



December 10, 2021

BSE Limited

Floor 25, P. J. Tower
Dalal Street, Fort
Mumbai - 400 001

National Stock Exchange of India Limited

Exchange Plaza
Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051

Dear Sirs,

Sub: Notice of Meeting of the Equity Shareholders convened pursuant to the directions of the National Company Law Tribunal, Allahabad Bench

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that pursuant to the Order of the National Company Law Tribunal, Allahabad Bench ('NCLT') passed on November 15, 2021 under Section 230(1) of the Companies Act, 2013 (the 'Act') in the Company Application CA(CAA) No. 22/ALD/2021, a meeting of the Equity Shareholders of Jubilant Pharmova Limited is being convened at the Registered Office of the Company at Bhartiagram, Gajraula, District Amroha-244223, Uttar Pradesh on Saturday, January 15, 2022 at 1:30 P.M. for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Arrangement between Jubilant Generics Limited and Jubilant Pharmova Limited and their respective shareholders and creditors under Sections 230 to 232, Section 66 and other applicable provisions of the Act.

Shareholders entitled to attend and vote at the meeting may vote in person or by proxy at the meeting or through electronic means. Shareholders who have received physical copy of the notice have also been offered the facility of postal ballot, pursuant to the NCLT Order. The Company has engaged National Securities Depository Limited ('NSDL') for the purpose of providing e-voting facility to its shareholders. The e-voting facility can be availed by logging in the NSDL e-Voting system at <https://www.evoting.nsdl.com/>.

A Jubilant Bhartia Company

OUR VALUES



Jubilant Pharmova Limited

1-A, Sector 16-A,
Noida-201 301, UP, India
Tel: +91 120 4361000
Fax: +91 120 4234895-96
www.jubilantpharmova.com

Regd Office:
Bhartiagram, Gajraula
Distt. Amroha - 244 223
UP, India
CIN : L24116UP1978PLC004624



Voting through postal ballot/ e-voting for the resolution proposed in the notice shall commence at 9:00 a.m. (IST) on Thursday, December 16, 2021 and shall end at 5:00 p.m. (IST) on Friday, January 14, 2022.

We are enclosing herewith a copy of the notice of the Meeting. The said notice is also available on the Company's website www.jubilantpharmova.com.

We request you to take the same on record.

Thanking you,

Yours faithfully,
For Jubilant Pharmova Limited

Rajiv Shah
Company Secretary

Encl.: as above

A Jubilant Bhartia Company

OUR VALUES



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Distt. Amroha - 244 223
UP, India
CIN : L24116UP1978PLC004624



JUBILANT PHARMOVA LIMITED

(CIN : L24116UP1978PLC004624)

Registered Office: Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh, India
Phone: +91-5924-267437; E-mail: investors@jubl.com; Website: www.jubilantpharmova.com

NOTICE – EQUITY SHAREHOLDERS

Registered Office : Bhartiagram, Gajraula, Distt. Amroha - 244 223, Uttar Pradesh
Tel No. : +91-5924-267437
CIN : L24116UP1978PLC004624
E-mail : investors@jubl.com

MEETING OF THE EQUITY SHAREHOLDERS OF JUBILANT PHARMOVA LIMITED

(Convened pursuant to order dated November 15, 2021 passed by Hon'ble National Company Law Tribunal, Allahabad Bench)

MEETING:

| | | |
|-------|---|---|
| Day | : | Saturday |
| Date | : | January 15, 2022 |
| Time | : | 1:30 P.M. |
| Venue | : | Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh |

E-VOTING:

| | | |
|---------------------|---|--|
| Start Date and Time | : | Thursday, December 16, 2021 at 9.00 a.m. |
| End Date and Time | : | Friday, January 14, 2022 at 5.00 p.m. |

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FORM NO. CAA. 2

[Pursuant to section 230 (3) and Rule 6]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

ALLAHABAD BENCH

COMPANY APPLICATION CA(CAA) NO. 22/ALD/2021

In the matter of Companies Act, 2013

And

In the matter of Sections 230-232 and Section 66 and other applicable provisions of the Companies Act, 2013
read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN

JUBILANT GENERICS LIMITED

.....Applicant Co. No. 1/ "Transferor Company"

And

JUBILANT PHARMOVA LIMITED

.....Applicant Co. No. 2/ "Transferee Company"

And

their respective Shareholders and Creditors

Jubilant Pharmova Limited
(CIN: L24116UP1978PLC004624)

A company incorporated under the provisions of the Companies Act, 1956,
having its Registered Office at - Bhartiagram, Gajraula, District Amroha- 244223, Uttar Pradesh, India

..... **Applicant Company No. 2/ "Transferee Company"**

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF JUBILANT PHARMOVA LIMITED (APPLICANT COMPANY NO. 2/ "TRANSFEREE COMPANY") PURSUANT TO THE ORDER DATED NOVEMBER 15, 2021, PASSED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH

Notice is hereby given that the Allahabad Bench of the National Company Law Tribunal, by order dated November 15, 2021, has directed that meeting of Equity Shareholders of the Transferee Company shall be held on January 15, 2022 at 1:30 p.m. at the registered office of the Transferee Company at Bhartiagram, Gajraula, District Amroha- 244223, Uttar Pradesh, India for the purpose of considering, and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Arrangement between Jubilant Generics Limited ("Transferor Company") and Jubilant Pharmova Limited ("Transferee Company") and their respective shareholders and creditors. In pursuance of the said order and as directed therein, notice is hereby given that a meeting of the Equity Shareholders of the Applicant Company No. 2/ Transferee Company will be held at its registered office at Bhartiagram, Gajraula, District Amroha - 244223, Uttar Pradesh, India on Saturday, January 15, 2022 at 1:30 p.m. at which time and place, the Equity shareholders of the Applicant Company No. 2/ Transferee Company are requested to attend. At the meeting, the following resolution will be considered and, if thought fit, passed with or without modification(s):

***"RESOLVED THAT** pursuant to the provisions of Sections 66, 230 to 232 and other applicable provisions of the Companies Act, 2013, the Rules, Circulars and Notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to approval of the Hon'ble National Company Law Tribunal, Bench at Allahabad ("NCLT") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board"), the arrangement embodied in the Scheme of Arrangement between Jubilant Generics Limited and Jubilant Pharmova Limited and their respective shareholders and creditors ("Scheme") as placed before this meeting, be and is hereby approved.*

***RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of account as considered necessary for giving effect to the Scheme, as the Board may deem fit and proper."*

Persons entitled to attend and vote at the meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the Transferee Company at Bhartiagram, Gajraula, District Amroha- 244223, Uttar Pradesh, India not later than 48 hours before the time fixed for commencement of meeting.

Form of Proxy is also annexed to this Notice and can be obtained from the Registered Office of the Transferee Company or from the office of the Advocate as mentioned below.

Equity Shareholders are further informed that in compliance with the provisions of: (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 including its amendments issued by the Securities and Exchange Board of India, the Transferee Company has provided the facility of voting by postal ballot (refer Note-12 below) and e-voting so as to enable the Equity shareholders, to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by Equity shareholders of the Transferee Company shall be carried out through (i) postal ballot or e-voting and (ii) ballot or polling paper at the venue of the meeting to be held on Saturday, January 15, 2022 at 1:30 p.m.

Copies of the said Scheme and Explanatory Statement, under Sections 230(3), 232(1), 232(2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, are annexed to this Notice and can be obtained free of charge from the registered office of the Transferee Company or at the office of its Advocate Mr. Rahul Agarwal, Chamber No. 42, High Court or 74/62, Lal Bahadur Shastri Marg, Allahabad - 211001.

The Tribunal has appointed Shri Pradip Kumar, Advocate and failing him, Shri Sumit Kakkar, Advocate as Chairperson of the said meeting and Shri S. K. Gupta, Practicing Company Secretary and failing him, Shri Ankit Singh, Practicing Company Secretary as Scrutinizer to conduct the voting in a fair and transparent manner. The above-mentioned Scheme, if approved by the Equity shareholders of the Transferee Company in their meeting, will be subject to the subsequent approval of the Tribunal.

For Jubilant Pharmova Limited

Sd/-

Date: November 30, 2021

Place: Allahabad

Pradip Kumar

Chairman appointed for meeting

Notes:

1. Only registered Equity Shareholders of the Transferee Company as on December 3, 2021 (cut-off date) may attend and vote either in person or by Proxy instead of himself/ herself (and a Proxy need not be a member of the Transferee Company) at the meeting of the Equity Shareholders of the Transferee Company.
2. The authorised representative of a body corporate which is a registered Equity shareholder of the Transferee Company may attend and vote at the meeting of the Equity shareholders of the Transferee Company provided a copy of the resolution of the Board of Directors authorizing such representative to attend and vote at the meeting of the Equity shareholders of the Transferee Company, is deposited at the registered office of the Transferee Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting.
3. As per Section 105 of the Companies Act, 2013 and the Rules made thereunder, a person can act as proxy on behalf of not more than 50 (fifty) Equity shareholders holding in aggregate, not more than 10% (ten percent) of the total paid up share capital of the Transferee Company carrying voting rights. A Equity shareholder holding more than 10% (ten percent) of the total paid up share capital of the Transferee Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Equity shareholder.
4. The Form of Proxy can be obtained free of charge from the registered office of the Transferee Company or from the office of its Advocate, Mr. Rahul Agarwal, Chamber No. 42, High Court or 74/62, Lal Bahadur Shastri Marg, Allahabad - 211001.
5. All alterations made in the Form of Proxy should be initialed by the Equity shareholder.
6. Every Equity shareholder entitled to vote at a meeting of the Transferee Company, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Transferee Company, provided not less than three days' prior notice in writing of the intention so to inspect is given to the Transferee Company.
7. A registered Equity shareholder or his/her proxy, attending the meeting, is requested to bring and submit to the Transferee Company the Attendance Slip duly completed and signed. In case of joint holders attending the meeting, only such joint holder whose name stands first in the register of members of the Transferee Company or in the list of beneficial owners as received from National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") in respect of such joint holding, will be entitled to vote.
8. The documents referred to in the Notice and accompanying Explanatory Statement shall be open for inspection by the Equity shareholders at the registered office of the Transferee Company between 11.00 a.m. and 1.00 p.m. on all working days (except Saturdays, Sundays and public holidays) up to the date of the meeting.
9. The Notice, together with the documents accompanying the same, is being sent to all the Equity shareholders either by registered post or by speed post or courier, or electronically by e-mail to those Equity shareholders who have registered their e-mail IDs with the Transferee Company/ Registrar and Share Transfer Agent ('RTA')/ NSDL / CDSL, whose names appear in the register of members / list of beneficial owners as received from NSDL / CDSL as on Friday, December 3, 2021 ('Cut-off Date'). Those who have become shareholders as on the Cut-off Date may download the Notice from Transferee Company's website i.e. www.jubilantpharmova.com or may write to the Company Secretary, Jubilant Pharmova Limited at the registered address of the Transferee Company for availing the Notice. The Notice will be displayed on the website of the Transferee Company i.e. } www.jubilantpharmova.com and on the website of NSDL i.e. www.nsdl.co.in.

10. The Notice convening the aforesaid meeting will be published through advertisement in 'Financial Express' and 'Hindustan Times' English newspapers and 'Jansatta' and 'Hindustan', vernacular newspapers, having wide circulation in District Gautam Budh Nagar and District Amroha where the Corporate Office and Registered Office of the Transferee Company and other Applicant Company (as applicable) is situated, respectively.
11. A person, whose name is not recorded in the register of members as on the Cut-off Date shall not be entitled to avail the facility of voting at the meeting. Voting rights shall be reckoned on the paid-up value of the shares registered in the names of Equity shareholders as on the Cut-off Date. Persons, who are not Equity shareholders of the Transferee Company as on the Cut-off Date should treat this notice for information purposes only.
12. Pursuant to the order of the Hon'ble National Company Law Tribunal, Bench at Allahabad (NCLT), the facility of voting through postal ballot is being offered to the shareholders to whom the physical notices are being issued. Any instruction given below pertaining to postal ballot shall be applicable only to those shareholders who have received postal ballot forms with physical notices. Shareholders receiving notices electronically cannot vote through postal ballot.
13. The voting by the Equity shareholders through the postal ballot or e-voting shall commence at 9.00 a.m. (IST) on Thursday, December 16, 2021 and shall close at 5.00 p.m. (IST) on Friday, January 14, 2022.
14. The Transferee Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating e-voting for the said meeting. The e-voting module shall be disabled by NSDL for voting at 5.00 p.m. (IST) on Friday, January 14, 2022. Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently. Equity Shareholders desiring to exercise their vote by using e-voting facility are requested to follow the instructions mentioned below for e-voting.
15. A Postal Ballot Form along with self-addressed postage pre-paid envelope is enclosed with physical notice. Equity shareholders' voting through Postal Ballot are requested to carefully read the instructions printed in the enclosed Postal Ballot Form.
16. Equity shareholders shall fill in the requisite details and send the duly completed and signed Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope to the Scrutinizer so as to reach the Scrutinizer before 05:00 p.m. on Friday, January 14, 2022. Postal Ballot Form, if sent by courier or by registered post/speed post/hand delivery at the expense of the equity shareholder, will also be accepted. Any Postal Ballot Form received after the said date and time shall be treated as invalid.
17. Incomplete, unsigned, improperly or incorrectly tick marked Postal Ballot Forms will be rejected by the Scrutinizer.
18. The vote on Postal Ballot cannot be exercised through proxy.
19. There will be only 1 (one) Postal Ballot Form for every registered folio/client ID irrespective of the number of joint Equity shareholders.
20. The Postal Ballot Form should be completed and signed by the Equity shareholders (as per specimen signature registered with the Transferee Company and/or furnished by the Depositories). In case, shares are jointly held, the Postal Ballot Form should be completed and signed by the first named equity shareholder and, in his/her absence, by the next named Equity shareholder. Holder(s) of Power of Attorney ("POA") on behalf of an Equity shareholder may vote on the postal ballot mentioning the registration number of the POA with the Transferee Company or enclosing a copy of the POA authenticated by a notary. In case of shares held by companies, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/authorization giving the requisite authority to the person voting on the postal ballot form.
21. The Tribunal has appointed Shri S. K. Gupta, Practicing Company Secretary as the Scrutinizer and failing him, Shri Ankit Singh, Practicing Company Secretary as the Scrutinizer to scrutinize the Postal Ballot, e-voting process and ballot forms and to oversee that the meeting is conducted at the venue of the meeting in a fair and transparent manner.
22. The Scrutinizer will submit his combined report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the Equity shareholders of the Transferee Company through (i) e-voting process, (ii) postal ballot and (iii) polling paper at the venue of the meeting. The Scrutinizer's decision on the validity of the vote cast via (i) e-voting process, (ii) postal ballot and (iii) polling paper at the venue of the meeting shall be final.
23. The Equity shareholders of the Transferee Company can opt for only one mode for voting i.e. by postal ballot or e-voting or voting at the venue of the meeting. If an Equity shareholder has opted for e-voting, then he/she should not vote by Postal Ballot Form also and vice versa. However, in case Equity shareholder(s) casts his/her vote(s) both via postal ballot and e-voting, then voting validly done through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.

24. The Equity shareholders of the Transferee Company attending the meeting who have not cast their votes either through postal ballot or e-voting shall be entitled to exercise their votes at the venue of the meeting. Equity shareholders who have cast their votes through postal ballot or e-voting may also attend the meeting but shall not be entitled to cast their votes again.

Voting Options:

The business set out in the Notice of NCLT Convened Meeting of Equity Shareholders may be transacted through electronic voting system, Postal Ballot or Polling Paper. The Company is providing facility for voting by electronic means. Information relating to e-Voting facility and voting at the meeting of NCLT Convened Meeting is given below:

Voting through electronic means (e-Voting facility)

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India, the Company is pleased to provide equity shareholders the facility to exercise their right to vote on the resolution proposed to be considered at the NCLT Convened Meeting ('NCM') by electronic means and the business may be transacted through e-voting. The facility of casting the votes by the equity shareholders using an electronic voting system from a place other than venue of the NCM ("remote e-voting" or "e-voting") will be provided by the National Securities Depository Limited (NSDL).
- II. The facility for casting the vote through ballot paper shall be made available at the venue of NCM and the equity shareholders attending the meeting who have not cast their vote by remote e-voting or through Postal Ballot shall be able to exercise their right at the meeting through ballot paper.
- III. Equity Shareholders can opt for only one mode of voting i.e. either through remote E-Voting or Postal Ballot or Ballot Paper at the venue of NCM of Equity Shareholders. In case Equity Shareholders cast their vote by more than one mode of voting, then voting will be counted in the following sequence of priority, namely, (i) Remote E-Voting, (ii) Postal Ballot, and (iii) Ballot Paper at the venue of NCM, as may be applicable.
- IV. The remote e-voting period commences on Thursday, December 16, 2021 at 9:00 a.m. and ends on Friday, January 14, 2022 at 5:00 p.m. During this period, equity shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. December 3, 2021 may cast their vote by remote e-voting. The remote e-voting shall be disabled by NSDL after the remote e-voting period ends. Once the vote is cast, the equity shareholders shall not be allowed to change it subsequently.
- V. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or postal ballot as well as voting at the NCM through ballot paper.
- VI. The voting rights of equity shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. December 3, 2021.

VII. How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and Email ID in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest, the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. |

Important Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 |

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12***** |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
5. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
6. Now, you will have to click on "Login" button.
7. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories/company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@jubl.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@jubl.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

General Guidelines for Shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to skgupta1903@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Senior Manager at evoting@nsdl.co.in
 - I. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the venue of NCM through Polling Paper. A person who is not a member as on the Cut-off date should treat this Notice for information purpose only.
 - II. Shri S. K. Gupta, Practicing Company Secretary and failing him Shri Ankit Kumar Singh, Practicing Company Secretary has been appointed as ‘Scrutinizer’ to scrutinize the remote e-Voting and Poll process in a fair and transparent manner.
 - III. The Chairman will, at the end of discussion on the resolution on which voting is to be held, allow voting by use of Polling Paper for all those equity shareholders who are present at the venue of NCM and have not cast their votes by availing the remote e-voting facility or through Postal Ballot.
 - IV. Please note that the members who have exercised their right to vote through electronic means as above shall not be eligible to vote by way of Postal Ballot or Polling Paper at the venue of NCM. Votes cast through Postal Ballot or Poll taken at the NCM together with the votes cast through remote e-Voting shall be counted for the purpose of passing of resolution. No voting by show of hands will be allowed at the NCM.
 - V. The Scrutinizer shall, after the conclusion of voting at the NCM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting or through Postal Ballot in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the NCM, a consolidated scrutinizer’s report of the total votes cast in favor or against, to the Chairman who shall countersign the same and declare the result of the voting forthwith.
 - VI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company (www.jubilantpharmova.com) and on the website of NSDL (www.evoting.nsdl.com) immediately after the declaration of result by the Chairman or the Alternate Chairman (as the case may be). The results shall also be immediately forwarded to the stock exchanges where the shares of the Company are listed.
 - VII. In case of any queries or grievances relating to e-Voting, you may contact Mr. Amit Vishal, Senior Manager, NSDL, Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013, India through e-mail at evoting@nsdl.co.in or on Toll Free No.: 1800-222-990 or Mr. J. K. Singla, Senior Manager, M/s Alankit Assignments Limited, 205-208 Anar Kali Complex, Jhandewalan Extension, New Delhi- 110055, India through email at rta@alankit.com or on Telephone No.: 011-42541234.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

ALLAHABAD BENCH

(DISTRICT: GAUTAM BUDDHA NAGAR)

In the matter of Companies Act, 2013

And

In the matter of Sections 230 to 232, Section 66 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

IN THE MATTER OF

JUBILANT GENERICS LIMITED

.....Applicant Co. No. 1/ “Transferor Company”

And

JUBILANT PHARMOVA LIMITED

... Applicant Co. No. 2/ “Transferee Company”

And

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Jubilant Pharmova Limited,
(CIN: L24116UP1978PLC004624)

**A company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Bhartiagram,
Gajraula, District Amroha- 244223, Uttar Pradesh**

... Applicant Co. No. 2/ “Transferee Company”

Statement under Sections 230(3), 232 (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“Explanatory Statement”)

1. Pursuant to the order dated November 15, 2021 passed by Allahabad Bench of National Company Law Tribunal in Company Application No. 22/ALD/2021, meeting of the equity shareholders of Jubilant Pharmova Limited is being convened and held at the registered office at Bhartiagram, Gajraula, District Amroha - 244223, Uttar Pradesh for the purpose of considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement (the ‘Scheme’) between Jubilant Generics Limited and Jubilant Pharmova Limited and their respective Shareholders and Creditors under Section 230 to 232 of the Companies Act, 2013 (“Act”) (including any statutory modification or re-enactment or amendment thereof) read with the Rules thereunder.
2. A copy of the Scheme setting out in detail terms and conditions of the Scheme, inter-alia, providing for the proposed Scheme of Arrangement is attached to the Explanatory Statement and forms part of this Statement as Annexure-1.
3. Background of Jubilant Generics Limited:-
 - i. Jubilant Generics Limited, a company incorporated on November 25, 2013 under the provisions of the Companies Act, 1956, having Corporate Identification Number as U24100UP2013FLC060821 and having its registered office situated at Plot 1A, Sector 16A, Institutional Area, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301. The Equity Shares of the Applicant Company No.1/ Transferor Company are not listed on any stock exchange in India.
 - ii. The Transferor Company is primarily engaged in the following businesses:
 - a) Manufacture, sale, distribution, marketing and supply of APIs, including from its manufacturing facility at Nanjangud, Karnataka and conducting research and development in relation to APIs through its research and development centers in Nanjangud, Karnataka and Noida, Uttar Pradesh; and
 - b) Manufacture and supply of dosage formulations (solid and injectables), including from its manufacturing facility at Roorkee, Uttarakhand and also including trading of such dosage formulations (solid and injectables), India Branded Pharmaceuticals (IBP) business, conducting research and development in respect of its Formulations Business at its research and development centers in Noida, Uttar Pradesh.
 - iii. The share capital structure of the Applicant Company No. 1/ Transferor Company as on July 31, 2021 is as under:

| Authorized Share Capital | Amount (in Rs.) |
|---|------------------------|
| 30,00,000 Equity shares of Rs. 10 each | 3,00,00,000 |
| Total | 3,00,00,000 |
| Issued, Subscribed and Paid up Share Capital | Amount (in Rs.) |
| 25,79,665 Equity shares of Rs. 10 each | 2,57,96,650 |
| Total | 2,57,96,650 |

- iv. The main objects of the Applicant Company No. 1/ Transferor Company are set out in its Memorandum of Association. The same are extracted as under:-
 1. *“To manufacture, contract manufacture, blend, distill, extract, refine, formulate, acquire, process, dispense, cultivate, import, export, buy, sell, market, standardize, scale-up, modify, supply, hire, maintain, package, repack, bottle, stock, distribute, broker, trade, act as agents and generally to deal in:*
 - a. *All types of medicines-whether allopathic, homoeopathic, Ayurvedic, Unani or others for human and animal use, intermediates, drugs, bulk drugs, Active Pharmaceutical Ingredients (API) and finished dosage forms for animal and human use.*
 - b. *All types of chemicals, organic, inorganic, fine or bio-chemicals or any other intermediates, ingredients and formulations and derivatives thereof and consumer products based thereon, allergenic extracts, targeted primarily*

at treating allergies and asthma, bio-technology products and chemicals and their by-products, intermediates, derivatives, formulations and compounds thereof, non prescription general medicines and other allied chemicals and medical preparations required for medical, agricultural, plantations and industrial purposes, bio/chemo informatics technology, pharmaceuticals, diagnostics, bio-pharmaceuticals, bio-modulators, nutraceuticals, agrochemicals, acids, cosmetics, dyes, detergents, veterinary products, fertilizers, herbicides, pesticides, rodenticides, insecticides, plant growth activators/regulators, foods products, food/feed additives etc.

