenses are denominated in US dollars or other foreign currencies.

The Company does not have any foreign currency exchange rate risk on its debts, other than the translation risk in the preparation of its consolidated financial statements as per Accounting Standard 21.

The Company evaluates its net exchange rate exposure arising from foreign currency debt and foreign currency receivables and payables and hedges that exposure based on its risk management policies. The Company has not entered into any hedging transactions in relation to its exchange rate exposure.

FINANCIAL INDEBTEDNESS

The details of the Company's loans are as follows:

Long Term Loans

Secured Borrowings

S. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Millions)	Amount outstanding as of September 22, 2009 (In Rs. Millions)	Interest (in % p.a.)	Tenure	Repayment	Security
1.	Bank of India	Letter granting sanction of credit facilities dated December 10, 2008 (Ref: MHL/ADV/RPM/2008-09/721) and term loan argeement dated December 19, 2008	600.00	257.93	At BPLR	60 months	30 monthly instalments of Rs. 20 million commencing from the date of first disbursement with moratorium of 30 months	Equitable mortgage of land and building and hypothecation of plant and machinery situated at plot no. 4 in Taloja industrial area, Thane
2.	Axis Bank Limited	Term loan agreeement dated August 13, 2009	750.00	600.00	4.50% below Axis Bank Limited PLR.	4 years including moratorium of 1.5 years	10 equal quarterly instalments each starting from 21st month of disbursement	Refer to Note 1 and 2.*
3.	IndusInd Bank Limited	Corporate loan agreement dated April 22, 2009 and sanction letter dated March 12, 2009	500.00	500.00	11.50% payable monthly with annual reset with maximum cap of 16.75% p.a.	4 year including moratorium of 1 year	12 equal quarterly instalments after moratorium of 1 year. First disbursement due on June 30, 2010	Refer to Note 1.
4.	IndusInd Bank Limited	Letter granting sanction of long term rupee term loan dated August 25, 2009 amendment dated August 28, 2009 and loan agreement dated August 29, 2009	750.00	550.00	10.75% fixed payable monthly with annual rests from drawdown date	3 years including a moratorium of 1 year	8 equal quarterly instalments after a moratorium of 1 year. First disbursement due on September 30, 2010	Refer to Notes 1 and 3.*

** The creation of security for the loan obtained from Axis Bank Limited and IndusInd Bank Limited is currently pending.*

Note 1:

The security interest is created by way of first and pari passu charge:

(i) on the immovable property of the Company situated in Goa Kundaim, Goa main plant, Colvale, Goa hormones plant, Colvale, Ankleshwar, Kurkumbh, Pune and Mohol, Solapur; and

(ii) on the movable property of the Company, in particular, the whole of the borrower's plant and machinery both tangible and intangible as also all its rights, title, interest and benefit in all tangible and intangible assets including without limitation furniture, fixtures, tools, electrical installations, capital spares, motor vehicles, accessories, and all other equipment including computers, and all other movable fixed assets, whether installed or not and whether lying loose or in cases or which are lying or are stored in or to be stored in or to be brought into or upon the borrower's premises, warehouses, stockyards and godowns or those of the borrower's agents, affiliates, associates or representatives or at various work sites or at any place or places wherever else situated or wherever else the same may be, belonging to the borrower and all replacements thereof and additions thereof whether by way of substitution, addition, replacement, conversion, realization or otherwise howsoever together with all benefits, rights and incidents attached thereto.

Note 2:

Hypothecation by way of a pari passu charge to Axis Bank Limited as security trustee, on the Movable Properties of the Company.

Note 3:

(i) Pari passu charge on movable and immovable fixed assets of the Company; and

(ii) Hypothecation of movable fixed assets prior to disbursal.

Unsecured Borrowings

S. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Millions)	Amount outstanding as of September 22, 2009 (In Rs. Millions)	Interest (in % p.a.)	Tenure	Repayment	Security
1.	Yes Bank Limited	Loan agreement dated March 24, 2009 and facility no. YBL/MUM/FL/ 525 dated August 21, 2009 along with facility no. YBL/FL/099/20 09-10	500.00	458.33	6% below Yes Bank Limited PLR.	36 months	To be repaid by 12 equal quarterly installments in 36 months	-
2.	Yes Bank Limited	Loan agreement dated September 16, 2009 and sanction letter no. TBL/MUM/FL/ 525/2009-10 dated August 21, 2009 along with facility no. YBL/FL/099/20	500.00	Nil	7% below Yes Bank Limited PLR.	24 months	To be repaid by equal quarterly instalments in 24 months	-

S. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Millions)	Amount outstanding as of September 22, 2009 (In Rs. Millions)	Interest (in % p.a.)	Tenure	Repayment	Security
		09-10						

Corporate Actions

Certain corporate actions, for which the Company is required to provide a prior intimation to the lenders, *inter alia* include:

(i) Amending the Memorandum and Articles of Association;
(ii) Entering into any scheme of merger, amalgamation or reconstitution;
(iii) Effecting any change in the capital structure;
(iv) Permitting any change in the ownership or control of the Company whereby the effective beneficial ownership or control of the Company shall change;
(v) Implementing any scheme of expansion or diversification or capital expenditure except normal replacements;
(vi) Undertaking guaranteeing obligations;
(vii) Effecting any material change in the management of the business;
(viii) Investing by way of share capital in or lend funds or place deposits with any other concern;
(ix) Repay amounts brought in by Promoter;
(x) Entering into borrowing arrangements either secured or unsecured with any other bank, financial institution except the working capital facilities, granted by other consortium members, under consortium / multiple banking arrangements and the term loans proposed to be obtained from financial institutions / banks for completion of the replacement –cum – modernisation programme

Further, under certain loan documents the Company is required to maintain certain financial ratios during the tenor of certain loans.

Certain covenants under the loan documents entered into between the Company and various banks and financial institutions are as follows:

(i) The company to maintain a minimum net working capital of 25% of current assets;
(ii) Prior written consent of the bank required before the Company can assume any further indebtedness of long term nature;
(iii) The Company shall not, without prior written intimation, avails further loan or facility on the property constituting the bank's security;
(iv) During the continuation of the facilities GPL shall directly or indirectly hold 60% of the shareholding in the Company;
(v) Not declare any dividend if any instalment towards principal amount or interest remains unpaid on due date;
(vi) The Company to obtain rating from credit rating agencies within stipulated time.

Working Capital Loans (Fund based limit)

S. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Amount outstanding as of September 22, 2009 (In Rs. Million)	Interest (in % p.a.)	Security

S. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Amount outstanding as of September 22, 2009 (In Rs. Million)	Interest (in % p.a.)	Security
Secured borrowings						
1.	Bank of India	Letter granting sanction of credit facilities dated December 10, 2008	1,000.00	968.98	At BPLR minus 1.50%	First and exclusive charge over the current asset of the Company including the stock and book debts for all working capital requirements
2.	Central Bank of India	Sanction letter dated December 26, 2008 (Ref No. CBI:CFB:CR:ESA:08-09:4269)	1,500.00	1401.79	At BPLR minus 1% payable monthly	Pari passu charge on stock and book debts for total limit of Rs. 1,500 million.
Unsecured borrowings						
1.	ING Vysya Bank	Agreement for unsecured fund based loan dated August 11, 2008 and sanction letter dated June 3, 2009 (Ref: IVBL/CIB/GGL/06/2009-10) granting renewal of working capital limit	430.00	130.00	As mutually agreed	-
2.	Kotak Mahindra Bank Limited	Sanction letter dated April 21, 2009 (Ref: CB/210409/6432) with addendum dated August 7, 2009 and master facility agreement dated July 26, 2008	480.00	386.67	To be decided prior to disbursement	-
3.	Axis Bank Limited	Sanction letter dated March 6, 2009 and Demand / short term credit facility agreement dated March 18, 2009	500.00	499.69	BPLR minus 3%	-

S. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Amount outstanding as of September 22, 2009 (In Rs. Million)	Interest (in % p.a.)	Security
4.	Yes Bank Limited	Facility letter dated August 21, 2009 (Ref: TBL/MUM/FL/525/2009-10) providing various sub-limits alongwith loan agreement dated September 16, 2009 along with facility no. YBL/FL/099/2009-10	750.00	Nil	To be decided prior to disbursement	-
5.	Yes Bank Limited	Facility letter dated August 21, 2009 (YBL/MUM/FL/566/2009-10) for sales / export bill / invoice discounting	500.00	Nil	To be decided prior to disbursement	-
6.	IndusInd Bank Limited	Sanction letter dated August 25, 2009 (Ref: IBL/CAD/363/2009)	500.00	352.43	To be negotiated at the time of disbursement	-

Working Capital Loans (Non-Fund based limits)

S. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (in Rs. Million)	Amount outstanding as of September 22, 2009 (In Rs. Million)	Commission Charges (in % p.a.)	Security
Secured Borrowings						
1.	Central Bank of India	Sanction letter dated December 26, 2008 (Ref No. CBI:CFB:CR:ESA :08-09:4269)	450.00	2.65	As per O/C guidelines	Pari passu charge on stock and book debts for total limit of Rs. 1,500 million.
2.	Bank of India	Letter granting sanction of credit facilities dated December 10, 2008	1,000.00	43.52	As per guidelines	First and exclusive charge over the current asset of the Company including the stock and book debts for all

S. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (in Rs. Million)	Amount outstanding as of September 22, 2009 (In Rs. Million)	Commission Charges (in % p.a.)	Security
						working capital requirements
Unsecured Borrowings						
1.	ING Vysya Bank	Sanction of letter of credit facilities dated July 27, 2009 (IVBL/CIB/GGL/ 34/2009-10)	50.00	Nil	100 bppa	-
2.	ING Vysya Bank	Agreement for unsecured fund based loan dated August 11, 2008 and letter dated June 3, 2009 **(**Ref: IVBL/CIB/GGL/0 6/2009-10) granting renewal of working capital limit	430.00	188.61	100 bppa	-
3.	Kotak Mahindra Bank Limited	Letter dated April 21, 2009 granting banking facilities and addendum dated August 7, 2009	480.00	Nil	To be decided prior to disbursement	-
4.	Yes Bank Limited	Facility letter dated August 21, 2009 (Ref: TBL/MUM/FL/52 5/2009-10) providing various sub-limits	750.00	2.19	0.50% plus taxes as applicable payable upfront	-
5.	IndusInd Bank Limited	Sanction letter dated August 25, 2009 (Ref: IBL/CAD/363/200 9)	500.00	Nil	To be decided at the time of disbursement	-

Forex limits sanctioned to the Company

S. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (in Rs. Million)	Amount outstanding as of September 22, 2009 (In Rs. Million)
1.	ING Vysya Bank	Sanction letter dated June 3, 2009 (Ref: IVBL/CIB/GGL/06/2009-10) granting forex limit	70.00	Nil
2.	IndusInd Bank Limited	Sanction letter dated March 12, 2009 (Ref: IBL/CAD/057/ 2008-09) in relation to forward cover	500.00	Nil
3.	Kotak Mahindra Bank Limited	Sanction letter dated April 21, 2009 (Ref: CB/210409/6432) granting forex limit and letter dated August 7, 2009	20.00	Nil

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigation, suits, criminal or civil prosecutions, proceedings or tax liabilities against the Company, its subsidiaries, Directors, the Promoter and Group Companies and there are no defaults, non payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issue by the Company and its Subsidiaries, defaults in creation of full security as per terms of issue/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of the Company and its subsidiary and no disciplinary action has been taken by SEBI or any stock exchanges against the Company, its Subsidiaries, its Promoter, Group Companies and Directors.

Litigation against the Company

Taxation Matters

Excise Duty Matters

1. The Commissioner, Central Excise and Customs, Surat - II issued a show cause notice dated December 15, 2008 to the Company in relation to its Ankleshwar facility for non-payment of excise duty on control/retention samples taken by the quality control department of the facility, from April 2004 to October 2008 (earlier by GPL as well as by the Company) and non-disclosure of information of retaining the samples in the monthly excise returns (Form E.R.-1). The Commissioner, Central Excise and Customs, Surat has claimed an amount of Rs. 1,234,202 from the Company. The matter is currently pending.

2. The Assistant Commissioner, Central Excise and Customs, Division - I Ankleshwar issued a show cause notice dated November 27, 2008 to the Company in relation to its Ankleshwar facility rejecting the refund claim filed by the Company for unutilized/accumulated cenvat credit availed on inputs and capital goods, amounting to Rs. 89,700,278 for the month of September 2008. The Assistant Commissioner, Central Excise and Customs, Division - I Ankleshwar rejected the refund claim filed by the Company vide order dated April 23, 2009. The Company has challenged the order dated April 23, 2009 before the Commissioner of Customs and Central Excise (Appeals), Surat II. The matter is currently pending.

3. The Assistant Commissioner, Central Excise and Customs, Division – I, Ankleshwar issued a show cause notice dated December 22, 2008 to the Company in relation to its Ankleshwar facility rejecting the refund claim filed by the Company for an amount of Rs. 7,500,810 accumulated cenvat credit for the period October 2007 to December 2007. The Assistant Commissioner, Central Excise and Customs, Division – I, Ankleshwar rejected the refund claim filed by the Company vide order dated May 13, 2009. The Company has challenged the order dated May 13, 2009 before the Commissioner of Customs and Central Excise (Appeals), Surat II. The matter is currently pending.

4. The Assistant Commissioner of Central Excise, Division - I, Goa passed four orders dated December 28, 2008 (two orders), December 24, 2008 and December 30, 2008 granting refunds of Rs. 3,482, Rs. 403,494, Rs. 194,433 and 420,465 instead of Rs. 51,605, Rs. 427,124, Rs. 219,457 and Rs. 461,357 respectively as per the rebate claims filed by the Company in relation to its Goa facility for the period commencing from November 2007 to December 2008. The Company has filed an appeal dated April 28, 2009 before the Commissioner of Customs and Central Excise (Appeals), Goa, who remanded the cases back to the Assistant Commissioner of Central Excise,

Division - I, Goa for want of speaking orders. The matters are currently pending before the Assistant Commissioner of Central Excise, Division - I, Goa.

5. The Company filed rebate claims of Rs. 9,954,124 to the Assistant Commissioner, Central Excise, Division - I, Goa for the period April 2008 to May 2008. The Assistant Commissioner, Central Excise and Customs, Goa issued 30 show cause notices dated April 29, 2004 to the Company claiming that the excise duty is required to be paid on free on board (FOB) value of goods exported, whereas the Company paid excise duty on cost, insurance and freight (CIF) value. The matter is currently pending before the Assistant Commissioner, Central Excise and Customs, Division - I, Goa.

6. The Assistant Commissioner, Central Excise, Division – VII, Pune issued a show cause notice dated June 4, 2009 to the Company in relation to its Kurkumbh facility for reversion of duty on scrapping of Rs. 669,466 of semi-finished bulk drugs at the Kurkumbh facility. The Company has not paid duty on Rs. 669,466. The Assistant Commissioner, Central Excise, Division – VII, Pune has claimed the duty amount of Rs. 107,115 as duty, Rs. 2,142 as education cess along with interest and a 100% potential penalty amount, aggregating to Rs. 218,514. The matter is currently pending before the Assistant Commissioner, Central Excise, Division – VII, Pune.

7. The Commissioner of Central Excise, Division – VII, Pune issued a show cause notice dated January 12, 2007 to GPL in relation to its Kurkumbh facility for reversion of credit on work-in-progress material destroyed in fire at the Kurkumbh facility. GPL availed cenvat credit of Rs. 2,624,669 for work-in-progress, which was lost by fire vide insurance claims. The Commissioner of Central Excise, Division – VII Pune claimed duty amounting to Rs. 2,624,669 and penalty amounting to Rs. 2,624,669. The Additional Commissioner of Central Excise, Division – III, Pune passed an order dated October 25, 2007 confirming the demand of Rs. 2,624,669 availed as cenvat credit and directing GPL to pay the interest and penalty of Rs. 2,624,669. GPL filed an appeal challenging the order dated October 25, 2007 to the Commissioner (Appeals), Central Excise, Division – III, Pune, which was dismissed vide order dated June 27, 2008. In accordance with the provisions of the Business Transfer Agreement dated December 24, 2007 entered into between the Company and GPL, all the assets and liabilities in relation to the generics business have been acquired by the Company and accordingly the matter is carried forward by the Company. The Company has filed an appeal before the Custom Excise and Service Tax Appellate Tribunal, Mumbai challenging the order dated June 27, 2008. The matter is currently pending.

8. The Assistant Commissioner, Central Excise and Customs, Division – I Ankleshwar issued a show cause notice dated June 20, 2008 to GPL (the matter is currently transferred in the name of the Company), in relation to rejection of the refund claim dated January 29, 2008 filed by GPL for duty amounting to Rs. 2,811,251 and interest debited/reversed amounting to Rs. 465,559 during the course of audit of the records by the Assistant Commissioner, Central Excise and Customs, Division – I Ankleshwar. The Assistant Commissioner, Central Excise and Customs, Division – I, Ankleshwar by its order dated December 12, 2008 sanctioned the refund claim of duty amounting to Rs. 876,355 and rejected the refund claim of duty amounting to Rs. 1,934,896 and interest amounting to Rs. 465,559. In accordance with the provisions of the Business Transfer Agreement dated December 24, 2007 entered into between the Company and GPL, all the assets and liabilities in relation to the generics business have been acquired by the Company and accordingly the matter is carried forward by the Company. The Company has filed an appeal against the order dated December 12, 2008, in respect of the rejection of the refund claim and interest, before the Commissioner (Appeals), Central Excise. The matter is currently pending.

Service Tax Matters

1. The Assistant Commissioner of Central Excise, Division – VII, Pune issued a show cause notice dated June 15, 2009 to GPL, disallowing the service tax credit on courier charges and construction work at Kurkumbh facility. The Company has paid the principal amount of service tax amounting

to Rs. 25,792 and has requested the Assistant Commissioner of Central Excise, Division – VII Pune to waive penalty amount of Rs. 25,792. The matter is currently pending.

Labour Cases

1. S. B. Yadav has filed proceedings against Glaxo India Limited before the Labour Court, Bharuch challenging his suspension and demanding reinstatement with back wages. During the pendency of the proceedings, the assets of Glaxo India Limited were taken over by GPL and an award dated March 9, 2007 was passed against Glaxo India Limited and GPL. In accordance with the provisions of the Business Transfer Agreement dated December 24, 2007 entered into between the Company and GPL, all the assets and liabilities in relation to the generics business have been acquired by the Company. In light of this agreement, this matter may be transferred to the Company. For further details of the proceedings, please see "*Litigation involving Promoter – Proceedings against GPL – Labour cases - case no. 1"* on page 225 of this Draft Red Herring Prospectus.

2. Arvind Patel has filed proceedings against Glaxo India Limited before the Labour Court, Bharuch challenging his suspension and demanding reinstatement with back wages. During the pendency of the proceedings, the assets of Glaxo India Limited were taken over by GPL and notice dated July 15, 2008 was served on GPL. GPL has *inter alia* contended that since it had not been made a party to the proceedings, no award could be passed against it and that the establishment in question had been transferred to the Company pursuant to the Business Transfer Agreement dated December 24, 2007 entered into between the Company and GPL. In light of this agreement, this matter may be transferred to the Company. For details of the proceedings, please see "*Litigation involving Promoter – Proceedings against GPL – Labour cases - case no. 2"* on page 225 of this Draft Red Herring Prospectus.

Regulatory Proceedings

1. Nycomed USA Inc. filed a patent infringement action on December 12, 2008 before the US District Court, Eastern District Court of New York (which was transferred to the US District Court for the Eastern District of New York, Brooklyn) against the Company and Glenmark Generics Inc. for filing ANDA seeking approval to market its generic version of the product named Nycomed's Cutivate® lotion and claimed that the Company and Glenmark Generics Inc. infringed their US patent '699. The matter is currently pending.

2. Sepracor has filed a patent infringement action on March 29, 2009 before the US District Court, Eastern District Court of New Jersey, against the Company, GPL and Glenmark Generics Inc. with other nine filers to prevent them from marketing a product named Eszopiclone in 1 mg, 2 mg and 3 mg tablet forms which is marketed by Sepracor as Lunesta. The matter is currently pending.

3. Medicis has filed a patent infringement action on June 19, 2009 before the US District Court, Eastern District Court of New Jersey, against the Company and Glenmark Generics Inc to prevent them from marketing generic version of Medicis's product Venos. The matter is currently pending.

Litigation by the Company

There are no litigations filed by the Company.

Litigation involving Directors

There are no litigations involving the Directors of the Company.

Litigation involving Subsidiaries

A. Glenmark Generics Finance S.A., Switzerland

Litigation involving Glenmark Generics Finance S.A.

Nil

B. Glenmark Generics Holding S.A., Switzerland

Litigation involving Glenmark Generics Holding S.A.

Nil

C. Glenmark Generics (Europe) Limited, UK

Litigation involving Glenmark Generics (Europe) Limited

Nil

D. Glenmark Generics Inc., USA

Proceedings against Glenmark Generics Inc.

1. Smithkline Beecham Corporation has filed a patent infringement action in the US District Court for the District of Delaware against Glenmark Generics Inc. against the latter's filing of ANDA seeking approval to market its generic version of the product named Atovaquone-Proguanil claiming that it infringes their US patent. The matter is currently pending.

2. Sanofi-Aventis filed a patent infringement action before the US District Court, Eastern District Court of New Jersey against GPL and Glenmark Generics Inc. for filing ANDA seeking approval to market its generic version of a product named Trandolapril-verapimil claiming that it infringes their US patent. The matter is currently pending.

3. Schering Plough filed a patent infringement action before the US District Court, Eastern District Court of New Jersey against GPL and Glenmark Generics Inc. for filing ANDA seeking approval to market its generic version of a product named Ezetimibe claiming that it infringed their US patent. The matter is currently pending.

4. There are three legal proceedings initiated against Glenmark Generics Inc. along with the Company in relation to Paragraph IV Patent Infringement matters. The matters are currently pending. For further details of these proceedings, please see "*Litigation against the Company – Regulatory Proceedings – case nos. 1, 2 and 3"* on page 220 of this Draft Red Herring Prospectus.

Proceedings by Glenmark Generics Inc.

1. Glenmark Generics Inc. has instituted a suit before District Court, New Jersey, USA against LeVista for recovery of balance payment of USD 190,970 for goods supplied. The matter is currently pending.

E. Glenmark Generics S.A., Argentina

Litigation involving Glenmark Generics S.A.

Nil

Litigation involving the Promoter

Criminal Proceedings

1. Criminal proceedings were initiated by Krishna V. Kotwal under sections 406, 409, 420 of the Indian Penal Code, 1860 and section 14 of the Employees' Provident Fund Act, 1952 against GPL as the principal employer and the contractor engaged by GPL at its factory at Nasik, Aravali Securities. The complainant claimed that he had been working as a security supervisor at the factory at Nasik through Reliable Securities and Aravali Securities and that his services had been terminated illegally. He further claimed that he was not given details of his provident fund account number and copies of the slips for the deductions made from his salary on account of provident fund and under the Employees' State Insurance Act, 1948 and that he had not been enrolled as a member of the provident fund, nor had any contributions been made by GPL or its contractor, Aravali Securities, in terms of the Employees' Provident Fund Act, 1952 or Employees' State Insurance Act, 1948. GPL filed an application for quashing the proceedings for want of sanction from the Employees' Provident Fund Commissioner, but this was rejected by the Judicial Magistrate I Class, Nashik by an order dated July 5, 2006, permitting the issuance of process under Sections 406, 409 and 420 of the Indian Penal Code. Against this, a criminal revision petition was filed before the Additional Sessions Judge, Nashik. An order was passed by the Additional Sessions Judge on April 11, 2007 for proceeding with the trial. A criminal writ petition dated August 22, 2008 has been filed by GPL in the Mumbai High Court and the trial has been stayed pursuant to an order of the High Court dated October 13, 2008. The matter is currently pending.

2. A first information report has been made by the Drugs Inspector, Food and Drugs Administration, Mumbai on February 11, 2004 and investigation was commenced on the basis of the same. Criminal proceedings dated October 20, 2006 have been filed by the State of Maharashtra against GPL and others in the court of the Metropolitan Magistrate, Mazgaon, on the grounds that GPL entered into an arrangement with a dealer for disposal of scrap material which also contained medical waste, but the medical waste containing expired drugs was not disposed as per the law and norms set by the Food and Drug Authorities. The matter is yet to be heard by the court.

3. Criminal proceedings have been initiated by the State of Karnataka before the Judicial Magistrate First Class, Gulbarga against GPL and its directors for marketing the scheduled formulation Ecap at a price higher than the notified price under the Drug (Prices Control) Order, 1995. Fresh summons have been issued but have not been served as yet and the matter is pending before the court.

Cases involving infringement of trademarks or passing off

1. Mililab Private Limited has initiated proceedings against GPL in the Bombay High Court alleging trademark infringement and passing off in respect of the "Milical" tradename. An ad interim injunction has been refused to the plaintiff and an ad interim injunction restraining the defendants from making unlawful threats has been issued by the Bombay High Court on July 29, 2003. Both proceedings are currently pending before the court.

2. Charak Pharmaceuticals (India) Limited and another have initiated proceedings in the Bombay High Court claiming an injunction against GPL claiming infringement of trademark and passing off in respect of the "Evanova" tradename by use of "Econova" tradename. The ad interim injunction requested by the plaintiff has been rejected. GPL has filed its written statement. The matter is pending before the court as the plaintiffs have replaced their advocates and the new advocates have sought time for appropriate instructions. The matter is currently pending.

3. Galderma S.A. has initiated proceedings against GPL in the Delhi High Court for restraining GPL from using the product insert for the product of GPL "Deriva," which was similar to the product insert used by the plaintiff. An ex parte ad interim injunction has been granted in favour of the plaintiff by an order dated April 18, 2002 and the parties have made a joint application before the Delhi High Court dated September 12, 2002 stating that they have reached an amicable settlement.

Civil Suits

1. A suit has been filed by Hari V. Kolte in the court of the Civil Judge, Nashik, against GPL on termination of employment, challenging his termination as being bad and illegal, and praying for back wages and differential amount, amounting to Rs. 1,676,146.50 along with interest at the rate of 24% per annum from the date of the suit until realisation. The suit was decreed in an order dated January 22, 2003 for compensation of the amount prayed for with interest at 6% per annum from the date of the suit until final realisation. GPL has filed an appeal in the Bombay High Court dated March 5, 2003 which has been admitted. The matter is currently pending.

Consumer Complaint

1. A consumer complaint dated August 11, 2006 was filed by A. Anandam against GPL and Vijaya Hospital alleging that after the complainant used Candibiotic ear drops he had untold pain and irritation in his right ear and that the usage of the drops caused a hole in his right eardrum. An application was made by the doctor from Vijaya Hospital who had treated the complainant seeking exemption from appearing before the court for examination. This application was rejected and the doctor has appealed against this order. The matter is currently pending before the court.

Taxation Matters

Income Tax

1. GPL had declared total income of Rs. 111,445,672 for the assessment year 1999-2000 including a claim of deduction under Section 80IA in respect of the Goa unit for Rs. 16,481,392 which was processed and accepted. A notice dated March 8, 2006 was issued to GPL by the Deputy Commissioner of Income Tax Central, Circle-33 (the "**Assessing Officer**"). By an order dated December 8, 2006, the Assessing Officer has held that a portion chargeable to tax has escaped assessment as the gross profit attributed to the Goa unit (which was eligible for an exemption under Section 80IA of the Income Tax Act) was higher than the gross profit of non eligible units and GPL has not allocated proportionate expenses for earning income. It was also held that the claim of deduction under Section 80HHC had to be reworked after considering excise and sales tax as part of total turnover and reduce the portion thereof deducted under Section 80IA. The claim under Section 80IA was restricted to Rs. 5,665,126 and allowed. The claim for deduction under Section 14A was disallowed having regard to proportionate expenses undertaken by GPL to earn such income. The total income of GPL was assessed at Rs. 125,258,313. Against the order of Assessing Officer, GPL has filed an appeal before the Commissioner of Income Tax (Appeals) ("**CIT (Appeals)**"). The appeal was partly allowed by an order dated April 2, 2007, wherein the deductions claimed under Section 80IA and Section 14A were allowed. Excise duty and sales tax were directed to be excluded from the computation of total turnover but GPL was held not entitled to claim deduction for any amount under Section 80HHC for which deduction had already been claimed under Section 80IA. GPL has filed an appeal against the order of the CIT (Appeals) before the Income Tax Appellate Tribunal where the matter is currently pending.