- c. *All enzymes and other products from animal, microbial and plant sources, vegetable and herbal extracts.*
 - d. *Surgical instruments and products, injections and syringes, injectables, oils, perfumes, vaccines, hospital requisites, tinctures, extracts, capsules, plasma, syrups, tablets, pills, ointments, tonics, alkaloids, steroids, sterile injectables (vials and ampoules), lyophilized products, liquid fills, biologics, suspensions, WFI/Diluents, diagnostic products and equipments, radioactive products & substances, innovative diagnostic imaging radiopharmaceuticals solutions and therapeutic radiopharmaceutical products, lyophilised radiopharmaceutical kits, non-radioactive products, medical products, equipments and devices, apparatus, appliances and accessories, and services to healthcare organizations, research institutions, patients and consumers.*
2. *To establish laboratory and related infrastructure for the Research and development of products needed for Company's business and to do contract research and manufacturing.*
 3. *To undertake or engage into all kinds of business activities related to research and development projects, including but not limited to, drug (medicine) discovery and drug development, contract research services, testing, studies in all fields of pharmaceuticals and life sciences including but not limited to genomics, molecular discovery, bio-technology, diagnostics, informatics (including bio/chemo informatics), toxicity studies, services (clinical, chemistry, pathology, clinical laboratory services, bio-analytical, statistical and quality assurance consulting services), pharmacokinetics, Active Pharmaceutical Ingredients, healthcare services including medical transcription, insurance, out-patient care, hospitals and emergency services, therapeutics, proteomics, chemistry, biology, agricultural bio-technology, nutraceuticals, bio-sciences, structural biology, medicinal chemistry, organic and inorganic chemistry, synthetic chemistry, analogue chemistry, computational chemistry, process chemistry, scale synthesis, clinical trials (all possible services under phase I to phase IV), clinical researches, clinical testing of the experimental drugs, bio-equivalence and bio-availability studies.*
 4. *To design, develop, update and maintain knowledge bases for target identification and prioritization, data management and regulatory affairs, ligand identification and prioritization for drug discovery and pharmaceuticals, develop useful products through manipulation of living organisms, to render contract / consultancy services, sub-contracts for own use or for others, and to do contract / toll manufacturing in all or any of the foregoing objects or ancillary or incidental thereto.*

4. Background of Jubilant Pharmova Limited:-

- i. Jubilant Pharmova Limited, a company incorporated on June 21, 1978 under the provisions of the Companies Act, 1956, having Corporate Identification Number as L24116UP1978PLC004624 and having its registered office situated at Bhartiagram, Gajraula, District Amroha-244223, Uttar Pradesh. The Equity Shares of the Applicant Company No.2/ Transferee Company are listed on the BSE Limited and the National Stock Exchange of India Limited.
- ii. The Transferee Company is currently engaged in businesses of providing management services and is also *inter alia*, engaged in the following businesses, through its direct and indirect, wholly-owned subsidiaries, including Jubilant Pharma Limited, a company incorporated in Singapore:
 - (i) Manufacture and supply of APIs, solid dosage formulations, radiopharmaceuticals, allergy therapy products and contract manufacturing of sterile injectables and non-sterile products through 6 manufacturing facilities that cater to all the regulated markets including the USA, Europe and other geographies and a network of over 48 radiopharmacies in the United States;
 - (ii) Drug discovery and development solutions business which provides proprietary in-house innovation and collaborative research and partnership for out-licensing; and
 - (iii) Undertaking Preclinical research and development and providing various drug discovery services to global pharmaceutical and biotech companies, including in the areas of medicinal chemistry, invitro biology, in vivo biology, structural biology, drug metabolism and pharmacokinetics, toxicology and discovery informatics. The Transferee Company is also engaged in in-house drug discovery for small molecules in various therapeutic areas and also enters into Collaboration with various Companies/academic universities in the field of research and development.

iii. The share capital structure of the Applicant Company No. 2/ Transferee Company as on July 31, 2021 is as under:

| Authorized Share Capital | Amount (in Rs.) |
|--|------------------------|
| 1,43,02,00,000 equity shares of Re. 1 each | 1,43,02,00,000 |
| Total | 1,43,02,00,000 |
| Issued and Subscribed Share Capital | Amount (in Rs.) |
| 15,93,13,139 equity shares of Re. 1 each | 15,93,13,139 |
| Total | 15,93,13,139 |
| Paid up Share Capital | Amount (in Rs.) |
| 15,92,81,139 equity shares of Re. 1 each | 15,92,81,139 |
| Total | 15,92,81,139 |

iv. The main objects of the Applicant Company No. 2/ Transferee Company are set out in its Memorandum of Association. The same are extracted as under:-

- a. *“To manufacture, fabricate, produce, prepare extract, process and finish, import, export, buy, sell, instal, survey, estimate, transport, refine and generally carry on business or deal or traffic in Vinyl Acetate Monomer, Acetaldehyde, Acetic Acid, Acetic Anhydride, Ethyl Alcohol, Ethyl Acetate, Polyvinyl Acetate and other chemicals and chemical products of any nature and kind whatsoever.*
- b. *To manufacture, fabricate, produce, prepare, extract, process and finish, import, export, buy, sell, instal, survey, estimate and generally carry on business of types of Polymers and Co- polymers of Vinyl Acetate Monomer Acealate to Polymer and Vinyl Chloride Monomer, Polyvinyl Alcohol, Polyvinyl Acetals including Polyvinyl formal and Polyvinyl butyral, Ethylene- Vinyl Alcohol Co-polymer, Ethylene Vinyle, Synthetic resins, emulsions and latexes for use in Paints and building products, Adhesives, Paper Coatings, Textiles, Binders, Wire Enamel, Floorings, Phonographic records, Speciality coatings, Forest wood products or any other use.*
- c. *To carry on the business as manufacturers, dealers, importers, processors, buyers, sellers, stockists, distributors of all kinds of Chemicals, Insecticides, Granulation Fertilizers, Fertilizers, Pesticides and other germ killing materials and all light and heavy Industrial Chemicals, Alkalies, Acids, Gases, Sulphates, Superphosphates, Sulphuric Acid Medicines, Drugs, Tannins, essences, pharmaceuticals, photographic, sizing, medicinal, chemical, industrial and other preparations and articles, mineral and other waters, cement, oils, paints, pigments and varnishes, compounds, dye-stuffs, organic or mineral, basic and intermediates, paints and colours, printing inks, dry salters.*
- d. *To carry on the business to manufacture, produce, refine, process, formulate, mix or prepare, deal in, import and export of any agricultural chemicals, fertilizers manures, their mixtures and formulations, chemicals source materials, ingredients, mixtures, derivates and compounds thereof and products of which any of the foregoing constitutes an ingredient, in the production of which any of the foregoing is used, including but not limited to fertilizers and agricultural and industrial chemicals of all kinds, and industrial and other preparations or products arising from or required in the manufacture, refining of any kind of fertilizer, manure, their mixture, their mixture and formulations.*
- e. *To carry on the business of manufacturers, producers, refiners, processors, miners, exporters, importers, buyers and sellers of and dealers in and with all and any fats, vermifuges, fungicides, insecticides, germicides, dips sprays, disinfecting preparations, fumigators, medicines and remedies of all kinds for agricultural, trees, plantations, gardening and other purposes or as remedies for human and animals and whether produced from vegetable, mineral, gaseous or any other matters or substances by and any process whether chemical, mechanical, electrical.*
- f. *To fix atmospheric nitrogen by synthetic ammonia or by any other process and to manufacture its derivative compounds and to refine and manufacture, manipulate, import, export and deal in Salt and marine minerals and other derivatives, by-products and compounds.*
- g. *To carry on the business of manufacturing ammonia, ammonium sulphate, urea, ammonium nitrate, ammonium phosphate and any other fertilizers, fertilizer mixtures, chemicals including petrochemicals and gases or any other allied product or any compounds thereof by any process and of selling, distributing or applying such fertilizers and chemicals or gases, substances and compounds or any of them to such purposes as the company may from time to time think desirable.*
- h. *To manufacture, fabricate, produce, prepare, extract, process and finish, import, export, buy sell, instal, survey, estimate transport, refine and generally carry on the business or deal or traffic in Ethylene, n-butanol, 2-ethylhexanol, paracetic*

acid, panatacrythritol, pyridines, chloral, 1.3-butylene glycol, trimetholpropane, Cellulose Acetate including its fibres and Plastics, Acetic Esters, photographic chemicals, food additives, Monochloro Acetic Acid, Carboxy Methyl Cellulose, perfumers, explosives, aspiring, synthetic drugs, detergents, surface coatings, beverages, agro-chemicals, Terephthalic acid, sodium Acetate.

- i. (i) *To purchase, manufacture, produce, boil, refine, import, export, sell and generally deal in sugar, sugar candy, jaggery, sugarbeet, sugarcane, molasses, chemicals based on molasses, chemical based on alcohol produced from molasses, syrups, melada, alcohol including alcohol produced from molasses, spirits, bagasse, bagasse board, paper board and all products, by products, intermediates, other products which are required or produced by the sugar industry and to acquire or manufacture machinery for any of the above purposes;*
- (ii) *To purchase, manufacture, produce, import, export, sell and generally deal in all the products which use or require directly or indirectly and sugar product, by product intermediates such as bagasse, steam, molasses, paper, chemicals or any other similar product:*
- (iii) *To cultivate, plants, produce, and raise or purchase sugarcane, sorghum, sugarbeet sago, palmyra juice and other crops or raw materials and to transact such other work or business as may be proper, necessary or desirable in connection with the above objects or any of them;*
- (iv) *To produce, generate, sell captively consume or otherwise dispose off power.*
- j. *To carry on the business of creation, writing, design and development, improve sale, purchase, sub-contract deal, in shared services, business process outsourcing including Human Resource, accounting, IT Services and other business processes, IT-enabled services, information technology enabled services including establishment of call centers, medical transcription center, data bank, Software Development data processing center or such other services which can be rendered with the help of computers and IT.*
- k. *To Carry on the business of all types of services marketing, trading, distribution and consultancy in the area of other software and systems, covering areas of general management (including Human Resource), enterprise management, strategic management, financial, administrative, resource, reengineering, software design and development, Enterprises Resource Planning, material resource Planning, Internet, Internet and WE related services, quality management, Virtual market methodologies, information management and dissemination, all and every type of software and service connected to computers and microprocessor based systems.*
- l. i. *To engage in business activities related to Research and Development for drugs, pharmaceuticals, nutraceuticals and biopharmaceuticals, medicines, diagnostics, drug discovery and drug development including genomics, proteomics, pharmacology, bio- technology, bio-informatics, molecular biology, medicinal chemistry, organic and inorganic chemistry, molecular drug design, computational chemistry, X-ray crystallography, process chemistry, formulations, clinical and preclinical trials, toxicity study, Bio- equivalence and ADME studies, Pharmacokinetics etc. and scale up of process know how, for the Company's own purpose or contract work.*
- ii. *To apply for, purchase, acquire, sell, lease, dispose off, use for company's own use or for others, import, export, invent, protect, prolong, any secret formula, know-how, process, design, patent rights, licenses, protection and concessions, manufacturing process for the manufacture of drugs, pharmaceuticals, chemicals, food products or of any plant or equipment and other intellectual property rights and to spend money on experimenting, testing and improving and patents, inventions, intellectual properties, rights which the company may acquire or propose to acquire and develop.*
- iii. *To provide services and/or products to healthcare organizations, research institutions, patients and consumers.*
- iv. *To use information technology tools and techniques to work with existing chemical and biological data, information as well as to generate information on the genomics and proteomics of living organs including human beings through research and study.*
- v. *To carry on the business of Manufacturer, Exporter, Importer, Whole Sale and Retail Sellers, Dealers in and to do Research and Development products and its intermediates.*
- vi. *To carry on all types of activities in connection with designing, developing, updating and maintaining knowledge bases for biological target identification and prioritization, lead identification and optimization for drug discovery and development.*
- vii. *To ensure data management, compliance and International regulatory affairs for the foregoing objects.*

- m. i. *To manufacture, blend, distill, extract, refine, formulate, acquire, process, cultivate, import, export, buy, sell, stock, distribute, broker and generally to deal in:*
 - a) *All types of medicines-whether allopathic, homoeopathic, Ayurvedic, Unani or others for human and animal use, intermediates, bulk drugs, Active Pharmaceutical Ingredients (API) and finished dosage forms for animal and human use.*
 - b) *All types of chemicals, organic, inorganic, fine or biochemicals or any other intermediates, ingredients and formulations and derivatives thereof and consumer products based thereon, pharmaceuticals, diagnostics, bio pharmaceuticals, bio modulators, nutraceuticals, agrochemicals, acids, cosmetics, dyes, detergents, veterinary products, fertilizers, herbicides, pesticides, rodenticides, insecticides, plant growth activators/ regulators, foods products, food/feed additives etc.*
 - c) *All enzymes and other products from animal, microbial and plant sources, vegetable and herbal extracts.*
 - d) *Surgical instruments, injectibles, oils, perfumes, vaccines, hospital requisites, tinctures, extracts, capsules, syrups, tablets, ointments, tonics, alkaloids, steroids, diagnostic products and equipments, appliances and accessories.*
- ii. *To do innovation, design, develop process and technology in respect of any of the above and subject the same to commercial exploitation.*
- iii. *To grow, cultivate, plant, crush, utilise, manufacture, blend, distill, extract, refine, formulate, acquire, process, bottle, pack, repack, preserve, import, export, buy, sell, stock, distribute, to act as brokers, contractors, sub-contractors or agents for others and generally to deal in herbs and plants of every description and nature.*
- iv. *To establish laboratory and related infrastructure for the Research and development of products needed for Company's business and to do contract research and manufacturing.*
- v. *To engage into all kinds of business activities related to research and development in all fields of pharmaceuticals and life sciences including but not limited to genomics, pharmaceuticals, molecular discovery, drug development, biotechnology, diagnostics, informatics services, data management, bio-equivalence studies, pharmacokinetics, clinical trials, clinical researches, Active Pharmaceutical Ingredients and pharmaceuticals, and to render contract / consultancy services and to do contract / toll manufacturing in all or any of the areas mentioned above or ancillary or incidental thereto and healthcare services including medical transcription, insurance, out-patient care, hospitals and emergency services.*
- n. i. *To brew, distil, bottle, pack, can, preserve, dehydrate, manufacture, produce, blend, extract, refine, formulate, compound, process, cultivate, import, export, buy, sell, stock, distribute, broker and generally to deal in:*
 - a. *Alcohol of all types including potable alcohol, industrial alcohol, extra neutral alcohol, absolute alcohol, liquors of every description including without limitation, Indian made foreign liquors, country liquors, wines, whiskies, gin, rum, brandy, spirits, beers, rectified spirits, whether produced from sugarcane juice, sugarcane molasses, grains, fruits, hops, molasses from beetroot or any other cellulosic material;*
 - b. *Products or by-products of all or any of the above whether intoxicating or not*
- ii. *To carry on all or any of the businesses at (a) and (b) above, either for its own benefit or on behalf of or as contractors or agents of others, as exporters, importers, distillers, commission agents, contractors, warehousemen, bottlers, bottle makers, bottle stopper makers, potters, manufacturers of and dealers in aerated and mineral waters and other drinks, licensed victualers, beer house keepers, yeast dealers etc.*
- iii. *To grow, cultivate, pack, can, preserve, dehydrate, produce, compound, process, import, export, buy, sell, stock, distribute, to act as brokers, contractors, sub-contractors or agents for others and generally to deal in porter, malt, hops, corn, grain, meal yeast carbonic acid gas, fruits, herbs, vegetables, plants, grapes, mustard, pickles, sauces, condiments of all kinds, cocoa, coffee, preserves, and all other commodities and things and by-products from all or any of the above whether intoxicating or not.*
- o. *To set up, promote, develop, encourage, organize, operate and maintain or assist in the formation of all or any kind of infrastructure facilities and services including but not limited to the establishment of Special Economic Zone(s), Free Trade Zone(s), Export Processing Zone(s), Industrial Estate(s), Information Technology Park(s), Software Park(s), Biotechnology Park(s), Electronic Hardware Technology Park(s), Parks for bio and chemo informatics/clinical research/ chemistry services or any other such Zone/Park/Estate in any part of the country or abroad, in accordance with the policies of the Government of India or any other Government or its department(s) or any agency or any regulatory body formed in this regard and to undertake and carry on all such activities as may for the time being be permitted to be carried on in such Zone(s)/Park(s)/Estate(s) or other infrastructure facilities including but not limited to the following :*

- i) *To undertake, construct, re-construct, build, erect, fabricate, develop, organize, re-organize, maintain, operate, alter, improve, repair, decorate, establish, furnish, buy, sell, own, let, sub-let, take or give on hire or lease, acquire, demolish, dispose of, exchange, transfer or otherwise deal in:*
 - (a) *houses, lands, plots, buildings, hereditaments, flats, recreational centers, parks and gardens, hotels, cinema halls, multiplexes, shopping malls, markets, commercial establishments, factories, godowns, warehouses, structures and immovable properties of any tenure or description;*
 - (b) *infrastructure facilities including docks, harbours, wharves, canals, water courses, reservoirs, embankments, irrigation, reclamations, railways, roadways, tramways and other transport systems, drainage and other sanitary works, roads, highways, bridges, tunnels, barrages, fly-overs, airports, airways, cargo movement and management systems, cargo handling equipments, ports, industrial parks, water supply projects, irrigation projects, inland water ways and inland ports, water treatment systems, solid waste management systems, sanitation and sewerage systems and any other public facilities of a similar nature;*
 - (c) *all essential infrastructural inputs as may be necessary Including installations of water, gas, electric and other supply works;*
 - (d) *any project for acquiring/providing telecommunication services, security services and other services of similar kind or nature;*
- ii) *To organize, undertake and carry on the business of contract builders, earth-work, masonry and general construction contractors and haulers;*
- iii) *To sell, lease or otherwise transfer properties on such terms as may be decided and to carry on business as estate agents and estate managers and to collect rents, repair, look after and manage immovable properties of or for any persons, firms and companies, governments and States as well as of this Company;*
- iv) *To render consultancy and / or other services or to enter into any arrangement by way of turnkey project or otherwise involving the supply of technical, civil, financial, administrative or for any other such matter in relation to setting up of Special Economic Zone(s), Information Technology Park(s), Software Park(s), Industrial Estate(s) or any other such Zone/Park/Estate.*

5. RATIONALE FOR THE SCHEME

The Rationale for the Scheme, as also its benefits, are as follows:

- 5.1 The API Business and the Formulations Business require different leadership skills and focus. Currently, both businesses are housed in the Transferor Company, where the leadership is better suited and capable of handling and nurturing the formulation side of the business including specialty pharmaceuticals. The API Business is more oriented toward synthetic and medicinal chemistry and hence, attention is diverted from the Transferor Company's core pharmaceuticals business. Accordingly, separation of the API Business will help the Transferor Company increase focus on core pharmaceutical business;
- 5.2 Further, the transfer of the API Business to the Transferee Company (where there is a focused leadership team to drive the synthetic and medicinal chemistry business operations of the group) along with the contract development and manufacturing operations ("CDMO") will not adversely impact customer needs or the API Business interests of the group, on the contrary, it will create synergies and efficiencies since the business will be driven by the leadership team directly responsible for the relevant business. This may enable cross leveraging of relevant customer relationship existing at different places.
- 5.3 Creation of a separate, distinct and focussed entity housing the API Undertaking leading to greater operational and administrative efficiencies for the API Undertaking;
- 5.4 Segregation of the API business by Transferor Company and transfer & vesting of the same into the Transferee Company will ensure required depth and focus on each of the businesses and adoption of strategies necessary for the growth of the respective businesses;
- 5.5 Unlocking of value for the shareholders of the Transferor Company by transfer of the API Undertaking, which would enable optimal exploitation, monetization and development of the Residual Undertaking by attracting focused investors, joint venture partners and strategic partners having the necessary ability, experience and interests in this sector and by allowing pursuit of inorganic and organic growth opportunities in such businesses; and
- 5.6 Enabling the business and activities to be pursued and carried on with greater focus and attention through two separate companies each having its own separate administrative set up and dedicated management.

6. SALIENT FEATURES OF THE SCHEME OF ARRANGEMENT

The salient features of the Scheme of Arrangement are as under:

1. TRANSFER AND VESTING OF THE API UNDERTAKING INTO THE TRANSFeree COMPANY

- 1.1 Upon the Effective Date and with effect from the Appointed Date, the API Undertaking of the Transferor Company, together with its rights, benefits, interests and obligations therein, shall, in accordance with Section 2(19AA) of the Income Tax Act, 1961 ('IT Act') and Sections 230 to 232 and other applicable provisions of the Act, stand demerged and be transferred and vested in the Transferee Company, on a going concern basis, without any requirement of any further act, instrument or deed so as to become as and from the Appointed Date, the undertaking of the Transferee Company, and to vest in the Transferee Company, all the Assets, Intellectual Property, Liabilities, rights, title, interest or obligations of the API Undertaking therein, in the manner described hereunder.

2. TRANSFER OF ASSETS

- 2.1 Upon the Effective Date and with effect from the Appointed Date, all Assets that are movable or intangible in nature, as identified and applicable or are otherwise capable of transfer by manual or constructive delivery or by endorsement and delivery, shall stand transferred to and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company (to the extent permissible under Applicable Law) without any further act, instrument or deed. The vesting pursuant to this Clause 2.1 shall be deemed to have occurred by manual or constructive delivery or by endorsement and delivery, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly to the Transferee Company.
- 2.2 Upon the Effective Date and with effect from the Appointed Date, all movable Assets, other than those specified in Clause 2.1 above, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, inter corporate deposits and receivables between companies, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons shall without any requirement of any further act, instrument or deed become the property of the Transferee Company.
- 2.3 Upon the Effective Date and with effect from the Appointed Date, all lease or license or rent agreements pertaining to the API Undertaking, entered into by the Transferor Company with various landlords, owners and lessors in connection with the use of the Assets, together with security deposits, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions, subject to Applicable Law, without any further act, instrument or deed. The Transferee Company shall continue to pay rent amounts as provided for in such agreements and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreements by the Transferor Company.
- 2.4 Upon the Effective Date and with effect from the Appointed Date, all Intellectual Property, as identified and applicable pertaining to the API Undertaking, shall without any requirement of any further act, instrument or deed, stand transferred to and vested in the Transferee Company. This Scheme shall serve as a requisite consent for use and transfer of such Intellectual Property without requiring the execution of any further deed or document, so as to transfer the said Intellectual Property in favour of the Transferee Company.
- 2.5 Upon the Effective Date and with effect from the Appointed Date, the Transferor Company agrees to execute and deliver at the request of the Transferee Company, all papers and instruments required in respect of the Intellectual Property, as identified and applicable, to vest such rights, title and interest in the name of the Transferee Company and in order to update the records of the respective registries to reflect the name and address of the Transferee Company as the owner of such Intellectual Property.
- 2.6 Upon the Effective Date and with effect from the Appointed Date, in relation to Assets, if any, which require separate documents for vesting in the Transferee Company, or which the Transferor Company and/ or the Transferee Company otherwise desire to be vested separately, the Transferor Company and the Transferee Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- 2.7 Upon the Effective Date and with effect from the Appointed Date, all Assets acquired by the Transferor Company after the Appointed Date and prior to the Effective Date for operation of the API Undertaking shall be deemed to have been acquired for and on behalf of the Transferee Company and shall also stand transferred to and vested in the Transferee Company.

- 2.8 Upon the Effective Date and with effect from the Appointed Date, the past track record of the Transferor Company relating to the API Undertaking, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Transferee Company in all existing and future bids, tenders, contracts and incentive schemes of all ministries, authorities, agencies and clients.

3. TRANSFER OF LIABILITIES

- 3.1 Upon the Effective Date and with effect from the Appointed Date, all Liabilities (more particularly described in Clause 1.5(viii) of Part A of the Scheme) shall stand transferred, or be deemed to have been transferred to the Transferee Company so as to become from the Appointed Date, the Liabilities of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same.
- 3.2 It is hereby clarified that, unless expressly provided for, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen, in order to give effect to the provisions of Clause 3.
- 3.3 Where any of the Liabilities on the Appointed Date have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company.
- 3.4 Upon the Effective Date and with effect from the Appointed Date, all loans raised and used, and Liabilities incurred, if any, by the Transferor Company after the Appointed Date, but prior to the Effective Date, for the API Undertaking shall be deemed to be transferred to, and discharged by the Transferee Company.
- 3.5 The vesting of the API Undertaking as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans or borrowings of the API Undertaking, provided however, any reference in any security documents or arrangements to which the Transferor Company is a party, wherein the Assets of the API Undertaking have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the Assets pertaining to the API Undertaking as are vested in the Transferee Company as per this Scheme, to the end and intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other Assets of the Transferor Company or any of the Assets of the Transferee Company. Provided further, that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the Assets or any part thereof of the Transferee Company shall continue with respect to such Assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation and mortgages.
- 3.6 Upon the Effective Date, the borrowing limits of the Transferee Company shall, without any requirement of any further act or deed, stand enhanced by an amount being the aggregate of the Liabilities pertaining to the API Undertaking which are being transferred to the Transferee Company pursuant to this Scheme and the Transferee Company shall not be required to pass any separate resolution in this regard.

4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS.

- 4.1 Upon the Effective Date and with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements entered into with various persons including independent consultants, subsidiaries/associate/joint venture companies and other shareholders of such subsidiaries/ associate/ joint venture companies, arrangements and other instruments of whatsoever nature in relation to the API Undertaking, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.
- 4.2 Without prejudice to the other provisions of this Scheme and notwithstanding that the vesting of the API Undertaking with the Transferee Company occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the Effective Date in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Transferor Company will, if necessary, also be a party to the above. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

- 4.3 Without prejudice to the generality of the foregoing, it is clarified that upon the Effective Date and with effect from the Appointed Date, all consents, agreements, permissions, all statutory or regulatory licenses, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company in relation to the API Undertaking shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Transferor Company in relation to the API Undertaking are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Company, as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Transferee Company.
- 4.4 Upon the Effective Date and with effect from the Appointed Date, all the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as the resolutions of the Transferee Company to the extent such resolutions pertain to the API Undertaking, and, if any such resolutions have an upper monetary or any other limits imposed under the provisions of the Act, then the said limits shall apply *mutatis mutandis* to such resolutions and shall constitute the aggregate of the said limits in the Transferee Company.

5. PERMIT

- 5.1 All governmental approvals and other consents, permissions, quotas, rights, authorisations, entitlements, no-objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be entitled to use and which may be required to carry on the operations of the API Undertaking, and which are subsisting or in effect immediately prior to the effectiveness of this Scheme, shall be, and remain, in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, the Transferee Company had been a party, a beneficiary or an obligee thereto.
- 5.2 The Transferee Company shall be entitled to undertake and carry out the business pertaining to the API Undertaking pursuant to the effectiveness of this Scheme on its own account, pending the transfer of any approvals and other consents, registrations, permissions, quotas, rights, authorisations, entitlements, no-objection certificates and licenses, privileges, powers and facilities of every kind and description, that may be required under Applicable Law in the name of the Transferee Company and would be entitled to make any applications, requests and the like in this regard.

6. EMPLOYEES

- 6.1 Upon the Effective Date, the employees of the API Undertaking as on the Effective Date, shall be deemed to have become employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as those applicable to them with reference to the Transferor Company as on the Effective Date. The services of such employees, if any, with the Transferor Company up to the Effective Date shall be taken into account for the purposes of all benefits to which the employees, may be eligible under Applicable Law.
- 6.2 Upon the Effective Date, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of the employees of the API Undertaking, if any, shall be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 6.3 The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Transferor Company for the employees of the API Undertaking, shall be continued on the same terms and conditions and be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company without any requirement of any separate act or deed/approval. In relation to the employees of the API Undertaking, for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees.

7. CONTINUATION OF LEGAL PROCEEDINGS

- 7.1 Upon the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending on the Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Appointed Date) and in each case relating to the API Undertaking (“**Proceeding(s)**”) shall be continued and enforced by or against the Transferee Company after the effectiveness of this Scheme, to the extent legally permissible. To the extent such Proceedings cannot be taken over by the Transferee Company, such proceedings shall be pursued by the Transferor Company as per the instructions of and entirely at the costs and expenses of the Transferee Company.
- 7.2 If any Proceedings are initiated or carried on against the Transferor Company in respect of the matters referred to in Clause 7.1 above, it shall defend the same in accordance with the advice of the Transferee Company and at the cost of the Transferee Company, and the latter shall reimburse, indemnify and hold harmless the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.
- 7.3 If any Proceeding(s) is/ are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.
- 7.4 Any difference or difficulty as to whether any specific legal or other proceedings relates to the API Undertaking, shall be mutually decided between the Board of Directors of the Transferor Company and the Transferee Company and such mutual decision shall be conclusive and binding on the Transferor Company and the Transferee Company.

8. TREATMENT OF TAXES

- 8.1 Upon the Effective Date and with effect from the Appointed Date, all taxes and duties payable by the Transferor Company (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, state sales tax laws, State excise Acts, Central Sales Tax Act, 1956, value added tax/ service tax, goods and services tax laws and all other Applicable Laws), accruing and relating to the API Undertaking from the Appointed Date onwards, including but not limited to tax deducted at source, tax collected at source any refund and claims shall, for all purposes, be treated as tax deducted at source or tax collected at source, refunds and claims, as the case may be, of the Transferee Company.
- 8.2 Upon the Effective Date and with effect from the Appointed Date, all unutilized credits and exemptions, benefit of carried forward losses, unabsorbed depreciation and other statutory benefits, including in respect of income tax (including but not limited to tax deducted at source, tax collected at source, tax credit, minimum alternative tax credits, foreign tax credits etc.), Goods and service tax input tax credits, cenvat, customs, value added tax, sales tax, service tax etc. relating to the API Undertaking to which the Transferor Company is entitled to shall be available to and vest in the Transferee Company, without any requirement of any further act or deed.
- 8.3 Upon this Scheme becoming effective, the Transferor Company and the Transferee Company are permitted to revise and file their respective income tax returns, withholding tax returns, including tax deducted at source certificates, sales tax/value added tax returns, service tax returns, Goods and service tax returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/credits, pursuant to the provisions of this Scheme.
- 8.4 The Board of Directors of the Transferor Company and the Transferee Company shall be empowered to determine if any specific tax liability or any tax proceeding relates to the API Undertaking and whether the same would be transferred to the Transferee Company.
- 8.5 Upon this Scheme becoming effective, any tax deposited, certificates issued or returns filed by the Transferor Company relating to the API Undertaking shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by the Transferee Company.
- 8.6 All the expenses incurred by the Transferor Company and the Transferee Company in relation to the demerger of the API Undertaking, including stamp duty expenses, if any, shall be allowed as deduction to the Transferor Company and the Transferee Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.
- 8.7 Any refund under the tax laws due to the Transferor Company pertaining to the API Undertaking consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company. The relevant

authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the orders on this Scheme by the NCLT upon relevant proof and documents being provided to the said authorities.

- 1.8 The Transferor Company may be entitled to various incentive schemes and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the API Undertaking shall stand transferred to and vested in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including benefits under the income tax, Central and State excise, sales tax, VAT, service tax, goods and services tax, Foreign trade policy, exemptions, concessions, remissions, subsidies and other incentives in relation to the API Undertaking, to the extent statutorily available, shall be claimed by the Transferee Company.

9. SAVING OF CONCLUDED TRANSACTIONS

- 9.1 The transfer of Assets and Liabilities to, and the continuance of proceedings by or against, the Transferee Company shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

10. CONDUCT OF BUSINESS

- 10.1 Subject to the effectiveness of this Scheme, with effect from the Appointed Date and upto and including the Effective Date:

- (i) the Transferor Company undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the Assets of the API Undertaking, for and on account of and in trust for the Transferee Company; and
- (ii) all income, receipts, profits accruing to the Transferor Company and attributable to the API Undertaking and all taxes thereon or Liabilities or losses arising or incurred by it with respect to the API Undertaking shall, for all purposes, be treated as and deemed to be the income, expenses, payments, profits, Liabilities, taxes or losses, as the case may be, of the Transferee Company.

- 10.2 Subject to the effectiveness of this Scheme, with effect from the date of approval of this Scheme by the Board of Directors of the Transferor Company and the Transferee Company, and up to and including the Effective Date, the Transferor Company shall carry on the business of the API Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing hitherto.

- 10.3 The Transferee Company shall also be entitled, pending the effectiveness of this Scheme, to apply to the central government, state government, and all other agencies, Government departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, licenses, exemptions, reliefs, etc., as may be required/granted under any Applicable Law for carrying on the business of the API Undertaking.

- 10.4 It is hereby clarified that if any Assets (including but not limited to any estate, rights, title, interest in or authorities relating to such Assets) which the Transferor Company owns, any Liabilities and/ or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature ("**Contracts**") in relation to the API Undertaking to which the Transferor Company is a party, have not been transferred to the Transferee Company, the Transferor Company shall hold such Asset, Liabilities and/ or Contracts, as the case may be, in trust for the benefit of the Transferee Company till the time such Assets, Liabilities and/ or Contracts are duly transferred to the Transferee Company and to this end, the Transferor Company shall render all necessary assistance to and fully cooperate with, the Transferee Company with respect to such Assets, Liabilities and/ or Contracts by the Transferee Company.

- 10.5 Unless otherwise specified in this Scheme, if there are any assets, liabilities, contracts, properties, services and/ or resources which are utilized by the API Undertaking and the Residual Undertaking or which are shared between or are common to both the aforesaid undertakings, the Board of Directors of the Companies shall be empowered to take appropriate decisions for allocation of such shared/ common assets, liabilities, contracts, properties, services and/ or resources and the Companies shall be permitted to enter into appropriate arrangements for the continued utilization of such common/ shared assets, liabilities, contracts, properties, services and/ or resources, as the case may be, upon mutually agreed terms.

11. CONSIDERATION

- 11.1 No shares will be issued by the Transferee Company to the shareholders of the Transferor Company pursuant to this Scheme since the shareholders of the Transferor Company (i.e. Jubilant Pharma Limited along with its nominee(s)) is a wholly-owned subsidiary of the Transferee Company.

12. REDUCTION OF SECURITIES PREMIUM

- 12.1. Further to Clause 14 of Part B of the Scheme, the adjustment equal to the book values of the API Undertaking as per Clause 14.1(i) of the Scheme shall be made, first in the capital reserve to the extent available and residual balance, if any, in the securities premium under the head “Other Equity” of the Transferor Company, and such consequential capital reduction shall be effected as an integral part of this Scheme itself, and not under a separate procedure in terms of Section 52(1) read with Section 66 of the Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Transferor Company and the Transferee Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 52(1) read with Section 66 of the Act as well and no further compliances would be separately required.
- 12.2. The Transferor Company shall not be required to add the words “and reduced” as a suffix to its name consequent upon the reduction of capital under Clause 12.1 of Part B of the Scheme.
- 12.3. The reduction of capital of the Transferor Company, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

13. RESIDUAL UNDERTAKING OF THE TRANSFEROR COMPANY

- 13.1 The Transferee Company shall have no right, claim, interest or obligation in relation to the Residual Undertaking and all assets, liabilities, rights, title, interest or obligations thereto shall remain with, and continue to be that of the Transferor Company.
- 13.2 All legal, taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and in each case pertaining to the Residual Undertaking shall be continued and enforced by or against the Transferor Company after the Effective Date. The Transferee Company shall in no event be responsible or liable in relation to any such legal or other proceeding against the Transferor Company.
- 13.3 Without prejudice to this Scheme, with effect from and beyond the Effective Date, the Transferor Company:
- (i) shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Residual Undertaking for and on its own behalf; and
 - (ii) all profits accruing to the Transferor Company thereon or losses arising or incurred by it relating to the Residual Undertaking shall for all purposes be treated as the profits or losses, as the case may be, of the Transferor Company.

14. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEROR COMPANY

- 14.1 Upon this scheme coming into effect on the Effective Date, and with effect from the Appointed Date, the Transferor Company shall account for the demerger of the API Undertaking in its books of accounts in accordance with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and generally accepted accounting principles as under:
- (i) The Transferor Company shall reduce the book values of assets and liabilities of the API Undertaking as at the close of business on the day immediately preceding the Appointed Date in its books of accounts; and
 - (ii) Upon this scheme coming into effect on the Effective Date, the Transferor Company shall make an adjustment equal to the book values of the API Undertaking as per clause (i) above, in the Retained Earnings/Capital Reserve under the head “Other Equity”.

15. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFeree COMPANY

15.1 Upon this scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferee Company shall account for the demerger and vesting of the API Undertaking with the Transferee Company in its books of accounts in accordance with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and generally accepted accounting principles as under:

- (i) The Transferee Company shall record the Assets and Liabilities of the API Undertaking vested in it pursuant to this scheme at the respective book values appearing in the books of accounts of the Transferor Company;
- (ii) The loans and advances or payables or receivables or arrangement of any kind, held inter se, if any, shall stand cancelled; and
- (iii) The difference between the book value of Assets and Liabilities as recorded under the clause (i) above and after considering the cancellation of inter-company balances in accordance with clause (ii) above, shall be recorded as Capital Reserve.