2. GPL had declared nil total income for the assessment year 2002-2003 and in a letter dated August 4, 2003 filed an application for revision in the return of income, declaring an income of Rs. 10,046,450. The Assessing Officer, in an order dated January 31, 2005 disallowed GPL's claim for a deduction of Rs.13,769,885 towards maintenance expenses for certain software and Rs.284,134 other repair and maintenance expenses on the ground that it is a capital expenditure and not eligible for deduction under Section 31. The Assessing Officer also brought interest expenditure with regard to investments in equity shares under the purview of Section 14A stating that interest expenditure can be allocated against dividend. GPL has filed an appeal before the CIT (Appeals), which has been partly allowed by an order dated November 2, 2006. Aggrieved by the order of the CIT (Appeals), GPL has filed an appeal before the Income Tax Appellate Tribunal where the matter is currently pending.

3. GPL had declared total income of Rs. 14,406,255 for the assessment year 2003-2004. The Assessing Officer, in an order dated January 31, 2006 disallowed GPL's claim for a deduction of to the tune of Rs. 716,468.04 towards repair and maintenance expenses and Rs. 800,000 in respect of maintenance expenses for certain software on the ground that it was a capital expenditure. A sum of Rs. 100,000 was held deductible as depreciation on capital assets under Section 32 in relation to the capital expenditure incurred. The Assessing Officer had also disallowed a claim made by GPL under Section 35(1)(iv) of the Income Tax Act to the tune of Rs.37,035,456 spent on the construction of building for research and development, a sum of Rs. 8,768,137 in respect of deductions towards contributions under the Employees' State Insurance Act, 1948, Employees' Provident Fund Act, 1952 and towards gratuity, a sum of Rs. 4,062,469 in respect of bad debts, Rs. 3,507,389 in respect of royalties and additional deductions claimed under Section 80HHC. The total income of GPL was assessed at Rs. 170,857,203. GPL filed an appeal against the order of Assessing Officer before the CIT (Appeals), where the appeal was partly allowed by an order dated November 2, 2006. The claim for deduction in respect of repairs and maintenance was permitted to the extent of Rs. 658,568 and the claims for deduction in respect of contributions under the Employees' State Insurance Act, 1948, Employees' Provident Fund Act, 1952 and towards gratuity, expenditure for research and development, payments for royalty and exclusion of excise duty and sales tax from total turnover. Aggrieved by the order of the CIT (Appeals), GPL has filed an appeal before the Income Tax Appellate Tribunal where the matter is currently pending.

4. GPL had declared a total income of Rs. 245,571,471 for the assessment year 2004-2005. The Assessing Officer, in an order dated December 5, 2006 had *inter alia* disallowed GPL's claim for a deduction of Rs. 124,500 as expense incurred for earning dividend, Rs.400,000 as capital expenditure, Rs.732,341 in respect of building repairs and Rs.134,052 in respect of maintenance of machinery as capital expenditure. The Assessing Officer had also disallowed a claim made by GPL under Section 35(1)(iv) of the Income Tax Act on a sum of Rs. 1,46,19,464 spent on the construction of a building for research and development as well as a claim on depreciation in respect of payments made towards royalty. GPL filed an appeal before the CIT (Appeals), which was partly allowed by an order dated April 2, 2007. Aggrieved by the order of the CIT (Appeals), GPL has filed an appeal before the Income Tax Appellate Tribunal where the matter is currently pending.

5. GPL had declared a total income of Rs. 320,484,460 for the assessment year 2005-2006. The Assessing Officer, in an order dated May 9, 2008 had *inter alia* disallowed a sum of Rs.2,242,588 under Section 14A of the Income Tax Act on account of proportionate interest expenditure relatable to the investments made by GPL, Rs. 1,074,906 relating to repairs and maintenance expenditure on machinery as capital expenditure, Rs. 24,925,217 of research and development expenses on building, Rs.1,972,907 as depreciation on royalty payments, with respect to assessment of GPL's income for the assessment year 2005-2006. GPL filed an appeal before the CIT (Appeals), which was partly allowed by an order dated September 30, 2008. Aggrieved by the order of the CIT (Appeals), GPL has filed an appeal before the Income Tax Appellate Tribunal where the matter is currently pending.

6. The Assessing Officer had held that GPL's transactions were in the nature of "work contracts" and were liable to tax deducted at source under Section 194C of the Income Tax Act and accordingly passed an order under Section 201 of the Income Tax Act holding the company as an assessee in default by an order dated June 23, 2006. GPL filed an appeal before the CIT (Appeals), which was dismissed by an order dated November 13, 2006. GPL filed an appeal before the Income Tax Appellate Tribunal against the order of the CIT (Appeals), which has been allowed by an order dated March 5, 2009. Currently an appeal has been filed by the Income Tax Department and is currently pending before the High Court of Bombay.

Sales Tax Matters

1. The Commercial Tax Officer, Marredpally Circle, Secunderabad has imposed a tax of Rs. 520,467 due to non filing of form F under the Central Sales Tax Act, 1956 by an order dated December 30, 2008. Aggrieved by this order, GPL has appealed to the Appellate Deputy Commissioner who has remanded the matter to the assessing officer for granting the relief for the Form F submitted before him.

2. The Assistant Commissioner of Commercial Tax, Baroda, has passed an order dated May 1, 2008. imposing purchase tax of Rs. 130,960 under Section 15B of the Gujarat Sales Tax Act and an interest thereon of Rs. 70,718. The officer has also raised a demand of Rs. 1,862,566 including interest amounting to Rs. 614,272 and a penalty of Rs. 113,754 due to the rejection of Form C submitted under the Central Sales Tax Act. Aggrieved by this order, GPL has filed an appeal before the Deputy Commissioner Commercial Tax (Appeals), Baroda where the matter is currently pending.

Excise Matters

1. The Commissioner of Central Excise, Nashik has issued show cause notices dated June 23, 2006 and January 15, 2007 to GPL as the manufacturer of medicines produced at the premises of Niramay Pharma Private Limited and a penalty of Rs. 100,000 has been imposed on GPL by an order dated April 12, 2007. The matter is currently pending before the Customs, Excise and Service Tax Appellate Tribunal at Mumbai.

2. The Commissioner of Central Excise, Nashik has issued a show cause notice dated December 20, 2006 to GPL as the manufacturer of medicines produced at the premises of Liva Healthcare Limited. A duty of Rs. 12,251,417 and penalty of equivalent amount has been imposed on GPL by an order dated September 17, 2007. The matter is currently pending before the Customs, Excise and Service Tax Appellate Tribunal at Mumbai.

Labour Cases

1. Proceedings have been initiated by S.B. Yadav against Glaxo India Limited in the Labour Court, Bharuch challenging his suspension and demanding reinstatement with back wages. During the pendency of the proceedings, the assets of Glaxo India Limited were taken over by GPL and an award dated March 9, 2007 was passed against Glaxo India Limited and GPL. GPL has challenged the same in a review application on the grounds that GPL took over the assets of Glaxo India Limited and not its liabilities and that Glaxo India Limited was to transfer all its employees to other locations. GPL also contended that since it had not been made a party to the proceedings, no award could be passed against it. The matter is currently pending before the court for review. In accordance with the provisions of the Business Transfer Agreement dated December 24, 2007 entered into between the Company and GPL, all the assets and liabilities in relation to the generics business have been acquired by the Company. In light of this agreement, this matter may be transferred to the Company.

2. Proceedings have been initiated by Arvind Patel against Glaxo India Limited in the Labour Court, Bharuch challenging his suspension and demanding reinstatement with back wages. The matter was dismissed for default by an order dated December 30, 2004 but was restored on an application being made by the petitioner. During the pendency of the proceedings, the assets of Glaxo India Limited were taken over by GPL and notice dated July 15, 2008 was served on GPL. GPL has challenged the same in the reply filed on December 17, 2008 on the grounds that GPL took over the assets of Glaxo India Limited and not its liabilities and that Glaxo India Limited was to transfer all its employees to other locations. GPL also contended that since it had not been made a party to the proceedings, no award could be passed against it and that the establishment in question had been transferred to the Company by the agreement for transfer of business dated December 24, 2007 along with any amendments made to it. The matter is currently pending. In accordance with the provisions of the Business Transfer Agreement dated December 24, 2007 entered into between the Company and GPL, all the assets and liabilities in relation to the generics

business have been acquired by the Company. In light of this agreement, this matter may be transferred to the Company.

3. Conciliation Proceedings have been initiated by Sahendra Pal Singh against GPL before the Assistant Labour Commissioner, Muzaffarnagar, challenging his termination upon being transferred and not reporting at the place of transfer and claiming reinstatement with back wages. The said proceedings were decided in favour of GPL and the matter was referred to the Saharanpur Labour Court by the State Government of Uttar Pradesh. The matter is currently pending before the court.

4. Proceedings have been initiated by Rajesh Joshi against GPL in the Jodhpur High Court under Section 138 of the Code of Civil Procedure, 1908 challenging termination upon being transferred and not reporting at the place of transfer and claiming reinstatement with back wages. The Jodhpur High Court passed an ex parte order in favour of the petitioner. GPL has filed a writ petition dated January 29, 2009 challenging the ex parte order. The matter is currently pending before the court.

5. Proceedings have been initiated by Chaman Malik against GPL in the Ghaziabad Civil Court under Section 138 of the Code of Civil Procedure, 1908 challenging termination upon being transferred and not reporting at the place of transfer and claiming reinstatement with back wages. The Ghaziabad Civil Court has delivered its decree in favour of GPL.

Regulatory Proceedings

1. An order dated December 5, 2007 was passed by the Food and Drugs Administration Commissioner suspending the manufacturing license of the factory of GPL located at Ankleshwar, Gujarat for a period of one day as a result of the sample of the drug Topiramate produced by GPL not being of standard quality. GPL has appealed against this order before the State of Gujarat, contending that the sample was tested more than a year after it was collected. The State of Gujarat in its revised order dated February 14, 2008 suspended the production of the drug Topiramate for a period of 10 days from March 1, 2008 to March 10, 2008.

2. There are three Paragraph IV Patent Infringement cases pending against GPL in the United States of America.

Proceedings by GPL

Criminal Proceedings

1. GPL has initiated criminal proceedings against Corneal Labs Private Limited in the court of the Additional Chief Metropolitan Magistrate alleging trademark infringement and passing off in respect of the "Ascoril" tradename. An order has been passed by the court of the Additional Chief Metropolitan Magistrate for investigation by the Central Bureau of Investigation under the Code of Criminal Procedure, 1973 on July 7, 1999. The respondent is not traceable.

Cases involving infringement of trademarks or passing off

1. GPL has initiated proceedings against Glenmark Shipping and Logistic (I) Private Limited in the Bombay High Court and a notice of motion has been taken by GPL, alleging trademark infringement and passing off in respect of the "Glenmark" tradename. An ad interim injunction has been granted in favour of GPL by the Bombay High Court on October 1, 2008, and the defendant was required to change its name within 12 weeks from the date of the order, i.e. by January 2, 2009. Since the defendants had not made requisite changes to their website, and further application was made by the Company for removing the name "Glenmark" from the defendant's website. The defendants have filed an affidavit-in-reply to the notice of motion and the matter is currently pending.

2. GPL has initiated proceedings against Frontline Pharma Private Limited in the Bombay High Court alleging trademark infringement and passing off in respect of the "Ascoril" tradename by use of "Ex-Cordil" tradename. An injunction has been granted in favour of GPL by the Bombay High Court on March 16, 2000. An affidavit of service has been filed by the plaintiff and an ex parte decree in favour of GPL was passed on May 13, 2009.

3. GPL has initiated proceedings against Skarp Pharmaceuticals Private Limited in the Bombay High Court alleging trademark infringement and passing off in respect of the "Ascoril" tradename by use of "Skoril" tradename. An injunction has been granted in favour of GPL by the Bombay High Court on January 9, 2002 against the use of the tradename "Skoril" and its label by the defendant. The matter is currently pending.

4. GPL has initiated proceedings against Frontline Pharma Private Limited in the Bombay High Court alleging trademark infringement and passing off in respect of the "Candid-B" tradename by use of "Clodid-B" tradename. An injunction has been granted in favour of GPL by the Bombay High Court on December 11, 2000 against the use of the tradename "Clodid-B" and its label by the defendant. The matter is currently pending.

5. GPL has initiated proceedings against Zipp Pharma in the Bombay High Court alleging trademark infringement and passing off in respect of the "Candid-B" tradename by use of "Zendid-B" tradename. The matter is pending.

6. GPL has initiated proceedings against Pradyumna Prabhudas Shah and another in the Bombay High Court alleging trademark infringement and passing off in respect of the "Elovera" tradename by use of "Lilovera" tradename. An injunction has been granted in favour of GPL until disposal of the suit by an order dated April 27, 2005. The matter is currently pending.

7. GPL has initiated proceedings against Deccan Health Care and another in the Bombay High Court alleging trademark infringement and passing off in respect of the "Ascoril" tradename by use of "Decoril" tradename. The Bombay High Court granted an ad interim injunction in favour of GPL by an order dated September 1, 2006. The matter is currently pending.

8. GPL has initiated proceedings against Wockhardt Limited and Cadila Health Care Limited in the Bombay High Court and taken a notice of motion alleging trademark infringement and passing off in respect of the "Benfree" tradename by use of "Befree" tradename. An application for ad interim injunction prayed for by GPL has been refused by the Bombay High Court by an order dated December 2, 2008 because the plaintiff has stopped using the mark and has had its license for producing the same cancelled by the Commissioner, Food and Drugs Control Administration, Gujarat. In the event of a change in the factual scenario at a later stage, GPL will be entitled to make a fresh application in terms of the order.

9. GPL has initiated proceedings against Bal Pharma Limited in the Bombay High Court and taken a notice of motion alleging trademark infringement and passing off in respect of the "Kefpod" tradename by use of "Zefpod" tradename. An ad interim injunction has been granted in favour of GPL by an order dated April 4, 2009. The matter is currently pending.

Civil Suits

1. A suit has been filed by GPL against Enjay Pharma and its partners in the City Civil Court, Secunderabad claiming a sum of Rs. 577,893 with interest, on the ground that certain goods were supplied to Enjay Pharma, who was the distributor of GPL, but the consideration for the was not paid by it. The suit was dismissed pursuant by the City Civil Court by its decree dated April 21, 2004, and GPL filed an appeal dated August 25, 2003 which has been admitted by the Andhra Pradesh High Court. The matter is currently pending.

2. Civil proceedings have been initiated by GPL against the Uttar Pradesh Sales Representative Medical Association in the court of the Civil Judge, Lucknow, under Section 138 of the Code of Civil Procedure, 1908 to obtain a permanent injunction against demonstration at the office of the carrying and forwarding agent. The matter is currently pending.

3. An arbitration petition dated August 1, 2006 has been filed by GPL in the Calcutta High Court against Anand Mohan against the award dated December 28, 2005 passed by the arbitrator in a dispute arising out of premises taken by GPL as office/warehouse from Anand Mohan, under which GPL was directed to vacate the premises. GPL had claimed to be a tenant of the respondent under the West Bengal Premises Tenancy Act, 1956 whereas the respondent contended that GPL had taken the premises on leave and license basis and the award had been passed in favour of the respondent. The matter is currently pending.

4. A summary suit has been filed by GPL against Hemco Mining and Smelting Company Limited, B.N. Patel, the chairman and managing director and Neeta Desai, the director of Hemco Mining and Smelting Company Limited in the Metropolitan Magistrate's Court, Girgaum, on February 5, 2002, regarding the dishonouring of bills of exchange drawn and delivered by Hemco Mining and Smelting Company Limited in favour of GPL, claiming an amount of Rs. 7,452,500 with interest on Rs. 5,000,000 at the rate of 18% p.a. or such other rate as the court may deem fit. Summons were served on all the three defendants at the addresses given in the plaints, but were returned. The matter is currently pending.

5. A summary suit has been filed by GPL against Mareechi Exports Private Limited in the court of the Additional District Judge, Patiala House, New Delhi, for recovery of Rs. 1,050,000 paid to the defendant as advance money along with interest on the grounds of termination of the deal for acquisition of know-how and brand "FEXO" from the defendant, due to negative quality assurance/quality control reports. The suit was filed on January 2, 2009 and admitted and notice was issued upon the defendants. Since the defendants were unavailable at their last known address, an application for addition of new address of the defendant was filed on and allowed. The matter is currently pending.

Proceedings under the Negotiable Instruments Act, 1881

1. A complaint dated June 2, 2005 has been filed under section 138 of the Negotiable Instruments Act, 1881 by GPL against Yash Enterprises before the court of the Metropolitan Magistrate, Girgaum, on the ground that a cheque issued by Yash Enterprises as payment for pharmaceutical goods received by it was dishonoured. An amount of Rs. 91,916 has been claimed along with additional costs. The matter is currently pending.

2. A complaint dated June 2, 2005 has been filed under section 138 of the Negotiable Instruments Act, 1881 by GPL against Ark Enterprises before the court of the Metropolitan Magistrate, Girgaum, on the ground that a cheque issued by Ark Enterprises as payment for pharmaceutical goods received was dishonoured. An amount of Rs. 49,043 has been claimed along with additional costs. The matter is currently pending.

3. A complaint has been filed under section 138 of the Negotiable Instruments Act, 1881 by GPL against Genotex International India Private Limited before the court of the Metropolitan Magistrate's Court, Andheri, on the ground that a cheque issued by Genotex International India Private Limited was dishonoured. An amount of Rs. 350,000 has been claimed along with additional costs. The entire money has been received and GPL is in the process of filing withdrawal application and receipt of order from the Court.

4. A complaint dated October 19, 2007 has been filed by GPL under section 138 of the Negotiable Instruments Act, 1881 against Hospitality Enterprises before the court of the Metropolitan Magistrate's Court, Andheri, on the ground that a cheque issued by Hospitality Enterprises as

payment for goods received by it was dishonoured. An amount of Rs. 266,344 has been claimed along with additional costs. The matter is currently pending.

5. A complaint dated June 6, 2003 has been filed by GPL under section 138 of the Negotiable Instruments Act, 1881 against Top Syringe Manufacturing Company and its partners Kirit Shandilya and Varsha Kirit Bhatia before the court of the Additional Metropolitan Magistrate, Girgaum, on the ground that a cheque issued by Top Syringe Manufacturing Company was dishonoured. Varsha Bhatia filed a criminal application dated September 21, 2001 before the Additional Chief Metropolitan Magistrate for recall of issue process in the above matter, which was refused by the court by an order dated March 22, 2002. A criminal revision petition against this has been filed by Varsha Bhatia in the Sessions Court dated April 26, 2002. The matter is currently pending.

6. A complaint has been filed by GPL against Jagkumar and Company and its proprietors Kirit Shandilya and Jagjivandas Shandilya under section 138 of the Negotiable Instruments Act, 1881 before the court of the Additional Chief Metropolitan Magistrate, Girgaum, on the ground that a cheque issued by Jagkumar and Company was dishonoured. GPL has applied for attachment of property. The matter is currently pending.

7. Criminal proceedings have been initiated by GPL against Hemco Mining and Smelting Company Limited and B.N. Patel, the chairman and managing director of the company and Neeta Desai the director of the company and Paresh Mehta, senior executive in the company, under section 138 of the Negotiable Instruments Act, 1881 before the court of the Additional Chief Metropolitan Magistrate, Girgaum on the ground that a cheque issued by Hemco Mining and Smelting Company Limited was dishonoured. A warrant was obtained against the chairman who obtained bail in respect of the same. The matter is currently pending.

Litigation involving Group Companies

(i) Glenmark Farmaceutica Ltda. Brazil

Proceedings against Glenmark Farmaceutica Ltda.

1. There are 12 labour related legal proceedings filed against Glenmark Farmaceutica Ltda. which, *inter alia*, are with respect to failure of making payment within requisite time period to the employees and failure to provide documents to the authorities, involving an amount aggregating to R$ 2,007,050.The matters are currently pending.

2. There are 5 civil legal proceedings filed against Glenmark Farmaceutica Ltda. in relation to, *inter alia*, collection claims and compensation for damages pursuant to use of a product, involving an amount aggregating to R$ 375,495.The matters are currently pending.

3. There are two taxation related legal proceeding filed against Glenmark Farmaceutica Ltda., filed by the state administrative authority, claiming an aggregate payment of R$ 7,761,900.41 in relation to improper credit of "Imposto Sobre Circulação De Mercadorias E Prestação De Serviços", and issuance of invoices without effective remittance and receipt of goods. The matters are currently pending.

4. There is one administrative proceeding filed against Glenmark Farmaceutica Ltda. filed by Secretaria da Receita Federal, (Federal Revenue). The matter is currently pending.

Proceedings by Glenmark Farmaceutica Ltda.

1. There are 11 civil proceedings filed by Glenmark Farmaceutica Ltda. Brazil relation to, *inter alia*, collection claims and consumer claim, involving an amount aggregating to R$ 1,493,929.89.The matters are currently pending.

(ii) Glenmark Impex LLC, Russia

Nil

(iii) Glenmark Pharmaceuticals S.R.O

Proceedings against Glenmark Pharmaceuticals S.R.O

Nil

Proceedings by Glenmark Pharmaceuticals S.R.O

1. There are 21 civil legal proceedings filed by Glenmark Pharmaceuticals S.R.O in relation to, *inter alia*, claim of payments on invoices and compensation, involving an amount aggregating to CZK 2,638,680.17.The matters are currently pending.

2. There are 16 commercial legal proceedings filed by Glenmark Pharmaceuticals S.R.O in relation to, *inter alia*, claim of outstanding payments, involving an amount aggregating to CZK 20,119,948.03.The matters are currently pending.

3. There are five legal proceedings filed by Glenmark Pharmaceuticals S.R.O in relation to, *inter alia*, execution of sale of movables and collection of debt, involving an amount aggregating to CZK 12,131,177.67.The matters are currently pending.

4. There are nine criminal legal proceedings filed by Glenmark Pharmaceuticals S.R.O in relation to criminal activity to the detriment of the creditor and criminal fraud. The matters are currently pending.

(iv) Glenmark Exports Limited, India

Nil

(v) Glenmark Pharmaceuticals (Europe) Limited, UK

Nil

(vi) Glenmark Pharmaceuticals EOOD, Bulgaria

Nil

(vii) Glenmark Pharmaceuticals Mexico S.A. De CV, Mexico

Nil

(viii) Glenmark Pharmaceuticals Venezuela, Venezuela

Nil

(ix) Glenmark Pharmaceuticals Peru S.A.C.

Proceedings filed against Glenmark Pharmaceuticals Peru S.A.C.

1. A legal proceeding has been filed by Martin Gianfranco Arturo Ghersi Lizarzaburu against Glenmark Pharmaceuticals Peru S.A.C. and others before the 4° Labour Court of Lima demanding payment of US$.56,653.58 claiming that Glenmark Pharmaceuticals Peru S.A.C. did not make the

payment of vacation, legal and seniority bonuses, throughout the employment relationship, since 2005 and fired him without justification. The matter is currently pending.

Proceedings filed by Glenmark Pharmaceuticals Peru S.A.C.

Nil

(x) Glenmark Pharmaceuticals SK SRO, Slovak Republic

Nil

(xi) Glenmark Holding S.A., Switzerland

Nil

(xii) Glenmark Pharmaceuticals S.A., Switzerland

Nil

(xiii) Glenmark Pharmaceuticals S.R.L., Romania

Nil

(xiv) Glenmark South Africa (PTY) Limited, South Africa

Nil

(xv) Glenmark Pharmaceuticals South Africa (PTY) Limited, South Africa

Nil

(xvi) Glenmark Pharmaceuticals (Nigeria) Limited, Nigeria

Nil

(xvii) Glenmark Dominicana S.A., Dominican Republic

Nil

(xviii) Glenmark Pharmaceuticals (Australia) PTY Limited, Australia

Nil

(xix) Glenmark Pharmaceuticals (Malaysia) Sdn Bhd, Malaysia

Nil

(xx) Glenmark Philippines Inc.

Proceedings filed against Glenmark Philippines Inc.

1. A legal proceeding has been filed by Commerz Trading International, Inc. before the Regional Trial Court, Branch 66 - Makati City seeking intervention of the Court to come up with a rehabilitation plan. Commerz Trading International, Inc. has claimed that it suffers from liquidity problems which prevent it from servicing all its current debts. In the interim, Commerz Trading

International, Inc. seeks temporary protection by against all the creditors from enforcing its payments. The matter is currently pending.

Proceedings filed by Glenmark Philippines Inc.

Nil

(xxi) Glenmark Pharmaceuticals Egypt SAE, Egypt

Nil

(xxii) Glenmark Pharmaceuticals FZE, UAE

Nil

(xxiii) Glenmark Therapeutics Inc, USA

Nil

(xxiv) Glenmark Pharmaceuticals Sp. Zoo, Poland

Nil

(xxv) Glenmark Distributors Sp. Zoo, Poland

Nil

(xxvi) Badatur S.A., Uruguay

Nil

(xxvii) Glenmark Pharmaceuticals Colombia Ltda, Colombia

Nil

Material Developments

Apart from as disclosed below, since the date of the last balance sheet of the Company otherwise than as disclosed in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 199 of this Draft Red Herring Prospectus, the Company has issued and allotted 71,510,000 equity shares of Rs. 10 each for cash at a premium of Rs. 90 per share to GPL in lieu of satisfaction of the outstanding debt on account of balance purchase consideration of Rs. 7,151.00 million payable by the Company to GPL under the Business Transfer Agreement dated December 24, 2007 entered into between the Company and GPL. For further details of this agreement, please see sections titled "Capital Structure – Equity Share Capital History of the Company" and "History and Corporate Matters" on page 22 and 91 of this Draft Red Herring Prospectus.

GOVERNMENT AND OTHER APPROVALS

The Company has received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for its present business and except as mentioned below, no further approvals are required for carrying on the Company's present business.

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to undertake the Issue or continue its business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

Approvals for the Issue

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on August 14, 2009 authorised the Issue, subject to the approval by the shareholders of the Company under Section 81(1A) of the Companies Act.

2. The shareholders have, pursuant to a resolution dated September 21, 2009 under Section 81(1A) of the Companies Act, authorised the Issue.

3. In - principle approval from the NSE dated [●].

4. In - principle approval from the BSE dated [●].

Incorporation Details

1. Certificate of Incorporation dated September 29, 1994 issued by the Registrar of Companies, Maharashtra to Glenmark Organics Limited.

2. Certificate of Commencement of Business dated September 12, 1996 issued by the Registrar of Companies, Maharashtra.

3. Fresh Certificate of Incorporation dated November 29, 2007 issued by the Registrar of Companies, Maharashtra pursuant to change of name of Company to Glenmark Generics Limited.

Approvals to carry on Business

Pursuant to the Business Transfer Agreement dated December 24, 2007 entered into between the Company and GPL, the generics business was transferred from GPL to the Company. The approvals obtained by GPL from relevant authorities in relation to the generics business are required to be transferred to the Company. In relation thereto, the Company has made several application and is in the process of making applications to the relevant authorities for transfer of requisite approvals, required to carry on its business, from GPL to its own name.

The Company has received the following approvals pertaining to its business:

1. Approvals relating to the Company

Description	Issuing Authority	Reference /License Number	Applicable Act/ Regulation	Date of Issue	Valid up to
Permanent Account Number	Income Tax Department	AACCG9820D	Income Tax Act, 1961	September 9, 1994	N.A.
Tax Deduction Account Number	Income Tax Department	MUM G05256 G	Income Tax Act, 1961	December 15, 2007	N.A.

Description	Issuing Authority	Reference /License Number	Applicable Act/ Regulation	Date of Issue	Valid up to
Customs Registration Number	Customs Authority	AACCG9820D FT001	Customs Act, 1962	January 25, 2008	N.A.
Registration under Employees Provident Fund and Miscellaneous Provision Act, 1952	Assistant Provident Fund Commissioner	MH/BAN/49587/PG/ EMP-III /0	Employees Provident Fund and Miscellaneous Provision Act, 1952	April 25, 2008 (effective from April 1, 2008)	N.A.
Certificate of Importer – Exporter Code	Foreign Trade Development Officer	0307082792	Foreign Trade (Development and Regulation) Act 1992	January 25, 2008	N.A.
Value Added Tax Taxpayer's Identification Number allotment letter	Sales Tax Department, Maharashtra	27300643087V	Maharashtra Value Added Tax Act, 2002	February 5, 2008	N.A.
Central Sales Tax Taxpayer's Identification Number allotment letter	Sales Tax Department, Maharashtra	27300643087C	Central Sales Tax Act, 1956	February 5, 2008	N.A.
Service Tax Code	Superintendent, Service Tax	AACCG9820DST00 4	Finance Act, 1994	March 1, 2008	N.A.
Certificate of enrolment as employer	Profession Tax Officer	P.T.E.C No. - 99051618778P	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	March 3, 2008	N.A.
Certificate of Registration as employer	Profession Tax Officer	P.T.R.C No. 27300643087P	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	May 5, 2008	N.A.
License to sell, stock, exhibit or offer for sale or distribute drugs other than those specified in Schedule C, C1 and X (Form 20B)	Assistant Commissioner, Zone III, Greater Mumbai, Food and Drug Administration, Maharashtra.	20B/Z-3/26/985	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	November 15, 2007	November 14, 2012
License to sell, stock, or exhibit (or offer) for sale, or distribute by wholesale, drugs specified in Schedules C, C(I), excluding those specified in X (Form 21-B)	Assistant Commissioner, Zone III, Greater Mumbai, Food and Drug Administration, Maharashtra.	21B/Z-3/26/985	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	November 15, 2007	November 14, 2012
No Objection	Department of	TU/IV-	Gazette	April 25,	March 3,

Description	Issuing Authority	Reference /License Number	Applicable Act/ Regulation	Date of Issue	Valid up to
Certificate issued in relation to Plot number D-508, TTC Industrial Area Turbhe, Sanpada, Navi Mumbai and Plot number 7, Colvale Industrial Estate, Bardez, Goa recognising these respective research and development units to avail import facilities and change in name from GPL to GGL for these in-house research and development units	Scientific and Industrial Research, Government of India	RD/2587/2006	Notification No.S.O.85 (E) dated 31st January, 2001 issued by Department of Revenue, Ministry of Finance and Guidelines for approval of in-house research and development centres and reporting of expenditure ender Section 35(2AB) of Income Tax Act, 1961	2008	2010
Recognition of in-house research and development units situated at plot number A-607, TTC Industrial Area, Maharashtra Industrial Development Corporation, Mahape along with Plot number D-508, TTC Industrial Area Turbhe, Sanpada, Navi Mumbai and Plot number 7, Colvale Industrial Estate, Bardez, Goa	Department of Scientific and Industrial Research, Government of India	TU/IV-RD/2587/2009	Gazette Notification No.S.O.85 (E) dated 31st January, 2001 issued by Department of Revenue, Ministry of Finance and Guidelines for approval of in-house research and development centres and reporting of expenditure ender Section 35(2AB) of Income Tax Act, 1961	July 7, 2009	March 31, 2012
Registration Certificate for TTC Industrial Area Turbhe, Maharashtra Industrial Development Corporation (Form B)	Navi Mumbai Mahanagar Palika	NMMC/CEG/04/02683	Bombay Provincial Municipal Corporations Act, 1949	January 3, 2009	N.A.
Approval granted in pursuance to the business re-structuring plan and transfer of permissions for manufacturing 18	Drug Controller General (India), Directorate General of Health Services (Drugs Control	No. 12-01/08-DC (Pt-6)	Drugs and Cosmetics Rules, 1945	March 17, 2008	N.A.

Description	Issuing Authority	Reference /License Number	Applicable Act/ Regulation	Date of Issue	Valid up to
drugs to GGL	Section)				
Approval for establishing unit in the Special Economic Zone for developing, manufacturing and selling formulated drugs	Development Commissioner, Sterling Special Economic Zone, Jambusar, Vadodra	No. SSEZ/DC/U.A./01/09-10	Special Economic Zones Act, 2005 and rules and orders made thereunder	May 8, 2009	Five years from the date of commencement of production (can be renewed further)
Letter for allotment of land for manufacturing tablets and capsules at Special Economic Zone, Indore	Madhya Pradesh Kendra Vikas Nigam (Indore) Limited	No. 67/AKVN/IND/INFRA/2009/9327	Special Economic Zones Act, 2005 and rules and orders made thereunder	September 3, 2009	N.A.

Applications filed by the Company

Type of License/ Permit Approval Applied For	Applied to	License / Registration / Reference Number	Date of Application
Application for endorsement/transfer of manufacturing approvals/licenses granted to GPL in favour of GGL	Drug Controller General (India), Directorate General of Health Services (Drugs Control Section)	12-01/2008-DC(Pt.6)	February 19, 2008
GGL has duly filed Form FC-GPR; 1,425,000 equity shares were issued to Foreign Nationals; 75,000 equity shares were issued to NRI's	Regional Office, Reserve Bank of India	N.A.	N.A.

Applications made by the Company in relation to appointment and payment of remuneration to Directors

Particulars	Authority	Applicable Act	Date
Application for approval of appointment of Mr. Terrance J. Coughlin as whole time Director and payment of remuneration to him. GGL has, as required, submitted further information and documents to the Under Secretary to Government of India, Ministry of Corporate Affairs vide letters dated November 21, 2008 and March 6, 2009	Under Secretary to Government of India, Ministry of Corporate Affairs	Companies Act, 1956	June 23, 2008
Application for approval of appointment of Mr. Pushpinder Bindra as whole time Director and payment of remuneration to him. GGL has, as required, submitted further information and documents to the Under Secretary to Government of India, Ministry of Corporate Affairs vide letters dated October 29, 2008 and March 5, 2009. The services of Mr. Pushpinder Bindra were terminated with effect from August 5, 2008.	Under Secretary to Government of India, Ministry of Corporate Affairs	Companies Act, 1956	June 23, 2008

2. Approvals for S-7, Colvale Industrial Estate, Colvale, Bardez– Goa

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid up to
Central Excise Registration Certificate	Assistant Commissioner of Central Excise	AACCG9820DXM003	Central Excise Act, 1944 and Central Excise Rules, 2002	February 27,2008	Till surrendered/ revoked/ suspended
Value Added Tax Taxpayer's Identification Number	Commercial Tax Office, Mapusa, Goa	30200306163	Goa Value Added Tax, 2005	February 8, 2008	From December 24, 2007 to March 31, 2010
Central Sales Tax Number	Commercial Tax Office, Mapusa, Goa	B/CST/5997	Central Sales Tax Act, 1956	February 8, 2008	From December 24, 2007 to March 31, 2010
Service Tax Code	Superintendent, Central Excise (Service Tax) Goa	AACCG9820DST001	Finance Act, 1994	February 28, 2008	N.A.
Service Tax Registration (Form ST-2)	Superintendent of Central Excise, Service Tax Range, Panaji, Goa	GOA/ST/GTA/702/07-08	Service Tax Rules, 1944 and Finance Act, 1994	February 27, 2008	N.A.
Registration under Standards of Weights and Measures Enforcement Act, 1985	Inspector Legal Metrology	BM 3864	Standards of Weights and Measures Enforcement Act, 1985	March 14, 2008	March 14, 2013
Verification Certificates	Inspector, Legal Metrology	016529 016528	Standards of Weights and Measures Enforcement Act, 1985 and Rules	January 23, 2009	Date of next verification: January 22, 2010
Factory License	Chief Inspector of Factories and Boilers	GOA/1155	Factories Act, 1948	January 25, 2008	2010
Approval letter for amendment of factory license for change of name from GPL to GGL in the records	Chief Inspector of Factories and Boilers	No. VI/FAC-3 (GOA/1155)/IFB-2008/3275	Factories Act, 1948	February 5, 2008	N.A.
Certificate of stability for buildings granted to GPL	ALCOLAB (India) Private Limited	N.A.	Factories Act, 1948	September 10, 2008	September 10, 2012
Approval letter for recording changes in certificates of stability, due to	ALCOLAB (India) Private Limited	N.A.	N.A.	March 19, 2008	N.A.

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid up to
change in name from GPL to GGL for units S-7, S- and S-9 at Colvale Industrial Estate, Goa					
Certificate of Registration to GPL	Office of the Registering Officer and Deputy Commissioner of Labour, Goa	CL/R-494	Contract Labour (Regulation and Abolition) Act, 1970 and the rules made there-under	September 11, 2007	N.A.
Certificate of Registration in the name of GGL	Office of the Registering Officer and Deputy Commissioner of Labour, Goa	CLE/CL/R-494	Contract Labour (Regulation and Abolition) Act, 1970 and the rules made there-under	March 20, 2009	N.A.
Letter of approval regarding incorporation of necessary changes in the records for transfer of ownership from GPL to GGL.	Regional Director, Employee State Insurance Corporation	No. 32-2643/M-E	Employees' State Insurance Act, 1945	March 19, 2008	N.A.
Consent to GPL to operate establishment	Goa Pollution Control Board	5/2309/03-PCB/2856	Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act.	July 21, 2008	April 27, 2010
Consent to operate two boilers and two diesel generator sets	Goa Pollution Control Board	6/807/04-PCB/2857	Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974	July 21, 2008	April 27, 2010
Letter certifying change of name from GPL to GGL, in the renewal of consent to operate under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and	Goa Pollution Control Board	No. 5/2309/03-PCB/5981	Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981	February 18, 2008	N.A.

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid up to
Control of Pollution) Act, 1981					
Consent to handle hazardous waste	Goa Pollution Control Board	10/197/05-PCB/1367	Hazardous Waste Management and Handling) Rules, 1989	May 28, 2005	May 23, 2014
Water Connection Release Order granted to GPL	Goa Industrial Development Corporation	N.A.	N.A.	March 14, 2005	N.A.
Approval for energisation of 33 kilovolt metering cubicle granted to GPL	Assistant Director, Regional Inspectoral Organization, Central Electricity Authority, Goa	WRIO/GOA-07-COL-588(M/C)/2007-08/1555	Indian Electricity Rules, 1956	November 15, 2007	N.A.
Approval to transfer business form GPL to GGL	Goa Industrial Development Corporation	IDC/ED/Kuns/S-7/4803	N.A.	March 14, 2008	N.A.
Licence to manufacture (for sale or for distribution of) drugs other than those specified in Schedules C, C (I) and X) (Form 25)	Director, Food and Drug Administration, Goa	648	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	April 1, 2008	March 31, 2013
License to manufacture for sale (or for distribution) of drugs specified in schedules C, C (1) and excluding those specified in X (Form 28)	Director, Food and Drugs Administration, Goa	785	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	April 1, 2008	March 3, 2013
Permission letters to manufacture esomeprazole sodium powder after endorsement /permission to manufacture granted by GPL to GGL (Form 26)	Drugs Controller General (India)	F.No 4-23/2004-DC (Pt-GGL) Permission No. MF-467/08	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	May 8, 2008	N.A.
Permission letters to manufacture strontium ranelate oral granules after endorsement/perm ission to manufacture	Drugs Controller General (India)	F.No 12-97/2004-DC (Pt-GGL) Permission No. MF-466/08	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	May 8, 2008	N.A.

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid up to
granted by GPL to GGL (Form 26)					
Permission letters to manufacture gemifloxacin mesylate tablet after endorsement/permission to manufacture granted by GPL to GGL (Form 26)	Drugs Controller General (India)	F.No 12-82/2000-DC (Pt-GGL) Permission No. MF-464/08	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	May 8, 2008	N.A.
Permission letters to manufacture lornoxicam tablet after endorsement/permission to manufacture granted by GPL to GGL (Form 26)	Drugs Controller General (India)	F.No 12-45/2006-DC (Pt-GGL) Permission No. MF-459/08	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	May 8, 2008	N.A.
Permission letters to manufacture sertaconazole nitrate cream after endorsement/permission to manufacture granted by GPL to GGL (Form 26)	Drugs Controller General (India)	F.No 12-53/2007-DC (Pt-GGL) Permission No. MF-465/08	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	May 8, 2008	N.A.
Permission letters to manufacture miglitol tablet after endorsement/permission to manufacture granted by GPL to GGL (Form 26)	Drugs Controller General (India)	F.No 12-34/2003-DC (Pt-GGL) Permission No. MF-460/08	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	May 8, 2008	N.A.
Permission letters to manufacture imiquimod cream 5% after endorsement/permission to manufacture granted by GPL to GGL (Form 26)	Drugs Controller General (India)	F.No 12-11/2004-DC (Pt-GGL) Permission No. MF-473/08	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	May 8, 2008	N.A.
Permission letters to manufacture dexibuprofen	Drugs Controller General (India)	F.No 4-83/95-DC (Pt-GGL)	Drugs and Cosmetics Act, 1944 read with the	May 8, 2008	N.A.

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid up to
tablet after endorsement/permission to manufacture granted by GPL to GGL (Form 26)		Permission No. MF-463/08	Drugs and Cosmetics Rules, 1945		
Permission letters to manufacture aprepitant capsule after endorsement/permission to manufacture granted by GPL to GGL (Form 26)	Drugs Controller General (India)	F.No 12-68/2006-DC (Pt-GGL) Permission No. MF-462/08	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	May 8, 2008	N.A.
WHO-GMP Certificate	Food Drugs and Administration Department, Goa	No. 799/MFG/WHO-GMP/DFDA/08/4025	Drugs and Cosmetics Rules, 1945	July 29, 2008	July 23, 2010
Certificates of Pharmaceutical Product (for specific products)	Food Drugs and Administration Department, Goa	977/MFG/WHO-GMP/DFDA/2008/CERT-7111268 977/MFG/WHO-GMP/DFDA/2008/CERT-6111822	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	February 13, 2009	July 23, 2010
Approval for transferring explosive license valid upto December 31, 2010 in the name of GGL from GPL	Controller of Explosives	P/HQ/GA/15/842(P203689)	N.A.	November 26, 2008	N.A.
No Objection Certificate for use of places and trades for involving risk from fires for compliance with the fire safety precautions/arrangements granted to GPL	Director, Fire and Emergency Services	DFS/FP/C-1/3/07-08/1214	Rule 26 of the Fire Force Act, 1986	November 15, 2007	October 10, 2008 (application for renewal has been made by GGL on August 4, 2009 vide Reference No. Glenmark/Goa /HR/08/1123)
Report of examination of the lifting machines, ropes and lifting tackles (Form number 12)	Auro Technical Services	N.A.	Factories Act, 1948 and rules there-under	September 29, 2008	N.A.

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid up to
Form number 13 (under Rule 68(9)(b) Static and Mobile Pressure Vessels (Unfired) Rules, 1981) – Report of examination or test of pressure vessels or plan	Auro Technical Services, Goa	N.A.	Static and Mobile Pressure Vessels (Unfired) Rules, 1981	March 21, 2009	N.A.
Manufacturing Site Registration Certificate for non sterile solid and semi-solid dosage forms	Director, Department of Drug Control, Ministry of Health, United Arab Emirates	Certificate No. – 142 Registration No. – CR 615	Article 65, Federal Law No. 3 of 1984	April 30, 2007 (with effect from April 29, 2007)	April 28, 2012
Approval letter assigning 'C' rating (continuance or issuance of the establishment license) to GPL for activities relating to fabrication, packaging/labelling, testing, storage and transportation of solid dosage forms	Compliance officers, Drug Inspection Unit, Health Products and Food Branch Inspectorate, Canada	415 954 4582	Food and Drug Regulations (Good Manufacturing Practices)	May 12, 2005	N.A.
Approval letter granted to GPL stating that the unit is in compliance with cGMP	Registrar of Medicines, Medicines Control Council, South Africa	$B_{7.1}$ C13. 9.6	Medicines and Related Substances Control Act, 1965	November 30, 2005	N.A. (Subject to routine inspections)
Approval letter stating that the unit is in compliance with cGMP for non sterile solid and semi-solid dosage forms	GMP Clearance Unit, Therapeutic Goods Administration, Australia	Sponsor Client ID – 51395 Manufacture Client ID- 47297	Therapeutic Goods Act 1989	January 28, 2009	January 19, 2010
Approval letter stating that the unit is in compliance with cGMP	National Health Surveillance Agency (Anvisa), Brazil	ISSN 1667-7042	Decree nº 3.675, of November 28, 2000	September 18, 2009	September 19, 2011

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid up to
Certificate of GMP compliance granted to GPL as a manufacturer (An intimation letter for change of name from GPL to GGL has been sent to Medicines and Healthcare Products Regulatory Agency, UK)	Medicines and Healthcare Products Regulatory Agency, UK	Certificate No. – UK GMP 17350 Insp GMP 17350/120518-0001	Directive 2001/83/EC and Medicines Act, 1968	June 13, 2007	Three years from the date of inspection
Letter stating that the unit is acceptable as compliant with GMP (Not a certificate or endorsement)	Department of Health & Human Services, Public Health Service, Food and Drug Administration	N.A.	Federal Food, Drug, and Cosmetic Act, 1938 and Food and Drug Administration Act, 1988	November 7, 2008	N.A. (Subject to routine inspections)

Applications filed by the Company in relation to S-7, Colvale Industrial Estate, Colvale, Bardez– Goa

Type of License/ Permit Approval Applied For	Authority to whom the application made	License / Registration / Reference Number	Date of Application
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Goa Industrial Development Corporation	GIDC/ED/LND/COLVALE/S-7/8344	March 14, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Directorate of Food and Drugs Administration, Goa	N.A.	January 24, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Executive Engineer, O&M Electricity Department, Mapusa, Goa	N.A.	January 16, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Director, Fire and Emergency Services	N.A.	January 21, 2008

3. Approvals for S-9, Colvale Industrial Estate, Colvale Bardez, Goa – Hormone Plant

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid up to
Central Excise Registration	Assistant Commissioner of Central Excise	AACCG9820DXM002	Central Excise Act, 1944 and Central Excise Rules, 2002	February 27, 2008	Till surrendered/ revoked/ suspended
Service Tax Registration (ST – 2)	Superintendent of Central Excise, Service Tax Range, Goa	GOA/ST/GTA/703/07-08	Service Tax Rules, 1944 and Finance Act, 1994	February 27, 2008	N.A.
Service Tax Code	Superintendent, Central Excise (Service Tax) Goa	AACCG9820DST002	Finance Act, 1994	February 28, 2008	September 4, 2011
Registration under Standards of Weights and Measures Enforcement Act, 1985 (Form A-3)	Inspector, Legal Metrology	BM 3863	Standards of Weights and Measures Enforcement Act, 1985	March 14, 2008	March 14, 2013
Factory License to manufacture pharmaceutical formulations	Chief Inspector of Factories and Boilers	GOA/1292	Factories Act, 1948	January 25, 2008	Valid upto the year 2008. The same has been renewed in 2009
Approval letter for recording change in name from GPL to GGL in the Factory License	Chief Inspector of Factories and Boilers	VI/FAC-3(GOA-1292)/IFB-2008/3274	N.A.	February 5, 2008	N.A.
Certificate of stability for buildings granted to GPL	ALCOLAB (India) Private Limited	N.A.	Factories Act, 1948	September 25, 2007	September 25, 2012
Approval letter for recording changes in certificates of stability, due to change in name from GPL to GGL for units S-7, S-and S-9 at Colvale Industrial Estate, Goa	ALCOLAB (India) Private Limited	N.A.	N.A.	March 19, 2008	N.A.
Certificate of Registration (Form II)	Registration Officer	CLE/CL/R-647	Contract Labour (Regulation and Abolition) Act, 1970	March 27, 2008 (Amended on March 5, 2009)	N.A.
Authorisation for registration of employees and	Assistant Director, Employee State	No. 32-3518-34	Employees' State Insurance Act, 1945	May 9, 2008 (with effect from July 2,	N.A.

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid up to
establishment	Insurance Corporation			2007)	
Approval to transfer business from GPL to GGL	Goa Industrial Development Corporation	IDC/ED/Colvale/S7/ 4803	N.A.	March 14, 2008	N.A.
Letter certifying modification of name from GPL to GGL, in the renewal of consent to operate under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981	Goa Pollution Control Board	No. 5/3439/07-PCB/5983	Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981	February 18, 2008	N.A.
Consent to operate Establishment under the Water (Prevention and Control of Pollution) Act, 1974	Goa Pollution Control Board	No.5/3439/07-PCB/5239	Water (Prevention and Control of Pollution) Act, 1974	January 29, 2008	November 1, 2009
Consent orders to operate boiler and diesel generator sets	Goa Pollution Control Board	No.6/1410/08-PCB/5238	Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981	January 29, 2008	November 1, 2009
Authorisation to operate a facility for collection, reception, storage and disposal of hazardous wastes.	Goa Pollution Control Board	10/359/08-PCB/666	Environment Protection Act, 1986 and Hazardous Waste Management and Handling) Rules, 1989	April 28, 2008	April 10, 2010
Approval letter for recording changes due to change in name from GPL to GGL for units S-7, S-7A, S-8 and S-9 at Colvale Industrial Estate	Goa Industrial Development Corporation	No. IDC/ED/COLVALE/ S-7/4803	N.A.	March 14, 2008	N.A.
Letter informing GGL that the high powered co-ordination committee has	Director of Industries, Trade and Commerce, Goa	No. IND/DEV/HPCC/703 /VOL.XVIII/345	N.A.	April 28, 2008	April 27, 2010

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid up to
granted in-principal approval to set up pharmaceutical formulation manufacturing plant to produce tablets, subject to certain conditions					
License to manufacture for sale (or for distribution) of drugs specified in schedules C, C (1) and excluding those specified in X (Form 28)	Director, Food and Drugs Administration, Goa	785	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	April 1, 2008	March 3, 2013
License to import and store petroleum in installation (Form XV)	Chief Controller of Explosives	P/HQ/GA/15/843(P2 03688)	Petroleum Act, 1934	February 21, 2008	December 31, 2010

Applications filed by the Company in relation to S-9, Colvale Industrial Estate, Colvale Bardez, Goa – Hormone Plant

Type of License/ Permit Approval Applied For	Authority to whom the application made	License / Registration / Reference Number	Date of Application
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Director, Food and Drugs Administration, Goa	N.A.	January 24, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Director of Industries, Trade and Commerce Udhyog Bhavan, Goa	Glenmark/Goa/HR/03/0286	March 24, 2009
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Goa Pollution Control Board	N.A.	January 16, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Director of Industries, Goa	N.A.	March 13, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Executive Engineer, O&M Electricity Department, Mapusa, Goa	N.A.	January 16, 2008

Type of License/ Permit Approval Applied For	Authority to whom the application made	License / Registration / Reference Number	Date of Application
Letter of intimation relating to appointment of new occupier	Chief Inspector, Inspectorate of Factories and Boiler	Glenmark/Goa/HR/06/0847	June 15, 2009

4. Approvals for Plot number 50 Shed D4-2, Kundaim Industrial Estate, Kundaim – Goa

Type of License / Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Central Excise Registration	Assistant Commissioner of Central Excise	AACCG9820DXM001	Central Excise Act, 1944 and Central Excise Rules, 2002	March 27, 2008	Till surrendered/ revoked/ suspended
Service Tax Registration (Form ST-2)	Licensing Authority	GOA/ST/GTA/704/07-08	Service Tax Rules, 1944) and Finance Act, 1994	February 28, 2008	N.A.
Service Tax Code	Superintendent, Central Excise (Service Tax) Goa	AACCG9820DST003	Finance Act, 1994	February 28, 2008	N.A.
Registration under Standards of Weights and Measures Enforcement Act, 1985 (Form A-3)	Inspector, Legal Metrology	ILM/08/P-2998	Standards of Weights and Measures Enforcement Act, 1985	March 17, 2008	March 16, 2013
Verification certificate	Inspector, Legal Metrology	No. 015637	Standards of Weights and Measures Enforcement Act, 1985 and Rules	March 9, 2009	Date of next verification: March 3, 2010
License to work a factory for manufacturing tablets/capsules	Chief Inspector of Factories and Boilers	No. 1173 License No. GOA/1274	Factories Act, 1948	January 25, 2008	Upto 2010
Letter of approval for amendment of factory license under the Factories Act, 1948 and Rules.	Chief Inspector of Factories and Boilers	No. VI/FAC - 3 (GOA/1274)/IFB-2008/3276	Factories Act, 1948	February 5, 2008	N.A.
Certificate of stability for buildings granted to GPL	ALCOLAB (India) Private Limited	N.A.	Factories Act, 1948	July 5, 2006	July 5, 2011
Certificate of Registration	Registration Officer	CL/R-601	Contract Labour (Regulation and Abolition) Act,	March 27, 2008	N.A.