7. DIRECTORS, PROMOTERS AND KEY MANAGERIAL PERSONNEL:

- i) The Scheme would not have any effect on the Directors or Key Managerial Personnel of the Applicant Companies. The Scheme is not intended, in any manner, to have any beneficial effect on the material interest, if any, of the Directors of the Applicant Companies, except to the extent of their shareholdings, if any.
- ii) The details of the present Directors and the Key Managerial Personnel (KMPs) of the Applicant Companies and shareholding pattern are as follows:

As on date, list of Promoters and Directors of the Transferor Company

| Sr. No. | Name | Promoter/ Director | Residential/ Registered Office Address |
|---------|------------------------------------|---------------------|---|
| 1 | Jubilant Pharma Limited | Promoter | 80 Robinson Road, #02-00, Singapore 068898 |
| 2 | Ms. Sudha Pillai | Director | D-241, Second Floor, Sarvodaya Enclave, New Delhi – 110017 |
| 3 | Mr. Arvind Chokhany | Director | 402, Dosti Ambrosia, Dosti Acres, Wadala East, Mumbai Antop Hill, Mumbai, Maharashtra, 400037 |
| 4 | Mr. Pramod Yadav | Director | 1869 Field Stone Ln, Yardley PA 19067 6475, USA |
| 5 | Mr. Anant Pande | Director | A-3/610 Towers Silver City, Sector 93, Dadri, Noida, U.P.- 201304 |
| 6 | Mr. Christopher Stanley Krawtschuk | Director | 490 Foothill Rd, Bridgewater, New Jersey - 088072254 United States |
| 7 | Mr. Jasdeepsingh Gurdeepsingh Sood | Whole-time Director | 201, Challengers Tower No. 1, Behind Thakur Cinema, Thakur Village, Kandivali East, Mumbai, Maharashtra- 400101 |

As on date, list of Promoters and Directors of the Transferee Company

| Sr. No. | Name | Promoter/ Director | Residential/ Registered Office Address |
|---------|--------------------------|--|---|
| 1 | Mr. Shyam Sunder Bhartia | Chairman and Promoter | 27 Claymore Road # 04-02, The Claymore, Singapore 229544 |
| 2 | Mr. Hari Shanker Bhartia | Co-chairman and Managing Director and Promoter | 2, Amrita Shergill Marg, New Delhi – 110003, India |
| 3 | Mr. S. Sridhar | Director | D-905, Ashok Towers, Dr. S.S. Rao Road, Parel, Mumbai – 400012, India |
| 4 | Ms. Sudha Pillai | Director | D-241, 2nd Floor, Sarvodaya Enclave, New Delhi – 110017, India |
| 5 | Dr. Ashok Misra | Director | 68, Adarsh Vista, Basavanagar, Bangalore – 560037, India |

| Sr. No. | Name | Promoter/ Director | Residential/ Registered Office Address |
|---------|---------------------------|---|---|
| 6 | Mr. Sushil Kumar Roongta | Director | D-91, The Pinnacle, DLF Phase-V, Opp., DLF Golf Course Gurgaon - 122009, Haryana, India |
| 7 | Mr. Vivek Mehra | Director | B-314 New Friends Colony New Delhi -110065, India |
| 8. | Mr. Arun Seth | Director | A-7 Geetanjali Enclave, South Delhi, New Delhi – 110017, India |
| 9. | Mr. Priyavrat Bhartia | Director | 19, Friends Colony (West), New Delhi – 110065, India |
| 10. | Mr. Arjun Shanker Bhartia | Director | 2, Amrita Shergill Marg, New Delhi – 110003, India |
| 11. | Mr. Pramod Yadav | Director | 1869 Fieldstone Lane, Yardley, PA 19067, USA |
| 12. | Mr. Arvind Chokhany | Group Chief Financial Officer and Whole-time Director | 402, Dosti Ambrosia, Dosti Acres, Wadala East, Mumbai - 400037, Maharashtra |

As on date, Shareholding Pattern of the Transferor Company

| Sr. No. | Particulars | No. of Equity Shares of face value of Rs. 10 each | % Holding |
|---------------------------------------|---|---|---------------|
| A. Promoter and Promoter Group | | | |
| 1 | Jubilant Pharma Limited | 25,79,659 | 100.00 |
| 2 | Jubilant Pharma Limited jointly with Mr. Arun Kumar Sharma | 1 | 0.00 |
| 3 | Jubilant Pharma Limited jointly with Mr. Sanjay Das | 1 | 0.00 |
| 4 | Jubilant Pharma Limited jointly with Mr. Nikhil Bihari Pandey | 1 | 0.00 |
| 5 | Jubilant Pharma Limited jointly with Mr. Anuj Jain | 1 | 0.00 |
| 6 | Jubilant Pharma Limited jointly with Mr. Tushar Gupta | 1 | 0.00 |
| 7 | Jubilant Pharma Limited jointly with Mr. Nikhil Jain | 1 | 0.00 |
| B. | Public | - | - |
| | Total | 2,579,665 | 100.00 |

As on date, Shareholding Pattern of the Transferee Company

| Sr. No. | Particulars | No. of Equity Shares of face value of Re. 1 each | % Holding |
|---------------------------------------|--------------------------|--|-----------|
| A. Promoter and Promoter Group | | | |
| 1 | Mr. Shyam Sunder Bhartia | 13,99,925 | 0.88 |
| 2 | Mr. Hari Shanker Bhartia | 3,60,885 | 0.23 |
| 3 | Ms. Kavita Bhartia | 10,285 | 0.01 |
| 4 | Mr. Priyavrat Bhartia | 3,085 | 0.00 |
| 5 | Mr. Shamit Bhartia | 1,29,245 | 0.08 |

| Sr. No. | Particulars | No. of Equity Shares of face value of Re. 1 each | % Holding |
|-------------------------------------|---|--|---------------|
| 6 | Jaytee Private Limited | 7,600 | 0.00 |
| 7 | Nikita Resources Private Limited | 35,04,540 | 2.20 |
| 8. | SPB Trustee Company Private Limited & SS Trustee Company Private Limited (jointly on behalf of Shyam Sunder Bhartia Family Trust) | 3,26,86,161 | 20.52 |
| 9. | HSB Trustee Company Private Limited & HS Trustee Company Private Limited (jointly on behalf of Hari Shanker Bhartia Family Trust) | 3,02,57,475 | 19.00 |
| 10. | MAV Management Advisors LLP | 50,11,400 | 3.15 |
| 11. | Jubilant Enpro Private Limited | 21,16,000 | 1.33 |
| 12. | Miller Holdings Pte. Limited | 52,30,455 | 3.28 |
| 13. | Jubilant Consumer Private Limited | - | 0.00 |
| 14. | Jubilant Advisors LLP | - | 0.00 |
| 15. | Torino Overseas Limited | - | 0.00 |
| 16. | Cumin Investments Limited | - | 0.00 |
| 17. | Rance Investment Holdings Limited | - | 0.00 |
| 18. | VAM Holdings Limited | - | 0.00 |
| Total (A) | | 8,07,17,056 | 50.68 |
| B. Non Promoter Shareholding | | 7,85,64,083 | 49.32 |
| Total | | 15,92,81,139 | 100.00 |

8. **STATEMENT DISCLOSING DETAILS OF SCHEME OF ARRANGEMENT AS PER SUB-SECTION 3 OF SECTION 230 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES 2016**

| Sr. No. | Particulars | Jubilant Generics Limited (Transferor Company) | Jubilant Pharmova Limited (Transferee Company) |
|---------|--|---|---|
| i | Details of the order of the NCLT directing the calling, convening and conducting of the meeting: | | |
| A | Date of the order | Order dated November 15, 2021 | |
| B | Date, time and venue of the meeting | - | Saturday, January 15, 2022 at 1.30 p.m. at Bhartiagram, Gajraula, District Amroha - 244223, Uttar Pradesh (India) |
| ii | Details of the Companies | | |
| A | Corporate Identification Number (CIN) | U24100UP2013FLC060821 | L24116UP1978PLC004624 |
| B | Permanent Account Number (PAN) | AADCJ2401L | AABCV0200H |
| C | Name of Company | Jubilant Generics Limited | Jubilant Pharmova Limited |
| D | Date of incorporation | November 25, 2013 | June 21, 1978 |
| E | Type of Company | Limited company | Limited company |

| Sr. No. | Particulars | Jubilant Generics Limited (Transferor Company) | Jubilant Pharmova Limited (Transferee Company) |
|---------|---|--|---|
| F | Registered Office Address and E-mail address | <u>Address:</u> Plot 1A, Sector 16A, Institutional Area, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301 <u>Email:</u> Shwetank.Tiwari@jubl.com | <u>Address:</u> Bhartiagram Gajraula, District Amroha - 244223, Uttar Pradesh, India <u>Email:</u> investors@jubl.com |
| G | Summary of main objects as per the Memorandum of Association; and main business carried on by the Company | The Transferor Company is primarily engaged in the following businesses: a) Manufacture, sale, distribution, marketing and supply of APIs, including from its manufacturing facility at Nanjangud, Karnataka and conducting research and development in relation to APIs through its research and development centers in Nanjangud, Karnataka and Noida, Uttar Pradesh. b) Manufacture and supply of dosage formulations (solid and injectables), including from its manufacturing facility at Roorkee, Uttarakhand and also including trading of such dosage formulations (solid and injectables), India Branded Pharmaceuticals (IBP) business, conducting research and development in respect of its Formulations Business at its research and development centers in Noida, Uttar Pradesh. | The Transferee Company is currently engaged in the businesses of providing management services and is also inter alia, engaged in the following businesses, through its direct and indirect, wholly-owned subsidiaries, including Jubilant Pharma Limited: (i) Manufacture and supply of APIs, solid dosage formulations, radiopharmaceuticals, allergy therapy products and contract manufacturing of sterile injectables and non-sterile products through 6 manufacturing facilities that cater to all the regulated markets including the USA, Europe and other geographies and a network of over 48 radiopharmacies in the United States; (ii) Drug discovery and development solutions business which provides proprietary in-house innovation and collaborative research and partnership for out-licensing; and (iii) Undertaking preclinical research and development and providing various drug discovery services to global pharmaceutical and biotech companies, including in the areas of medicinal chemistry, invitro biology, in vivo biology, structural biology, drug metabolism and pharmacokinetics, toxicology and discovery informatics. The Transferee Company is also engaged in in-house drug discovery for small molecules in various therapeutic areas and also enters into collaboration with various companies/academic universities in the field of research and development. |
| H | Details of change of name, Registered Office and objects of the Company during the last five years. | There is no change of name, registered office and objects of the Company during the last five years. | There is no change in registered office and objects of the Company during the last five years. However, the Company has changed its name from Jubilant Life Sciences Limited to Jubilant Pharmova Limited effective from February 1, 2021 pursuant to Order of the NCLT, Allahabad dated December 23, 2020. |

| Sr. No. | Particulars | Jubilant Generics Limited (Transferor Company) | Jubilant Pharmova Limited (Transferee Company) |
|---------|--|---|---|
| I | Name of stock exchange(s) where securities of the Company are listed, if applicable. | Unlisted | 1. National Stock Exchange of India Limited 2. BSE Limited |
| J | Details of capital structure - Authorized, Issued, subscribed and paid-up share capital | As per Para 3(iii) of the Explanatory Statement and Clause 2.1.2 of Part A of the Scheme | As per Para 4(iii) of the Explanatory Statement and Clause 2.2.1 of Part A of the Scheme |
| K | Name of the promoters and directors along with their addresses | Please refer Para 7(ii) of this Explanatory Statement | Please refer Para 7(ii) of this Explanatory Statement |
| iii | If the Scheme of Arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such Scheme of Arrangement including holding, subsidiary or associate companies. | Wholly-owned Subsidiary of the Transferee Company | Holding Company of the Transferor Company |
| iv | The date of Board Meeting at which the scheme was approved by the Board of Directors including the name of Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution. | The Board of Directors has approved the Scheme on July 16, 2021. The Board meeting held on July 16, 2021 was attended by Ms. Sudha Pillai, Mr. Arvind Chokhany, Mr. Pramod Yadav, Mr. Anant Pande, Mr. Christopher Krawtschuk and Mr. Jasdeep Singh G. Sood and the resolution was passed unanimously. | The Board of Directors has approved the Scheme on July 23, 2021. The Board meeting held on July 23, 2021 was attended by Mr. Shyam S. Bhartia, Mr. Hari S Bhartia, Mr. S. Sridhar, Ms. Sudha Pillai, Dr. Ashok Misra, Mr. Sushil Kumar Roongta, Mr. Vivek Mehra, Mr. Priyavrat Bhartia, Mr. Arjun Shanker Bhartia, Mr. Pramod Yadav and Mr. Arvind Chokhany. Mr. Shyam S. Bhartia, Chairman, Mr. Hari S. Bhartia, Co-Chairman and Managing Director, Mr. Priyavrat Bhartia and Mr. Arjun Bhartia, Directors being interested, were not present during the discussions and did not vote on this agenda item. All other Directors approved the resolution. |
| V | Explanatory Statement disclosing details of the scheme of Arrangement including: | | |
| a | Parties involved in the Scheme of Arrangement | Jubilant Generics Limited - Transferor Company Jubilant Pharmova Limited - Transferee Company | |
| b | <p>“Appointed Date” means the commencement of business hours of April 1, 2022 or such other date as may be fixed by the Board of Directors of the respective Companies or such other date as the NCLT may direct.</p> <p>“Effective Date” means the last of the dates on which the certified copy of the NCLT’s order sanctioning this Scheme is filed by the Companies with the RoC.</p> <p>Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” shall refer to the Effective Date;</p> | | |
| | Share Exchange Ratio and other Consideration, if any | No shares will be issued by the Transferee Company to the shareholders of the Transferor Company pursuant to this Scheme since the shareholders of the Transferor Company (i.e. Jubilant Pharma Limited) is a wholly-owned subsidiary of the Transferee Company. | No shares will be issued by the Transferee Company to the shareholders of the Transferor Company pursuant to this Scheme since the shareholders of the Transferor Company (i.e. Jubilant Pharma Limited) is a wholly-owned subsidiary of the Transferee Company. |

| Sr. No. | Particulars | Jubilant Generics Limited (Transferor Company) | Jubilant Pharmova Limited (Transferee Company) |
|---------|---|---|---|
| c | Summary of Share Entitlement Ratio Report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation report is available for inspection at registered office of the Company | Refer Annexure - 2 for the Valuation Opinion. The same is available for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays between 11.00 am and 1.00 pm upto the date of the meeting. | Refer Annexure - 2 for the Valuation Opinion. The same is available for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays between 11.00 am and 1.00 pm upto the date of the meeting. |
| d | Details of capital or debt restructuring, if any | Not applicable | Not applicable |
| e | Rationale for Scheme of Arrangement | Refer Clause B of the Preamble of the Scheme. Also refer Para 5 of the Explanatory Statement. | Refer Clause B of the Preamble of the Scheme. Also refer Para 5 of the Explanatory Statement. |
| f | Benefits of the Demerger/Merger as perceived by the Board of Directors to the Company members, creditors and others (as applicable). | Refer Clauses B (6) of the Preamble of the Scheme. Also refer to Para 5 of the Explanatory Statement. | Refer Clauses B (6) of the Preamble of the Scheme. Also refer to Para 5 of the Explanatory Statement. |
| g | Amount due to unsecured and secured Creditors as of July 31, 2021 | Unsecured Creditors Rs. 320,49,32,149 Secured Creditors Rs. 1,04,72,393 | Unsecured Creditors Rs. 403,04,58,622 Secured Creditors Rs. 95,11,05,197 |
| vi | Disclosure about effect of the Scheme | | |
| a | Key Managerial Personnel (KMP) (other than Directors) | Not applicable | No effect, except to the extent of their shareholding in the Company, if any. |
| b | Directors | No effect except to the extent of their shareholding in the Company, if any. | No effect, except to the extent of their shareholding in the Company, if any. |
| c | Promoters | No effect | No effect except to the extent of their shareholding in the Company, if any. |
| d | Non-promoter members | Not applicable | No effect except to the extent of their shareholding in the Company. |
| e | Depositors | Not applicable | Not applicable |
| f | Creditors | No adverse effect | No adverse effect |
| g | Debenture holders | Not applicable | No effect |
| h | Deposit Trustee and Debenture Trustee | Not applicable | No effect |
| i | Employees of the Company | No Effect | No Effect |
| vii | Disclosure about effect of Scheme of Arrangement on material interest of Directors, Key Managerial Personnel (KMP) and Debenture Trustee | | |
| | Directors | No Effect, except to the extent of their shareholding, if any in the Company. | No Effect, except to the extent of their shareholding, if any in the Company. |
| | Key Managerial Personnel | Not applicable | No effect, except to the extent of their shareholding, if any in the Company. |
| | Debenture Trustee | Not Applicable | No effect |
| viii | Investigation or proceedings, if any, pending against the Company under the Act | NIL | NIL |
| ix | Details of the availability of the following documents for obtaining extract from or making or obtaining copies of or inspection by the members and creditors, namely: | | |

| Sr. No. | Particulars | Jubilant Generics Limited (Transferor Company) | Jubilant Pharmova Limited (Transferee Company) |
|----------------|---|---|---|
| a | Latest Audited Financial Statements of the Company including consolidated financial statements | Available at Registered Office of the Applicant Company between 11.00 a.m. and 1.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays upto the date of meeting. The Transferor Company does not prepare consolidated financial statements pursuant to the provisions of Section 129 of the Companies Act, 2013 read with Rule 6 of the Companies (Accounts) Rules, 2014. | Available at Registered Office of the Applicant Company between 11.00 a.m. and 1.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays upto the date of meeting. |
| b | Copy of the order of Tribunal in pursuance of which the meeting is to be convened or has been dispensed with | Available at Registered Office of the Applicant Company between 11.00 a.m. and 1.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays upto the date of meeting. | Available at Registered Office of the Applicant Company between 11.00 a.m. and 1.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays upto the date of meeting. |
| c | Copy of the Scheme of Arrangement | Available at Registered Office of the Applicant Company between 11.00 a.m. and 1.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays upto the date of meeting. | Available at Registered Office of the Applicant Company between 11.00 a.m. and 1.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays upto the date of meeting. |
| d | Contracts or Agreements material to the Scheme of Arrangement | There are no contracts or agreements material to the Scheme of Arrangement | There are no contracts or agreements material to the Scheme of Arrangement |
| e | The certificate issued by the Auditor of the company to the effect that the accounting treatment, if any, proposed in the Scheme of Arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013; and | Available at the Registered Office of the Applicant Company between 11.00 a.m. to 1.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays upto the date of meeting. | Available at the Registered Office of the Applicant Company between 11.00 a.m. to 1.00 p.m. on all working days, except Saturdays, Sundays and Public Holidays upto the date of meeting. |
| f | Such other information or documents as the Board believes necessary and relevant for making decision for or against the Scheme of Arrangement | Refer to Para 9 (c) of the Explanatory Statement | Refer to Para 9 (c) of the Explanatory Statement |
| x | Details of approvals, Sanctions, no objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed Scheme of Arrangement | Notice under Section 230(5) of Companies Act, 2013 is being given to the Central Government/ Regional Director, Registrar of Companies, Income Tax Authorities and Securities and Exchange Board of India. | Notice under Section 230(5) of Companies Act, 2013 is being given to the Central Government/ Regional Director, Registrar of Companies, Income Tax Authorities and Securities and Exchange Board of India. |
| xi | A statement to the effect that the persons to whom the notice is sent may vote in the meeting either in person or by proxies, or where applicable, by voting through electronic means | Unsecured Creditors to whom the Notice is sent may vote at the meeting either in person or by proxies. | Members to whom the Notice is sent may vote at the meeting either in person or by proxies or through electronic means. Unsecured Creditors to whom the Notice is sent may vote at the meeting either in person or by proxies. |

9. GENERAL

- a. The rights and interests of the Equity Shareholders and Creditors of Jubilant Generics Limited and Jubilant Pharmova Limited will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner.
- b. There are no winding up proceedings pending against the Applicant Companies as on date.
- c. The following additional documents will be open for inspection to the equity shareholders and unsecured creditors of Jubilant Generics Limited and Jubilant Pharmova Limited at their registered offices between 11.00 am to 1.00 pm on all working days, except Saturdays, Sundays and Public Holidays upto the date of meeting:
 - i. Papers and proceedings in Company Application No. 22/ALD/2021 including certified copy of the Order of the Allahabad Bench of the National Company Law Tribunal in the said application directing the convening and holding of the meetings of the equity shareholders of the Applicant Company No. 2/ Transferee Company;
 - ii. Memorandum and Article of Association of the Applicant Companies;
 - iii. Valuation Opinion issued by M/s. Incwert Advisory Private Limited, Registered Valuer.
 - iv. Register of Directors and Shareholders of the Applicant Companies;
 - v. Copies of the resolution passed by respective Board of Directors of the Applicant Companies approving the Scheme;
- d. It is confirmed that a copy of the draft Scheme has been filed by the Transferor Company and the Transferee Company, respectively, with the Registrar of Companies, Uttar Pradesh pursuant to Section 232(2)(b) of the Act.
- e. A copy of the Scheme and the Explanatory Statement may be obtained free of charge on any working day (except Saturday, Sunday and Public Holidays) from the registered office of the Applicant Companies or from the office of its Advocate, Mr. Rahul Agarwal, having office at Chamber No. 42, High Court OR 74/62, Lal Bahadur Shastri Marg, Allahabad-211001.
- f. This statement may be treated as an Explanatory Statement under Section 230 of the Companies Act, 2013 read with Rule 6 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Section 102 and other applicable provisions of the Companies Act, 2013.

FOR JUBILANT PHARMOVA LIMITED

Sd/-

(PRADIP KUMAR)

Chairman appointed for the meeting

Dated: November 30, 2021

Place: Allahabad

SCHEME OF ARRANGEMENT

Annexure - 1

BETWEEN

JUBILANT GENERICS LIMITED

(TRANSFEROR COMPANY)

AND

JUBILANT PHARMOVA LIMITED

(TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**(UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013)**



PREAMBLE

(A) BACKGROUND AND DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THIS SCHEME

1. This Scheme is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act read with Section 2(19AA) and other applicable provisions of the IT Act for the demerger of the API Undertaking of the Transferor Company and vesting of the same with the Transferee Company, on a going concern basis.

Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

2. The Transferor Company was incorporated on November 25, 2013 under the provisions of the Companies Act, 1956. The Corporate Identification Number (CIN) of the Transferor Company is U24100UP2013FLC060821 and its registered office is situated at Plot 1A, Sector 16A, Institutional Area, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301. The Transferor Company is an indirect, wholly-owned subsidiary of the Transferee Company. Jubilant Pharma Limited, a company incorporated in Singapore and a wholly-owned subsidiary of the Transferee Company, owns and controls the entire share capital of the Transferor Company.
3. The Transferor Company is primarily engaged in the following businesses:
 - (i) Manufacture, sale, distribution, marketing and supply of APIs, including from its manufacturing facility at Nanjangud, Karnataka and conducting research and development in relation to APIs through its research and development centers in Nanjangud, Karnataka and Noida, Uttar Pradesh; and
 - (ii) Manufacture and supply of dosage formulations (solid and injectables), including from its manufacturing facility at Roorkee, Uttarakhand and also including trading of such dosage formulations (solid and injectables), India branded pharmaceuticals (IBP) business, conducting research and development in respect of its Formulations Business at its research and development centers in Noida, Uttar Pradesh.
4. The Transferee Company was incorporated on June 21, 1978 under the provisions of the Companies Act, 1956. The Corporate Identification Number (CIN) of the Transferee Company is L24116UP1978PLC004624 and its registered office is situated at Bhartiagram, Gajraula, District Amroha, Uttar Pradesh - 244223. The Transferee Company is a listed company and its securities are listed on the Stock Exchanges.
5. The Transferee Company is currently engaged in the businesses of providing management services and is also *inter alia*, engaged in the following businesses, through its direct and indirect, wholly-owned subsidiaries, including Jubilant Pharma Limited:
 - (i) Manufacture and supply of APIs, solid dosage formulations, radiopharmaceuticals, allergy therapy products and contract manufacturing of sterile injectables and non-sterile products through six United States Food and Drug Administration (USFDA) approved manufacturing facilities in the United States, Canada and India and a network of over 48 radiopharmacies in the United States;
 - (ii) Drug discovery and development solutions business which provides proprietary in-house innovation and collaborative research and partnership for out-licensing; and
 - (iii) Undertaking preclinical research and development and providing various drug discovery services to global pharmaceutical and biotech companies, including in the

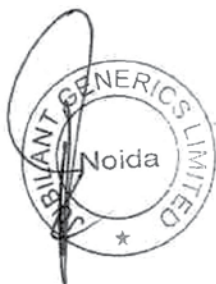


areas of medicinal chemistry, invitro biology, in vivo biology, structural biology, drug metabolism and pharmacokinetics, toxicology and discovery informatics. The Transferee Company is also engaged in in-house drug discovery for small molecules in various therapeutic areas and also enters into collaboration with various companies/academic universities in the field of research and development.

(B) RATIONALE, PURPOSE AND OBJECT OF THIS SCHEME

6. The Boards of the Companies are of the view that the demerger of the API Undertaking of the Transferor Company into the Transferee Company pursuant to this Scheme, *inter alia*, would lead to following benefits:
- (i) The API Business and the Formulations Business require different leadership skills and focus. Currently, both businesses are housed in the Transferor Company, where the leadership is better suited and capable of handling and nurturing the formulations side of the business including specialty pharmaceuticals. The API Business is more oriented towards synthetic and medicinal chemistry and hence, attention is diverted from the Transferor Company's core pharmaceuticals business. Accordingly, separation of the API Business will help the Transferor Company increase its focus on core pharmaceutical business;
 - (ii) Further, transfer of the API Business to the Transferee Company (where there is a focused leadership team to drive the synthetic and medicinal chemistry business operations of the group) along with the contract development and manufacturing operations ("CDMO") will not adversely impact customer needs or the API Business interests of the group, on the contrary, it will create synergies and efficiencies since the business will be driven by the leadership team directly responsible for the relevant business. This may enable cross leveraging of relevant customer relationship existing at different places;
 - (iii) Creation of a separate, distinct and focussed entity housing the API Undertaking leading to greater operational and administrative efficiencies for the API Undertaking;
 - (iv) Segregation of the API Business by the Transferor Company and transfer and vesting of the same into the Transferee Company will ensure the required depth and focus on each of the businesses and adoption of strategies necessary for growth of the respective businesses;
 - (v) Unlocking of value for the shareholders of the Transferor Company by transfer of the API Undertaking, which would enable optimal exploitation, monetization and development of the Residual Undertaking by attracting focused investors, joint venture partners and strategic partners having the necessary ability, experience and interests in this sector and by allowing pursuit of inorganic and organic growth opportunities in such businesses; and
 - (vi) Enabling the business and activities to be pursued and carried on with greater focus and attention through two separate Companies each having its own separate administrative set up and dedicated management.
7. The implementation of this Scheme is aimed at protecting and maximizing value for the shareholders of the Companies. This Scheme is in the interest of the Companies as well as the shareholders, creditors and all other stakeholders of the Companies.

(C) PARTS OF THIS SCHEME



8. This Scheme is divided into the following parts:

- PART A** - Definitions and Capital Structure of the Companies;
- PART B** - Demerger of the API Undertaking of the Transferor Company into the Transferee Company; and
- PART C** - General Terms and Conditions.

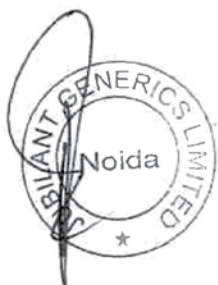


PART A

1. DEFINITIONS

In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

- 1.1 “**Accounting Standards**” means the Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and the other accounting principles generally accepted in India;
- 1.2 “**Act**” means the Companies Act, 2013, together with the rules and regulations, circulars, notifications, and clarifications issued thereunder, and as amended from time to time;
- 1.3 “**API(s)**” means active pharmaceutical ingredient(s);
- 1.4 “**API Business**” means the business of the Transferor Company of manufacture, sale, distribution, marketing and supply of APIs and conducting research and development in relation to APIs and as more particularly described in Clause 3(i) of the Preamble to this Scheme;
- 1.5 “**API Undertaking**” means the entire API Business undertaking, activities and operations of the Transferor Company to be transferred to the Transferee Company, on a going concern with effect from the Appointed Date and more particularly listed in **Schedule I** of this Scheme. Without prejudice and limitation to the generality of the aforesaid, the API Undertaking means and includes without limitation, the following as on the Appointed Date:
- (i) all Assets of the API Undertaking including the past track record, profitability, experience, credentials and market share of the Transferor Company relating to the API Undertaking;
 - (ii) Leasehold rights representing the lease for the land and building located at the manufacturing facility at Nanjangud, Karnataka upon terms agreed between the Companies;
 - (ii) all Intellectual Property;
 - (iii) all rights and licenses, all assignments and grants thereof, all permits, clearances and registrations whether under central, state or other laws, rights (including rights/ obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/ associate/ joint venture companies and other shareholders of such subsidiary/ associate/ joint venture companies in India or abroad, contracts, applications, letters of intent, letter of approval, memorandum of understandings or any other contracts), non-disposal undertakings, certifications and approvals, regulatory approvals, entitlements, customs bonds, other licenses, scrips, authorizations, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), taxes, share of advance tax, tax deducted at source credits, tax refunds, tax collected at source credits, tax credits (including but not limited to minimum alternate tax credits, credits in respect of excise, duty, sales tax, state taxes, value added tax, service tax, goods and services tax and other indirect taxes), carried forward losses/ unabsorbed depreciation, if any, deferred tax benefits and other benefits in respect of the API Undertaking, cash balances, bank accounts and bank balances,

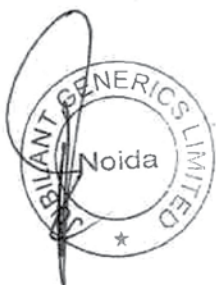


deposits, advances, recoverables, receivables, inter-company deposits and receivables between companies, easements, advantages, financial assets, treasury investments, hire purchase and lease arrangements, funds belonging to or proposed to be utilised for the API Undertaking, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, utilities, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the API Undertaking;

- (iv) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the API Undertaking;
- (v) any and all earnest monies and/ or security deposits, pre-deposits under indirect taxes or other entitlements in connection with or relating to the API Undertaking;
- (vi) employees of the Transferor Company that are determined by the Transferor Company to be engaged in or in relation to the API Undertaking on the date immediately preceding the Effective Date;
- (vii) all legal proceedings (past, present or future) of whatsoever nature by or against the Transferor Company relating to the API Undertaking;
- (viii) all outstanding Liabilities pertaining to the API Undertaking including:
 - A. All Liabilities arising out of the activities or operation of the API Undertaking including in relation or connection with taxes or under or in relation to its contracts, other obligations, duties and sums owing;
 - B. Loans and borrowings, if any raised, incurred and utilized solely for the activities or operations of the API Undertaking; and
 - C. Liabilities other than those referred to in Sub-clauses A and B of Clause 1.5(viii) of Part A of this Scheme, which are general or multipurpose borrowings, if any, of the Transferor Company be allocated to the API Undertaking in the same proportion in which the value of the Assets transferred under this clause bears to the total value of the Assets of the Transferor Company immediately before the Appointed Date in accordance with the provisions of explanation 2 to the Section 2(19AA) of the IT Act.
- (ix) any other Asset specifically allocated by the Board of Directors of the Transferor Company as relating to or belonging to the API Undertaking.

Any issue as to whether any Asset, Liability, rights, title, interest, obligations, Proceedings, licenses, records and the like pertains to the API Undertaking shall be mutually decided between the Board of Directors of the Transferor Company and the Transferee Company on the basis of evidence that they may deem relevant for the purpose (including the books or records of the Transferor Company);

- 1.6 “Applicable Law(s)” means (i) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines or policies of any applicable country and/ or jurisdiction; (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any governmental authority; and (iii) international treaties, conventions and protocols, as

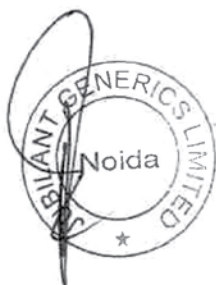


may be in force from time to time;

- 1.7 **"Appointed Date"** means the commencement of business hours of April 1, 2022 or such other date as may be fixed by the Board of Directors of the respective Companies or such other date as the NCLT may direct;
- 1.8 **"Asset(s)"** mean assets of every kind, nature and description and pertaining to the API Undertaking of the Transferor Company, whether included in the balance sheet or not and includes movable property, leasehold rights representing the lease for the land and building located at the manufacturing facility at Nanjangud, Karnataka upon terms agreed between the Companies, other leasehold property, freehold property, owned property, leased property, tangible or intangible assets (including all investments, acquisitions, holdings, in equity shares, preference shares, debentures and other securities of all descriptions of associate/ subsidiary/ joint venture companies in India and elsewhere), Intellectual Property, computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work in progress, vehicles, furniture, fixtures, office equipment, electricals, appliances and accessories, advance tax, tax deducted at source credits, tax collection at source credits, tax credits (including but not limited to minimum alternate tax credits, pre-deposits made in indirect taxes, credits in respect of sales tax, value added tax, service tax, goods and services tax and other indirect taxes), deferred tax benefits and inter-company loans and advances between companies;
- 1.9 **"Board of Directors"** means the respective board of directors of the Companies and shall, unless repugnant to the context, include a committee of directors or any person authorized by the Board of Directors or such committee of directors;
- 1.10 **"Companies"** means the Transferor Company and the Transferee Company, collectively;
- 1.11 **"Effective Date"** means the last of the dates on which the certified copy of the NCLT's order sanctioning this Scheme is filed by the Companies with the RoC.

Any references in this Scheme to **"upon this Scheme becoming effective"** or **"effectiveness of this Scheme"** shall refer to the Effective Date;

- 1.12 **"Formulations Business"** means the business of the Transferor Company of manufacture and supply of dosage formulations (solid and injectable), including trading thereof, conducting research and development in relation to the same and research and development services and as more particularly described in Clause 3(ii) of the Preamble to this Scheme;
- 1.13 **"Intellectual Property"** means all intellectual properties including trademarks, service marks, logos, trade names, domain names, database rights, design rights, rights in know-how, trade secrets, copyrights, moral rights, confidential processes, patents, inventions and any other intellectual property or proprietary rights (including rights in computer software) pertaining to the API Undertaking of the Transferor Company, in each case whether registered or unregistered and including applications for the registration or grant of any such rights and any and all forms of protection having equivalent or similar effect anywhere in the world;
- 1.14 **"IT Act"** means the Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.15 **"Liability(ies)"** means liabilities of every kind, nature and description, whether past, present or future, whether or not required to be reflected on a balance sheet in accordance with applicable accounting standards and includes contingent liabilities, secured loans, unsecured loans, borrowings, statutory liabilities (including those under taxation laws and stamp duty laws), contractual liabilities, duties, obligations, guarantees and those arising out of proceedings of



any nature;

- 1.16 "NCLT" means the bench of the National Company Law Tribunal at Allahabad and shall include, if applicable, such other forum or authority as may be vested with the powers of the NCLT under the Act;
- 1.17 "Proceeding(s)" has the meaning ascribed to such term in Clause 7.1 of Part B of this Scheme;
- 1.18 "Residual Undertaking" means the remaining activities, assets, business, contracts, employees and liabilities (actual and contingent) of the Transferor Company subsequent to the demerger of the API Undertaking to the Transferee Company in terms of and upon the Effective Date, currently including but not limited to the Transferor Company's Formulations Business and India branded pharmaceuticals (IBP) business as well as the ownership of the land and building located at Nanjangud, Karnataka and manufacturing facilities at Roorkee, Uttarakhand as stated in Clause 3 of the Preamble to this Scheme;
- 1.19 "Transferee Company" means Jubilant Pharmova Limited, a company incorporated on June 21, 1978 under the provisions of the Companies Act, 1956, having Corporate Identification Number (CIN) as L24116UP1978PLC004624 and having its registered office situated at Bhartiagram, Gajraula, District Amroha, Uttar Pradesh - 244223. The Transferee Company is a listed company and its securities are listed on the Stock Exchanges;
- 1.20 "Transferor Company" means Jubilant Generics Limited, a company incorporated on November 25, 2013 under the provisions of the Companies Act, 1956, having Corporate Identification Number (CIN) as U24100UP2013FLC060821 and having its registered office situated at Plot 1A, Sector 16A, Institutional Area, Noida, Gautam Buddha Nagar, Uttar Pradesh - 201301. The Transferor Company is an indirect, wholly-owned subsidiary of the Transferee Company. Jubilant Pharma Limited, a company incorporated in Singapore and a wholly owned subsidiary of the Transferee Company owns and controls the entire share capital of the Transferor Company;
- 1.21 "RoC" means the Registrar of Companies, Kanpur;
- 1.22 "Rs." means rupees being the lawful currency of the Republic of India;
- 1.23 "Scheme" means this scheme of arrangement in its present form, or with any modification(s), as may be approved or directed by the NCLT or by the Board of Directors of the Companies in accordance with the terms hereof;
- 1.24 "SEBI" means the Securities and Exchange Board of India;
- 1.25 "SEBI Circulars" means the circular dated March 10, 2017 issued by SEBI bearing No. CFD/DIL3/CIR/2017/21, including any amendments or modifications thereto read with the master circular dated December 22, 2020 issued by SEBI bearing No. SEBI/HO/CFD/DIL1/CIR/P/2020/249; and
- 1.26 "Stock Exchanges" means the National Stock Exchange of India Limited and the BSE Limited, where the securities of the Transferee Company are currently listed.

The expressions, which are used but are not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the rules, regulations made thereunder), the Depositories Act, 1996, the IT Act and other Applicable Laws.

2. **CAPITAL STRUCTURE OF THE COMPANIES**



2.1 Capital Structure of the Transferor Company

- 2.1.1 The Transferor Company is an indirect, wholly-owned subsidiary of the Transferee Company.
- 2.1.2 The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on July 1, 2021, is as under:

| Authorized Share Capital | Amount (in Rs.) |
|--|--------------------|
| 30,00,000 equity shares of Rs. 10/- each. | 3,00,00,000 |
| Total | 3,00,00,000 |
| Issued, Subscribed and paid up Share Capital | Amount (in Rs.) |
| 25,79,665 equity shares of Rs. 10/- each. | 2,57,96,650 |
| Total | 2,57,96,650 |

2.2 Capital Structure of the Transferee Company

- 2.2.1 The Transferee Company is a publicly listed company and its authorized, issued, subscribed and paid-up share capital as on July 1, 2021, is as under:

| Authorized Share Capital | Amount (in Rs.) |
|--|----------------------|
| 143,02,00,000 equity shares of Re. 1/- each. | 143,02,00,000 |
| Total | 143,02,00,000 |
| Issued and Subscribed Share Capital | Amount (in Rs.) |
| 15,93,13,139 equity shares of Re. 1/- each. | 15,93,13,139 |
| Total | 15,93,13,139 |
| Paid-up Share Capital | Amount (in Rs.) |
| 15,92,81,139 equity shares of Re. 1/- each. | 15,92,81,139 |
| Total | 15,92,81,139 |



PART B

DEMERGER OF THE API UNDERTAKING OF THE TRANSFEROR COMPANY INTO THE TRANSFeree COMPANY

1. Transfer and vesting of the API Undertaking into the Transferee Company

- 1.1 Upon the Effective Date and with effect from the Appointed Date, the API Undertaking of the Transferor Company, together with its rights, benefits, interests and obligations therein, shall, in accordance with Section 2(19AA) of the IT Act and Sections 230 to 232 and other applicable provisions of the Act, stand demerged and be transferred and vested in the Transferee Company, on a going concern basis, without any requirement of any further act, instrument or deed so as to become as and from the Appointed Date, the undertaking of the Transferee Company, and to vest in the Transferee Company, all the Assets, Intellectual Property, Liabilities, rights, title, interest or obligations of the API Undertaking therein, in the manner described hereunder.

2. Transfer of Assets

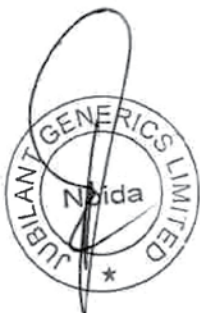
- 2.1. Upon the Effective Date and with effect from the Appointed Date, all Assets that are movable or intangible in nature, as identified and applicable or are otherwise capable of transfer by manual or constructive delivery or by endorsement and delivery, shall stand transferred to and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company (to the extent permissible under Applicable Law) without any further act, instrument or deed. The vesting pursuant to this Clause 2.1 shall be deemed to have occurred by manual or constructive delivery or by endorsement and delivery, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly to the Transferee Company.
- 2.2. Upon the Effective Date and with effect from the Appointed Date, all movable Assets, other than those specified in Clause 2.1 above, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, inter-company deposits and receivables between companies, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons shall without any requirement of any further act, instrument or deed become the property of the Transferee Company.
- 2.3. Upon the Effective Date and with effect from the Appointed Date, all lease or license or rent agreements pertaining to the API Undertaking, entered into by the Transferor Company with various landlords, owners and lessors in connection with the use of the Assets, together with security deposits, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions, subject to Applicable Law, without any further act, instrument or deed. The Transferee Company shall continue to pay rent amounts as provided for in such agreements and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreements by the Transferor Company.
- 2.4. Upon the Effective Date and with effect from the Appointed Date, all Intellectual Property, as identified and applicable including Goodwill in relation to the API Undertaking, shall without any requirement of any further act, instrument or deed, stand transferred to and vested in the Transferee Company. This Scheme shall serve as a requisite consent for use and transfer of such Intellectual Property without requiring the execution of any further deed or document, so as to transfer the said Intellectual Property in favour of the Transferee Company.



- 2.5. Upon the Effective Date and with effect from the Appointed Date, the Transferor Company agrees to execute and deliver at the request of the Transferee Company, all papers and instruments required in respect of the Intellectual Property, as identified and applicable, to vest such rights, title and interest in the name of the Transferee Company and in order to update the records of the respective registries to reflect the name and address of the Transferee Company as the owner of such Intellectual Property.
- 2.6. Upon the Effective Date and with effect from the Appointed Date, in relation to Assets, if any, which require separate documents for vesting in the Transferee Company, or which the Transferor Company and/ or the Transferee Company otherwise desire to be vested separately, the Transferor Company and the Transferee Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- 2.7. Upon the Effective Date and with effect from the Appointed Date, all Assets acquired by the Transferor Company after the Appointed Date and prior to the Effective Date for operation of the API Undertaking shall be deemed to have been acquired for and on behalf of the Transferee Company and shall also stand transferred to and vested in the Transferee Company.
- 2.8. Upon the Effective Date and with effect from the Appointed Date, the past track record of the Transferor Company relating to the API Undertaking, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Transferee Company in all existing and future bids, tenders, contracts and incentive schemes of all ministries, authorities, agencies and clients.

3. Transfer of Liabilities

- 3.1. Upon the Effective Date and with effect from the Appointed Date, all Liabilities (more particularly described in Clause 1.5(viii) of Part A of this Scheme) shall stand transferred, or be deemed to have been transferred to the Transferee Company so as to become from the Appointed Date, the Liabilities of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same.
- 3.2. It is hereby clarified that, unless expressly provided for, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen, in order to give effect to the provisions of Clause 3.
- 3.3. Where any of the Liabilities on the Appointed Date have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company.
- 3.4. Upon the Effective Date and with effect from the Appointed Date, all loans raised and used, and Liabilities incurred, if any, by the Transferor Company after the Appointed Date, but prior to the Effective Date, for the API Undertaking shall be deemed to be transferred to, and discharged by the Transferee Company.
- 3.5. The vesting of the API Undertaking as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans or borrowings of the API Undertaking, provided however, any reference in any security documents or arrangements to which the Transferor Company is a party, wherein the Assets of the API Undertaking have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the Assets pertaining to the API Undertaking as are vested in the Transferee Company as per this Scheme, to the end and



intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other Assets of the Transferor Company or any of the Assets of the Transferee Company. Provided further, that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the Assets or any part thereof of the Transferee Company shall continue with respect to such Assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation and mortgages.

- 3.6. Upon the Effective Date, the borrowing limits of the Transferee Company shall, without any requirement of any further act or deed, stand enhanced by an amount being the aggregate of the Liabilities pertaining to the API Undertaking which are being transferred to the Transferee Company pursuant to this Scheme and the Transferee Company shall not be required to pass any separate resolution in this regard.