Type of License / Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
			1970		
Certificate of Registration (Amended CL/R-601 Certificate of Registration)	Registration Officer	CLE/CL/R-601	Contract Labour (Regulation and Abolition) Act, 1970	March 5, 2009	N.A.
Renewal of Consent to operate establishment under the Water (Prevention and Control of Pollution) Act, 1974	Goa Pollution Control Board	No. 5/3049/06-PCB/8585	Water (Prevention and Control of Pollution) Act, 1974	March 31, 2009	October 31, 2010
Renewal of Consent to operate boiler under the Air (Prevention and Control of Pollution) Act, 1981	Goa Pollution Control Board	No. 6/1064/06-PCB/8584	Air (Prevention and Control of Pollution) Act, 1974	March 31, 2009	October 31, 2010
Modification of consent to operate under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, for changing the name of the unit from GPL to GGL.	Goa Pollution Control Board	No. 5/3049/06-PCB/5982	Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981	February 18, 2008	N.A.
Water Connection Release Order granted to GPL	Goa Industrial Development Corporation	D4-2/2939	Goa, Daman and Diu Industrial Development Act, 1965	August 1, 2006	N.A.
Approval to transfer business from GPL to GGL	Goa Industrial Development Corporation	IDC/ED/Kuns/D4-2/4804	N.A.	March 14, 2008	N.A.
License to manufacture for sale (or for distribution) drugs other than those specified in Schedule C, C(1) and X (Form 25)	Director, Food and Drugs Administration, Goa	817	Drugs and Cosmetics Rules, 1945 read with the Drugs and Cosmetics Act, 1944	April 3, 2009	April 2, 2014

Applications filed by the Company in relation to Plot number 50 Shed D4-2, Kundaim Industrial Estate- Goa

Type of License/ Permit Approval Applied For	Authority to whom the application made	License / Registration / Reference Number	Date of Application
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Director of Industries, Goa	N.A.	January 25, 2008
Application to high powered co-ordination committee for graduation to large scale from small scale industries unit and for change of name in the records from GPL to GGL pursuant to business re-organisation plan	High Powered Co-ordination Committee, Director of Industries, Goa	N.A.	January 7, 2009

5. Approvals for Plot number A-80, Maharashtra Industrial Development Corporation Industrial Area, Kurkumbh Tal Daund District Pune 413802

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Central Excise Registration	Assistant Commissioner of Central Excise	AACCG9820DXM006	Central Excise Act, 1944 and Central Excise Rules, 2002	March 25, 2008	Till surrendered/ revoked/ suspended
Letter of consent approving Form UT-1 filed by GGL	Superintendent, Central Excise	N.A.	Central Excise Rules, 2002	April 1, 2009	March 31, 2010
Letter of consent approving B.1 bond of Rs. 50 lakhs executed by GGL	Superintendent, Central Excise	F.NO.IV/09/glenmark/ Bond/08-09	Central Excise Rules, 2002	April 22, 2008	N.A.
Service Tax Code (ST - 2)	Officer, Central Excise, Pune	AACCG9820DST006	Finance Act, 1994 and Service Tax Rules, 1994	February 22, 2008	N.A.
Registration under Standards of Weights and Measures Enforcement Act, 1985 (Form 11)	Inspector, Legal Metrology	0104579	Standards of Weights and Measures Enforcement Rules, 1987	April 16, 2009	March 16, 2010
Registration under Standards of Weights and Measures Enforcement Act, 1985 (Form 11)	Inspector, Legal Metrology	0104580	Standards of Weights and Measures Enforcement Rules, 1987	May 16, 2009	April 16, 2010
Registration under Standards of Weights and Measures Enforcement Act, 1985 (Form 11)	Inspector, Legal Metrology	0104563	Standards of Weights and Measures Enforcement Rules, 1987	March 31, 2009	March 31, 2010

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Registration under Standards of Weights and Measures Enforcement Act, 1985 (Form 11)	Inspector, Legal Metrology	0685040	Standards of Weights and Measures Enforcement Rules, 1987	May 6, 2009	May 6, 2010
Certificate of stability for buildings granted to GPL	S.H. Jadav and Co.	SHJ/GPL/3284/2004	Factories Act, 1948	October 15, 2004	N.A.
Plan approvals granted to GPL	Joint Director, Industrial Safety and Health, Pune	2956/04	Factories Act, 1948	January 1, 2004 and April 8, 2004	N.A.
Factory License	Industrial Safety and Health, Pune	73875	Factories Act, 1948	February 20, 2008	December 31, 2009
Amendment to the Certificate of Registration	Office of the Registering Officer, Pune	PN-1275	Contract Labour (Regulation and Abolition) Act, 1970 and the rules made there-under	February 25, 2008	N.A.
Consent letter in favour of GPL to transfer the benefits and interest under the lease deed to GGL.	Maharashtra Industrial Development Corporation	ROP/Kurkumbh/A-80/Transfer/3038	N.A.	April 28, 2008	N.A.
Consent letter to operate under Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989	Maharashtra Pollution Control Board	Consent No. BO/RO Pune/ PCI-I/EIC-2256-08/R/CC-99	Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989	April 23, 2008	March 31, 2010
Diesel Generator Inspection 5986/2007-08 issued to GPL	Electrical Inspector	9/R-RA/2270	Electricity Act, 2003	May 21, 2003	N.A.
Certificate stating that GGL's unit is registered member of Common Hazardous Waste Collection,	Mumbai Waste Management Limited	Pun-1580	N.A.	N.A.	March 31, 2010

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Treatment, Storage and Disposal Facilities (CHW-TSDF) at Maharashtra Industrial Development Corporation, Taloja for safe and secure disposal of hazardous waste.					
Certificate stating that GGL's unit is registered member of common effluent treatment plant at Kurkumbh, Maharashtra Industrial Development Corporation	Kurkumbh Environment Protection Co-operative Society Maryadit	Ref No – C-28	N.A.	With effect from March 26, 2006	N.A.
License to manufacture for sale (or for distribution) of drugs other than those specified in schedules C, C (1) and X (Form 25)	Joint Commissioner, Food and Drugs Administration, Pune	P D/134	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	April 1, 2008	March 3, 2013
GMP Certificate (Also granting approval to GGL to export certain specified products to the specifically mentioned countries)	Food Drugs and Administration, Pune	Cert No. 3718-0812	Drugs and Cosmetics Rules, 1945	November 3, 2008	N.A. (Subject to periodical inspections)
Approval (not license) to Store Furnace Oil/Light Diesel Oil (Form XVI)	Joint Chief Controller of Explosives	A/P/WC/MH1/15/226 (P209945)	Petroleum Rules, 2002	March 10, 2008	N.A.
Licence to store petroleum in installation (Form XV) and transfer of the same from GPL's name to GGL's name	Controller of Explosives	A/P/HQ/MH/15/5482 (P66784)	Petroleum Act, 1934	March 24, 2008	December 31, 2010
Approval for transfer of petroleum license number P/HQ/MH/15/5482 (P66784) in the name of GGL from GPL	Controller of Explosives	P/HQ/MH/15/5482 (P66784)	N.A.	March 24, 2008	December 31, 2010
Approval for transfer of petroleum license number P/WC/MH/16/521	Deputy Chief Controller of Explosives	P/WC/MH/16/521 (P114857)	N.A.	March 17, 2008	December 31, 2009

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
(P114857) in the name of GGL					
Renewal letter for usage of ethyl alcohol (denatured spirit)	Inspector, State Excise, Daund	DSV No. 153	Bombay Prohibition Act, 1949	March 16, 2009	April 1, 2009 – March 31, 2010
Membership of Kurkumbh Small Scale Industrial Association, Kurkumbh to GPL	Secretary, Kurkumbh Small Scale Industrial Association	N.A.	N.A.	February 18, 2005	N.A.

Applications filed by the Company in relation to Plot No A-80, Maharashtra Industrial Development Corporation Industrial Area, Kurkumbh Tal, Daund District, Pune

Type of License/ Permit Approval Applied For	Authority to whom the application made	License / Registration / Reference Number	Date of Application
Application for change of name pursuant to the business re-organisation plan from GPL to GGL, under Narcotic Drugs and Psychotropic Act, 1985	Deputy Director of Narcotic Control Bureau, Mumbai	N.A.	March 10, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	General Manager, District Industries Centre, Kurkumbh	N.A.	February 29, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Sub-Divisional Engineer-Phones, BSNL, Daund Pune	N.A.	February 8, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Police Inspector, Daund, Pune	N.A.	March 31, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Tahasildar, Daund, Pune	N.A.	March 31, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Sarpanch, Daund, Pune	N.A.	N.A.
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Post Master, Kurkumbh, Daund, Pune	N.A.	N.A.
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Superintendent Engineer – Maharashtra State Electricity Distribution Company	N.A.	July 10, 2009

Type of License/ Permit Approval Applied For	Authority to whom the application made	License / Registration / Reference Number	Date of Application
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Collector, Pune	N.A.	March 17, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Superintendent - National Sample Survey Organisation, Pune	N.A.	N.A.
Submission of Environmental Statement for 2007-08 under Rule 14 of the Environmental Protection (Amendment) Rules, 1992	Maharashtra Pollution Control Board	GGL/KK/HR/2007-08/76	July 16, 2008
Submission of Form I under Cess Rule 4 regarding water consumed in April - June 2009	Maharashtra Pollution Control Board	GGL/KK/HR/2009-10/068	July 13, 2009
Intimation letter for change of name of occupier	Deputy Director, Industrial Safety and Health	GGL/KK/HR/2009-10/77	August 7, 2009

6. Approvals for Plot number 3102/C to 3109/A, 3103, Gujarat Industrial Development Corporation Industrial Estate, Ankleshwar

Type of License / Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act / Regulation	Date of Issue	Valid Up to
Central Excise Registration (Form RC)	Assistant Commissioner, Central Excise	AACCG9820DXM005	Central Excise Act, 1944 and Central Excise Rules, 2002	March 19, 2008	Till surrendered/ revoked/ suspended
Certificate of Registration (Form 102)	Superintendent of Prohibition and Excise	24211002553	Gujarat Value Added Tax, 2003	February 11, 2008	Till surrendered/ revoked/ suspended
Certificate of Registration as a dealer (Form B)	Joint Sales Tax Commissioner, Ankleshwar	24711002553	Central Sales Tax (Registration and Turnover) Rules, 1957	February 11, 2008	Till surrendered/ revoked/ suspended
Service Tax Code	Superintendent, Service Tax	AACCG9820DST007	Finance Act, 1994 and Service Tax Rules, 1994	March 28, 2008	N.A.
Factory License granted to GPL	Chief Inspector of Factories and Boilers	License No.: 099106 Registration No. 31(319.4)398A	Factories Act, 1948	June 24, 2006 (Renewed on July 24, 2006, November 19, 2007 and March 10, 2008)	December 31, 2009

Type of License / Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act / Regulation	Date of Issue	Valid Up to
Certificate of enrolment as employer granted to GPL and transferred in name of GGL	Profession Tax Officer	P.R. 2110000002 P.E. 210000008	Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	March 10, 2003 (effective form January 1, 2003)	N.A.
Factory License	Chief Inspector of Factories and Boilers	099106	Factories Act, 1948	March 10, 2008	December 31, 2009
Registration certificate for contract labour	Assistant Commissioner of Labour and Registering Office	DYCL/CLA/ REGN/PLB/34/ A1	Contract Labour (Regulation and Abolition) Act, 1970	March 10, 2008	December 31, 2009
Registration certificate for contract labour for change of name from GPL to GGL	Assistant Commissioner of Labour and Registering Office	2551/2008	Contract Labour (Regulation and Abolition) Act, 1970	March 29, 2008	N.A.
Letter for transfer of plot number 3109/C on the condition that GGL shall pay Rs. 10,089,000 as transfer fee	Gujarat Industrial Development Corporation	GIDC/DM(CG)/ANK/ 8383	N.A.	November 10, 2008	N.A.
Environmental clearance accorded to GPL for their project of manufacturing 71 products, as per the specified conditions	Ministry of Environment and Forests	F. No. J-11011/384/2007 – IA II (I)	Environmental Impact Assessment Notification dated September 14, 2006	October 10, 2007	N.A.
Consent to operate establishment under the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989 (Consent is received for 20 products only, whereas this unit manufactures 70 products. However, no objection certificate from Gujarat Pollution Control Board is still	Gujarat Pollution Control Board	PC/BRCH-CC&A-148(5)/17275	Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989	August, 2009	April 14, 2014

Type of License / Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act / Regulation	Date of Issue	Valid Up to
pending due to insufficient capacity of Common Effluent Treatment Plant. The Company has submitted application to Gujarat Pollution Control Board for receiving the no objection certificate)					
Consent and authorisation under various environmental acts and rules, for change of name from GPL to GGL	Gujarat Pollution Control Board	GPCB/BRCH/CCA-148(4) / 5549	Various environmental acts and rules including Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989 and Environment (Protection) Act, 1986	March 17, 2009	N.A.
Approval letter for electrical lay out plan for installation of one 500 Kilovolt-Ampere diesel generator set	Electrical Inspector, Vododra	EI/VDR/INSP/739/09	Indian Electricity Rules, 1956	March 9, 2009	N.A.
Certificate grating permission to energies the diesel generator set	Electrical Inspector, Vododra	EI/VDR/INSP/1868/09	Indian Electricity Rules, 1956	June 29, 2009	N.A.
Corrigendum to notify that the exemption granted to Glaxo India Limited, plot number 3109, Gujarat Industrial Development Corporation, Ankleshwar, should be read as being given to GGL	Section Officer, Energy and Petroleum Department	N.A.	N.A.	October 18, 2008	N.A.
Licence to sell, stock or exhibit (or offer) for	Assistant Commissioner,	BHA-75345	Drugs and Cosmetics Act,	March 18, 2008	March 17, 2013

Type of License / Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act / Regulation	Date of Issue	Valid Up to
sale or distribute by wholesale drugs other than those specified in Schedules C and C (1) and X (Form 20-B)	Food and Drug Control Administration, Bharuch		1944 read with the Drugs and Cosmetics Rules 1945		
Licence to sell, stock or exhibit (or offer) for sale or distribute by wholesale drugs specified in Schedules C and C (1) excluding those specified in Schedule X (Form 21-B)	Assistant Commissioner, Food and Drug Control Administration Bharuch	BHA-75355	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	March 18, 2008	March 17, 2013
Licence to manufacture for sale (or distribution) of drugs other than those specified in Schedules C and C (1) and X (Form 25)	Joint Commissioner, Food and Drug Control Administration, Gujarat	G-1629	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	February 21, 2008	February 20, 2013
Licence to sell, stock or exhibit (or offer) for sale or distribute by wholesale drugs specified in Schedules C and C (1) and excluding those specified in Schedule X (Form 28)	Joint Commissioner, Food and Drug Control Administration, Bharuch	G/1170	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	February 21, 2008	February 20, 2013
Grant of license due to change in constitution and cancellation of license number G/1629 and G/1170	Food and Drugs Control Administration, Gujarat	N.A.	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	April 2, 2008	February 21, 2008 – February 20, 2013
WHO GMP certificate in manufacturing and testing the products specified in the list under the category white bulk drugs	Food and Drugs Control Administration, Gujarat	Cert/Own/WHO-GMP/Glenmark Gen/2009/9930/B License No. G/1629 and G/1170	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	February 18, 2009	February 10, 2009 – February 9, 2011
Approval letter for appointing certain specified persons as technical people in pursuant to license number G/1629 and G/1170	Food and Drugs Control Administration, Gujarat	TP/Glenmark Generics/2009/SC-2/30054/B	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	May 15, 2009	N.A.
Approval letter for appointing certain	Food and Drugs Control	TP/Glenmark Generics/2008/S2/3506	Drugs and Cosmetics Act,	May 28, 2008	N.A.

Type of License / Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act / Regulation	Date of Issue	Valid Up to
specified persons as technical people in pursuant to license number G/1629 and G/1170	Administration, Gujarat	4/B	1944 read with the Drugs and Cosmetics Rules 1945		
Certificates of Pharmaceutical Product (for specific products to be exported to China)	Food Drugs and Administration Department, Gujarat	MFG/CERTI/GGL/09/630/B	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	March 3, 2009	Periodic inspection is conducted every two years
Certificates of Pharmaceutical Product (for specific products to be exported to Korea)	Food Drugs and Administration Department, Gujarat	MFG/CERTI/GGL/12112B	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	February 24, 2009	Periodic inspection is conducted every year
Methanol License issued in name of GPL and transferred to GGL	Officer of the Prohibition and Excise, Bharuch	103/2002-2003	Bombay Prohibition Act, 1949	March 27, 2003 (Renewed regularly)	March 31, 2010
Certificate for use of boiler (Form VI)	Assistant Director, Boiler, Gujarat	Registry number of boiler: GT-2310	Indian Boiler Act, 1923	June 23, 2009	From June 24, 2009 to June 23, 2010
Certificate for use of boiler (Form VI)	Assistant Director, Boiler, Gujarat	Registry number of boiler: GT-2311	Indian Boiler Act, 1923	June 10, 2009	From June 11, 2009 to June 10, 2010
License to import and store petroleum in installation (Form XV)	Chief Controller of Explosives	P/HQ/GJ/15/999(P10553)	Petroleum Act, 1934	September 3, 1990 (Renewed regularly)	December 31, 2010
License to import and store petroleum in installation (Form XV)	Chief Controller of Explosives	P/HQ/GJ/15/762(P10336)	Petroleum Act, 1934	October 17, 1984 (Renewed regularly)	December 31, 2010
License to import and store petroleum in installation (Form XV)	Chief Controller of Explosives	P/HQ/GJ/15/1009(P10563)	Petroleum Act, 1934	January 10, 1991 (Renewed regularly)	December 31, 2010
License to import and store petroleum in installation (Form XV)	Chief Controller of Explosives	P/HQ/GJ/15/659(P10246)	Petroleum Act, 1934	July 25, 1984 (Renewed regularly)	December 31, 2010
Poison License	District Magistrate, Bharuch	288/03	Poison Act, 1919	August 19, 2003	December 31, 2003 (has been renewed since then)
Approval for change pf name from GPL to GGL in liquid nitrogen	Deputy Chief Controller of Explosives,	S/HO/GJ/03/955(S32572)	Static and Mobile Pressure Vessels	July 1, 2008 (issued in name of GGL	License is valid till March 31,

Type of License / Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act / Regulation	Date of Issue	Valid Up to
storage installation license issued to GPL	Nagpur		(Unfired) Rules 1981	on April 22, 2009)	2010
Membership certificate for common incineration facility	Bharuch Enviro Infrastructure Limited	Membership No. CI/Ank/032	N.A.	March 28, 2008	N.A.
Membership Certificate	Ankleshwar Industries Association	N.A.	N.A.	August 17, 2007	N.A.
Letter approving change of name from GPL to GGL	Deputy Director, Sub-regional Office, Employees' State Insurance Corporation	38/35091-34/Ins I br.	N.A.	June 3, 2008	N.A.
Reference/license number of letter approving release of additional 400 Kilovolt-Ampere H.T. power supply to the unit	Dakshin Gujarat Vij Company Limited	N.A.	N.A.	April 11, 2008	N.A.
Licenses to use lifts granted to Glaxo India Limited and has been transferred in name of GPL and then GGL	Chief Inspector of Lifts and Escalators, Gujarat	G/21/27/775/01 G/21/18/776/01 G/21/19/777/01	Gujarat Lifts and Escalators Act, 2000	December 3, 2001 (renewed regularly)	December 2, 2010
Certificate of GMP compliance granted to GPL as a manufacturer (An intimation letter for change of name from GPL to GGL has been sent to Medicines and Healthcare Products Regulatory Agency, UK)	Medicines and Healthcare Products Regulatory Agency, UK	Certificate No. – UK GMP 17350 Insp GMP 17350/120518-0001	Directive 2001/83/EC and Medicines Act, 1968	N.A.	Three years from the date of inspection (November 20, 2006)
Letter stating that the unit is acceptable as compliant with cGMP (Not a certificate or endorsement)	Department of Health & Human Services, Public Health Service, Food and Drug Administration	N.A.	Federal Food, Drug, and Cosmetic Act, 1938 and Food and Drug Administration Act, 1988	October 25, 2008	N.A. (Subject to routine inspections)

Applications filed by the Company in relation to Plot number 3102/C to 3109/A, 3103 Gujarat Industrial Development Corporation Industrial Estate, Ankleshwar

Type of License/ Permit Approval Applied For	Authority to whom the application made	License / Registration / Reference Number	Date of Application
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Deputy Director (DIHS) Factory Inspectorate Office, Bharuch	N.A.	January 28, 2008
Application to transfer poison license pursuant to the business re-organisation plan under the Poisons Act, 1919 to GGL from GPL	District Collector Supply Department	288/03	February 11, 2008
Application to transfer the Solvent License pursuant to the business re-organisation plan for the solvent licenses to GGL from GPL	District Collector Supply Department, Bharuch	W-124	February 6, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Regional Manager, Gujarat Industrial Development Corporation Ankleshwar	N.A.	January 7, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Regional Provident Fund Manager, Surat	GJ/SRT/33011	February 6, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Narcotics Control Bureau, Ahmedabad Zonal Unit	N.A.	February 11, 2008
Application for change of name in the records from GPL's name to GGL's name pursuant to business re-organisation plan	Sales Tax Department	N.A.	April 1, 2008
Submission of additional documents to make necessary changes in records pursuant to the business re-organisation plan	Chief Engineer (O&M), Dakshin Gujarat Vij Company Limited, Surat	N.A.	August 11, 2008
Applications for obtaining no objection certificate for consumption of absolute alcohol and denatured spirit for manufacturing of bulk drugs and intermediate	Commissioner of Industries, Gujarat	GGL/Ank/App/08/01	August 12, 2008 and April 28, 2009
Submission of Rs. 10,089,000 as transfer fee for transfer of plot numbers 3102-C, 3103 to 3109-A in the name of GGL from GPL	Regional Manager, Gujarat Industrial Development Corporation, Ankleshwar	N.A.	August 2, 2009

7. Approvals for Plot numbers 141-143,160-165, 170-172, Chandramauli Industrial Estate, Mohol, District - Solapur

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Central Excise Registration (Form RC)	Assistant Commissioner, Central Excise	AACCG9820DXM004	Central Excise Act, 1944 and Central Excise Rules, 2002	March 19, 2008 (effective form April 1, 2008)	Till surrendered/ revoked/ suspended
Letter of consent approving Form UT-1 filed by GGL	Superintendent, Central Excise, Solapur	F.No.VGN(30)UT.-1/Glenmark/2005/801	Central Excise Rules, 2002	March 24, 2009	March 31, 2010
Certificate of Registration (Form II)	Office of the Registering Officer, Solapur	43	Contract Labour (Regulation and Abolition) Act, 1970 and the rules made there-under	July 30, 2004 (Amended in December 2005, November 2006, November 2007, April 2008 and November 2008)	December 12, 2009
Service Tax Code	Superintendent – Service Tax Cell - II	AACCG9820DST005	Finance Act, 1994 and Service Tax Rules, 1994	March 11, 2008	N.A.
Registration under Standards of Weights and Measures Enforcement Act, 1985 (Form 11)	Inspector, Legal Metrology	0022972	Standards of Weights and Measures Enforcement Act, 1985	November 15, 2008	November 15, 2013
Registration under Standards of Weights and Measures Enforcement Act, 1985 (Form 11)	Inspector, Legal Metrology	0025749	Standards of Weights and Measures Enforcement Act, 1985	March 9, 2009	March 9, 2010
Registration under Standards of Weights and Measures Enforcement Act, 1985 (Form 11)	Inspector, Legal Metrology	0025748	Standards of Weights and Measures Enforcement Act, 1985	March 9, 2009	March 9, 2010
Registration under Standards of Weights and Measures Enforcement Act, 1985 (Form 11)	Inspector, Legal Metrology	0025747	Standards of Weights and Measures Enforcement Act, 1985	March 9, 2009	March 9, 2010
Factory License granted to GPL and name in the license changed to GGL pursuant to business	Chief Inspector of Factories and Boilers	072648; S- 8524232/04	Factories Act, 1948	July 27, 2004	December 31, 2009 and renewed till December 31, 2010

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
re-organisation plan on April 1, 2008					
Certificate of stability for buildings granted to GPL (Form 1A)	Mahesh N. Thambkar	16-2005/15/03/05	Factories Act, 1948	March 15, 2005	March 14, 2010
Consent to operate under Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989	Maharashtra Pollution Control Board	Consent No. BO/RO Pune/ PCI-I/EIC-1060-06/Ammend/CC-111	Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989	May 8, 2008	March 31, 2011
Letter of approval for change of name from GPL to GGL in the records	Chandramouli Audhyogik Sahakari Vasahat Maryadit, Mohol	12/08	N.A.	February 25, 2008	N.A.
Letter of allotment of land on rent for plot numbers 141 – 143 and 160-162 (granted to GPL)	Chandramouli Audhyogik Sahakari Vasahat Maryadit, Mohol	41/1/04	Maharashtra Industrial Development Act, 1961	October 2, 2004	N.A.
Letter of allotment of land on rent for plot numbers 163-165 and 170 - 172 (granted to GPL)	Chandramouli Audhyogik Sahakari Vasahat Maryadit, Mohol	31/04	Maharashtra Industrial Development Act, 1961	August 9, 2004	N.A.
Approval granted to change name from GPL to GGL in Form 25 license (License issued for the same to GGL)	Commissioner, (Pune), food and Drugs Administration	1284-08/2 License No.: PD/161dated 1/4/2008	N.A.	April 3, 2008	March 31, 2013
Membership of Common Hazardous Waste Collection, Treatment, Storage and Disposal Facilities (CHW-TSDF) at Taloja for utilizing common hazardous waste storage disposal facility granted to GPL	Mumbai Waste Management Limited	MWML-HZW-SOL-449	N.A.	August 25, 2004	N.A.

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Approval to change name from GPL to GGL in its records pursuant to an application filed by GGL	Mumbai Waste Management Limited	MWML-HZW-SOL-449	N.A.	May 19, 2008	N.A.
Licence to manufacture for sale (or for distribution) of drugs other than those specified in Schedules C and C (1) and X (Form 25)	Joint Commissioner, Food and Drug Control Administration, Pune,	License No.: PD/161	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	April 1, 2008	March 31, 2013
License to import and store petroleum (Form XV) (granted to GPL)	Chief Controller of explosives	P/HQ/MH/15/5636(P1 42964)	Petroleum Act, 1934	April 21, 2006	Renewed till December 31, 2011
Letter of approval for transfer of license to import and store petroleum to GGL	Controller of explosives	P/HQ/MH/15/5636(P1 42964)	N.A.	March 24, 2008	N.A.
Letter of renewal of license to import and store petroleum	Controller of explosives	P/HQ/MH/15/5636(P1 42964)	Petroleum Act, 1934	January 2, 2009	December 31, 2011

Applications filed by the Company in relation to Plot numbers 141-143,160-165, 170-172, Chandramauli Industrial Estate, Mohol, District – Solapur

Type of License/ Permit Approval Applied For	Authority to whom the application made	License / Registration / Reference Number	Date of Application
Submission of Form I under Cess Rule - 4 regarding water consumed in April - June, 2009	Maharashtra Pollution Control Board	GGL/KK/HR/2009-10/068	July 24, 2009

8. Approvals for Taloja research and development centre, Maharashtra Industrial Development Corporation, Taloja, Raigad, Maharashtra

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Certificate of Registration (Form II)	Office of the Registering Officer, Raigad	No.ACL/Raigad/CLA/RC-4/08	Contract Labour (Regulation and Abolition) Act, 1970 and the rules made there-under	February 21, 2008 (Amended on September 12, 2008 and December 17, 2008)	N.A.
Letter sanctioning power supply at 22 Kilovolt	Superintendent, Maharashtra State Electricity	SE/VC /TECH/HTPS/PNL-684	Electricity Act, 2003	October 16, 2008	N.A.

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
	District Corporation Limited				
Approval letter recording change of name from GPL to GGL in the records, pursuant to the business reorganisation plan	Maharashtra Pollution Control Board	RONM/TB/Change Name/CC/E/C - 76	Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989	October 15, 2008	N.A.
Consent to operate under Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989 for carrying on research and development activity on pharmaceutical product.	Maharashtra Pollution Control Board	Consent No. RONM/NNB/Taloja/Orange/CC/O/C -142	Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989	February 17, 2009	February 28, 2015
Provisional no objection certificate for proposed construction of research and development building issued to GPL (GGL has made application to Maharashtra Industrial Development Corporation for change in name from GPL to GGL in the approvals pursuant to the business reorganisation plan)	Maharashtra Industrial Development Corporation	MIDC/FIRE/PROV-NOC/397	Maharashtra Industrial Development Act, 1961	March 13, 2008	March 14, 2009 and can be renewed
Approval to fresh building plans for proposed factory	Maharashtra Industrial Development	DE/TLJ/M-4/499/of 2008	Maharashtra Industrial Development	April 8, 2008	

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
building issued to GPL (GGL has made application to Maharashtra Industrial Development Corporation for change in name from GPL to GGL in the approvals pursuant to the business reorganisation plan)	Corporation		Act, 1961		
Approval to drainage plans for proposed factory building issued to GPL (GGL has made application to Maharashtra Industrial Development Corporation for change in name from GPL to GGL in the approvals pursuant to the business reorganisation plan)	Maharashtra Industrial Development Corporation	DE/TLJ/M-4/500/of 2008	Maharashtra Industrial Development Act, 1961	April 8, 2008	
Approval for 25mm diameter water connection for the factory issued to GPL (After getting approval of name change in provisional no objection certificate, the name shall change to GGL in this approval)	Maharashtra Industrial Development Corporation	DE/TLJ/254/of 2008	Maharashtra Industrial Development Act, 1961	February 26, 2008	N.A.
Membership of Taloja Common Effluent Treatment Plants (CETP) Co-operative Society Limited	General Manager, Taloja Common Effluent Treatment Plants Co-operative Society Limited	Receipt No. 573	N.A.	July 30, 2008	N.A.
Certificate certifying that the Taloja unit is medium scale polluting member of Taloja Common Effluent Treatment Plants (CETP) Co-operative Society	General Manager, Taloja Common Effluent Treatment Plants Co-operative	N.A.	N.A.	August 23, 2008	N.A.