4. Contracts, Deeds, Bonds and Other Instruments

- 4.1. Upon the Effective Date and with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements entered into with various persons including independent consultants, subsidiaries/associate/joint venture companies and other shareholders of such subsidiaries/ associate/ joint venture companies, arrangements and other instruments of whatsoever nature in relation to the API Undertaking and to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.

- 4.2. Without prejudice to the other provisions of this Scheme and notwithstanding that the vesting of the API Undertaking with the Transferee Company occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the Effective Date in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Transferor Company will, if necessary, also be a party to the above. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

- 4.3. Without prejudice to the generality of the foregoing, it is clarified that upon the Effective Date and with effect from the Appointed Date, all consents, agreements, permissions, all statutory or regulatory licenses, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company in relation to the API Undertaking shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. In so far as the various incentives including production linked incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Transferor Company in relation to the API Undertaking are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Company, as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Transferee Company.

- 4.4. Upon the Effective Date and with effect from the Appointed Date, all the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to



be valid and subsisting and be considered as the resolutions of the Transferee Company to the extent such resolutions pertain to the API Undertaking, and, if any such resolutions have an upper monetary or any other limits imposed under the provisions of the Act, then the said limits shall apply *mutatis mutandis* to such resolutions and shall constitute the aggregate of the said limits in the Transferee Company.

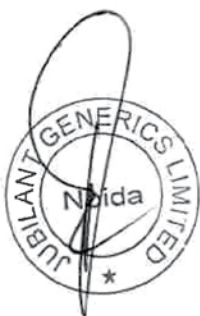
5. Permits

- 5.1. All governmental approvals and other consents, permissions, quotas, rights, authorisations, entitlements, no-objection certificates and licenses, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be entitled to use and which may be required to carry on the operations of the API Undertaking, and which are subsisting or in effect immediately prior to the effectiveness of this Scheme, shall be, and remain, in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, the Transferee Company had been a party, a beneficiary or an obligee thereto.
- 5.2. The Transferee Company shall be entitled to undertake and carry out the business pertaining to the API Undertaking pursuant to the effectiveness of this Scheme on its own account, pending the transfer of any approvals and other consents, registrations, permissions, quotas, rights, authorisations, entitlements, no-objection certificates and licenses, privileges, powers and facilities of every kind and description, that may be required under Applicable Law in the name of the Transferee Company and would be entitled to make any applications, requests and the like in this regard.

6. Employees

- 6.1. Upon the Effective Date, the employees of the API Undertaking as on the Effective Date, shall be deemed to have become employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and on the same terms and conditions as those applicable to them with reference to the Transferor Company as on the Effective Date. The services of such employees, if any, with the Transferor Company up to the Effective Date shall be taken into account for the purposes of all benefits to which the employees, may be eligible under Applicable Law.
- 6.2. Upon the Effective Date, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of the employees of the API Undertaking, if any, shall be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 6.3. The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Transferor Company for the employees of the API Undertaking, shall be continued on the same terms and conditions and be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company without any requirement of any separate act or deed/approval. In relation to the employees of the API Undertaking, for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees.

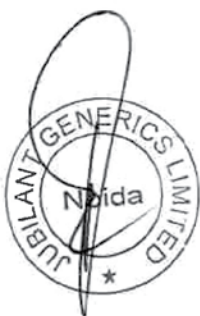
7. Continuation of Legal Proceedings



- 7.1. Upon the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending on the Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Appointed Date) and in each case relating to the API Undertaking ("Proceeding(s)") shall be continued and enforced by or against the Transferee Company after the effectiveness of this Scheme, to the extent legally permissible. To the extent such Proceedings cannot be taken over by the Transferee Company, such proceedings shall be pursued by the Transferor Company as per the instructions of and entirely at the costs and expenses of the Transferee Company.
- 7.2. If any Proceedings are initiated or carried on against the Transferor Company in respect of the matters referred to in Clause 7.1 above, it shall defend the same in accordance with the advice of the Transferee Company and at the cost of the Transferee Company, and the latter shall reimburse, indemnify and hold harmless the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.
- 7.3. If any Proceeding(s) is/ are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.
- 7.4. Any difference or difficulty as to whether any specific legal or other proceedings relates to the API Undertaking, shall be mutually decided between the Board of Directors of the Transferor Company and the Transferee Company and such mutual decision shall be conclusive and binding on the Transferor Company and the Transferee Company.

8. Treatment of taxes

- 8.1. Upon the Effective Date and with effect from the Appointed Date, all taxes and duties payable by the Transferor Company (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, state sales tax laws, State excise laws, Central Sales Tax Act, 1956, value added tax/ service tax, goods and services tax laws and all other Applicable Laws), accruing and relating to the API Undertaking from the Appointed Date onwards, including but not limited to tax deducted at source, tax collected at source, any refund and claims shall, for all purposes, be treated as tax deducted at source or tax collected at source, refunds and claims, as the case may be, of the Transferee Company.
- 8.2. Upon the Effective Date and with effect from the Appointed Date, all unutilized credits and exemptions, benefit of carried forward losses, unabsorbed depreciation and other statutory benefits, including in respect of income tax (including but not limited to tax deducted at source, tax collected at source, tax credit, minimum alternate tax credits, foreign tax credits etc.), goods and service tax input tax credits, cenvat, customs, value added tax, sales tax, service tax etc. relating to the API Undertaking to which the Transferor Company is entitled to shall be available to and vest in the Transferee Company, without any requirement of any further act or deed.
- 8.3. Upon this Scheme becoming effective, the Transferor Company and the Transferee Company are permitted to revise and file their respective income tax returns, withholding tax returns, including tax deducted at source certificates, sales tax/value added tax returns, service tax returns, goods and service tax returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/credits, pursuant to the provisions of this Scheme.
- 8.4. The Board of Directors of the Transferor Company and the Transferee Company shall be



empowered to determine if any specific tax liability or any tax proceeding relates to the API Undertaking and whether the same would be transferred to the Transferee Company.

- 8.5. Upon this Scheme becoming effective, any tax deposited, certificates issued or returns filed by the Transferor Company relating to the API Undertaking shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by the Transferee Company.
- 8.6. All the expenses incurred by the Transferor Company and the Transferee Company in relation to the demerger of the API Undertaking, including stamp duty expenses, if any, shall be allowed as deduction to the Transferor Company and the Transferee Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.
- 8.7. Any refund under the tax laws due to the Transferor Company pertaining to the API Undertaking consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the orders on this Scheme by the NCLT upon relevant proof and documents being provided to the said authorities.
- 8.8. The Transferor Company may be entitled to various incentive schemes and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the API Undertaking shall stand transferred to and vested in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including benefits under the income tax, Central and State excise, sales tax, value added tax (VAT), service tax, goods and services tax, foreign trade policy, exemptions, concessions, remissions, subsidies and other incentives in relation to the API Undertaking, to the extent statutorily available, shall be claimed by the Transferee Company.

9. Saving of concluded transactions

- 9.1. The transfer of Assets and Liabilities to, and the continuance of proceedings by or against, the Transferee Company shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

10. Conduct of Business

- 10.1. Subject to the effectiveness of this Scheme, with effect from the Appointed Date and upto and including the Effective Date:
- (i) the Transferor Company undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the Assets of the API Undertaking, for and on account of and in trust for the Transferee Company; and
 - (ii) all income, receipts, profits accruing to the Transferor Company and attributable to the API Undertaking and all taxes thereon or Liabilities or losses arising or incurred by it with respect to the API Undertaking shall, for all purposes, be treated as and deemed to be the income, expenses, payments, profits, Liabilities, taxes or losses, as the case may be, of the Transferee Company.



- 10.2. Subject to the effectiveness of this Scheme, with effect from the date of approval of this Scheme by the Board of Directors of the Transferor Company and the Transferee Company, and up to and including the Effective Date, the Transferor Company shall carry on the business of the API Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing hitherto.
- 10.3. The Transferee Company shall also be entitled, pending the effectiveness of this Scheme, to apply to the central government, state government, and all other agencies, government departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, licenses, exemptions, reliefs, etc., as may be required/granted under any Applicable Law for carrying on the business of the API Undertaking.
- 10.4. It is hereby clarified that if any Assets (including but not limited to any estate, rights, title, interest in or authorities relating to such Assets) which the Transferor Company owns, any Liabilities and/ or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature ("**Contracts**") in relation to the API Undertaking to which the Transferor Company is a party, have not been transferred to the Transferee Company, the Transferor Company shall hold such Asset, Liabilities and/ or Contracts, as the case may be, in trust for the benefit of the Transferee Company till the time such Assets, Liabilities and/ or Contracts are duly transferred to the Transferee Company and to this end, the Transferor Company shall render all necessary assistance to and fully cooperate with, the Transferee Company with respect to such Assets, Liabilities and/ or Contracts by the Transferee Company.
- 10.5. Unless otherwise specified in this Scheme, if there are any assets, liabilities, contracts, properties, services and/ or resources which are utilized by the API Undertaking and the Residual Undertaking or which are shared between or are common to both the aforesaid undertakings, the Board of Directors of the Companies shall be empowered to take appropriate decisions for allocation of such shared/ common assets, liabilities, contracts, properties, services and/ or resources and the Companies shall be permitted to enter into appropriate arrangements for the continued utilization of such common/ shared assets, liabilities, contracts, properties, services and/ or resources, as the case may be, upon mutually agreed terms.

11. Consideration

- 11.1. No shares will be issued by the Transferee Company to the shareholders of the Transferor Company pursuant to this Scheme since the shareholders of the Transferor Company (i.e. Jubilant Pharma Singapore along with its nominee(s)) is a wholly-owned subsidiary of the Transferee Company.

12. Reduction of Securities Premium

- 12.1. Further to Clause 14 of this Part B the adjustment equal to the book values of the API Undertaking as per Clause 14.1(i) shall be made, first in the capital reserve to the extent available and residual balance, if any, in the securities premium under the head "Other Equity" of the Transferor Company, and such consequential capital reduction shall be effected as an integral part of this Scheme itself, and not under a separate procedure in terms of Section 52(1) read with Section 66 of the Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Transferor Company and the Transferee Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 52(1) read with Section 66 of the Act as well and no further compliances would be separately required.
- 12.2. The Transferor Company shall not be required to add the words "and reduced" as a suffix to its



name consequent upon the reduction of capital under Clause 12.1 of Part B above.

- 12.3. The reduction of capital of the Transferor Company, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.

13. Residual Undertaking of the Transferor Company

- 13.1. The Transferee Company shall have no right, claim, interest or obligation in relation to the Residual Undertaking and all assets, liabilities, rights, title, interest or obligations thereto, shall remain with, and continue to be that of the Transferor Company.
- 13.2. All legal, taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and in each case pertaining to the Residual Undertaking shall be continued and enforced by or against the Transferor Company after the Effective Date. The Transferee Company shall in no event be responsible or liable in relation to any such legal or other proceeding against the Transferor Company.
- 13.3. Without prejudice to this Scheme, with effect from and beyond the Effective Date, the Transferor Company:
- (i) shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Residual Undertaking for and on its own behalf; and
 - (ii) all profits accruing to the Transferor Company thereon or losses arising or incurred by it relating to the Residual Undertaking shall for all purposes be treated as the profits or losses, as the case may be, of the Transferor Company.

14. Accounting treatment in the books of the Transferor Company

- 14.1 Upon this Scheme coming into effect on the Effective Date, and with effect from the Appointed Date, the Transferor Company shall account for the demerger of the API Undertaking in its books of accounts in accordance with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and generally accepted accounting principles as under:
- (i) The Transferor Company shall reduce the book values of assets and liabilities of the API Undertaking as at the close of business on the day immediately preceding the Appointed Date in its books of accounts; and
 - (ii) Upon this Scheme coming into effect on the Effective Date, the Transferor Company shall make an adjustment equal to the book values of the API Undertaking as per Clause 14.1(i) above, in the "Other Equity".

15. Accounting treatment in the books of the Transferee Company

- 15.1 Upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferee Company shall account for the demerger and vesting of the API Undertaking with the Transferee Company in its books of accounts in accordance with the Indian Accounting Standards (Ind-AS) prescribed under Section 133 of the Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and generally accepted accounting principles as under:



- (i) The Transferee Company shall record the Assets and Liabilities of the API Undertaking vested in it pursuant to this Scheme at the respective book values appearing in the books of accounts of the Transferor Company;
- (ii) The loans and advances or payables or receivables or arrangement of any kind, held inter-se, if any, shall stand cancelled; and
- (iii) The difference between the book value of Assets and Liabilities as recorded under the Clause 15.1(i) above and after considering the cancellation of inter-company balances in accordance with Clause 15.1(ii) above, shall be recorded as capital reserve.



PART C

GENERAL TERMS AND CONDITIONS

1. Application to the NCLT

- 1.1 Each of the Companies shall jointly make the requisite company applications/petitions under Sections 230 to 232 and other applicable provisions of the Act to the NCLT for seeking sanction of this Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of this Scheme.

2. Modification or Amendment to this Scheme

- 2.1. Each of the Companies (acting through their respective Board) may, in their full and absolute discretion, assent to any amendments, alterations or modifications to this Scheme, in part or in whole, which the NCLT and/or any other authorities may deem fit to direct, approve or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme, including any individual part thereof, or if the Board of Directors are of the view that the coming into effect of this Scheme, in part or in whole, in terms of the provisions of this Scheme, could have an adverse implication on all or any of the Companies. Each of the Companies (acting through their respective Board) be and are hereby authorized to take such steps and do all acts, deeds and things, as may be necessary, desirable or proper to give effect to this Scheme, in part or in whole and to resolve any doubts, difficulties or questions whether by reason of the order of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith and may also in their full and absolute discretion, withdraw or abandon this Scheme, or any individual part thereof, at any stage prior to the effectiveness of this Scheme.
- 2.2. If any part of this Scheme is held invalid, ruled illegal by any court of competent jurisdiction, or becomes unenforceable for any reason, whatsoever, whether under present or future laws, then it is the intention of the Companies that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either of the Companies in which case the Companies shall attempt to bring about a modification in this Scheme, as will best preserve for the Companies the benefits and obligations of this Scheme, including but not limited to such part.

3. Revocation and Withdrawal of this Scheme

- 3.1. The Companies acting through their respective Board of Directors shall each be at liberty to withdraw this Scheme.
- 3.2. In the event of revocation under Clause 3.1 of this Part C of this Scheme above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* to the Companies or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Laws.
- 3.3. In the event of revocation under Clause 3.1 of this Part C of this Scheme above, the Companies shall take all necessary steps to withdraw this Scheme from the NCLT and any other authority and to make all necessary filings/ application as may be required to withdraw this Scheme.



- 4. Costs, charges and expenses**
- 4.1. All costs and expenses relating to the transfer of the API Undertaking (including any stamp duty and the like) and for carrying into effect this Scheme shall be borne solely by the Transferee Company.
- 5. Dividend**
- 5.1. Notwithstanding anything contained in this Scheme, the Companies shall be entitled to declare, distribute and pay dividend, whether interim or final, to their respective shareholders prior to the effectiveness of this Scheme in accordance with Applicable Laws.
- 6. Permission to raise capital**
- 6.1. Notwithstanding anything contained in this Scheme and subject to Applicable Law, until this Scheme becomes effective, the Companies shall have the right to raise funds and/ or capital by issuance of shares and/ or debentures or any other instruments, for the efficient functioning of their respective businesses or for any other purpose including for purposes of refinancing, repayment, conversion or prepayment of any loans.
- 7. Compliance with Applicable Laws**
- 7.1. The Companies undertake to comply with all Applicable Laws (including all applicable compliances required by SEBI and the Stock Exchanges and under the Foreign Exchange Management Act, 1999 and the rules, regulations and guidelines issued thereunder as may be prescribed by the Reserve Bank of India, from time to time) including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of any statutory or regulatory authority, which by Applicable Law may be required for the implementation of this Scheme or which by Applicable Law may be required in relation to any matters connected with this Scheme.
- 7.2. Since the Transferee Company is a listed company, this Scheme is subject to the compliances of the applicable requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, SEBI Circulars and all other statutory directives of SEBI, as applicable.
- 7.3. In terms of the circular dated January 3, 2018 bearing No. CFD/DIL3/CIR/2018/2 read with the master circular dated December 22, 2020 bearing No. SEBI/HO/CFD/DIL1/CIR/P/2020/249, both issued by SEBI, the requirements of obtaining prior approval or a no objection/ observation letter from the relevant stock exchanges have been relaxed in case of a merger of a wholly owned subsidiary or its division with the parent company. Accordingly, this Scheme shall be filed with the Stock Exchanges for disclosure purposes in compliance with Applicable Law.
- 8. Compliance with Tax Laws**
- 8.1. This Scheme complies with the conditions relating to “demerger” as defined under Section 2(19AA) and other relevant sections and provisions of the IT Act are intended to apply accordingly. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date whether as a result of a new enactment or any amendment or coming into force of any provision of the IT Act or any other Applicable Law or any judicial or executive interpretation or for any other reason whatsoever, this Scheme may be modified to the extent required with the consent of each of the Companies (acting through their respective Board of Directors) to ensure compliance of this Scheme with such provisions.



SCHEDULE I

DETAILS OF THE API UNDERTAKING AS ON JULY 31, 2021

1. List of immovable property pertaining to the API Undertaking as on July 31, 2021
Nil
2. List of investments pertaining to the API Undertaking as on July 31, 2021
Nil
3. List of legal proceedings pertaining to the API Undertaking as on July 31, 2021
Nil
4. List of intellectual property pertaining to the API Undertaking as on July 31, 2021

| 4.(A) List of active granted patents pertaining to the API Undertaking | | | | | |
|---|----------------|--------------------------------|----------------|-------------------------|---------------|
| S.No. | Country | Product name | Granted Number | Date of Priority filing | Date of grant |
| 1 | USA | Donepezil Hydrochloride | US8124783B2 | Dec. 30, 2004 | Feb. 28, 2012 |
| 2 | Japan | Donepezil Hydrochloride | JP4980242B2 | Dec. 30, 2004 | Jul. 18, 2012 |
| 3 | India | Quetiapine | IN259120 | Sep. 8, 2004 | Feb. 26, 2014 |
| 4 | USA | Azilsartan Medoxomil Potassium | US9233955 | Feb. 8, 2011 | Jan. 12, 2016 |
| 5 | USA | Eslicarbazepine acetate | US9346760 | Mar. 8, 2011 | May 24, 2016 |
| 6 | India | Rivastigmine | IN287787 | Aug. 25, 2008 | Sep. 26, 2017 |
| 7 | Europe | Eslicarbazepine acetate | EP2683691B1 | Mar. 8, 2011 | Jun. 6, 2018 |
| 8 | Germany | Eslicarbazepine acetate | EP2683691B1-DE | Mar. 8, 2011 | Jun. 6, 2018 |
| 9 | Spain | Eslicarbazepine acetate | EP2683691B1-ES | Mar. 8, 2011 | Jun. 6, 2018 |
| 10 | France | Eslicarbazepine acetate | EP2683691B1-FR | Mar. 8, 2011 | Jun. 6, 2018 |
| 11 | United Kingdom | Eslicarbazepine acetate | EP2683691B1-GB | Mar. 8, 2011 | Jun. 6, 2018 |
| 12 | Italy | Eslicarbazepine acetate | EP2683691B1-IT | Mar. 8, 2011 | Jun. 6, 2018 |
| 13 | Turkey | Eslicarbazepine acetate | EP2683691B1-TR | Mar. 8, 2011 | Jun. 6, 2018 |
| 14 | USA | Apixaban | US9932336B2 | Oct. 28, 2014 | Apr. 3, 2018 |
| 15 | India | Galantamine | IN299431 | Apr. 24, 2009 | Jul. 30, 2018 |
| 16 | India | Donepezil Hydrochloride | IN299816 | Nov. 18, 2009 | Aug. 9, 2018 |
| 17 | Canada | Azilsartan Medoxomil Potassium | CA2840818C | Feb. 8, 2011 | Dec. 11, 2018 |
| 18 | India | Aripiprazole | IN316557 | Mar. 30, 2011 | Jul. 22, 2019 |



| | | | | | |
|----|----------------|--------------------------------|----------------|--------------------------------|---------------|
| 19 | India | Azilsartan Medoxomil Potassium | IN314960 | Dec. 15, 2011 | Jun. 27, 2019 |
| 20 | India | Darifenacine Hydrobromide | IN308710 | Jul. 6, 2011 | Mar. 6, 2019 |
| 21 | India | Lacosamide | IN326856 | Mar. 25, 2013 | Dec. 5, 2019 |
| 22 | India | Rivastigmine | IN310059 | Jun 2, 2010 | Mar. 27, 2019 |
| 23 | India | Rivastigmine | IN334456 | Jul. 6, 2011 | Mar. 12, 2020 |
| 24 | India | Rizatriptan benzoate | IN307012 | Mar. 23, 2009 | Feb. 7, 2019 |
| 25 | India | Deferasirox | IN321955 | Sep. 27, 2010 | Sep. 30, 2019 |
| 26 | India | Valsartan | IN307029 | Oct. 29, 2010 | Feb. 8, 2019 |
| 27 | USA | Lurasidone hydrochloride | US10426770 | Oct. 14, 2014 Mar. 27, 2015 | Oct. 1, 2019 |
| 28 | Europe | Lurasidone hydrochloride | EP3207041 | Oct. 14, 2014 Mar. 27, 2015 | Dec. 4, 2019 |
| 29 | United Kingdom | Lurasidone hydrochloride | EP3207041-GB | Oct. 14, 2014 Mar. 27, 2015 | Mar. 4, 2020 |
| 30 | France | Lurasidone hydrochloride | EP3207041-FR | Oct. 14, 2014 Mar. 27, 2015 | Mar. 4, 2020 |
| 31 | Germany | Lurasidone hydrochloride | EP3207041-DE | Oct. 14, 2014 Mar. 27, 2015 | Mar. 4, 2020 |
| 32 | India | Fampridine | IN317894 | Jan. 15, 2011 | Aug. 8, 2019 |
| 33 | India | Valsartan | IN340437 | Jan. 23, 2014 | Jul. 4, 2020 |
| 34 | India | Olmesartan Medoxomil | IN342812 | Mar. 27, 2014 | Jul. 29, 2020 |
| 35 | India | Apixaban | IN344543 | Oct. 28, 2014 | Aug. 19, 2020 |
| 36 | India | Perphenazine | IN346758 | Oct. 26, 2015 | Sep. 15, 2020 |
| 37 | Europe | Apixaban | EP3212620 | Oct. 28, 2014 | Nov. 25, 2020 |
| 38 | India | Sitagliptin phosphate | IN352350 | Jan. 6, 2014 | Nov. 26, 2020 |
| 39 | United Kingdom | Apixaban | EP3212620 - UK | Oct. 28, 2014 | Feb. 16, 2021 |
| 40 | Germany | Apixaban | EP3212620 - DE | Oct. 28, 2014 | Feb. 16, 2021 |
| 41 | France | Apixaban | EP3212620 - FR | Oct. 28, 2014 | Feb. 16, 2021 |
| 42 | Turkey | Apixaban | EP3212620 - TR | Oct. 28, 2014 | Feb. 16, 2021 |
| 43 | India | Oxcarbazepine | IN359853 | Feb 20, 2012 | Feb. 27, 2021 |
| 44 | India | Oxcarbazepine | IN360527 | Mar 3, 2016 | Mar. 8, 2021 |



| | | | | | |
|----|----------|-------------------------------|------------------|---------------|---------------|
| 45 | India | Ticagrelor | IN361104 | Dec 23, 2015 | Mar. 12, 2021 |
| 46 | India | Rivaroxaban | IN365323 | Dec 23, 2015 | Apr. 26, 2021 |
| 47 | India | Voriconazole | IN367445 | Jan 06, 2014 | May 24, 2021 |
| 48 | India | Dabigatran etexilate mesylate | IN369615 | Feb 27, 2015 | Jun. 18, 2021 |
| 49 | USA | Exametazime | US10252986 | Mar. 27, 2014 | Apr. 9, 2019 |
| 50 | India | Exametazime | IN528040 | Mar. 27, 2014 | Dec. 23, 2019 |
| 51 | India | Tetrofosmin | IN537781 | Mar. 8, 2017 | Jun. 2, 2020 |
| 52 | USA | Tetrofosmin | US10836781B2 | Mar. 8, 2017 | Nov. 17, 2020 |
| 53 | India | MAG3 | IN551826 | Mar 14, 2013 | Nov. 20, 2020 |
| 54 | Columbia | Tetrofosmin | CO37799 | Mar. 8, 2017 | Nov. 30, 2020 |
| 55 | Brazil | Exametazime | BR112016020626-6 | Mar 27, 2014 | Jun. 15, 2021 |
| 56 | USA | Histamine | US10889549 | Jul. 3, 2017 | Jan. 12, 2021 |

4.(B) List of active patent applications pertaining to the API Undertaking

| S.No. | Country | Product name | Application / Publication Number | Date of Priority filing |
|-------|---------|--------------------------------|----------------------------------|-------------------------|
| 1 | India | Azilsartan Medoxomil Potassium | 6014/DELNP/2013 | Feb. 8, 2011 |
| 2 | India | Eslicarbazepine acetate | 7851/DELNP/2013 | Mar. 8, 2011 |
| 3 | India | Linezolid | 6213/DELNP/2014 | Jan. 24, 2012 |
| 4 | India | Lurasidone Hydrochloride | IN201717004900 | Oct. 14, 2014 |
| 5 | India | Pinaverium Bromide | 3591/DEL/2013 | Nov. 12, 2013 |
| 6 | India | Esomeprazole PFR process | 5507/DELNP/2014 | Jan. 21, 2012 |
| 7 | India | Ranolazine | 1702/DEL/2014 | Jun. 25, 2014 |
| 8 | India | Saxagliptin | 1779/DEL/2014 | Jul. 1, 2014 |
| 9 | India | Bupropion | 3451/DEL/2015 | Oct. 26, 2015 |
| 10 | India | Galanthamine | IN201611002092 | Jan. 20, 2016 |
| 11 | India | Ranolazine | IN201613035649 | Oct. 18, 2016 |
| 12 | India | Saxagliptin | IN201611035865 | Oct. 20, 2016 |
| 13 | India | Apixaban | IN201619036041 | Oct. 21, 2016 |



| | | | | |
|----|-------|------------------------------|----------------|---------------|
| 14 | India | Vilazodone Hydrochloride | IN20161104679 | Nov. 29, 2016 |
| 15 | India | Mirabegron | IN201611044762 | Dec. 29, 2016 |
| 16 | India | Olanzapine Pamoate | IN201611044783 | Dec. 29, 2016 |
| 17 | India | Pirfenidone | IN201711008043 | Mar. 8, 2017 |
| 18 | India | Varicelline Tartrate | IN201711008042 | Mar. 8, 2017 |
| 19 | India | Vildagliptin | IN201711015413 | May 2, 2017 |
| 20 | India | Vortioxetine HBr | IN201811002605 | Jan. 23, 2018 |
| 21 | India | Vortioxetine HBr | IN201811002606 | Jan. 23, 2018 |
| 22 | India | Sufinamide Mesylate | IN201811002607 | Jan. 23, 2018 |
| 23 | India | Brivaracetam | IN201811006881 | Feb. 23, 2018 |
| 24 | India | Brivaracetam & Intermediate | IN201811006882 | Feb. 23, 2018 |
| 25 | India | Agomelatine | IN201811023926 | Jun. 27, 2018 |
| 26 | India | Pimavanserin tartrate Form C | IN201811036187 | Sep. 26, 2018 |
| 27 | India | Brexipiprazole | IN201811041854 | Jun. 17, 2016 |
| 28 | India | Empagliflozin | IN201811049056 | Dec. 26, 2018 |
| 29 | India | Valacyclovir | IN201911005798 | Feb. 14, 2019 |
| 30 | India | Ivacaftor | IN201911025224 | Jun. 25, 2019 |
| 31 | India | Betrixaban | IN201911028982 | Jul. 17, 2019 |
| 32 | India | Remdesivir | IN202011020754 | May 16, 2020 |
| 33 | India | Elagolix | IN202011021659 | May 22, 2020 |
| 34 | India | Valsartan | IN202011021665 | May 22, 2020 |
| 35 | India | Remdesivir | IN202011021676 | May 22, 2020 |
| 36 | India | Pinaverium Bromide | IN202011025441 | Jun. 17, 2020 |
| 37 | India | Bumetanide | IN202011046231 | Oct. 23, 2020 |
| 38 | India | Rivaroxaban | IN202011051798 | Nov. 27, 2020 |
| 39 | India | Molnupiravir | IN202111021969 | May 13, 2021 |
| 40 | India | Donepezil Hydrochloride | IN202111032284 | Jul. 17, 2021 |



| | | | | |
|----|--------------|-------------|-------------------|---------------|
| 41 | India | Lekartan | IN202111033294 | Jul. 23, 2021 |
| 42 | India | Lesartan | IN202111034277 | Jul. 30, 2021 |
| 43 | Europe | Exanetazime | EP3123708 | Mar. 27, 2014 |
| 44 | Canada | Exanetazime | CA2942280 | Mar. 27, 2014 |
| 45 | Canada | Tetrofosmin | CA2994130 | Mar. 8, 2017 |
| 46 | Europe | Tetrofosmin | EP3592735 | Mar. 8, 2017 |
| 47 | South Korea | Tetrofosmin | KR20190128545 | Mar. 8, 2017 |
| 48 | Australia | Tetrofosmin | AU2017514293 | Mar. 8, 2017 |
| 49 | Israel | Tetrofosmin | IL257438 | Mar. 8, 2017 |
| 50 | Brazil | Tetrofosmin | BR 11 2018 004524 | Mar. 8, 2017 |
| 51 | Saudi Arabia | Tetrofosmin | SA518400093 | Sep. 25, 2018 |
| 52 | India | Regadeneson | IN202011020792 | May 18, 2020 |
| 53 | India | Histamine | IN201711023282 | Jul. 3, 2017 |

4.(C) List of trademarks

Nil

5. List of subsidiaries pertaining to the API Undertaking as on July 31, 2021

Nil

6. List of contingent liabilities pertaining to the API Undertaking as on July 31, 2021

6.(A) List of Income Tax cases pertaining to the API Undertaking as on July 31, 2021

Nil

6.(B) List of Indirect Tax cases pertaining to the API Undertaking as on July 31, 2021

Details of Pending Customs Disputes

| S.No. | Number & date of the Order appealed against and Show Cause Notice No. | Nature of Dispute | Period | Authority | AMOUNT INR (lakhs) | | | | |
|-------|--|--|-------------------------|-----------------------------------|--------------------|--|---------|-----------------|----------------------|
| | | | | | Duty | Penalty: Fine/FEE/Interest (Estimated) | Deposit | Paid as Expense | Contingent Liability |
| 1 | Order-in-Original No. 85/2020 dated 21/10/2020 passed by the Joint Commissioner, Customs, rejecting the request for amendment of shipping bills Appeal filed before Comm(Appeals) Customs on 19.12.2020 | MEIS benefit denied on export of goods as intention to claim the benefit not declared in Shipping Bills (Nanjangud) | Sept. 2017 to July 2019 | Commissioner (Appeals), Bengaluru | 28.36 | 0 | 0 | 0 | 28.36 |



| | | | | | | | | | |
|---|--|---|--------|---------------------------------|--------|------|-------|------|--------|
| 2 | Order-in-Original No. 19696/ 2020 dated 25/02/2021 passed by the Assistant Commissioner, Bonds Section, Customs, Chennai. Appeal filed before Comm(Appeals) Customs on 27/03/2021. PH fixed on 18/06/2021 & 12/07/2021 (but not held) | Rejection of claim of remission under Section 23(1) on imported raw materials destroyed by fire in Chennai Customs bonded warehouse (Nanjangud) | Feb-20 | Commissioner (Appeals), Chennai | 214.46 | 0.00 | 16.08 | 0.00 | 214.46 |
| | | | | TOTAL | 242.82 | 0.00 | 16.08 | 0.00 | 242.82 |

Details of Pending Service Tax Disputes

| S.No. | Number & date of SCN/Orders/Appel-Status | Nature of Dispute | Period | Appellate Authority | AMOUNT (Lakhs) | | | | |
|-------|--|-----------------------------------|----------------------|-------------------------------------|----------------|------------------|---------|-----------------|------------|
| | | | | | Service Tax | Penalty/ fine/ht | Deposit | Paid as Expense | Contingent |
| | SCN No. 10/D-1/R-2/2018-19 dated 08/08/2018 proposing to recover refund of Pre-Deposit of Rs. 7.87 lakh. Reply to SCN filed on 23/03/2018. A reminder letter has been filed with the AC, CGST Noida on 01 January 2020, stating that appeal filed by the department has been rejected/decided/attained finality in favour of Applicant by both A-I-DC as well as Supreme Court. Accordingly, the proceedings under the SCN will be dropped by giving a personal hearing as the SCN is infructuous. Letter filed on 15/03/2021 requesting for dropping the proceedings under the SCN. The matter is being regularly taken up with the AC/ Superintendent. SCN would be dropped immediately once a direction is received from the Commissioner. A reminder/ request letter has again been filed on 03/07/2021 | Recovery of refund of pre deposit | Apr 2013- March 2014 | Asst. Commissioner CGST Div 1 Noida | 7.87 | 0.00 | 0.00 | 0.00 | 7.87 |
| | | Total | | | 7.87 | 0.00 | 0.00 | 0.00 | 7.87 |

Details of Pending Central Excise Disputes

| S.No. | Number & date of | Nature of Dispute | Period | Appellate Authority | AMOUNT (Lakhs) |
|-------|------------------|-------------------|--------|---------------------|----------------|
|-------|------------------|-------------------|--------|---------------------|----------------|



| | Show Cause Notice and Orders | | | & Appeal No | | Penalty/ | Deposit | Paid as | Contingent |
|---|---|---|-------------------------|----------------|------|----------|---------|---------|------------|
| | | | | | Duty | fine/Int | | Expense | |
| 1 | <p>Show cause notice issued by the Assistant Commissioner of Central Tax, Mysuru Rural Division</p> <p>SCN No.15/15/2019 C.E. Adj-670/19 dated 09/05/2019</p> <p>Reply to SCN filed on 10/06/2019, PH fixed on 20/06/2019 and 05/07/2019. Matter heard in 05/08/2019.</p> <p>Order-in-Original No. MYS-EXCUS-000-Mysuru Rural NBH-10/2019-20 dated 20/02/2020 passed confirming the demand (received in May 2020). Appeal filed on 14.07.2020 before CCE(A), Mysuru.</p> <p>Appeal allowed by way of remand. Order in Appeal No. MYS-EXCUS-000-App-MSC-118-2020-2021 dated 26/03/2021. Letter has been filed before the adjudicating authority for fresh adjudication after considering submissions on quantification</p> | Denial of concessional rate of duty benefit on Spirit Solvent cleared into DTA - Notification No. 23/2000-CE dated 31.03.2003 | April 2017 to June 2017 | CCE(A), Mysuru | 0.40 | 0.00 | 0.28 | 0.00 | 0.40 |
| | | Total | | | 0.40 | 0.00 | 0.28 | 0.00 | 0.40 |

Details of Pending GST Disputes

| S. No. | Number & date of SCN/Orders/Appel-Status | Location | Period | Nature of dispute | Jurisdictional/Appellate Authority | Amount | Interest/Penalty | Deposit | Expense | Contingent |
|--------|--|-----------------|---------|---|--|------------|------------------|------------|-----------|------------|
| | | | From To | | | Rs in Lakh | Rs in Lakh | Rs in Lakh | Provision | Rs in Lakh |
| 1 | <p>Notice MOV-07/ No.22/2018-19 dated 08/12/2018 issued on seizure of goods in respect of 2 invoices consigned in one truck from Telangana to Nanjangud but truck no. not updated in part-B of e-way bill</p> <p>Tax and penalty imposed. Reply filed along with payment of Tax Rs.8,98,875/- and penalty Rs. 8,98,875/- on 11/12.18. Goods released on payment of tax and equal penalty. Demand order Mov-09/ No. 22/2018-19 dated 12/12/2018. Appeal filed on 11.01.2019. PET concluded. Order dated 30/09/2020 passed by the Joint Commissioner of Commercial Taxes (Appeals), Mysuru confirming the demand. Order received on 12.10.2020</p> | Nanjangud (Kar) | Dec-18 | Seizure of goods in respect of 2 invoices consigned in one truck from Telangana to Nanjangud but truck number not updated in part-B of e-way bill | <p>3. CTO (Enforcement)-05, South Zone, VTK-2, Koramangala, Bengaluru</p> <p>2. JC, Commercial Tax (Appeal)</p> <p>3. Appeal will be filed before the Tribunal, once it is constituted</p> | 8.99 | 8.99 | 17.98 | | 17.98 |



| | | | | | | | | | | | |
|---|---|-----------------|--------|--------|--|--|-------|-------|-------|---|-------|
| 2 | <p>A Show Cause Notice (SCN) in Form GST DRC-01 bearing Ref No ZA0901200111692 dated 21/01/2020 issued U/S 73 of the CGST/UPGST Act and rules framed thereunder for the tax period of November 2019 by the Deputy Commissioner, Noida Sector-12: Gautambudha Nagar(B): Uttar Pradesh.</p> <p>Reply filed in Form GST DRC-06 on Date: 28/01/2020.</p> <p>Personal Hearing Concluded on 31/01/2020.</p> <p>Order Awaited.</p> | R&D-NOID A (UP) | Nov-19 | Nov-19 | <p>1. Huge differences found of ITC as per GSTR-2A and claimed in GSTR-3B shows that the Company has wrongly availed the benefits of ITC for Rs 47,63,79 2.79/-.</p> <p>2. IGST of Rs.3,03,929.30/- on the purchases / imports received from overseas.</p> <p>3. Wrong ITC availed on ISD of Rs. 21,198.50/- which is not reflecting in GSTR-2A.</p> | The Deputy Commissioner, Noida Sector-12: Gautambudha Nagar(B): Uttar Pradesh. | 50.89 | 5.85 | - | - | 56.74 |
| | | | | | TOTAL | TOTAL | 59.88 | 14.84 | 17.98 | - | 74.72 |

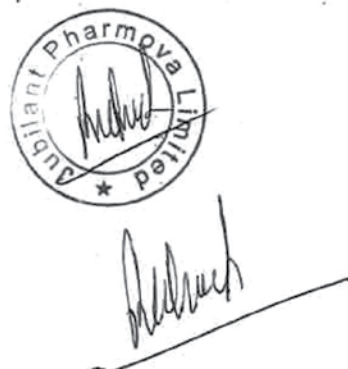
Details of Pending VAT/CST Disputes

Nil

Details of Pending State Excise Disputes

Nil

Note: For implementation of this Scheme, the Transferor Company may prepare a reference balance sheet of the API Undertaking as on the Appointed Date (i.e. April 1, 2022).

Date: 16 July 2021

Board of Directors
Jubilant Pharmova Limited
1A, Sector 16A, Institutional Area,
Noida,
Gautam Buddha Nagar – 201301,
Uttar Pradesh, India

Board of Directors
Jubilant Generics Limited
1A, Sector 16A, Institutional Area,
Noida,
Gautam Buddha Nagar – 201301,
Uttar Pradesh, India

Sub: Valuation opinion for the proposed demerger of the API Undertaking of Jubilant Generics Limited.

Dear Sir/Madam,

We refer to the engagement letter dated 15 July 2021 ("LoE") whereby Jubilant Pharmova Limited ("JPM" or the "Transferee Company") and Jubilant Generics Limited ("JGL" or the "Transferor Company") (individually and collectively hereinafter referred to as "the Client" or "You" or "the Companies" or "respective Companies") have requested Incwert Advisory Private Limited ("Incwert" or "Valuer" or "Registered Valuer" or "RV" or "We" or "us") to provide a valuation opinion in connection with the proposed demerger of the active pharmaceutical ingredients ("API") undertaking (hereinafter referred to as the "API Undertaking" and as defined in the scheme of arrangement between JGL and JPM and their respective shareholders and creditors ("Scheme") under sections 230-232 of the Companies Act, 2013 ("Act")) of JGL to JPM ("Proposed Demerger").

The Appointed Date for the Proposed Demerger as per the Scheme provided to us is 01 April 2022 ("Valuation Date" or the "Appointed Date").

Incwert is a Registered Valuer Entity registered with the Insolvency and Bankruptcy Board of India ("IBBI") for the asset class "Securities or Financial Assets" having registration number IBBI/RV-E/05/2019/108.

In the following paragraphs, we have summarised our analysis and provided our valuation opinion together with the description of the valuation approaches, methodologies and limitations in our scope of work.

1 CONTEXT AND PURPOSE OF THIS REPORT

1.1 Overview

- 1.1.1 The Transferor Company was incorporated on 25 November 2013 under the provisions of the Companies Act, 1956. The Corporate Identification Number (CIN) of the Transferor Company is U24100UP2013FLC060821 and its registered office is situated at Plot 1A, Sector 16A, Institutional Area, Noida, Gautam Buddha Nagar - Uttar Pradesh - 201301. The Transferor Company is an indirect, wholly-owned subsidiary of the Transferee Company.
- 1.1.2 Jubilant Pharma Limited, a company incorporated in Singapore and a wholly-owned subsidiary of the Transferee Company owns and controls the entire share capital of the Transferor Company.
- 1.1.3 The Transferor Company is primarily engaged in the following businesses:
 - Manufacture, sale, distribution, marketing and supply of APIs, including from its manufacturing facility at Nanjangud, Karnataka and conducting research and development in relation to APIs through its research and development centers in Nanjangud, Karnataka and Noida, Uttar Pradesh, and



- This section is intentionally left blank*



1.2 Context and purpose

- 1.2.1 We understand that JPM is proposing to reorganise its business by way of a demerger of the API Undertaking of JGL into JPM, on a going concern basis.
- 1.2.2 In terms of the Scheme, no shares will be issued by the Transferee Company to the shareholders of the Transferor Company as the shareholder of the Transferor Company (i.e. Jubilant Pharma Limited along with its nominee(s)) is a wholly-owned subsidiary of the Transferee Company.
- 1.2.3 For the aforesaid purpose, the Client has requested the RV to submit a report opining on the appropriateness of NIL consideration as envisaged in the Scheme. Accordingly, we have analysed the valuation in light of the transfer of a division/business undertaking by a wholly-owned subsidiary to its holding company.
- 1.2.4 The valuation opinion provided in the report has been prepared in the capacity of a Registered Valuer under the Companies (Registered Valuers and Valuation) Rules, 2017 (as amended).
- 1.2.5 The Valuation Date considered for the Proposed Demerger is 01 April 2022.
- 1.2.6 This report ("Report") is our deliverable with respect to our opinion on valuation for the Proposed Demerger.