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Limited	Society Limited				
Membership of Common Hazardous Waste Collection, Treatment, Storage and Disposal Facilities (CHW-TSDF) at Taloja for utilizing common hazardous waste storage disposal facility	Mumbai Waste Management Limited	MWML-HZW-TAL-2764	N.A.	February 2, 2009	N.A.
Registration under Shops and Establishments Act, 1948	Shops Inspector, Panvel	0005345	Shops and Establishments Act, 1948	February 25,2009	Renewed till 2011

Applications filed by the Company in relation to Taloja research and development centre, Maharashtra Industrial Development Corporation, Taloja, Raigad, Maharashtra

Type of License/ Permit Approval Applied For	Authority to whom the application made	License / Registration / Reference Number	Date of Application
Application for final no objection certificate for the proposed research and development centre, Maharashtra Industrial Development Corporation, Taloja, Raigad, Maharashtra, requesting the authority to approve and grant fire final no objection certificate for the already built area (part Building Completion Certificate / Occupation Certificate of building as per the drawings)	Deputy Chief Fire Officer, Maharashtra Industrial Development Corporation, Mumbai	Ref No. 09/Admn/2009	June 26, 2009
Application for approval for built area for the proposed research and development centre, Maharashtra Industrial Development Corporation, Taloja, Raigad, Maharashtra	Deputy Engineer, SPA, Maharashtra Industrial Development Corporation	Ref No. 10/Admn/009	June 26, 2009
Application for approval of revised plan	Deputy Engineer, SPA, Maharashtra Industrial Development Corporation	Ref No. 12/Admn/009	August 12, 2009
Application for recognition on in house research and development unit	Secretary, Department of Science and Industrial Research	Del/TRG/GGL	July 31, 2008

9. Approvals for Sanpada Clinic Centre, Plot number: D-508

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Authorisation letter for generation and handling of bio-medical wastes	Maharashtra Pollution Control Board	MPCB/RONM BMW/Autho. No. 115	Bio Medical Waste (Management and Handling) Rules, 1998 and Environment (Protection) Act, 1986	September 12, 2008	August 30, 2011
Consent to operate under Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989 for clinical research activity	Maharashtra Pollution Control Board	Consent No. RONM/NNB/TTC/CC/O/C-68	Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous Wastes (Management and Handling) Rules, 1989	December 20, 2005	November 30, 2009
Membership of Bio Medical Waste Treatment Storage Disposal Facility (CBMW-TSDF) at Taloja for safe and secure disposal of bio-medical waste	Mumbai Waste Management Limited	MWM-BMW-NVM-0153	N.A.	N.A.	March 31, 2010
Renewal of sub-letting permission (To Karan Information and Technology Private Limited and a copy has been given to GGL, who is sub-lettee)	Maharashtra Industrial Development Corporation	MHO/RO/Mahape/TTC/D-508/266	N.A.	January 17, 2008	N.A.
Approval granted to GPL to advertise through hoardings in area covered under the Navi Mumbai Mahanagar Palika	Navi Mumbai Mahanagar Palika	2006/D-97	July 20, 2006	March 31, 2010	N.A.
Registration under Shops and Establishments Act, 1948	Inspector, Shops and Establishment Authority, Navi Mumbai and Deputy Commissioner of Labour	THA No. 0017255	Shops and Establishments Act, 1948	September 19, 2008 (renewed on September 16, 2009)	2010

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Certificate of accreditation with the Standard ISO 15189:2007	National Accreditation Board for Testing and Calibration Laboratories, Department of Science and technology, India	Certificate Number - M - 0083	N.A.	April 8, 2009	December 18, 2009

10. Approvals for 94/21 Dharampur, Dehradun (Sales Depot)

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Certificate of Registration for manufacturing under loan license	Assistant Commissioner	05008516916	Central Sales Tax Act, 1956 and Uttarakhand Value Added Tax Act, 2005	December 11, 2008	N.A.

11. Approvals for DMC 4/270-E, Mithani Complex, Nani Daman (Sales Depot)

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Certificate of Registration for Daman and Diu	Assistant Value Added Tax Officer	25000008401	Value Added Tax Regulation, 2005	June 5, 2009 (Valid from May 19, 2009)	N.A.
Certificate of Registration	Assistant Value Added Tax Officer	05008516916	Central Sales Tax Act, 1956	June 5, 2009 (Valid from May 19, 2009)	N.A.

12. Approvals for Baddi (Sales Depot)

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Certificate of Registration	Assessing Authority	SOL III - 12661	Himachal Pradesh General Sales Tax Rules, 1969	November 11, 2008	December 12, 2008 (renewed from March 31, 2009)
Certificate of Registration	Tax Officer, Solan	SOL-CST 12449	Central Sales Tax Act, 1956	November 27, 2008	N.A.

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
				(with effect from November 14, 2008)	

13. Approvals for Panchkula (Sales Depot)

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Tax Identification Number and registration as dealer	Notifying Authority	06252506249	Central Sales Tax Act, 1956	April 8, 2008 (Date of effect is June 27, 2008)	N.A.

Loan Licenses of the Company

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
Loan license to manufacture for sale (or for distribution of) drugs other than those specified in Schedules C, C(I) and X, Form 25-A on the premises situated at E- 37, 39 Maharashtra Industrial Development Corporation Industrial Estate, Satpur, Nasik under GGL's supervision	Joint Commissioner, Food and Drug Administration, Nashik	25-A NKD/172-A	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules, 1945	March 4, 2008	March 3, 2013
Loan license to manufacture (for sale or for distribution of) drugs specified in Schedules C, C(I) (excluding those specified in Schedule X), Form 28-A on the premises situated at E-37, 39 Maharashtra Industrial Development Corporation Industrial Estate, Satpur, Nasik	Joint Commissioner, Food and Drug Administration, Nashik	28-A NKD/188-A	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	March 4, 2008	March 3, 2013

Type of License/ Permit Approval	Issuing Authority	License / Registration / Reference Number	Applicable Act/ Regulation	Date of Issue	Valid Up to
under GGL's supervision					
Loan license to manufacture for sale (or for distribution of) drugs other than those specified in Schedules C, C (I) and X, Form 25-A on the premises situated at Plot number J-89, Maharashtra Industrial Development Corporation, Kupwad Block, Sangli- 416436 under Ms/ Symbiosis Co-operative Pharmaceutical Limited's supervision.	Joint Commissioner, Food and Drug Administration, Pune	PD/290-A	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	March 18, 2008	March 17, 2013
Loan license to manufacture (for sale or for distribution of) drugs specified in Schedules C, C (I) (excluding those specified in Schedule X); Form 28-A on the premises situated at Plot number J-89, Maharashtra Industrial Development Corporation, Kupwad Block, Sangli- 416436 under Ms/ Symbiosis Co-operative	Joint Commissioner, Food and Drug Administration, Pune	PD/346-A	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	March 18, 2008	March 17, 2013
Loan license to manufacture (for sale or for distribution of) drugs other than those specified in Schedules C, C (I) and X, Form 25-A on the premises situated at Plot number 50, Shade number D4-2, Kundaim Industrial Estate, Goa	Director, Food and Drug Administration	798/L	Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945	May 8, 2008	May 7, 2013

Miscellaneous

The Company has received authorisations from the Drugs Controller General (India) under the Drugs and Cosmetics Act, 1944 read with the Drugs and Cosmetics Rules 1945 in relation to the various products manufactures by it to market such products manufactured by the Company, in India or export such products

to other countries as specified in such authorisation, *inter alia* including the USA, China, Korea, Brazil and Switzerland. Such authorisations have been provided to Company for a specific period as mentioned in the authorisations.

Intellectual Property

GGA has filed 28 trademark applications in various jurisdictions for registration of trademarks over 'Servycal', 'S' (with design) and 'Zoledra'. 14 applications have been approved by the trademark authorities in countries such as Argentina, Chile, Colombia, Venezuela, Peru, Ecuador, Mexico and Panama.

The Company has filed approximately 146 process patents in the last three years in various countries including India, the US, the EU and also under the Patent Cooperation Treaty. At present, the Company has received five patents in India and five patents in the US.

The Company has operations in other countries such as the US and Argentina where it manufactures and markets its products. In addition to the approvals mentioned above, the Company is required to obtain approvals from regulatory authorities in such countries for the purpose of carrying on its business.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The has been authorized by a resolution of the Board passed at their meeting held on August 14, 2009, subject to the approval of shareholders through a special resolution to be passed pursuant to section 81 (1A) of the Companies Act.

The shareholders have authorised the Issue by a special resolution in accordance with Section 81(1A) of the Companies Act, passed at the Extra-Ordinary General Meeting of the Company held on September 21, 2009, at Mumbai.

Prohibition by SEBI

The Company, Promoters, Directors, Promoter Group entities and group companies and natural persons behind the Promoters which are body corporates, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

The companies, with which Promoters, Directors or persons in control of the Company are associated as promoters, directors or persons in control have been have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.

Prohibition by RBI

The Company, Promoters and group companies have not been identified as wilful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Issue

The Company is eligible for the Issue in accordance with Regulation 26(2) of the SEBI Regulations, which states as follows:

"*26(2) An unlisted issuer not satisfying any of the conditions stipulated in sub-regulation (1) may make an initial public offer if:*

(a) (i) the issue is made through the book building process and the issuer undertakes to allot at least fifty per cent. of the net offer to public to qualified institutional buyers and to refund full subscription monies if it fails to make allotment to the qualified institutional buyers;

OR

(ii) at least fifteen per cent. of the cost of the project is contributed by scheduled commercial banks or public financial institutions, of which not less than ten per cent. shall come from the appraisers and the issuer undertakes to allot at least ten per cent. of the net offer to public to qualified institutional buyers and to refund full subscription monies if it fails to make the allotment to the qualified institutional buyers;

AND

(b) (i) the minimum post-issue face value capital of the issuer is ten crore rupees;

OR

(ii) the issuer undertakes to provide market-making for at least two years from the date of listing of the specified securities, subject to the following:

(A) the market makers offer buy and sell quotes for a minimum depth of three hundred specified securities and ensure that the bid-ask spread for their quotes does not, at any time, exceed ten per cent.;

(B) the inventory of the market makers, as on the date of allotment of the specified securities, shall be at least five per cent. of the proposed issue.

The Company is an unlisted company not complying with the conditions specified in Regulation 26(1) of the SEBI Regulation and are therefore required to meet both the conditions detailed in Regulation 26(2)(a) and Regulation 26(2)(b) of the SEBI Regulations.

- The Company is complying with Regulation 26(2)(a) of the SEBI Regulations and at least 60% of the Net Issue is proposed to be allotted to QIBs (in order to comply with the requirements of Rule 19(2)(b) of the SCRR) and in the event the Company fails to do so, the full subscription monies shall be refunded to the Bidders.

- The Company is also complying with Regulation 26(2)(b) of the SEBI Regulations and the post-issue face value capital of the Company shall be Rs. [●] million which is more than the minimum requirement of Rs. 10 crore (Rs. 100 million).

Hence, the Company is eligible for the Issue under Regulation 26(2) of the SEBI Regulations.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, the Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted shall be not less than 1,000 otherwise the entire application money will be refunded forthwith. In case of delay, if any, in refund the Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO 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 ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

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 BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2009 WHICH READS AS FOLLOWS:

WE, THE LEAD MERCHANT BANKER(S) TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

   (A) **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

   (B) **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   (C) **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID. <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID**

REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS/DRAFT PROSPECTUS.

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. NOT APPLICABLE.**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. NOTED FOR COMPLIANCE.**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE.**

    AS THE OFFER SIZE IS MORE THAN RS. 10 CRORES, HENCE UNDER SECTION 68B OF THE COMPANIES ACT, 1956, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

    (A) **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**

    (B) **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

The filing of this Draft Red Herring Prospectus does not, however, absolve the Company from any liabilities under Section 63 or Section 68 of the Companies Act or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Managers, any irregularities or lapses in this Draft Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies, Maharashtra in terms of Section 60B of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Maharashtra in terms of Sections 56, 60 and 60B of the Companies Act.

Caution - Disclaimer from the Company and the BRLMs

The Company, the Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at the Company's instance and anyone placing reliance on any other source of information, including the Company's web site www. glenmark-generics.com, would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the MoU entered into between the BRLMs and the Company and the Underwriting Agreement to be entered into between the Underwriter and the Company.

All information shall be made available by the Company and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither the Company nor the Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Investors that bid in the Issue will be required to confirm and will be deemed to have represented to the Company, the Underwriter and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company and will not Issue, sell, pledge, or transfer the Equity Shares of the Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire

Equity Shares of the Company. The Company, the Underwriter 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 Equity Shares of the Company.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, 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 shares, permitted insurance companies and pension funds) and to FIIs, eligible NRIs and other eligible foreign investors (viz. FVCIs, multilateral and bilateral development financial institutions). This Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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 Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus had been submitted to BSE. The Disclaimer Clause as intimated by BSE to the Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus had been submitted to NSE. The Disclaimer Clause as intimated by NSE to the Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Corporation Finance Department, Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, would be delivered for registration to the ROC and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration with ROC at the Office of the Registrar of Companies, Everest 5th Floor, 100, Marine Drive, Mumbai 400 002.

Listing

Applications have been made to the BSE and NSE for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, the Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within 8 days after the Company becomes liable to repay it, i.e. from the date of refusal or within 7 days from the Bid/Issue Closing Date, whichever is earlier, then the Company and every Director of the Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% p.a. on application money, as prescribed under Section 73 of the Companies Act.

The Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within 7 working days of finalisation of the Basis of Allotment for the Issue.

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the auditors, the legal advisors, the Bankers to the Issue; and (b) the Book Running Lead Manager and the Co-Book Running Lead Manager, the Syndicate Members, the Escrow Collection Banks and the Registrar to the Issue to act in their respective capacities, have been obtained and would be filed along with a copy of the Red Herring Prospectus with the ROC as required under Sections 60 and 60B of the Companies Act and such consents have not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus for registration with the ROC.

In accordance with the Companies Act, 1956 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009, M/s. R.G.N. Price & Co., Chartered Accountants, have given their written consent to the inclusion of their financial report in the form and context in which it appears in the Draft Red Herring Prospectus and such consent and report has not been withdrawn up to the time of delivery of the Draft Red Herring Prospectus for registration with the ROC.

[●], the IPO grading agency engaged by the Company for the purpose of obtaining IPO grading in respect of this Issue, have given their written consent as experts to the inclusion of their report in the form and context in which they will appear in the Red Herring Prospectus and such consents and reports will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus to the Registrar of Companies.

Expert Opinion

Except the report of [●] in respect of the IPO grading of this Issue annexed herewith and except as stated elsewhere in this Draft Red Herring Prospectus, the Company has not obtained any expert opinions.

Issue Related Expenses

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. The estimated expenses of the Issue are as follows:

Activity	Expense* (in Rs. million)	Percentage of the Issue Expenses*	Percentage of the Issue Size*
Lead management, Underwriting and Selling Commission	[•]	[•]	[•]
SCSB Commission	[•]	[•]	[•]
Advertising and marketing expense	[•]	[•]	[•]
Printing and stationery (including courier, transportation charges)	[•]	[•]	[•]
Others (Registrar's fees, legal fees, listing costs etc.)	[•]	[•]	[•]
Fees paid to rating agency	[•]	[•]	[•]
Total	[•]	[•]	[•]

* *Will be incorporated after finalisation of the Issue Price.*

The listing fee and all expenses with respect to the Issue will be borne by the Company.

Fees Payable to the Book Running Lead Managers, and Syndicate Members

The total fees payable to the BRLMs and the Syndicate Member (including underwriting commission and selling commission) will be as stated in the Engagement Letter with the BRLMs, a copy of which is available for inspection at the registered office of the Company located at Glenmark Generics Limited, B/2, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai – 400 026.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of application, data entry, printing of CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Memorandum of Understanding signed with the Company, a copy of which is available for inspection at the registered office of the Company.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or allotment advice by registered post/speed post/under certificate of posting.

Particulars regarding Public or Rights Issues during the Last Five Years

The Company has not made any public or rights issues during the last five years.

Previous issues of Equity Shares otherwise than for cash

Except as stated in the section entitled "Capital Structure" on page 21 of this Draft Red Herring Prospectus and "History and Corporate Matters" on page 91 of this Draft Red Herring Prospectus, the Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid on Previous Issues of the Equity Shares

Since this is the initial public issue of 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 the Company's inception.

Previous capital issue during the previous three years by listed group companies, subsidiaries and associates of the Company

None of the group companies, associates and subsidiaries of the Company is listed on any stock exchange.

Promise vis-à-vis objects – Public/ Rights Issue of the Company and/ or listed group companies, subsidiaries and associates of the Company

The Company has not undertaken any previous public or rights issue.

None of the group companies, associates and subsidiaries of the Company is listed on any stock exchange.

Outstanding Debentures or Bonds

The Company does not have any outstanding debentures or bonds as of the date of filing this Draft Red Herring Prospectus.

Outstanding Preference Shares

The Company does not have any outstanding preference shares other than those mentioned in the section entitled "Capital Structure" beginning on page 21 in this Draft Red Herring Prospectus.

Stock Market Data of the Equity Shares

This being an initial public issue of the Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The Memorandum of Understanding between the Registrar to the Issue, and the Company will provide for retention of records with the Registrar to the Issue for a period of at least six months from the last date of dispatch of letters of allotment, demat credit, refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the ASBA Bid cum Application Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances by the Company

The Company estimates that the average time required by the Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders for the redressal of routine investor grievances shall be ten working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, the Company will seek to redress these complaints as expeditiously as possible.

The Company has appointed Mr. S. Shankar as the Compliance Officer for this Issue and he may be contacted in case of any pre-Issue or post-Issue-related problems. He can be contacted at the following address:

Mr. S. Shankar
Glenmark Generics Limited
Glenmark House, HDO- Corporate Bldg, Wing A
B D S Marg, Chakala, Off Western Express Highway
Andheri (E), Mumbai 400 099
Tel: (91 22) 4018 9316
Fax: (91 22) 4018 9994
Email: company.secretary@glenmark-generics.com

Changes in Auditors

The following are the changes in the auditors in the last 3 years:

Name of the Auditor	Date of appointment	Date of resignation	Reason
M/s. N. K. Mittal & Associates	September 29, 2000	May 29, 2008	Resignation
M/s. Price Waterhouse & Co.	July 7, 2008	March 16, 2009	Resignation
M/s. R.G.N. Price & Co.	March 27, 2009	-	Appointment

Capitalisation of Reserves or Profits

Except as disclosed in this Draft Red Herring Prospectus, the Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

The Company has not revalued its assets in the last five years.

SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, the Memorandum and Articles, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, Bid cum Application Form, the Revision Form, the CAN and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, Stock Exchanges, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Memorandum and Articles of Association and shall rank pari-passu with the existing Equity Shares of the Company including rights in respect of dividend. The Allotees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see "Main Provisions of the Articles of Association" on page 333 of this Draft Red Herring Prospectus.

Mode of Payment of Dividend

The Company shall pay dividends to its shareholders in accordance with the provisions of the Companies Act.

Face Value and Issue Price

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. [●] per Equity Share. The Anchor Investor Issue Price is Rs. [●] per Equity Share.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with SEBI Regulations

The Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and

- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreement executed with the Stock Exchanges, and the Company's Memorandum and Articles.

For a detailed description of the main provisions of the Articles relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "Main Provisions of the Articles of Association" on page 333 of this Draft Red Herring Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be only in electronic form in multiples of one (1) Equity Share subject to a minimum Allotment of [●] Equity Shares.

The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLMs and advertised in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language and [●] edition of [●] in the Marathi language at least two days prior to the Bid/ Issue Opening Date.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or 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 in accordance with Section 109A of the Companies Act, 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 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 the Registered Office/ Corporate Office of the Company or to the Registrar and Transfer Agents of the Company.

In accordance with Section 109B of the Companies Act, any Person who becomes a nominee by virtue of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or

- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the 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 ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys 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 Issue will be made only in dematerialised form, there is no need to make a separate nomination with the Company. Nominations registered with respective depository

participant of the applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If the Company does not receive the minimum subscription of 90% of the Net Issue, including devolvement of underwriters within 60 days from the Bid/Issue Closing Date, the Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight (8) days after the Company becomes liable to pay the amount, the Company shall pay interest prescribed under Section 73 of the Companies Act.

If at least 60% of the Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith.

Further, the Company shall ensure that the number of prospective allotees to whom Equity Shares will be allotted shall not be less than 1,000.

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.

Arrangement for disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction on transfer of shares

Except for lock-in of the pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the section entitled "Capital Structure" on page 21 of this Draft Red Herring Prospectus, and except as provided in the Articles, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfers of debentures except as provided in the Articles. There are no restrictions on transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles. Please see the section entitled "Main Provisions of the Articles of Association" on page 333 of this Draft Red Herring Prospectus.

ISSUE STRUCTURE

Issue of [●] Equity Shares for cash at a price of Rs. [●] per Equity Share (including share premium of Rs. [●] per Equity Share) aggregating to Rs. 5,750 million. The Issue comprises a Net Issue of up to [●] Equity Shares to the public and a reservation for Eligible Employees of up to [●] Equity Shares. The Issue will constitute [●]% of the post-issue paid-up capital of the Company and the Net Issue will constitute [●]% of the post issue paid up capital of the company.

The Company is considering a Pre-IPO Placement of an amount aggregating up to Rs. 1,000 million with various investors ("Pre-IPO Placement"). The Pre-IPO placement is at the discretion of the Company. The Company will complete the issuance and allotment of such Equity Shares prior to filing the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the Issue size offered to the public would be reduced to the extent of such Pre-IPO Placement, subject to a minimum Net Issue size of 10% of the post Issue paid up capital being offered to the public.

The Issue is being made through the 100% Book Building Process.

	QIBs[#]	**Non-Institutional Bidders**	**Retail Individual Bidders**	**Employee Reservation Portion**
Number of Equity Shares*	At least [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than [●] Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders.	Up to [●] Equity Shares.
Percentage of Issue Size available for Allotment/allocation	At least 60% of the Net Issue Size being allocated. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only.	Not less than 10% of Net Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 30% of the Net Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders.	Up to [●]% of the Issue
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate as follows: (a) [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds; and (b) [●] Equity Shares shall be allotted on a proportionate	Proportionate	Proportionate	Proportionate

	QIBs[#]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
	basis to all QIBs including Mutual Funds receiving allocation as per (a) above.			
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares thereafter.	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares	[●] Equity Shares
Maximum Bid	Such number of Equity Shares not exceeding the Net Issue, subject to applicable limits.	Such number of Equity Shares not exceeding the Net Issue subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed Rs. 100,000.	Such number of Equity Shares not exceeding the Issue subject to applicable limits.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Allotment Lot	[●] Equity Shares and in multiples of 1 Equity Share thereafter.	[●] Equity Shares and in multiples of 1 Equity Share thereafter.	[●] Equity Shares and in multiples of 1 Equity Share thereafter.	[●] Equity Shares and in multiples of 1 Equity Share thereafter.
Trading Lot	One Equity Share	One Equity Share	One Equity Share	One Equity Share
Who can Apply **	Public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, FIIs and sub-accounts registered with SEBI, other than a sub-account which	Resident Indian individuals, Eligible NRIs, HUF (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, sub-accounts of FIIs registered with SEBI, which	Resident Indian individuals, Eligible NRIs and HUF (in the name of Karta)	Eligible Employee

	QIBs[#]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
	is a foreign corporate or foreign individual, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million, pension funds with minimum corpus of Rs. 250 million in accordance with applicable law, and National Investment Fund.	are foreign corporates or foreign individuals.		
Terms of Payment	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Members.[***]	Amount shall be payable at the time of submission of Bid cum Application Form.	Amount shall be payable at the time of submission of Bid cum Application Form.[##]	Amount shall be payable at the time of submission of Bid cum Application Form.
Margin Amount	Up to 10% of Bid Amount	Full Bid Amount on bidding	Full Bid Amount on bidding	Full Bid Amount on bidding

[#] *The Company may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds,*

subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors. For further details, please see the section entitled "Issue Procedure" on page 289 of this Draft Red Herring Prospectus.

In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the ASBA Bid cum Application Form.

* Subject to valid Bids being received at or above the Issue Price. In accordance with Rule 19(2)(b) of the SCRR, this being an Issue for less than 25% of the post–Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Issue will be allocated on a proportionate basis to QIBs, out of the QIB Portion (excluding the Anchor Investor Portion), 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If at least 60% of the Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares, 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 in proportion to their Bids. Further, not less than 10% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category except in the QIB category would be met with spill-over from other categories at sole discretion of the Company, in consultation with the BRLMs.

Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue. The unsubscribed portion in the Net Issue, except the QIB Portion, shall be allowed to be met from spill over to the extent of under subscription from the Employee Reservation Portion, subject to the Net Issue constituting 10% of the post Issue capital of the Company. If at least 60% of the Net Issue is not allocated to the QIBs, the entire subscription monies shall be refunded.

** In case the Bid cum Application Form is submitted in joint names, the Bidders should ensure that the demat account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form.

*** After the Bid/ Issue Closing Date, depending on the level of subscription, additional Margin Amount, if any, may be called for from the QIB Bidders.

Withdrawal of the Issue

The Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event the Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. The Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed.

Any further issue of Equity Shares by the Company shall be in compliance with applicable laws.

Bid/ Issue Programme

BID/ISSUE OPENS ON	**[●]***
BID/ISSUE CLOSES ON	**[●]**

* *The Company may consider participation by Anchor Investors. The Anchor Investor Bid/ Issue Period shall be one day prior to the Bid/ Issue Opening Date.*

Bids and any revision in Bids shall be accepted **only between 10 a.m. and 3 p.m**. (Indian Standard Time) during the Bidding/ Issue Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form. On the Bid / Issue Closing Date, the Bids (excluding the ASBA Bidders) shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders, Non-Institutional Bidders and Eligible Employees bidding under the Employee Reservation Portion where the Bid Amount is in excess of Rs. 100,000 and (ii) until 5.00 p.m. or such extended time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders and Employees bidding under the Employee Reservation Portion, where the Bid Amount is up to Rs. 100,000. It is clarified that the Bids not uploaded in the book would be rejected. Bids by the ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular Bidder, the details as per the physical form of the Bidder may be taken as the final data for the purpose of allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

Due to limitation of time available for uploading the Bids on the Bid/ Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/ Issue Closing Date and, in any case, no later than the times mentioned above on the Bid/ Issue Closing Date. All times mentioned in the Draft Red Herring Prospectus are Indian Standard Time. Bidders are cautioned that in the event a large number of Bids are received on the Bid/ Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holiday).

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of time period for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchange within half an hour of such closure.

The Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bidding/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed at least two (2) days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Issue Period will be extended for three additional working days after revision of Price Band subject to the Bidding / Issue Period not exceeding 10 days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release and also by indicating the changes on the web site of the BRLMs and at the terminals of the Syndicate.

ISSUE PROCEDURE

Book Building Procedure

The Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated to Qualified Institutional Buyers on a proportionate basis out of the QIB Portion (excluding Anchor Investor Portion), 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price. Allocation to Anchor Investors shall be on a discretionary basis and not on a proportionate basis.

Bidders are required to submit their Bids through the Syndicate. Further, QIB Bids can be procured and submitted only through the BRLMs or their affiliate syndicate members. In case of QIB Bidders, the Company, in consultation with the BRLMs, may reject Bids at the time of acceptance of Bid cum Application Form provided that the reasons for such rejection shall be provided to such QIB Bidder in writing. In case of Employee Reservation Portion, Non-Institutional Bidders and Retail Individual Bidders, the Company would have a right to reject the Bids only on technical grounds.

Investors 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 shall be treated as incomplete and rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of this Draft Red Herring Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the Bid cum Application Form to a member of the Syndicate, the Bidder is deemed to have authorised the Company to make the necessary changes in the Draft Red Herring Prospectus and the Bid cum Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

ASBA Bidders shall submit a Bid cum Application Form either in physical or electronic form to the SCSB authorising blocking funds that are available in the bank account specified in the Bid cum Application Form used by ASBA Bidders. The ASBA Bidders can only provide one Bid in the Bid cum Application Form at Cut-off Price. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application Form to the SCSB, the ASBA Bidder is deemed to have authorised the Company to make the necessary changes in the Red Herring Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	[●]
Eligible NRIs, FIIs or Foreign Venture Capital Funds, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	[●]
Eligible Employees	[●]
ASBA Bidders	[●]
Anchor Investors*	[●]

**Bid cum Application forms for Anchor Investors have been made available for Anchor Investors at the Registered Office of the Company and the BRLMs.*

- Only Resident Retail Individual Investors can participate by way of ASBA process.

- Only QIBs can participate in the Anchor Investor Portion.

Who can Bid?

- Indian nationals resident in India, who are not minors, in single or joint names (not more than three);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of Sole or First bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than eligible NRIs are not eligible to participate in this issue;
- Indian financial institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual;
- Venture Capital Funds registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their constitution to hold and invest in equity shares;
- Scientific and/or industrial research organisations authorised to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Foreign Venture Capital Investors registered with SEBI;
- Multilateral and bilateral development financial institutions;
- National Investment Fund;
- Eligible Employees; and
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals.

As per the existing regulations, OCBs cannot participate in this Issue.

Participation by Associates of BRLMs and Syndicate Members

The BRLMs and Syndicate Members shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and Syndicate Members may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such investors, where the allocation is on a proportionate basis.

The BRLMs and any persons related to the BRLMs, the Promoters and the Promoter Group cannot apply in the Issue under the Anchor Investor Portion.

Bids by Mutual Funds

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Fund Portion.

One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors.

In case of a Mutual Fund, a separate Bid can 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 will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No mutual fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

1. Bid cum Application Forms have been made available for Eligible NRIs at the Registered Office of the Company and with members of the Syndicate.

2. Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

3. Non-Residents cannot subscribe to this Issue under the ASBA process.

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of the post-issue issued capital of the Company (i.e. 10% of [●] Equity Shares). In respect of an FII investing in the Equity Shares of the Company on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total issued capital of the Company or 5% of the total issued capital of the Company in case such sub-account is a foreign corporate or an individual. As of now, the aggregate FII holding in the Company cannot exceed 24% of its total issued capital. With the approval of the board and the shareholders by way

of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of the company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended (the "SEBI FII Regulations"), an FII, as defined in the SEBI FII Regulations, or its sub-account may issue, deal or hold, off shore derivative instruments (defined under the SEBI FII Regulations as any instrument, by whatever name called, which is issued overseas by a foreign institutional investor against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. The FII or sub-account is also required to ensure that no further issue or transfer of any Offshore Derivative Instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI Regulations. Associates and affiliates of the underwriters including the BRLMs and the Syndicate Member that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue.

Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring 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.

Maximum and Minimum Bid Size

(a) **For Retail Individual Bidders:** The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Share thereafter, so as to ensure that the Bid Price payable by the Bidder does not exceed Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Price does not exceed Rs. 100,000. In case the Bid Price is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Bidders portion. The Cut-off option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.

(b) **For Other Bidders (Non-Institutional Bidders and QIBs):** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of [•] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay QIB Margin upon submission of Bid.**

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off'.

(c) **For Bidders in the Employee Reservation Portion:** The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The maximum Bid in this category cannot exceed [●] Equity Shares.

(d) **For Bidders in the Anchor Investor Portion:** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100 million and in multiples of [•] Equity Shares thereafter. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids. A Bid cannot be submitted for more than 30% of the QIB Portion. **Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Issue Period.**

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Information for the Bidders:

(a) The Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/Issue Opening Date.

(b) The members of the Syndicate will circulate copies of the Red Herring Prospectus along with the Bid cum Application Form to potential investors.

(c) Any investor (who is eligible to invest in the Equity Shares of the Company) who would like to obtain the Red Herring Prospectus and/ or the Bid cum Application Form can obtain the same from the registered office of the Company or from any of the members of the Syndicate.

(d) Eligible investors who are interested in subscribing for the Equity Shares should approach any of the BRLMs or Syndicate Members or their authorised agent(s) to register their Bids.

(e) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of the members of the Syndicate. Bid cum Application Forms, which do not bear the stamp of the members of the Syndicate will be rejected.

Method and Process of Bidding

(a) The Company and the BRLMs shall declare the Bid/Issue Opening Date, Bid/Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one Marathi newspaper with wide circulation. This advertisement shall be in the prescribed format. The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLMs and advertised in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language and [●] edition of [●] in the Marathi language at least two (2) working days prior to the Bid/ Issue Opening Date. The Members of the Syndicate shall accept Bids from the Bidders during the Issue Period in accordance with the terms of the Syndicate Agreement.

(b) The Bid/Issue Period shall be for a minimum of three working days and shall not exceed 10 working days. The Bid/ Issue Period maybe extended, if required, by an additional three working

days, subject to the total Bid/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in two national newspapers (one each in English and Hindi) and one Marathi newspaper with wide circulation and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

(c) During the Bid/Issue Period, eligible investors who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or their authorised agents to register their Bid.

(d) Each Bid cum Application Form will give the Bidder the choice to bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Price, will become automatically invalid.

(e) The Bidder cannot bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph titled "Build up of the Book and Revision of Bids".

(f) The members of the Syndicate will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

(g) During the Bid/Issue Period, Bidders may approach the members of the Syndicate to submit their Bid. Every member of the Syndicate shall accept Bids from all clients / investors who place orders through them and shall have the right to vet the Bids, subject to the terms of the Syndicate Agreement and the Red Herring Prospectus.

(h) The BRLMs shall accept Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one day prior to the Bid/ Issue Opening Date. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

(i) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled "Terms of Payment and Payment into the Escrow Accounts" on page 305 of this Draft red Herring Prospectus.

Bids at Different Price Levels and Revision of Bids

(a) The Bidders can bid at any price within the Price Band, in multiples of Re.1 (One). The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company, in consultation with the BRLMs, and advertised in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language and [●] edition of [●] in the Marathi language at least two (2) working days prior to the Bid/ Issue Opening Date.

(b) The Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bidding/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the

Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed at least two (2) days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.

(c) In case of revision in the Price Band, the Bid/Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a public notice in two national newspapers (one each in English and Hindi) and also by indicating the change on the websites of the BRLMs, SCSBs and at the terminals of the members of the Syndicate.

(d) The Company, in consultation with the BRLMs can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Bidders.

(e) The Company, in consultation with the BRLMs, can finalise the Anchor Investor Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Anchor Investors.

(d) The Bidders can bid at any price within the Price Band. The Bidder has to bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders and Bidders in the Employee Reservation Portion may bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

(e) Retail Individual Bidders and Bidders in Employee Reservation Portion, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders and Bidders in Employee Reservation Portion bidding at Cut-Off Price shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the cap of the Price Band with the members of the Syndicate. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders, who Bid at Cut-off Price, shall receive the refund of the excess amounts from the respective Refund Account.

(f) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 100,000 if the Bidder wants to continue to Bid at Cut-off Price), with the members of the Syndicate to whom the original Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 100,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of this Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.

(g) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders, who have bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Account. The Company, in consultation with the BRLMs, shall decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 5,000 to Rs. 7,000.

Escrow mechanism, terms of payment and payment into the Escrow Accounts

For details of the escrow mechanism and payment instructions, please refer to the section titled "Issue

Procedure-Payment Instructions" on page 305 of this Draft Red Herring Prospectus.

Electronic Registration of Bids

(a) The members of the Syndicate will register the Bids using the on-line facilities of BSE and NSE. There will be at least one on-line connectivity in each city, where a stock exchange is located in India and where Bids are being accepted.

(b) The BSE and NSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the Members of the Syndicate and their authorised agents during the Bidding Period. Syndicate Members can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for book building on a regular basis. On the Bid/ Issue Closing Date, the Members of the Syndicate shall upload the Bids till such time as may be permitted by the Stock Exchanges. This information will be available with the BRLMs on a regular basis.

(c) The aggregate demand and price for Bids registered on the electronic facilities of BSE and NSE will be uploaded on a regular basis, consolidated and displayed on-line at all bidding centres and the website of BSE and NSE. A graphical representation of consolidated demand and price would be made available at the bidding centres during the Bidding Period.

(d) At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the on-line system:

- Name of the investor.
- Investor Category – Individual, Corporate, FII, NRI, Mutual Fund, etc.
- Numbers of Equity Shares bid for.
- Bid price.
- Bid cum Application Form number.
- Whether Margin Amount has been paid upon submission of Bid cum Application Form.
- Depository Participant Identification Number and Client Identification Number of the beneficiary account of the Bidder.

(e) A system generated TRS will be given to the Bidder as a proof of the registration of each of the bidding options. It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate. The registration of the Bid by the member of the Syndicate does not guarantee that the Equity Shares shall be allocated/Allotment either by the members of the Syndicate or the Company.

(f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(g) In case of QIB Bidders, Members of the Syndicate also have the right to accept the bid or reject it. However, such rejection should be made at the time of receiving the bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids would not be rejected except on the technical grounds listed on page 308 of this Draft Red Herring Prospectus.

(h) The permission given by BSE and NSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company and/or the BRLMs are cleared or approved by BSE and NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of the Company, its Promoters, management or any scheme or project of the Company.

(i) Details of Bids in the Anchor Investor Portion will not be registered on the on-line facilities of electronic facilities of BSE and NSE.

(j) It is also to be distinctly understood that the approval given by BSE and NSE should not in any way be deemed or construed that this Draft Red Herring Prospectus has been cleared or approved by the BSE and NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the BSE and NSE.

Build up of the book and revision of bids

(a) Bids registered by various Bidders through the members of the Syndicate shall be electronically transmitted to the BSE or NSE mainframe on a regular basis.

(b) The book gets built up at various price levels. This information will be available with the BRLMs on a regular basis.

(c) During the Bidding/Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.

(d) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. Apart from mentioning the revised options in the revision form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and he is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate will not accept incomplete or inaccurate Revision Forms.

(e) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom he or she had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.

(f) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of this Draft Red Herring Prospectus. In case of QIB Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft for the incremental amount in the QIB Margin Amount, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

(g) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.

(h) Only Bids that are uploaded on the online IPO system of the NSE and BSE shall be considered for allocation/ Allotment. In case of discrepancy of data between the BSE or the NSE and the members of the Syndicate, the decision of the Company in consultation with the BRLMs based on the physical records of Bid Application Forms shall be final and binding on all concerned.

Price Discovery and Allocation

(a) After the Bid/Issue Closing Date, the BRLMs will analyse the demand generated at various price levels and discuss the pricing strategy with the Company.

(b) The Company in consultation with the BRLMs shall finalise the Issue Price.

(c) The allocation to QIBs will be at least 60% of the Net Issue and 10% and 30% of the Net Issue will be available for allocation to Non-Institutional and Retail Individual Bidders respectively, on a proportionate basis, in a manner specified in the SEBI Regulations and this Draft Red Herring Prospectus, in consultation with the Designated Stock Exchange, subject to valid bids being received at or above the Issue Price.

(d) Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of the Company in consultation with the BRLMs and the Designated Stock Exchange. Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue. In case of under subscription in the Net Issue, spill over to the extent of under subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constituting 10% of the post Issue capital of the Company. If at least 60% of the Net Issue is not allocated to the QIBs, the entire subscription monies shall be refunded.

(e) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

(f) The BRLMs, in consultation with the Company, shall notify the members of the Syndicate of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.

(g) QIB Bidders shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.

(h) The allotment details shall be put on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

(a) The Company, the BRLMs and the Syndicate Members shall enter into an Underwriting Agreement on finalisation of the Issue Price.

(b) After signing the Underwriting Agreement, the Company would update and file the updated Red Herring Prospectus with ROC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Issue size, underwriting arrangements and would be complete in all material respects.

Filing of the Prospectus with the RoC

The Company will file a copy of the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, the Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Marathi newspaper with wide circulation.

Advertisement regarding Issue Price and Prospectus

The Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall

indicate the Issue Price and the Anchor Investor Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of Confirmation of Allocation Note ("CAN")

(a) Upon approval of the basis of Allotment by the Designated Stock Exchange, the BRLMs or the Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated/allotted Equity Shares in the Issue. The approval of the basis of Allotment by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or prior to the approval of the basis of allocation for the Retail and Non-Institutional Bidders. However, investors should note that the Company shall ensure that the date of Allotment of the Equity Shares to all investors in this Issue shall be done on the same date.

(b) The BRLMs or members of the Syndicate will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares allocated to such Bidder. Those Bidders who have not paid the entire Bid Amount into the Escrow Account at the time of bidding shall pay in full the amount payable into the Escrow Account by the Pay-in Date specified in the CAN.

(c) Bidders who have been allocated/allotted Equity Shares and who have already paid the Bid Amount into the Escrow Account at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realisation of his or her cheque or demand draft paid into the Escrow Account. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for the Allotment to such Bidder.

(d) The Issuance of CAN is subject to "Notice to Anchor Investors - Allotment Reconciliation and Revised CANs" and "Notice to QIBs - Allotment Reconciliation and Revised CANs" as set forth under the section "Issue Procedure" on page 289 of this Draft Red Herring Prospectus.

Notice to Anchor Investors: Allotment Reconciliation and Revised CANs

A physical book will be prepared by the Registrar on the basis of Bids uploaded on the BSE/NSE system. Based on the physical book and at the discretion of the BRLMs, select Anchor Investors may be sent a CAN, within two working days of the Anchor Investor Bid/ Issue Period, indicating the number of Equity Shares that may be allocated to them. The provisional CAN shall constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the Anchor Investors to pay the entire Anchor Investor Issue Price for all the Equity Shares allocated to such Anchor Investor. This provisional CAN and the final allocation is subject to the Issue Price being finalised at a price not higher than the Anchor Investor Issue Price and allotment by the Board of Directors. In the event that the Issue Price is higher than the Anchor Investor Issue Price, a revised CAN may be sent to Anchor Investors. The price of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. Anchor Investors should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares or increased price of Equity Shares. The Pay-in Date in the revised CAN shall not be later than two days after the Bid/ Issue Closing Date. Any revised CAN, if issued, will supersede in entirety the earlier CAN.

Notice to QIBs: Allotment Reconciliation and Revised CANs

After the Bid/Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bids uploaded on the BSE/NSE system. This shall be followed by a physical book prepared by the Registrar on the basis of Bid cum Application Forms received. Based on the electronic book or the physical book, as the case may be, QIBs may be sent a CAN, indicating the number of Equity Shares that may be allocated to them. This CAN is subject to the basis of final Allotment, which will be approved by the Designated Stock Exchange and reflected in the reconciled book prepared by the Registrar. Subject to SEBI Regulations, certain Bid applications may be rejected due to technical reasons, non-receipt of funds, cancellation of

cheques, cheque bouncing, incorrect details, etc., and these rejected applications will be reflected in the reconciliation and basis of Allotment as approved by the Designated Stock Exchange. As a result, a revised CAN may be sent to QIBs and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. QIBs should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. The revised CAN, if issued, will supersede in entirety the earlier CAN.

Designated Date and Allotment of Equity Shares

(a) The Company will ensure that the Allotment of Equity Shares is done within 15 (fifteen) days of the Bid/Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Bidders depository account within two working days of the date of allotment.

(b) In accordance with the SEBI Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

(c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ allotted to them pursuant to this Issue.

GENERAL INSTRUCTIONS

Do's:

(a). Check if you are eligible to apply;

(b). Ensure that you have Bid within the Price Band;

(c). Read all the instructions carefully and complete the Bid cum Application Form;

(d). Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialised form only;

(e). Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of a member of the Syndicate;

(f). Ensure that you have been given a TRS for all your Bid options;

(g). Submit revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;

(h). Except for Bids submitted on behalf of the Central Government or the State Government and officials appointed by a court, all Bidders should mention their Permanent Account Number (PAN) allotted under the IT Act;

(i). Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;

(j). Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in

same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.

Don'ts:

(a). Do not bid for lower than the minimum Bid size;

(b). Do not bid/ revise Bid price to less than the lower end of the Price Band or higher than the higher end of the Price Band;

(c). Do not bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate;

(d). Do not pay the Bid Price in cash, by money order or by postal order or by stockinvest;

(e). Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate only;

(f). Do not bid at Cut Off Price (for QIB Bidders and Non-Institutional Bidders, for bid amount in excess of Rs. 100,000 and for Bidders in Employee Reservation Portion bidding in excess of Rs. 100,000);

(g). Do not fill up the Bid cum Application Form such that the Equity Shares bid for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

(h). Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable ([●] colour or [●] colour).

(b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected.

(c) For Retail Individual Bidders, the Bid must be for a minimum of [•] Equity Shares and in multiples of [•] thereafter subject to a maximum Bid Amount of Rs. 100,000.

(d) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to Rs. 100,000 and in multiples of [•] Equity Shares thereafter. Bids cannot be made for more than the Issue. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws or regulations.

(e) For Anchor Investors, Bids must be for a minimum of such number of Equity Shares that the Bid Amount exceeds or equal to Rs. 100 million and in multiples of [•] Equity Shares thereafter.

(f) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).

(g) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to

the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bidders can obtain Bid cum Application Forms and/or Revision Forms from the members of the Syndicate.

Bidder's Depository Account and Bank Account Details

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as "Demographic Details"). These Bank Account details would be used for giving refunds (including through physical refund warrants, direct credit, ECS, NEFT and RTGS) to the Bidders. Hence, Bidders are advised to immediately update their Bank Account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders at the Bidders sole risk and neither the BRLMs or the Registrar to the Issue or the Escrow Collection Banks or the SCSBs nor the Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs/Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund Orders/Allocation Advice/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither the Company, Escrow Collection Banks nor the BRLMs shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches the three parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Bids are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to

request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice or refunds through electronic transfer of funds, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Bids by Non Residents including NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI on a repatriation basis

Bids and revision to Bids must be made in the following manner:

1. On the Bid cum Application Form or the Revision Form, as applicable (blue in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.

2. In a single name or joint names (not more than three and in the same order as their Depositary Participant Details).

3. Bids on a repatriation basis shall be in the names of individuals, or in the name of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

Bids by Eligible NRIs for a Bid Amount of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. The Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

As per the existing policy of the Government of India, OCBs are not permitted to participate in the Issue.

There is no reservation for Eligible NRIs and FIIs and all applicants will be treated on the same basis with other categories for the purpose of allocation.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. Bidders under the Employee Reservation Portion can apply for a maximum of the size of the Issue. The allotment in the Employee Reservation Portion will be on a proportionate basis. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid-at Cut off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. Pink colour Form).

b) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The maximum Bid in this category by an Eligible Employee cannot exceed the size of the Issue.

c) Eligible Employees should mention their Employee Number at the relevant place in the Bid cum Application Form

d) The sole/ first bidder should be Eligible Employees as defined above.

e) Only Eligible Employees would be eligible to apply in this Issue under the Employee Reservation Portion.

f) Bids by Eligible Employees will have to bid like any other Bidder. Only those bids, which are received at or above the Issue Price, would be considered for allocation under this category.

g) Eligible Employees who apply or bid for securities of or for a value of not more than Rs. 100,000 in any of the bidding options can apply at Cut-Off. This facility is not available to other Eligible Employees whose minimum Bid Amount exceeds Rs. 100,000.

h) Bid/ Application by Eligible Employees can be made also in the "Net Issue to the Public" and such bids shall not be treated as multiple bids.

i) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

j) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue. In case of under-subscription in the Net Issue, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constituting 10% of the post-Issue share capital of the Company.

k) If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, refer to para "Basis of Allotment" on page 313 of this Draft Red Herring Prospectus.

Eligible Employees Bidding under the Employee Reservation Portion cannot subscribe to this Issue under the ASBA process.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, 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 must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In case of Bids made pursuant to a power of attorney by FIIs, 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 their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In case of Bids made by provident funds with minimum corpus of Rs. 250 million (subject to applicable law) and pension funds with minimum corpus of Rs. 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with

the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of Bids made by mutual fund registered with SEBI, venture capital fund registered with SEBI and foreign venture capital investor registered with SEBI, a certified copy of their SEBI registration certificate must be submitted with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that the Company and the BRLMs may deem fit.

PAYMENT INSTRUCTIONS

Escrow Mechanism

The Company and the Members of the Syndicate shall open Escrow Accounts with one or more Escrow Collection Bank(s) in whose favour the Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders in a certain category would be deposited in the Escrow Account.

The Escrow Collection Banks will act in terms of the Draft Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Bidders shall maintain the monies in the Escrow Account until the Designated Date. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account are per the terms of the Escrow Agreement and the Draft Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between the Company, the Members of the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Each Bidder shall draw a cheque or demand draft or remit the funds electronically through the RTGS mechanism for the amount payable on the Bid and/or on allocation/Allotment as per the following terms:

Payment into Escrow Account

1. QIB Bidders, Non-Institutional Bidders and Retail Individual Bidders would be required to pay their applicable Margin Amount at the time of the submission of the Bid cum Application Form. The Margin Amount payable by each category of Bidders is mentioned under the section entitled "Issue Structure" on page 284 of this Draft Red Herring Prospectus.

2. The Bidders for whom the applicable Margin Amount is equal to 100%, shall, with the submission of the Bid cum Application Form, draw a payment instrument for the Bid Amount in favour of the Escrow Account and submit the same to the members of the Syndicate.

3. In case the above Margin Amount paid by the Bidders during the Bidding Period is less than the Issue Price multiplied by the Equity Shares allocated to the Bidder, the balance amount shall be paid by the Bidders into the Escrow Account within the period specified in the CAN which shall be subject to a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the BRLMs. If the payment is not made favouring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled.

4. The payment instruments for payment into the Escrow Account should be drawn in favour of:

   (a) In case of Resident QIB Bidders: "–[●]"

   (b) In case of Non Resident QIB Bidders: "–[●]"

   (c) In case of Resident Retail and Non-Institutional Bidders: "–[●]"

   (d) In case of Non-Resident Retail and Non-Institutional Bidders: "–[●]"

   (e) In case of Employees: "-[●]"

5. Anchor Investors would be required to pay the Anchor Investor Margin Amount at the time of submission of the application form by the Anchor Investors and the balance shall be payable within two (2) days of the Bid/ Issue Closing Date. In the event of Issue Price being higher than the price at which allocation is made to Anchor Investors, the Anchor Investors shall be required to pay such additional amount to the extent of shortfall between the price at which allocation is made to them and the Issue Price. If the Issue Price is lower than the price at which allocation is made to Anchor Investors, the amount in excess of the Issue Price paid by Anchor Investors shall not be refunded to them.

6. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

   (a) In case of resident Anchor Investors: "[●]"

   (b) In case of non-resident Anchor Investors: "[●]"

7. In case of Bids by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account. In case of Bids by Eligible NRIs applying on non-repatriation basis, the payments must be made out of NRO account.

8. In case of Bids by NRIs applying on non-repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of a Non-Resident Ordinary (NRO) Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR or NRO Account.

9. In case of Bids by FIIs/FVCIs/multilateral and bilateral financial institutions, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.

10. The monies deposited in the Escrow Account will be held for the benefit of the Bidders till the Designated Date.

11. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue.

12. On the Designated Date and no later than 15 days from the Bid/Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation/Allotment to the Bidders.

13. Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ Stockinvest/Money Orders/ Postal orders will not be accepted.

Payment by cash/ stockinvest/ money order

Payment through cash/ stockinvest/ money order shall not be accepted in this Issue.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid.

No separate receipts shall be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the members of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

OTHER INSTRUCTIONS

Joint Bids in the case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same.

In case of a mutual fund, a separate Bid can 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 will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made. Eligible Employees can Bid in the Employee Reservation Portion and the Net Issue and such Bids shall not be considered as multiple Bids. Bids by QIBs under the Anchor Investor Portion and QIB Portion (excluding Anchor Investor Portion) will not be considered as multiple Bids.

The Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications with the same name and age will be accumulated and taken to a separate process file which would serve as a multiple master.

2. In this master, a check will be carried out for the same PAN. In cases where the PAN is different, the same will be deleted from this master.

3. The Registrar to the Issue will obtain, from the depositories, details of the applicant's address based on the DP ID and Beneficiary Account Number provided in the Bid cum Application Form and create an address master.

4. The addresses of all the applications in the multiple master will be strung from the address master. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters i.e. commas, full stops, hash etc. Sometimes, the name, the first line of address and pin code will be converted into a string for each application received and a photo match will be carried out amongst all the applications processed. A print-out of the addresses will be taken to check for common names. The applications with same name and same address will be treated as multiple applications.

5. The applications will be scrutinised for DP ID and Beneficiary Account Numbers. In case applications bear the same DP ID and Beneficiary Account Numbers, these will be treated as multiple applications.

6. Subsequent to the aforesaid procedures, a print out of the multiple master will be taken and the applications physically verified to tally signatures as also father's/ husband's names. On completion of this, the applications will be identified as multiple applications.

Permanent Account Number or PAN

The Bidders, or in the case of a Bid in joint names, each of the Bidders, should mention his/ her Permanent Account Number (PAN) allotted under the I.T. Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. **Any Bid cum Application Form without the PAN is liable to be rejected. It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground**.

REJECTION OF BIDS

In case of QIB Bidders, the Company in consultation with the BRLMs may reject Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders, the Company has a right to reject Bids based on technical grounds. Consequent refunds shall be made by cheque or pay order or draft and will be sent to the Bidder's address at the Bidder's risk.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares bid for;
- Age of First Bidder not given;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors,

insane persons;

- PAN not given;
- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at a price less than lower end of the Price Band;
- Bids at a price more than the higher end of the Price Band;
- Bids at Cut Off Price by Non-Institutional and QIB Bidders.
- Bids for number of Equity Shares which are not in multiples of [•];
- Category not ticked;
- Multiple Bids as defined in this Draft Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Bids accompanied by Stockinvest/money order/postal order/cash;
- Signature of sole and / or joint Bidders missing;
- Bid cum Application Forms does not have the stamp of the BRLMs or Syndicate Members;
- Bid cum Application Forms does not have Bidder's depository account details;
- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depositary Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids in respect where the Bid cum Application form do not reach the Registrar to the Issue prior to the finalisation of the Basis of Allotment;
- Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- Bids by QIBs not submitted through the BRLMs or their affiliates;
- Bids by QIBs not submitted through members of the Syndicate;
- Bids by persons in the United States;

- Bids by any person outside India if not in compliance with applicable foreign and Indian Laws; and

- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares in this Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among the Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated [●], between NSDL, the Company and the Registrar to the Issue;

- Agreement dated [●], between CDSL, the Company and the Registrar to the Issue.

All Bidders can seek allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

(a) A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.

(b) The Bidder must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.

(c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder

(d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

(e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.

(f) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.

(g) Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

(h) The trading of the Equity Shares of the Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of bid form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

PAYMENT OF REFUND

Bidders must note that on the basis of name of the Bidders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain, from the Depositories, the Bidders' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither the Company, the Registrar to the Issue, Escrow Collection Bank(s), Bankers to the Issue nor the BRLMs shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The payment of refund, if any, would be done through various modes in the following order of preference:

1. ECS – Payment of refund would be done through ECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of the abovementioned fifteen centres, except where the applicant, being eligible, opts to receive refund through direct credit or RTGS.

2. Direct Credit – Applicants having bank accounts with the Refund Banker(s), as mentioned in the Bid cum Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.

3. RTGS – Applicants having a bank account at any of the abovementioned fifteen centres and whose refund amount exceeds Rs. 5 million, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the Bid cum Application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

4. NEFT (National Electronic Fund Transfer) – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency. The process flow in respect of refunds by way of NEFT is at an evolving stage, hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in the sections.

5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be despatched under certificate of posting for value upto Rs. 1,500 and through Speed Post/ Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within two working days of date of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Bid/ Issue Closing Date. A suitable communication shall be sent to the bidders receiving refunds through this mode within 15 days of Bid/ Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that 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 seven working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, the Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form within 15 days of the Bid/Issue Closing Date;

- Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 days of the Bid/Issue Closing Date would be ensured; and

The Company shall pay interest at 15% per annum for any delay beyond the 15 day time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to investors within the 15 day time prescribed above as per the guidelines issued by the Government of India, Ministry of Finance.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"*Any person who:*

(a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or

(b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,

***shall be punishable with imprisonment for a term which may extend to five years.*"**

BASIS OF ALLOTMENT

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

- The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

- If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [•] Equity Shares. For the method of proportionate basis of Allotment, refer below.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.

- The Issue size less Allotment to QIBs and Retail Portion shall be available for Allotment to Non-Institutional Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

- In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [•] Equity Shares. For the method of proportionate basis of Allotment refer below.

C. For QIBs

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all the QIB Bidders will be made at the Issue Price.

- The QIB Portion shall be available for Allotment to QIB Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.

- Allotment shall be undertaken in the following manner:

  (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion (excluding Anchor Investor Portion) shall be determined as follows:

    (i) In the event that Mutual Fund Bids exceeds 5% of the QIB Portion (excluding Anchor Investor Portion), allocation to Mutual Funds shall

be done on a proportionate basis for up to 5% of the QIB Portion (excluding Anchor Investor Portion).

(ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion) then all Mutual Funds shall get full Allotment to the extent of valid bids received above the Issue Price.

(iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

(b) In the second instance Allotment to all QIBs shall be determined as follows:

(i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.

(ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.

(iii) Under-subscription below 5% of the QIB Portion (excluding Anchor Investor Portion), if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

- The aggregate Allotment to QIB Bidders shall not be less than [●] Equity Shares

D. For Employee Reservation Portion

- The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The allotment in the Employee Reservation Portion will be on a proportionate basis. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at Cut off Price.

- Bids received from the Eligible Employees at or above the Issue Price shall be grouped together to determine the total demand under this category. The allocation to all the successful Eligible Employees will be made at the Issue Price.

- If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Employees to the extent of their demand. Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue.

- If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiple of one Equity Share thereafter. For the method of proportionate basis of allocation, refer below.

- Only Eligible Employees eligible to apply under Employee Reservation Portion.

E. For Anchor Investor Portion

- Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the Company, in consultation with the BRLMs, subject to compliance with the following requirements:

    - not more than 30% of the QIB Portion will be allocated to Anchor Investors;
    - one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors;
    - allocation to Anchor Investors shall be on a discretionary basis and subject to a minimum number of two Anchor Investors for allocation upto Rs. 2,500 million and minimum number of five Anchor Investors for allocation more than Rs. 2,500 million.

- The number of Equity Shares Allotted to Anchor Investors and the Anchor Investor Issue Price, shall be made available in the public domain by the BRLMs before the Bid Opening Date by intimating the stock exchanges and uploading the said details on the websites of the BRLMs and on the terminals of the Syndicate Members.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, the Company shall finalise the basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLMs and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

a) Bidders will be categorised according to the number of Equity Shares applied for.

b) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.

c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.

d) In all Bids where the proportionate Allotment is less than [•] Equity Shares per Bidder, the Allotment shall be made as follows:

    - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and

    - Each successful Bidder shall be allotted a minimum of [•] Equity Shares.

e) If the proportionate Allotment to a Bidder is a number that is more than [•] but is not a multiple of 1 (which is the marketable lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.

f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

g) Subject to valid Bids being received, allocation of Equity Shares to Anchor Investors shall be at the sole discretion of the Company, in consultation with the BRLMs.

Illustration of Allotment to QIBs and Mutual Funds ("MF")

A. Issue Details

Sr. No.	Particulars	Issue details
1.	Issue size	200 million equity shares
2.	Allocation to QIB (60%)	120 million equity shares
3.	Anchor Investor Portion	36 million equity shares
4.	Portion available to QIBs other than Anchor Investors [(2) minus (3)]	84 million equity shares
	Of which:	
	a. Allocation to MF (5%)	4.20 million equity shares
	b. Balance for all QIBs including MFs	79.8 million equity shares
3	No. of QIB applicants	10
4	No. of shares applied for	500 million equity shares

B. Details of QIB Bids

Sr. No.	Type of QIB bidders#	No. of shares bid for (in million)
1	A1	50
2	A2	20
3	A3	130
4	A4	50
5	A5	50
6	MF1	40
7	MF2	40
8	MF3	80
9	MF4	20
10	MF5	20
	Total	**500**

A1-A5: (QIB bidders other than MFs), MF1-MF5 (QIB bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/ Applicants

(Number of equity shares in million)

Type of QIB bidders	Shares bid for	Allocation of 4.20 million Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 79.80 million Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	**(II)**	**(III)**	**(IV)**	**(V)**

Type of QIB bidders	Shares bid for	Allocation of 4.20 million Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 79.80 million Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
A1	50	0	7.98	0
A2	20	0	4.00	0
A3	130	0	20.74	0
A4	50	0	7.98	0
A5	50	0	7.98	0
MF1	40	0.84	6.38	7.22
MF2	40	0.84	6.38	7.22
MF3	80	1.68	12.76	14.44
MF4	20	0.42	3.19	3.61
MF5	20	0.42	3.19	3.61
	500	**4.20**	**79.80**	**36.10**

Please note:

1. The illustration presumes compliance with the requirements specified in this Draft Red Herring Prospectus in the section titled "Issue Structure" beginning on page 284 of this Draft Red Herring Prospectus.

2. Out of 84 million Equity Shares allocated to QIBs, 4.2 million (i.e. 5%) will be allocated on proportionate basis among 5 Mutual Fund applicants who applied for 200 shares in QIB category.

3. The balance 79.80 million Equity Shares (i.e. 84 - 4.2 (available for MFs)) will be allocated on proportionate basis among 10 QIB applicants who applied for 500 Equity Shares (including 5 MF applicants who applied for 200 Equity Shares).

4. The figures in the fourth column titled "Allocation of balance 79.80 million Equity Shares to QIBs proportionately" in the above illustration are arrived as under:

    - For QIBs other than Mutual Funds (A1 to A5)= No. of shares bid for (i.e. in column II) X 79.80 / 495.80.

    - For Mutual Funds (MF1 to MF5)= [(No. of shares bid for (i.e. in column II of the table above) less Equity Shares allotted (i.e., column III of the table above)] X 79.80 / 495.80.

    - The numerator and denominator for arriving at allocation of 84 million shares to the 10 QIBs are reduced by 4.2 million shares, which have already been Allotted to Mutual Funds in the manner specified in column III of the table above.

Letters of Allotment or Refund Orders

The Company shall give credit to the beneficiary account with depository participants within two working days from the date of the finalisation of basis of allotment. Applicants residing at the centres where clearing houses are managed by the RBI, will get refunds through ECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit and RTGS. The Company shall ensure dispatch of refund orders, if any, of value up to Rs. 1,500, by "Under Certificate of Posting", and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or first Bidder's sole risk within 15 days of the Bid/Issue Closing Date. Applicants to whom refunds are made through electronic transfer of

funds will be sent a letter through ordinary post, intimating them about the mode of credit of refund within fifteen days of closure of Bid / Issue.

Interest in case of delay in despatch of Allotment Letters or Refund Orders/ instruction to SCSB by the Registrar

The Company agrees that the allotment of Equity Shares in the Issue shall be made not later than 15 days of the Bid/ Issue Closing Date. The Company further agrees that it shall pay interest at the rate of 15% p.a. if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given in the disclosed manner within 15 days from the Bid/ Issue Closing Date.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by the Company as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Undertakings

The Company undertakes the following:

- That the complaints received in respect of this Issue shall be attended to by the Company expeditiously and satisfactorily;
- That 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 within seven working days of finalisation of the basis of Allotment;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the Bid/ Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That the Promoters' contribution in full has already been brought in;
- That the certificates of the securities/ refund orders to the non-resident Indians shall be despatched within specified time;
- That no further issue of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.; and
- That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment

The Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Withdrawal of the Issue

The Company, in consultation with the BRLMs, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event the Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. The Company shall also inform the same to Stock Exchanges on which the Equity Shares are proposed to be listed.

Any further issue of Equity Shares by the Company shall be in compliance with applicable laws.

Utilisation of Issue proceeds

The Board of Directors of the Company certify that:

- All monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;

- Details of all monies utilised out of Issue shall be disclosed, and continue to be disclosed till the time any part of the issue proceeds remains unutilised, under an appropriate head in the balance sheet of the Company indicating the purpose for which such monies have been utilised;

- Details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;

- the utilisation of monies received under Promoters' contribution and from Employee Reservation Portion shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of the Company indicating the purpose for which such monies have been utilised; and

- the details of all unutilised monies out of the funds received under Promoters' contribution and from Employee Reservation Portion shall be disclosed under a separate head in the balance sheet of the issuer indicating the form in which such unutilised monies have been invested.

ISSUE PROCEDURE FOR ASBA BIDDERS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. The Company and the BRLMs are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid cum Application Form is correctly filled up, as described in this section.

The list of banks who have been notified by SEBI to act as SCSB for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSB collecting the ASBA Bid cum Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Bid through an ASBA Bid cum Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Bidder or bank account utilised by the ASBA Bidder ("**ASBA Account**") is maintained. The SCSB shall block an amount equal to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form, physical or electronic, on the basis of an authorisation to this effect given by the account holder at the time of submitting the Bid. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against the

allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchanges. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Bidders to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the BRLMs.

Eligible Employees Bidding under the Employee Reservation Portion cannot subscribe to this Issue under the ASBA process.

ASBA Bid cum Application Form

ASBA Bidders shall use the ASBA Bid cum Application Form bearing the code of the Syndicate Member and/or the Designated Branch of SCSB, as the case may be, for the purpose of making a Bid in terms of the Draft Red Herring Prospectus. ASBA Bidders are required to submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the ASBA Bid cum Application form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Bidder shall submit the ASBA Bid cum Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA account held with SCSB, and accordingly registering such Bids. The ASBA Bidders can submit only one Bid option in the ASBA Bid cum Application Form which shall be at Cut-off Price.

Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application Form to the Designated Branch of the SCSB, the ASBA Bidder is deemed to have authorized the Company to make the necessary changes in the Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

The prescribed colour of the ASBA Bid cum Application Form shall be white.

Who can Bid?

In accordance with the SEBI Regulations, only Resident Retail Individual Investor can submit their application through ASBA process to bid for the Equity Shares of the Company.

Maximum and Minimum Bid Size for ASBA Bidders

The ASBA Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The maximum ASBA Bid cannot exceed [●] Equity Shares in order to ensure that the total Bid Amount blocked in respect of the ASBA Bidder does not exceed Rs. 100,000. The ASBA Bidders shall bid only at the Cut-off Price indicating their agreement to Bid and purchase Equity Shares at the final Issue Price as determined at the end of the Book Building Process.

Information for the ASBA Bidders:

(a) The BRLMs shall ensure that adequate arrangements are made to circulate copies of the Red Herring Prospectus and ASBA Bid cum Application Form to the SCSBs and the SCSBs will then make available such copies to investors applying under the ASBA process. Additionally, the BRLMs shall ensure that the SCSBs are provided with soft copies of the abridged prospectus and the ASBA Bid cum Application Form. SCSBs shall make the same available on their websites.

(b) ASBA Bidders, under the ASBA process, who would like to obtain the Draft Red Herring Prospectus and/or the ASBA Bid cum Application Form can obtain the same from the Designated Branches of the SCSBs or the BRLMs. ASBA Bidders can also obtain a copy of the abridged

prospectus and/or the ASBA Bid cum Application Form in electronic form on the websites of the SCSBs.

(c) The Bids should be submitted on the prescribed ASBA Bid cum Application Form if applied in physical mode. SCSBs may provide the electronic mode of Bidding either through an internet enabled bidding and banking facility or such other secured, electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors.

(d) ASBA Bid cum Application Forms should bear the code of the Syndicate Member and/or Designated Branch of the SCSB.

(e) ASBA Bidders shall bid for Equity Shares only at the Cut-off Price, with a single bid option as to the number of Equity Shares.

(f) ASBA Bidders shall correctly mention the bank account number in the ASBA Bid cum Application Form and ensure that funds equal to the Bid Amount are available in the bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch.

(g) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form.

(h) ASBA Bidders shall correctly mention their DP ID and Client ID in the ASBA Bid cum Application Form. For the purpose of evaluating the validity of Bids, the demographic details of ASBA Bidders shall be derived from the DP ID and Client ID mentioned in the ASBA Bid cum Application Form.

(i) ASBA Bidders shall not be allowed to revise their Bid and shall not bid under any reserved category.

Method and Process of Bidding

(a) ASBA Bidders are required to submit their Bids, either in physical or electronic mode. ASBA Bidders submitting their Bids in physical mode should approach the Designated Branches of the SCSBs. ASBA Bidders submitting their Bids in electronic form shall submit their Bids either using the internet enabled bidding and banking facility of the SCSBs or such other electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors, and accordingly registering such Bids. Every Designated Branch of the SCSB shall accept Bids from all such investors who hold accounts with them and desire to place Bids through them. Such SCSBs shall have the right to vet the Bids, subject to the terms of the SEBI Regulations and Red Herring Prospectus.

(b) The Designated Branches of the SCSBs shall give an acknowledgment specifying the application number to the ASBA Bidders as a proof of acceptance of the ASBA Bid cum Application Form. Such acknowledgment does not in any manner guarantee that the Equity Shares bid for shall be Allocated to the ASBA Bidders.

(c) Each ASBA Bid cum Application Form will give the ASBA Bidder only one option to bid for the Equity Shares at the Cut-off Price i.e. at the cap price of the Price Band and specify the demand (i.e. the number of Equity Shares bid for) in such option. After determination of the Issue Price, the number of Equity Shares bid for by the ASBA Bidder at the Cut-off Price will be considered for allocation along with the Non-ASBA Retail Bidders who have bid for Equity Shares at or above the Issue Price or at Cut-off Price.

(d) Upon receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.

(e) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.

(f) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form. The Designated Branch shall thereafter enter the Bid details from the prescribed ASBA Bid cum Application Form, if submitted in physical mode, or the Bid information submitted through the electronic mode made available by the SCSBs, as the case may be, into the electronic bidding system of the Stock Exchanges and generate a Transaction Registration Slip ("TRS"). The TRS shall be furnished to the ASBA Bidder on request.

(g) An ASBA Bidder cannot bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form after bidding on one ASBA Bid cum Application Form, either in physical or electronic mode, has been submitted to the Designated Branches of SCSBs or uploaded by the ASBA Bidder, as the case may be. Submission of a second ASBA Bid cum Application Form or a Non-ASBA Bid cum Application Form to either the same or to another Designated Branch of the SCSB will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the Allocation or Allotment of Equity Shares in this Issue. **ASBA Bidders are cautioned that Bids for Equity Shares made in the Issue through the ASBA Bid cum Application Form cannot be revised.**

Bidding

(a) The Price Band and the minimum Bid Lot size for the Issue will be decided by the Company in consultation with the BRLMs and advertised in [●] edition of [●] in the English language, [●] edition of [●] in the Hindi language and [●] edition of [●] in the Marathi language. The ASBA Bidders can submit only one Bid in the ASBA Bid cum Application Form, that is, at Cut-off Price with single option as to the number of Equity Shares.

(b) The Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bidding/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed at least two (2) days prior to the Bid/ Issue Opening Date and the Cap Price will be revised accordingly.

(c) In case of revision in the Price Band, the Bid/Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a public notice in two national newspapers (one each in English and Hindi) and also by indicating the change on the websites of the BRLMs, the SCSBs and at the terminals of the members of the Syndicate.

(d) The Company in consultation with the BRLMs, can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation to, the ASBA Bidders.

(e) ASBA Bidders agree that they shall purchase the Equity Shares at any price within the Price Band. In the event the Bid Amount is higher than the subscription amount payable, the ASBA Account shall be unblocked to the extent to such excess of Bid Amount over the subscription amount payable.

(f) In case of an upward revision in the Price Band, announced as above, the number of Equity Shares bid for shall be adjusted downwards (to the previous multiple lot) for the purpose of allotment, such that no additional amount is required to be blocked in the ASBA Account and the ASBA Bidder is deemed to have approved such revised Bid at Cut-off Price.

Mode of Payment

Upon submission of an ASBA Bid cum Application Form with the SCSB, whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount, in the bank account maintained with the SCSB.

Bid Amount paid in cash, by money order or by postal order or by stockinvest, or ASBA Bid cum Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Bidders from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Bid in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Bid Amount, as per the ASBA Bid cum Application Form submitted by the respective ASBA Bidders, would be required to be blocked in the respective ASBA Accounts until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Electronic registration of Bids by SCSBs

(a) In case of ASBA Bid cum Application Forms, whether in physical or electronic mode, the Designated Branch of the SCSBs will register the Bids using the online facilities of the Stock Exchanges. SCSB shall not upload any ASBA Application Form in the electronic bidding system of the Stock Exchange(s) unless

(i) it has received the ASBA in a physical or electronic form; and

(ii) it has blocked the application money in the ASBA Account specified in the ASBA or has systems to ensure that Electronic ASBAs are accepted in the system only after blocking of application money in the relevant bank account opened with it.

(b) The Stock Exchanges offer a screen-based facility for registering Bids for the Issue which will be available on the terminals of Designated Branches during the Bid/Issue Period. The Designated Branches can also set up facilities for offline electronic registration of Bids subject to the condition that they will subsequently upload the offline data file into the online facilities for book building on a regular basis. On the Bid/Issue Closing Date, the Designated Branches of the SCSBs shall upload the Bids till such time as may be permitted by the Stock Exchanges. ASBA Bidders are cautioned that high inflow of Bids typically received on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such Bids that are not uploaded may not be considered for allocation.

(c) The aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges will be displayed online on the websites of the Stock Exchanges. A graphical

representation of consolidated demand and price would be made available on the websites of the Stock Exchanges during the Bidding Period.

(d) At the time of registering each Bid, the Designated Branches of the SCSBs shall enter the information pertaining to the investor into the online system, including the following details:

- Name of the Bidder(s);
- Application Number;
- Permanent Account Number;
- Number of Equity Shares Bid for;
- Depository Participant identification No.; and
- Client identification No. of the Bidder's beneficiary account.

(e) In case of electronic ASBA, the ASBA Bidder shall himself fill in all the above mentioned details, except the application number which shall be system generated. The SCSBs shall thereafter upload all the abovementioned details in the electronic bidding system provided by the Stock Exchange(s).

(f) A system generated TRS will be given to the ASBA Bidder upon request as proof of the registration of the Bid. **It is the ASBA Bidder's responsibility to obtain the TRS from the Designated Branches of the SCSBs.** The registration of the Bid by the Designated Branch of the SCSB does not guarantee that the Equity Shares bid for shall be Allocated to the ASBA Bidders.

(g) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(h) It is to be distinctly understood that the permission given by the Stock Exchanges to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company or the BRLMs or the Designated Branches of the SCSBs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of the Company, its management or any scheme or project of the Company.

(i) The SCSB may reject the ASBA Bid, if the ASBA Account maintained with the SCSB as mentioned in the ASBA Bid cum Application Form does not have sufficient funds equivalent to the Bid Amount. Subsequent to the acceptance of the Bid by the Designated Branch, the Company would have a right to reject the Bids only on technical grounds.

(j) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. In case of discrepancy of data between the BSE or NSE and the Designated Branches of the SCSBs, the decision of the Registrar, based on the physical records of the ASBA Bid cum Application Forms shall be final and binding on all concerned.

Build up of the book and revision of Bids

(a) Bids registered through the Designated Branches of the SCSBs shall be electronically transmitted to the BSE or the NSE mainframe on a regular basis.

(b) The book gets built up at various price levels. This information will be available with the BRLMs and the Stock Exchanges on a regular basis.

(c) ASBA Bidders shall not revise their Bids.

(d) The SCSBs shall provide aggregate information about the numbers of ASBA Bid cum Application Forms uploaded, total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Form and other information pertaining to the ASBA Bidders. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs. In the event of any error or discrepancy, the Registrar to the Issue shall inform the SCSB of the same. The SCSB shall be responsible to provide the rectified data within the time stipulated by the Registrar to the Issue.

(e) Only Bids that are uploaded on the online IPO system of the BSE and NSE shall be considered for allocation/ Allotment.

Price Discovery and Allocation

After the Bid/Issue Closing Date, the Registrar to the Issue shall aggregate the demand generated under the ASBA process and which details are provided to them by the SCSBs with the Retail Individual Investor applied under the non ASBA process to determine the demand generated at different price levels. For further details, refer to the section titled "Issue Procedure" beginning on page 289 of this Draft Red Herring Prospectus.

Advertisement regarding Issue Price and Prospectus

The Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of CAN

(a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches of the SCSBs, a list of the ASBA Bidders who have been allocated Equity Shares in the Issue. Investors should note that the Company shall endeavour to ensure that the demat credit of Equity Shares pursuant to Allotment shall be made on the same date to all investors in this Issue; and

(b) The ASBA Bidders shall directly receive the CAN from the Registrar. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the ASBA Bidder.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Bidder to the ASBA Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalisation of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Bid, as the case may be.

Allotment of Equity Shares

(a) The Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bid/Issue Closing Date. After the funds are transferred from the bank account of the ASBA Bidders to the ASBA Public Issue Account on the Designated Date, to the extent applicable, the Company would ensure the credit of the Allotted Equity Shares to the depository accounts of all successful ASBA Bidders' within two working days from the date of Allotment.

(b) Equity Shares will be issued, transferred and allotted only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares so Allotted, if they so desire, as per the provisions of the applicable law.

GENERAL INSTRUCTIONS

Do's:

(a) Check if you are a Resident Retail Individual Investor and eligible to Bid under ASBA process.

(b) Ensure that you use the ASBA Bid cum Application Form specified for the purposes of ASBA process.

(c) Read all the instructions carefully and complete the ASBA Bid cum Application Form (if the Bid is submitted in physical mode, the prescribed ASBA Bid cum Application Form is white in colour).

(d) Ensure that your Bid is at the Cut-off Price.

(e) Ensure that you have mentioned only one Bid option with respect to the number of equity shares in the ASBA Bid cum Application Form.

(f) Ensure that the details of your Depository Participant and beneficiary account are correct and that your beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.

(g) Ensure that your Bid is submitted at a Designated Branch of an SCSB, with a branch of which the ASBA Bidder or a person whose bank account will be utilized by the ASBA Bidder for bidding has a bank account and not to the Bankers to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to the Company or Registrar or Lead Manager to the Issue.

(h) Ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder.

(i) Ensure that you have mentioned the correct bank account No. in the ASBA Bid cum Application Form.

(j) Ensure that you have funds equal to the number of Equity Shares Bid for at Cut-off Price available in the ASBA Account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB.

(k) Ensure that you have correctly checked the authorisation box in the ASBA Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form in your ASBA Account maintained with a branch of the concerned SCSB.

(l) Ensure that you receive an acknowledgement from the Designated Branch of the concerned SCSB for the submission of your ASBA Bid cum Application Form.

(m) Ensure that you have mentioned your Permanent Account Number ("PAN") allotted under the I.T. Act.

(n) Ensure that the name(s) and PAN given in the ASBA Bid cum Application Form is exactly the same as the name(s) and PAN in which the beneficiary account is held with the Depository Participant. In case the ASBA Bid is submitted in joint names, ensure that the beneficiary account

is also held in same joint names and such names are in the same sequence in which they appear in the ASBA Bid cum Application Form.

(o) Ensure that the demographic details are updated, true and correct, in all respects.

Don'ts:

(a) Do not submit an ASBA Bid if you are not a Resident Retail Individual Investor.

(b) Do not submit an ASBA Bid if you are applying under any reserved category.

(c) Do not revise your Bid.

(d) Do not Bid for lower than the minimum Bid size.

(e) Do not Bid on another ASBA or Non-ASBA Bid cum Application Form after you have submitted a Bid to a Designated Branch of the SCSB.

(f) Payment of Bid Amounts in any mode other than blocked amounts in the bank accounts maintained by SCSBs, shall not be accepted under the ASBA process.

(g) Do not send your physical ASBA Bid cum Application Form by post; instead submit the same to a Designated Branch of the SCSB only.

(h) Do not fill up the ASBA Bid cum Application Form such that the bid amount against the number of Equity Shares Bid for exceeds Rs. 100,000.

(i) Do not submit the GIR number instead of the PAN Number.

(j) Do not instruct your respective banks to release the funds blocked in the bank account under the ASBA process.

Bids by ASBA Bidders must be:

(a) Made only in the prescribed ASBA Bid cum Application Form, which is white in colour if submitted in physical mode, or electronic mode.

(b) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).

(c) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the ASBA Bid cum Application Form.

(d) The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a maximum of [●] Equity Shares such that the Bid Amount does not exceed Rs. 100,000.

(e) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

ASBA Bidder's depository account and bank details

ALL ASBA BIDDERS SHALL RECEIVE THE EQUITY SHARES ALLOTTED TO THEM IN DEMATERIALISED FORM. ALL ASBA BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER,

BENEFICIARY ACCOUNT NUMBER AND PAN IN THE ASBA BID CUM APPLICATION FORM. ASBA BIDDERS MUST ENSURE THAT THE NAME GIVEN IN THE ASBA BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. ADDITIONALLY, PAN IN THE ASBA BID CUM APPLICATION FORM SHOULD BE EXACTLY THE SAME AS PROVIDED WHILE DEPOSITORY ACCOUNT. IN CASE THE ASBA BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE ASBA BID CUM APPLICATION FORM.

ASBA Bidders should note that on the basis of name of the ASBA Bidders, PAN, Depository Participant's name and identification number and beneficiary account number provided by them in the ASBA Bid cum Application Form, the Registrar to the Issue will obtain from the Depository, demographic details of the ASBA Bidders including address, ("Demographic Details"). Hence, ASBA Bidders should carefully fill in their Depository Account details in the ASBA Bid cum Application Form.

As these Demographic Details would be used for all correspondence with the ASBA Bidders they are advised to update their Demographic Details as provided to their Depository Participants.

By signing the ASBA Bid cum Application Form, the ASBA Bidder is deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

CAN/Allocation advice and letters intimating unblocking of bank account of the respective ASBA Bidder would be mailed at the address of the ASBA Bidder as per the Demographic Details received from the Depositories. ASBA Bidders may note that delivery of CAN/Allocation advice or letters intimating unblocking of bank account may be delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Note that any such delay shall be at the sole risk of the ASBA Bidders and neither of the Designated Branches of the SCSBs, the members of the Syndicate, or the Company shall be liable to compensate the ASBA Bidder for any losses caused to the ASBA Bidder due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the ASBA Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number, then such Bids are liable to be rejected.

ASBA Bidders are required to ensure that the beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.

Payment mechanism under ASBA

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form and the SCSB shall block an amount equivalent to the application money in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to the Issue to unblock the Bid Amount.

In the event of withdrawal or rejection of Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar to the Issue shall give instructions to the Controlling Branch of the SCSB to unblock the application money in the relevant bank account. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

ASBA Bids under Power of Attorney

In case of ASBA Bids made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the ASBA Bid cum Application Form. Failing this, the Company, in consultation with the BRLMs, reserves the right to reject such ASBA Bids.

The Company, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the ASBA Bid cum Application Form, subject to such terms and conditions that the Company, in consultation with the BRLMs may deem fit.

OTHER INSTRUCTIONS

Withdrawal of ASBA Bids

In case an ASBA Bidder wants to withdraw the ASBA Bid cum Application Form during the Bid/Issue Period, the ASBA Bidder shall submit the withdrawal request to the SCSB, which shall do the necessary, including deletion of details of the withdrawn ASBA from the electronic bidding system of the Stock Exchange(s) and unblocking of funds in the relevant bank account.

In case an ASBA Bidder wants to withdraw the ASBA cum Application Form after the Bid Closing date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalization of Basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB on finalization of the Basis of Allotment.

Joint ASBA Bids

ASBA Bids may be made in single or joint names (not more than three). In case of joint ASBA Bids, all communication will be addressed to the first Bidder and will be dispatched to his address.

Multiple ASBA Bids

An ASBA Bidder should submit only one Bid for the total number of Equity Shares desired. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are described in "Issue Procedure - Multiple Bids" on page 307 of Draft Red Herring Prospectus.

Permanent Account Number

For details, see the section titled "Permanent Account Number or PAN" on page 308 of this Draft Red Herring Prospectus.

Right to Reject ASBA Bids

The Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder's bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Bidder's bank account maintained with the SCSB. Subsequent to the acceptance of the ASBA Bid by the SCSB, the Company would have a right to reject the ASBA Bids only on technical grounds.

Further, in case any DP ID, Client ID or PAN mentioned in the ASBA Bid cum Application Form does not match with one available in the depository's database, such ASBA Bid shall be rejected by the Registrar to the Issue.

GROUNDS FOR TECHNICAL REJECTIONS UNDER THE ASBA PROCESS

In addition to the grounds listed under "Grounds for Rejections" on page 308 of this Draft Red Herring Prospectus, applications under the ASBA process are liable to be rejected on, *inter alia*, the following technical grounds:

1. Amount mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the value of Equity Shares Bid for;

2. Bids at a price other than at the Cut-off Price;

3. Age of first Bidder not given;

4. Bid made by categories of investors other than Resident Retail Individual Investors;

5. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and persons of unsound mind;

6. Authorisation for blocking funds in the ASBA Bidder's bank account not ticked or provided;

7. ASBA Bids accompanied by stockinvest/ money order/ postal order/ cash;

8. Signature of sole and/or joint Bidders missing in case of ASBA Bid cum Application Forms submitted in physical mode;

9. ASBA Bid cum Application Form does not have the stamp of the SCSB and/or a member of the Syndicate;

10. ASBA Bid cum Application Form is not delivered, either in physical or electronic form, by the Bidder within the time prescribed and as per the instructions provided in the ASBA Bid cum Application Form and the Red Herring Prospectus;

11. Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the ASBA Account; and

12. If the ASBA Bid in the Issue is revised.

Bidders are advised that ASBA Bids not uploaded in the electronic book of the Stock Exchanges, due to any of the grounds mentioned above, would be rejected.

COMMUNICATIONS

All future communication in connection with ASBA Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First ASBA Bidder, ASBA Bid cum Application Form number, details of Depository Participant, number of Equity Shares applied for, date of ASBA Bid cum Application Form, name and address of the Designated Branch of the SCSB where the ASBA Bid was submitted, bank account number in which the amount equivalent to the Bid amount was blocked and a copy of the acknowledgement slip. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or wilful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held. The Company, the BRLMs, the Syndicate Members and the Registrar accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations.

ASBA Investors can contact the Compliance Officer, the Designated Branch of the SCSB where the ASBA Bid cum Application Form was submitted, or the Registrar to the Issue in case of any pre- or post-Issue related problems such as non-receipt of credit of Allotted Equity Shares in the respective beneficiary accounts, unblocking of excess Bid Amount, etc.

Disposal of Investor Grievances

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked on application, bank account number and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Impersonation

For details, see section titled "Issue Procedure- Impersonation" on page 308 of this Draft Red Herring Prospectus.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY IN INSTRUCTIONS TO SCSBs BY THE REGISTRAR TO THE ISSUE

The Company undertakes that:

- Allotment and transfer shall be made only in dematerialised form within 15 days from the Bid/Issue Closing Date; and
- Instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 15 days from the Bid/Issue Closing Date.

Basis of Allocation

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allocation to such valid ASBA and non-ASBA Bidders will be that applicable to Retail Individual Bidders. For details, see section titled "Issue Procedure- Basis of Allotment" on page 313 of this Draft Red Herring Prospectus.

Method of Proportionate basis of allocation in the Issue

ASBA Bidders, along with non-ASBA Bidders, will be categorized as Retail Individual Bidders. No preference shall be given vis-à-vis ASBA and non-ASBA Bidders.

Undertaking by the Company

In addition to the undertakings described under "Issue Procedure - Undertaking by the Company", with respect to the ASBA Bidders, the Company undertakes that adequate arrangement shall be made to consider ASBA Bidders similar to other Bidders while finalizing the basis of allocation.

Utilisation of Issue Proceeds

The Board has provided certain certifications with respect to the utilization of Issue Proceeds. For details, see the section titled "Issue Procedure- Utilisation of Issue Proceeds" on page 319 of this Draft Red Herring Prospectus.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of GoI and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of 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. Foreign investment limit is allowed up to 100% under automatic route in the Company.

FIIs are permitted to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (FDI) Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (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 the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

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 Equity Shares have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring 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 THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning given to such terms in the Articles of Association of the Company.

Pursuant to Schedule II of the Companies Act and the SEBI Regulations, the main provisions of the Articles of Association of the Company relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares/debentures and/or on their consolidation/splitting are detailed below:

Preliminary

Article 1 provides that,

Table "A" not to apply; the Company to be governed by these Articles

Save as hereinafter expressly provided, the regulations contained in Table "A" in the first Schedule to the Companies Act, 1956, shall not apply to this Company, but the regulations for the management of the company, and for the observance of the Members, thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or its regulations in the manner prescribed by the Companies Act, 1956, be such as are contained in these Articles.

Article 4 provides that,

Capital

The Authorised Share Capital of the Company is Rs. 2,000,000,000 (Rupees Two Hundred Crores only) divided into 200,000,000 (Twenty Crores) Equity Shares of Re.10 (Rupee Ten) each with such rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being. The Company has power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes 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 and to vary, modify or abrogate any such rights, privileges or condition in such manner as provided in the Articles of Association of the Company for the time being and as permitted by the Companies Act, 1956.

Article 5 provides that,

Increase of capital by the Company and how carried into effect

The Company in General Meeting may, from time to time, increase the Capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution 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 General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine: and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at General Meetings of the Company in conformity with Section 87 and 88 of the Act. Whenever the Capital of the Company has been increased under the provisions of these Articles, the Directors shall comply with the provisions of Section 97 of the Act.

Article 6 provides that,

New capital same as existing capital

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing Capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Article 7A provides that,

Reduction of capital

The Company may (subject to the provisions of Sections 78, 80 and 100 to 105 of the Act and these Articles) from time to time by Special Resolution, reduce its Capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorized by law; and in particular, Capital may be paid off on a basis that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

Articles 7B provides that,

Buy back of Company's shares

Subject to the provisions of Section 77A, 77AA, 77B and other applicable provisions of the Act and these Articles, the Company may buy back, from the existing holders of Shares, giving right to subscribe for the shares of the company, on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the shares (odd lots) and/or by purchasing the Shares issued to the employees or as may hereafter be notified by the Central Government or any other regulatory authority, from time to time from out of its free reserves or shares premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, or from such other sources as may be prescribed by law from time to time; provided that the aggregate of the Shares so bought back be within the limits, if any, as specified in law.

Article 8 provides that,

Sub-division, consolidation and cancellation of shares

Subject to the provisions of Section 94 of the Act and these Articles, the Company in General Meeting may, from time to time, sub-divide or consolidate its shares, or any of them and the resolution whereby any shares are sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have the same preference or special advantages as regards dividend, capital or otherwise over or as compared with the other or others. 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.

Article 9 provides that,

Modification of rights

Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 106 and 107 of the Act and these Articles, be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate General Meeting of the holders of shares of that class.

Shares and Certificates

Article 10 provides that,

Register and Index of Members

The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any state or country outside India a branch Register of Members resident in that state or country.

Article 12 provides that,

Further issue of shares

1. Where at the time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares then:
   (a) Such further shares shall be offered to the person who at the date of the offer, are holders of the equity shares of the company, in proportion, as near as circumstances admit, to the capital paid-up on those shares at the date;
   (b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than fifteen days from the date of the offer and the offer within which the offer, if not accepted, will be deemed to have been declined.
   (c) 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 sub-clause (b) hereof shall contain a statement of this right.
   (d) After expiry of the time specified in the aforesaid notice or non-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 company.
2. Notwithstanding anything contained in sub-clause (1) the further shares aforesaid may be offered to any person (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever:
   (a) If a special 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 (including the casting vote, if any, of the Chairman) by the members who being entitled to do so, 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.
3. Nothing in sub-clause (c) of (1) hereof shall be deemed:
   (a) To extend the time within which the offer shall be accepted; or
   (b) 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.
4. Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued 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 the debentures or the raising of the loans or is in conformity with Rules, if any, made by the Government in this behalf; and
   (b) In the case of debentures or loans other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

Article 13 provides that,

Shares under the disposal of the Directors

Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and in such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part for any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid-up shares and if so issued, shall be to be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

Article 14 provides that,

Power also to Company in General Meeting to issue shares

In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 12 and 13, the Company in General Meeting may, subject to the provisions of Section 81 of the Act and the other provisions of these Articles, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, such options being exercisable at such time and for such consideration as may be directed by such General Meeting or the Company in General Meeting may, subject to the other provisions of these Articles, make any other provision whatsoever for the issue, allotment or disposal of any shares.

Article 14A provides that,

Issue of warrants, options etc

Subject to the other provisions of these Articles, the Company may issue warrants, options or other documents entitling the holders thereof to subscribe to and be allotted Equity Shares, Debentures and/or other securities of the Company at such price and on such terms and conditions as may be determined by the Board from time to time.

Article 17 provides that,

Liability of Members

Every Member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares, which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

Article 18 provides that,

Limitation of time for issue of certificate

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying

such fees as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provided, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be sufficient delivery to all such holders.

Article 19 provides that,

Issue of new certificate in place of one defaced, lost or destroyed

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company may deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees if the directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe.

Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out, or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to the debentures of the Company.

Article 21 provides that,

Company not bound to recognise any interest in share other than that of Member

Except as ordered by a Court of competent jurisdiction or as by law required, no person shall be recognised by the Company as holding any share upon trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of share, or (except only as in by these Articles or by law otherwise expressly provided) any other rights in respect of any share except an absolute right to the entirety thereof in the member.

Article 22 provides that,

Funds of the Company may not be applied in purchase of shares of the Company

None of the funds of the Company shall be applied in the purchase of any shares of the company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the company or in its holding company, save as provided by Section 77 of the Act.

Article 25 provides that,

Interest may be paid out of capital

Where any shares are issued for the purpose of raising money to defray the expenses of construction of any work or building, or the provision of any plant, which cannot be made profitable for a lengthy period, the

Company may pay interest on so much of that share capital as is for the time being paid-up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the work or building, or the provision of plant.

Calls

Article 26 provides that,

Board may make calls

The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by a circular resolution) make such calls 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 at the times and places appointed by the Board. A call may be made payable by installments.

Article 32 provides that,

Calls to carry interest

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 such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.

Article 36 provides that,

Payment in anticipation may carry interest

The Directors may, if they think fit, subject to the provisions of Section 92 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 Directors agree upon provided that money paid in advance of call shall not confer a right to participate in profits or dividend. The Directors 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.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

Article 37 provides that,

Voting rights for sums paid in advance

No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

Lien

Article 36 provides that,

Company's lien on shares / debentures

The Company shall have a first and paramount lien upon all the shares / debentures (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 and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares / debentures. 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. The Directors may at any time declare any shares / debentures wholly or in part to be exempt from the provisions of this clause.

Forfeiture of shares

Article 41 provides that,

If money payable on shares not paid, notice to be given to member

If any Member fails to pay any call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may be accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Article 43 provides that,

In default of payment, shares to be forfeited

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter, but 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 or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

Article 45 provides that,

Forfeited shares to be the property of the Company and may be sold etc.

Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.

Article 50 provides that,

Cancellation of share certificates in respect of forfeited shares

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares, bonds or debentures shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate in respect of the said shares, bonds or debentures to the person or persons entitled thereto.

Article 51 provides that,

Power to annul forfeiture

The Board may at any time before any shares, bonds or debentures so forfeited shall have been so sold re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Transfer and transmission of shares etc.

Article 52 provides that,

Register of transfers

The Company shall keep a register called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares in the Company.

Article 53 provides that,

Instrument of transfer

The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification(s) thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

Article 53A provides that,

No fee on transfer or transmission

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and Letters of administration, Certificate of Death or marriage, Power of Attorney or similar other documents.

Article 53B provides that,

Nomination of shares

Every holder of shares in, or holder of debentures of, the company may, at any time, nominate, in the prescribed manner, a person to whom his shares in, or debentures of, the company shall vest in the event of his death. Provided that such person shall hold such shares or debentures subject to the terms and conditions contained herein. Where the shares in, or debentures of, the company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner a person to whom all the rights in the shares or debentures of the company shall vest in the event of death of all the joint holders. Provided that such person shall hold such shares or debentures subject to the terms and conditions contained herein. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in, or debentures of, the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or debentures of, the company, the nominee shall, on the death of the shareholder or holder of debentures of, the Company, or, as the case may be, on the death of the joint holders become entitled, subject to the other provisions of these Articles, to all the rights in the shares or debentures of the Company or, as the case may be, all the joint holders, and all the obligations of the holder thereof, in relation to such shares in, or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

Where the nominee is a minor, it shall be lawful for the holder of the shares, or holder of debentures, subject to the other provisions of these Articles, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in, or debentures of, the company, in the event of his death, during the minority.

Article 53C provides that,

Transmission of shares

Any person who becomes a nominee by virtue of the provisions of Article 53B, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either –

(a) to be registered himself as holder of the share or debenture, as the case may be; or

(b) to make such transfer of the share or debenture, as the case may be, as the deceased share holder or debenture holder, as the case may be, could have made. If the person being a nominee, so becoming entitled, elects to be registered as holder of the share or debenture, himself, 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 the death certificate of the deceased shareholder or debenture holder, as the case may be. All the limitations, restrictions and provisions of the Companies Act and these Articles relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be. A person, being a nominee, becoming entitled to a share or debenture by reason of the death of the holder shall be entitled to the same dividends and other advantages and subject to the same obligations and restrictions 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 a member in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or, subject to the other provisions of these Articles, to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share or debenture, until the requirement of the notice have been complied with.

Article 54 provides that,

Instrument of transfer duly stamped and executed

The instrument of transfer duly stamped and executed by the transferor and the transferee shall be delivered to the Company in accordance with the provisions of the Act.

Article 56 provides that,

Directors may refuse to register transfer

Subject to the provisions of Section 111A of the Act, these Articles, and other applicable provisions of the Act or any other law for the time being in force, 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. 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 the notice of the refusal to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, giving reason for such refusal. Provided that the registration of 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 when the Company has a lien on the shares.

Article 60 provides that,

Person entitled may receive dividend without being registered as member

A person entitled to a share by transmission shall, subject to the right of the directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of such share.

Article 64

Transmission clause

Any person becoming entitled to the shares of a member in consequence of the death or bankruptcy of such member, may subject to these Articles upon producing such evidence that he sustains the character in which he proposed to act under this clause of his title to the shares, as the Directors think sufficient, be registered as a member in respect of such shares, subject to the provisions of these Articles, if the directors think to do so, or may subject to these Articles, transfer such shares in a manner and subject to restrictions specified for transfer of shares.

Article 66 provides that,

Right of directors to refuse to register transfer not protected

Nothing in the foregoing Articles shall prejudice any right of Directors under the Articles, to refuse to register the transfer of or the transmission by operation of law or right or interest of a member in any shares or debentures of the Company.

Article 67 provides that,

Director's power to refuse to register transmission

(a) The Directors may, subject to these Articles, without assigning any reason refuse to register any transfer of shares or other interest of a member in shares or the debentures of the Company and shall refuse to register any transfer of shares on which the Company has a lien, or shares which have become liable to be forfeited.

(b) The Directors may subject to these Articles, without assigning any reason, refuse to register the transmission by operation of law or right to any shares or other interest of a member in or the debentures of the Company and shall refuse to register any transmission by operation of law or right to any shares on which the Company has a lien or which have become liable to be forfeited.

Borrowing powers

Article 70 provides that,

Power to borrow

Subject to the provisions of Sections 58A, 292 and 293 of the Act and subject to these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from Members, either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company.

Article 71 provides that,

Payment or repayment of moneys borrowed

Subject to the provisions of Article 72 hereof and subject also to these Articles, the payment and repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit, by resolution passed at a meeting of the Board (and not by circulation) and in particular, by the issue of bonds, debentures or debenture-stock of the Company either unsecured or secured by a mortgage or charge over all or any part of the property of the Company (both present and future) including its uncalled capital for the time being, and debenture-stock bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Conversion of shares into stock and reconversion

Article 76 provides that,

Shares may be converted into stock

The Company in General Meeting may convert any paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as and subject to which shares from the stock arose might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. Subject to the other provisions of these Articles, the Company may at any time reconvert any stock into paid-up shares of any denomination.

Article 77 provides that,

Rights of stockholders

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meeting of the Company and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or disadvantage.

Meetings of the Members

Article 78 provides that,

Annual General Meeting

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meeting shall be called Extraordinary General Meetings. An Annual General Meeting shall be held within six months after the expiry of each Financial Year. Provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours on a day that is not a public holiday, and shall be held at the Registered Office of the Company or at some other place within the city where the Registered Office of the Company is situated as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meetings. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts. Auditor's Report (if not already incorporated in the Audited Statement of Accounts), the proxy register with proxies and the register of Directors' shareholdings which latter register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to prepare the annual list of Members, summary of the share capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Section 159, 161 and 220 of the Act.

Article 79 provides that,

Extraordinary General Meeting

The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by a Member or Members holding in the aggregate not less than one-tenth of such of

the paid-up capital as at that date carrying the right of voting in regard to the matter in respect of which the requisition has been made.

Article 86 provides that,

Quorum at General Meeting

Five members present in person shall be a quorum for a General Meeting.

Article 89 provides that,

Chairman of General Meeting

The Chairman (if any) of the Board of Directors shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Directors, or if at any meetings he shall not be present within fifteen minutes of the time appointed for holding meeting or if he shall be unable or unwell to take the Chair, then the members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall elect one of their member to be Chairman.

Article 92 provides that,

Question at meeting how to be decided

(a) At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 179, be decided on a show of hands.

(b) A declaration by the Chairman in pursuance of Section 177 that on a show of hands, a resolution has or has not been carried, or has been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the meeting, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour or against such resolution.

Article 93 provides that,

Demand for poll

Before or on the declaration of the result of the voting on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company –

(i) which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or
(ii) on which an aggregate sum of not less than fifty thousand rupees has been paid-up. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Votes of Members

Article 99 provides that,

Number of votes to which Members entitled

Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present,

and to speak and vote at such meeting, and on a show of hands, every Member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his paid up share capital in the Company. Provided, however, if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affects the rights attached to his preference shares.

Article 101 provides that,

How Members non-compos mentis and minor may vote

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 poll vote by proxy. If any Member be a minor, the vote in respect of his share or shares shall be by his guardian, or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.

Article 102 provides that,

Votes of joint members

If there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto, but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register of Members shall alone be entitled to speak and vote in respect of such shares, but, the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member, in whose name shares stand for the purpose of these Articles shall be deemed joint-holders thereof.

Article 103 provides that,

Voting in person or by proxy

Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member.

Article 107 provides that,

Deposit of instrument of appointment

The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the office of the Company or with any other person designated by resolution of the Board of Directors, not later than forty-eight hours before the time for holding the meeting at which person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

Article 108 provides that,

Form of proxy

Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.

Article 109 provides that,

Validity of votes given by proxy notwithstanding death of Member

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 revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the Office before the meeting.

Directors

Article 113 provides that,

Number of Directors

Unless otherwise determined by the Company in a general meeting, the number of Directors excluding Alternate Directors, Directors appointed by Central Government under section 408 and Directors appointed by Financial Institutions by virtue of powers vested by Acts constituting them shall not be less than three or more than twelve.

Article 116 provides that,

Debenture Director

If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so Appointed herein referred to as "Debenture Director". A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he is appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.

Article 117 provides that,

Appointment of Alternate Director

The Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall be a person recommended for such appointment by the Original Director. An Alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to that State. If the term of office of the Original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for automatic re-appointment or retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Article 118 provides that,

Board's power to add to Board

Subject to the provisions of Section 260 of the Act and these Articles, the Board shall have power at any time and from time to time to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 113. Any such

Additional Director shall hold office only up to the date of the next Annual General Meeting but shall be eligible for election at such meeting.

Article 121 provides that,

Remuneration of Directors

(1) Subject to the provisions of the Act and these Articles, a Managing Director or Director, who is in the Whole-time employment of the Company, may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other or any other mode not prohibited by the Act.

(2) Subject to the provisions of the Act and these Articles, such reasonable additional remuneration as fixed by the Board may be paid to any one or more of its number for service rendered by him or them in signing the share certificates in respect of the Company's capital or any debenture issued by the Company.

(3) Subject to the provisions of the Act and these Articles, a Director who is neither in the Whole-time employment of the Company nor a Managing Director, may be paid remuneration either:
   (a) by way of a monthly, quarterly, or annual payment with the approval of the Central Government, if necessary, or
   (b) by way of commission, if the Company by a Special Resolution authorizes such payment.
   Provided that the remuneration paid to such Director or where there is more than one Director, to all of them together, shall not exceed –
   (i) one percent of the net profits of the Company, if the Company has a Managing or Whole-time Director or a Manager;
   (ii) (ii) three percent of the net profits of the Company in any other case.

(4) The fee payable to the Directors (excluding a Managing Director or Whole-time Director, if any), for attending a meeting of the Board or a committee thereof shall be Rs.500 or such other sum as the Board of Directors may from time to time determine within the limit prescribed under the Act.

(5) The Board may allow and pay to any Director, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, in addition to his fees for attending a meeting of the Board or a committee thereof; and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be paid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.

(6) For the purpose of this Article, the expression "net profits" shall mean the net profits of the Company as computed in accordance with the provisions of Section 309 (5) of the Act.

Article 123 provides that,

Director may contract with the Company

(1) Except with the consent of the Board of Directors of the Company, and, so long as the paid-up share capital of the Company continues to be not less than Rupees One crore, except with the previous approval of the Central Government, a Director of the Company or his relative, a firm in which a Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or Director, shall not enter into contract with the Company.
   (a) for the sale, purchase or supply of any goods, materials or services; or
   (b) for underwriting the subscription of any shares in or debentures of the Company.

(2) Subject to the other provisions of these Articles, nothing contained in sub-clause of Clause (1) shall effect:
   (a) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
   (b) any contract or contracts between the Company on one side and such Director, relative, firm, partner, or a private company on the other for sale, purchase or supply of any goods, materials

and services in which either the Company or the Director, relative, firm, partner, or private company, as the case may be, regularly trades or does business.

Provided that such contract or contracts do not relate to goods and materials the value of which or services the cost of which exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

(3) Notwithstanding anything contained in sub-clause (1) and (2) of this Article, but subject to the other provisions of these Articles, a Director, relative, firm, partner or private company as aforesaid may, in circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods or materials or services, even if the value of such goods or cost of such services exceed five thousand rupees in the aggregate in any year comprised in the period of the contract, but in such a case the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.

(4) Every consent of the Board required under this Article shall be recorded by a resolution passed at a meeting of the Board and not otherwise and the consent of the Board required under sub-clause (1) of this Article shall not be deemed to have been given within the meaning of that sub-clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.

(5) If the consent is not accorded to any contract under this Article, anything done in pursuance of the contract shall be voidable at the opinion of the Board.

Article 124 provides that,

Disclosure of Interest

A Director of the Company who in any way, whether directly or indirectly is concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act, Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company. Provided further that the provisions of this Article shall be in addition to, and not in derogation of, the other provisions of these Articles.

Article 129 provides that,

Company may increase or reduce the number of Directors

Subject to Section 259 of the Act and these Articles, the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter their qualifications.

Managing Director(s), Whole-time Directors and Manager

Article 133 provides that,

Managing Director

Subject to the provisions of Section 255, 263, 267, 269, 309, 310, 311, 316 and 317 and other applicable provisions of the Act and of these Articles, the Board of Directors of the Company shall designate one or more of the members of the Board as the Managing Director or Managing Directors of the Company. On a vacancy being caused in the office of the Managing Director from any cause, whether by resignation, removal or otherwise, the Board shall have the right to designate another person for such appointment. The terms of appointment of the Managing Director or Managing Directors shall be such as are specified (with the power to vary such terms) and the Board will see that these are within the limits prescribed under the Companies Act and these shall be the terms on which the Managing Director or Managing Directors shall be appointed by the Board. The Managing Director or Managing Directors, as the case may be, so

appointed, shall have such power exercisable upon such conditions and subject to such restrictions as the Board may from time to time determine.

Proceedings of the Board of Directors

Article 137 provides that,

Meeting of Directors

The Directors may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

Dividends

Article 155 provides that,

Division of profits

The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles, and subject to the provisions of the Act and of these Articles, shall be divisible among the members in proportion to the amount of capital paid-up or credited as paid-up on the share held by them respectively.

Article 156 provides that,

The Company in General Meeting may declare dividend

The Company in General Meeting may declare dividends to be paid to exceed the amount recommended by the Board, but the Company in General Meeting may, subject to these Articles, declare a smaller dividend.

Article 158 provides that,

Interim Dividend

Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividend as in their judgement the position of the Company justifies.

Capitalisation

Article 169 provides that,

Capitalisation

The Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of the Company or available for dividend (or representation premium received on the issue of shares and standing to the credit of the Share Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture-stock of the company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or any debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that a Share Premium Account and a Capital Redemption Reserve Account

may, for the purpose of this article, only be applied in the paying of any unissued shares to be issued to Members of the Company as fully paid bonus shares.

Article 171 provides that,

Board empowered to settle difficulties on a capitalisation etc

For the purpose of giving effect to any resolution under Article 168 and 169, the Board may, subject to the other provisions of these Articles, settle any difficulty which may arise in regard to the distribution as it thinks expedient, and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any Member upon the footing of the value so fixed or that fraction of less value than Rs.10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the person entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

Inspection of Registers etc

Article 188 provides that,

Inspection of Registers etc.

Where under any provisions of the Act any person, whether a Member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same during business hours, for such period not being less in the aggregate than two hours in each day as the Directors may determine.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been entered into or will be entered into by the Company. These contracts, copies of which have been attached to the copy of this Draft Red Herring Prospectus, delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at the registered office of the Company situated at B/2, Mahalaxmi Chambers, 22, Bhulabhai Desai Road Mumbai 400 026, from 10.00 am to 4.00 pm on working days from the date of this Draft Red Herring Prospectus until the Bid/Issue Closing Date.

Material Contracts of the Company

1. Scheme of Amalgamation between the Company and G. M. Pharma Limited approved by the High Court of Bombay on July 4, 2008.

2. Business Transfer Agreement dated December 24, 2007 between GPL and the Company.

3. Name License Agreement dated February 11, 2008 between GPL and the Company.

4. Share Purchase Agreement dated June 2, 2008 between Glenmark Holding S.A. and Glenmark Generics Finance S.A..

Material Contracts to the Issue

1. Engagement Letter dated August 20, 2009 by the Company for the appointment of Enam Securities Private Limited and Kotak Mahindra Capital Company Limited as the BRLMs.

2. Memorandum of Understanding dated September 29, 2009 between the Company and the BRLMs.

3. Memorandum of Understanding dated [●], 2009 between the Company and the Registrar to the Issue.

4. Escrow Agreement dated [●], 2009 between the Company, the BRLMs, Escrow Collection Banks and the Registrar to the Issue.

5. Syndicate Agreement dated [●], 2009 between the Company, the BRLMs and the Syndicate Members.

6. Underwriting Agreement dated [●], 2009 between the Company, the BRLMs and the Syndicate Members.

Material Documents

1. Memorandum and Articles of Association of the Company as amended from time to time.

2. Certificate of incorporation of the Company.

3. Board resolution and Shareholders' resolution dated August 14, 2009 and September 21, 2009, respectively authorising the Issue.

4. Board and Shareholders Resolution dated April 1, 2008 and April 1, 2009 for appointment of Mr.

Terrance Coughlin and Mr. Jalaj Sharma, respectively, Whole-time Directors of the Company.

5. Report of the Auditors, September 28, 2009, by M/s. R.G.N. Price & Co., Chartered Accountants, on the restatesd, consolidated and unconsolidated financial statements of the company for fiscal 2009, 2008, 2007, 2006 and 2005.

6. Statement of Tax Benefits dated September 28, 2009 by M/s. R.G.N. Price & Co., Chartered Accountants.

7. Copies of annual reports of the Company and its subsidiaries for the past five financial years.

8. Consents of the Auditors, M/s. R.G.N. Price & Co., Chartered Accountants, for inclusion of their report on accounts in the form and context in which they appear in this Draft Red Herring Prospectus.

9. Consents of Auditors, Bankers to the Company, Bankers to the Issue, BRLM, Registrar to the Issue, Domestic Legal Counsel to the Company, Domestic Legal Counsel to the Underwriter, International Legal Counsel to the Underwriter, Directors of the Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.

10. IPO Grading report dated [●] by [●].

11. Due Diligence certificate from the BRLMs dated September 30, 2009.

12. Initial listing applications dated [●] filed with BSE and NSE respectively.

13. In-principle listing approval dated [●] and [●] from BSE and NSE respectively.

14. Tripartite Agreement between NSDL, the Company and the Registrar dated [●], 2009.

15. Tripartite Agreement between CDSL, the Company and the Registrar dated [●], 2009.

16. Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

All relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government of India or the regulations and guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules or regulations made thereunder or guidelines issued, as the case may be. We hereby certify that all the statements in this Draft Red Herring Prospectus are true and correct.

Signed by the Directors of the Company

_____

Mr. Glenn Saldanha, *Chairman and Non-Executive Director*

_____

Mr. Terrance J. Coughlin, *Whole Time Director and Chief Executive Officer*

_____

Mr. Jalaj Sharma, *Whole Time Director*

_____

Mr. Julio F. Ribeiro, *Non-Executive and Independent Director*

_____

Mr. Sridhar Gorthi, *Non-Executive and Independent Director*

_____

Mr. Natvarlal Bhimbhai Desai, *Non-Executive and Independent Director*

_____

Mr. R. V. Desai, *Non-Executive Director*

_____

Mr. D. R. Mehta, *Non-Executive and Independent Director*

_____

Mr. Percy Birdy, *Chief Financial Officer*

Date: September 30, 2009
Place: Mumbai