2 Basis of Valuation Opinion

2.1 Base of Valuation

In selecting the bases of valuation, we have relied on the ICAI Valuation Standards 2018. The base of valuation as at the Valuation Date has been evaluated using the guidance provided in the ICAI valuation standard 102, Valuation Bases ("VS 102"). In assessing the measurement assumption on which the valuation is based we have given due cognisance to the principles enunciated in VS 102 and statute/regulations/rules as may be applicable in the extant case.

- 2.1.1 In our analysis of the applicability of the base, we have considered:

Ind AS 103, Business Combination – per accounting standard, in transactions that deal with a business combination under common control, it requires that the transfer of assets and liabilities of combining entities be reflected at their carrying amounts.

Para's 4 (b), (c) & (d) of Part I of the SEBI Master Circular No. SEBI/HO/CFD/DIL-1/CIR/P/2020/249 dated 22 December 2020 ("the Circular"), which relaxes the requirement of preparation of a valuation report in cases where there is no change in the shareholding pattern of the listed entity / resultant company. For the limited purpose of the Circular, "change in the shareholding pattern" means:

- i) change in the proportion of shareholding of any of the existing shareholders of the listed entity in the resultant company; or
- ii) new shareholder being allotted equity shares of the resultant company; or
- iii) existing shareholder exiting the company pursuant to the scheme of arrangement.

Section 19 of the Companies Act, 2013, which states that no company shall, either by itself or through its nominees, hold any shares in its holding company and no holding company shall allot or transfer its shares to any of its subsidiary companies and any such allotment or transfer of shares of a company to its subsidiary company shall be void.



2.2 Premise of value

The premise of value refers to the conditions and circumstances of how an asset is deployed. As part of our analysis, we have considered the following assumption to be appropriate:

- Going-concern basis - Going concern value is the value of a business enterprise that is expected to continue to operate in the future.
- As-is-where-is basis - considers the current use of the asset which may or may not be its highest and best use.
- The shareholding structure of the Transferee Company and Jubilant Pharma Limited shall remain the same and unchanged between the date of issuance of this Report and the Valuation Date.

2.3 Intended users

- 2.3.1 This report is intended for the consumption of the Board of Directors of the Companies, for disclosures to be made to the relevant regulatory authorities, and for disclosures as part of the explanatory statement accompanying the notice of meeting to the creditors and members in connection with the aforesaid transaction.
- 2.3.2 The report is not intended for general circulation or publication and is not to be reproduced or used for any purpose other than for the purposes stated above and cannot be relied upon by third parties. We owe no duty (whether in contract or tort or under statute or otherwise) with respect to or in connection with the Report or any part thereof to a party other than our Client. We do not accept any liability to any third party in relation to the issue of this Report.
- 2.3.3 In the event, the Companies or Management of the Companies or representatives of the Companies intend to extend the use of this report beyond the purpose mentioned hereinabove, with or without our consent, we will not accept any responsibility to any other party to whom our report may be shown or who may acquire a copy of the report issued by us.

3 SOURCES OF INFORMATION

- 3.1.1 This Report is prepared based on the below sources of information as provided to us by the Client management:
- i) Audited financial statements of Jubilant Generics Limited for the year ended 31 March 2021.
 - ii) Book value of assets and liabilities of the API Undertaking as of 01 April 2021.
 - iii) Shareholding Pattern of JGL as of 01 April 2021.
 - iv) Scheme of Arrangement.
 - v) Publicly available information.
 - vi) Correspondence with the management of the Companies including management representation letter.
 - vii) In addition to the above, we have also obtained such other information and explanations from the management, either verbally or in written form, as were considered relevant for the purpose of the valuation.

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- 3.1.2 The management of the Transferor Company and the Transferee Company was provided with an opportunity to review a draft of our Report as part of our standard practice to ensure that factual inaccuracies/ omissions are avoided in our final report.

4 PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- i) Requested and received financial information.
- ii) Used data as available in the public domain.
- iii) Discussion over a phone call with the Management to understand the business and fundamental factors that affect the consideration in the extant case
- iv) Assessment of appropriateness of consideration in the light of the shareholding structure and applicable rules and regulations.

5 DISCLOSURE OF INTEREST/ CONFLICT

We hereby certify that, to the best of our knowledge and belief that:

- i) We are not affiliated with the Client in any manner whatsoever.
- ii) We do not have a prospective interest in the business which is the subject of this Report.
- iii) Details of services for the Client performed within a five-year period immediately preceding acceptance of this engagement, as an appraiser or in any other capacity – Yes, we have in the past provided valuation services to the client
- iv) Our fee is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this Report.

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6 SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

- 6.1.1 Our work in preparing the Report was undertaken, and our Report has been produced in accordance with the terms of our LoE with the respective Boards of the Transferor Company and the Transferee Company. Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, diligence services, consulting/ tax-related services.
- 6.1.2 This Report, its contents and results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement along with subsequent discussions with the Management of the Transferor Company and the Transferee Company; (ii) the date of this Report and (iii) are based on the date detailed in the section – Sources of Information.
- 6.1.3 Further, for the purpose of this engagement and Report, we have made no investigation of, and assume no responsibility for, the title to the assets or liabilities against the Company.
- 6.1.4 For the purposes of this engagement, we are not required to carry out a valuation of business, tangible, or intangible assets of the Companies.
- 6.1.5 The recommendation rendered in this Report only represents our analysis based upon information to date, furnished by the management of the Client and other sources.
- 6.1.6 Our opinion in this Report is not intended to advise anybody to take a buy or sell decision for which specific opinion needs to be taken from expert advisors.
- 6.1.7 The Report does not constitute an offer or invitation to any section of the public to subscribe for or purchase any securities in, or the other business or assets or liabilities of the Transferor Company or the Transferee Company.
- 6.1.8 Our work did not constitute an audit of the financial statements, and accordingly, we do not express any opinion on the truth and fairness of the financial position, as indicated in this Report. Our work did not constitute a validation of the financial statements of the Companies/ businesses, and accordingly, we do not express any opinion on the same. Also, with respect to explanations and information sought from the Management, we have been given to understand that the Management has not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusions are based on the assumptions and information provided by the Management of the Client. Any omissions, inaccuracies or misstatements may materially impact our valuation analysis and outcome.
- 6.1.9 We do not imply, and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.
- 6.1.10 The Report assumes that the Transferor Company and the Transferee Company comply fully with the relevant laws and regulations applicable in all its areas of operations unless otherwise stated and that the Companies will be managed in a competent and responsible manner. Further, except as expressly stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of lawful title and compliance with local laws, litigations and other contingent liabilities that are not recorded in the audited/ unaudited balance sheet of the Transferor Company and the Transferee Company.
- 6.1.11 This Report does not look into the business / commercial reasons behind the Proposed Demerger nor the likely merits of such transaction. Similarly, it does not address the relative benefits of the Proposed Demerger as compared with any other alternative business transaction or other alternatives or whether or not such options could be achieved or are available.

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- 6.1.12 The Valuer has not considered any findings made by other external agencies in carrying out the Valuation analysis.
- 6.1.13 This report forms an integral whole and cannot be split into parts. The outcome of the analysis can only lead to proper conclusions if the Report as a whole is taken into account.
- 6.1.14 This Report is subject to the laws in India and should be used in connection with the Proposed Demerger only.

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7 SHAREHOLDING PATTERN OF THE COMPANY

The issued and subscribed equity share capital of Jubilant Generics Limited as on 31 March 2021 is INR 25,796,650 consisting of 2,579,665 equity shares of the face value of INR 10/- (ten) each. The shareholding pattern is as follows:

| Sr. no. | Shareholder | Type of Share | Number of shares held | Percentage holding (%) |
|---------|-------------------------|---------------|-----------------------|------------------------|
| 1 | Jubilant Pharma Limited | Equity Shares | 2,579,665 | 100.00% |

Source: Management information

8 APPROACH & METHODOLOGY

8.1 Overview

- 8.1.1 In transactions in the nature of demerger, the consideration is often discharged primarily by issuing securities in the nature of equity of the acquirer or the transferee entity with reference to an entitlement ratio, considering the relative values. Such relative values are generally arrived at by applying an appropriate valuation approach or a combination of valuation approaches.
- 8.1.2 In the extant case, the Scheme contemplates the demerger of the API Undertaking of JGL into JPM, on a going concern basis.
 - All assets and liabilities of the API Undertaking will be transferred to the Transferee Company.
 - The Transferee Company shall not issue its shares to the shareholder of the Transferor Company as the shareholder of the Transferor Company (i.e. Jubilant Pharma Limited along with its nominee(s)) is wholly-owned subsidiary of the Transferee Company.
- 8.1.3 As such, while in usual situations a valuation of a demerged undertaking/ business and a resulting/ transferee company is required for arriving at the share entitlement ratio, the Scheme proposes NIL consideration as the Transferor Company is a step-down wholly-owned subsidiary of the Transferee Company. In this Report we have analysed the appropriateness of NIL consideration and applicability of adoption of a valuation based on ICAI Valuation Standards 2018.

8.2 Basis of Valuation Opinion

- 8.2.1 Per ICAI Valuation Standard 103, Valuation Approaches and Methods ("VS 103"), the standard shall not apply in cases where the valuation bases considered are prescribed by a statute/rule/regulation. Accordingly, for the Proposed Demerger, we assessed the need for valuation considering the requirements as stipulated in a) the Companies Act, 2013, b) Ind AS 103, Business Combinations, and c) Para's 4 (b), (c) & (d) of Part I of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22 December 2020
 - Ind AS 103, Business Combination – per accounting standard, in transactions that deal with a business combination under common control, it requires that the transfer of assets and liabilities of combining entities be reflected at their carrying amounts.
 - Para's 4 (b), (c) & (d) of Part I of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22 December 2020 ("the Circular"), which relaxes the requirement of preparation of a valuation report in cases where there is no change in the shareholding pattern of the listed entity / resultant

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company. For the limited purpose of the Circular, 'change in the shareholding pattern' means:

- i) change in the proportion of shareholding of any of the existing shareholders of the listed entity in the resultant company; or
 - ii) new shareholder being allotted equity shares of the resultant company; or
 - iii) existing shareholder exiting the company pursuant to the scheme of arrangement.
- Section 19 of the Companies Act, 2013, which states that no company shall, either by itself or through its nominees, hold any shares in its holding company and no holding company shall allot or transfer its shares to any of its subsidiary companies and any such allotment or transfer of shares of a company to its subsidiary company shall be void.

Considering the aforesaid requirements/limitations, a separate fair valuation using approaches/methodologies (as provided in IVS 103) has not been undertaken for the Proposed Demerger. Accordingly, a relative valuation of the API Undertaking is not required to be undertaken.

9 CONCLUSION

Based on the foregoing, and after consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, pursuant to the demerger of the API Undertaking of the Transferor Company into the Transferee Company, on a going concern basis, a separate valuation of the API Undertaking as of the Valuation Date is not required as the consideration to be discharged is NIL.

Further, considering that ultimately, both Jubilant Generics Limited and Jubilant Pharma Limited are subsidiaries of Jubilant Pharmova Limited with Jubilant Pharmova Limited controlling, directly or indirectly, 100% of the total shareholding in both the Companies, the beneficial economic interest of the shareholders of Jubilant Pharmova Limited (upon the Scheme becoming effective) would be the same. Assigning NIL consideration for the transfer/ demerger of the API Undertaking would not have any economic impact on the ultimate value of the shareholders of Jubilant Pharmova Limited. The proposed demerger of the API Undertaking of Jubilant Generics Limited would thus be value-neutral to the shareholders of Jubilant Pharmova Limited.

Respectfully submitted,

For Incwert Advisory Private Limited

Registered Valuer Entity under Companies (Registered Valuers and Valuation) Rules, 2017

IBBI Registration No. IBB/RV-E/05/2019/108

Asset class: Securities or Financial Assets




Punit Khandelwal

Director and Registered Valuer under Companies (Registered Valuers and Valuation) Rules, 2017 IBBI

Registration No. IBB/RV/05/2018/11375

Asset class: Securities or Financial Assets

Enclosed: Appendices

Document Classification: Confidential

10 Appendices

10.1 Appendix: Computation of Fair Share Exchange Ratio

| Valuation Methodology | API Undertaking of JGL | | JPM | |
|-----------------------|------------------------|---------|-----------------|---------|
| | Value Per Share | Weights | Value Per Share | Weights |
| Asset Approach | NA | NA | NA | NA |
| Income Approach | NA | NA | NA | NA |
| Market Approach | NA | NA | NA | NA |
| Relative Value | NA | NA | NA | NA |

where,

NA = Not Applicable

The Scheme contemplates that upon the coming into effect of the scheme and with effect from the Appointed Date, the API Undertaking of the Transferor Company in its entirety shall be transferred to the Transferee Company or be deemed to have been demerged and transferred to and vested in the Transferee Company as a going concern.

No relative valuation of the API Undertaking and the Transferee Company is required to be undertaken for the Proposed Demerger as the shareholders of the Transferor Company (i.e. Jubilant Pharma Limited along with its nominee(s)) is a wholly-owned subsidiary of the Transferee Company.

Accordingly, valuation approaches have not been undertaken as they are not relevant in the extant case.

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10.2 Glossary of terms

| | |
|--------------------|--|
| Approx. | Approximately |
| Capex | Capital expenditure |
| API Undertaking | active pharmaceutical ingredients business undertaking of the Transferee Company |
| Transferee Company | Jubilant Pharmova Limited |
| Transferor Company | Jubilant Generics Limited |
| DCF | Discounted Cash Flow |
| INR | Indian Rupee |
| SEBI | Securities Exchange Board of India |
| IBBI | Insolvency and Bankruptcy of India |
| NSE | National Stock Exchange of India |
| BSE | Bombay Stock Exchange of India |
| LoE | Letter of Engagement |
| Management | Management of JPM/JGL as considered appropriate in the context |
| Mn | Million |
| NAV | Net asset value |
| No. | Number |
| RV | Registered Valuer |

****END OF REPORT****





23 July 2021

Ernst & Young Merchant Banking Services LLP
12th Floor, The Ruby,
29 Senapati Bapat Marg,
Dadar West,
Mumbai - 400 028, India

Tel: +91 22 61920000
ey.com

**The Board of Directors
Jubilant Pharmova Limited**

1A, Sector 16A,
Institutional Area, Noida,
Gautam Buddha Nagar - 201 301,
Uttar Pradesh, India.

**The Board of Directors
Jubilant Generics Limited**

1A, Sector 16A,
Institutional Area, Noida,
Gautam Buddha Nagar - 201 301,
Uttar Pradesh, India.

Sub: Fairness opinion on the valuation opinion of the independent valuer for the proposed demerger of the API Undertaking of Jubilant Generics Limited into Jubilant Pharmova Limited

Dear Sir/Madam,

We refer to the engagement letter dated 22 July 2021 whereby Ernst & Young Merchant Banking Services LLP (hereinafter referred to as "we" or "EY") was appointed by Jubilant Pharmova Limited ("JPM" or the "Company" or the "Transferee Company") to provide a fairness opinion on the valuation opinion of the independent valuer as at 01 April 2022 ("Valuation Date") for the proposed demerger of the Active Pharmaceutical Ingredient (API) Undertaking [hereinafter together referred to as the "API Undertaking" and as defined in the scheme of arrangement between Jubilant Generics Limited ("JGL" or the "Transferor Company") and JPM and their respective shareholders and creditors ("Scheme") under sections 230-232 of the Companies Act, 2013 ("Act")] of JGL into JPM ("Proposed Demerger").

SCOPE AND PURPOSE OF THIS REPORT

We understand that the Company is contemplating demerger of the API Undertaking of JGL into JPM, on a going concern basis, at Nil consideration as recommended by Incwert Advisory Private Limited ("Incwert" or "Independent Valuer"). The Proposed Demerger is to be carried out through the Scheme of Arrangement ("Scheme") in accordance with Sections 230 to 232 and other applicable provisions of the Act, subject to necessary approvals, sanctions and consents being obtained. In this connection, the management of the Company ("Management") has engaged EY to submit a report on fairness opinion on the valuation opinion of the Independent Valuer ("Purpose").

This fairness opinion report ("Report") is our deliverable in respect of the above engagement. This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed in the Report. As such the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.



This Report has been issued only for the purpose of facilitating the Proposed Demerger and should not be used for any other purpose.

SOURCES OF INFORMATION

In connection with this exercise, we have received the following information from the Management:

- Independent Valuer's report dated 16 July 2021
- Unaudited carved-out balance sheet of API Undertaking as at 01 April 2021
- Shareholding pattern of JGL as at 01 April 2021
- Scheme, as defined in page 1
- Background information provided through emails or during discussions.

We have also obtained further explanations and information considered reasonably necessary for our exercise, from the Management.

It may be mentioned that the Management have been provided an opportunity to review factual information in our draft Report as part of our standard practice to make sure that factual inaccuracies/omissions/etc. are avoided in our Report.

PROCEDURES ADOPTED

- Requested and received financial and qualitative information
- Obtained data available in public domain
- Reviewed the consideration arrived by the Independent Valuer and had discussion with the management of the Company to seek clarifications.





STATEMENT OF LIMITING CONDITIONS

Provision of fairness opinions and consideration of the issues described herein are areas of our regular valuation practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The user to which this Report is addressed should read the basis upon which the Report has been prepared and be aware of the potential for later variations in value due to factors that are unforeseen at the date of this Report. Due to possible changes in market forces (including prevailing quoted prices) and circumstances, this opinion can only be regarded as relevant as at the date of this Report.

This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our Report is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Company from providing a copy of the Report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this Report.

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client's existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

The Management warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the Company, their Management and other third parties, if any, concerning the financial data, operational data and other information, except as specifically stated to the contrary in the report. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the client or companies, their directors, employees or agents.

The Report does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The fee for the Report is not contingent upon the results reported.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document





given to third parties, other than in connection with the Proposed Demerger, without our prior written consent. In addition, this Report does not in any manner address the prices at which equity shares of JPM will trade following announcement of the Proposed Demerger and we express no opinion or recommendation as to how the shareholders of the Company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Demerger.

We owe responsibility only to the Management that has appointed us under the terms of the engagement letter. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person.

PREMISE OF THE REPORT

We have been informed by the Management that the shareholding pattern of JGL and Jubilant Pharma Limited, Singapore ("JPL") shall remain the same and unchanged between 01 April 2021 and the Valuation Date.

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BACKGROUND

Group Structure



Jubilant Pharmova Limited

JPM is currently engaged in the businesses of providing management services and is also *inter-alia* engaged in the following businesses through its direct and indirect, wholly-owned subsidiaries, including Jubilant Pharma Limited:

- (i) Manufacture and supply of APIs, solid dosage formulations, radiopharmaceuticals, allergy therapy products and contract manufacturing of sterile injectables and non-sterile products through six United States Food and Drug Administration (USFDA) approved manufacturing facilities in the United States, Canada and India and a network of over 48 radio-pharmacies in the United States;
- (ii) Drug discovery and development solutions business which provides proprietary in-house innovation and collaborative research and partnership for out-licensing.
- (iii) Undertaking pre-clinical research and development and provides drug discovery services to global pharmaceutical and biotech companies, including in the areas of medicinal chemistry, invitro biology, in vivo biology, structural biology, drug metabolism and pharmacokinetics, toxicology and discovery informatics. The Transferee Company is also engaged in in-house drug discovery for small molecules in various therapeutic areas and also enters into collaboration with various companies/academic universities in the field of research and development.

The equity shares of JPM are listed on the BSE Limited and National Stock Exchange of India Limited (NSE). The Company was incorporated on 21 June 1978 and its registered office is located at Bhartiagram, Gajraula, District Amroha, Uttar Pradesh – 244 223. For the financial year ended 31



March 2021, JPM reported consolidated revenues from operations of INR 60,985.4 million and consolidated profit after tax of INR 8,356.1 million.

The shareholding pattern of the Company as at 30 June 2021 is given below:

| Particulars | No. of shares held | % holding |
|------------------|--------------------|---------------|
| Promoter & Group | 80,717,056 | 50.68 |
| Public | 78,456,943 | 49.26 |
| Employee trust | 107,140 | 0.07 |
| Total | 159,281,139 | 100.00 |

Source: BSE Filings

Jubilant Generics Limited

JGL is primarily engaged in the following businesses:

- (i) manufacture, sale, distribution, marketing and supply of APIs, including from its manufacturing facility at Nanjangud, Karnataka and conducting research and development in relation to APIs through its research and development centers in Nanjangud, Karnataka and Noida, Uttar Pradesh (i.e. the API Undertaking); and
- (ii) manufacture and supply of dosage formulations (solid and injectables), including from its manufacturing facility at Roorkee, Uttarakhand and also including trading of such dosage formulations (solid and injectables), India branded pharmaceuticals (IBP) business, conducting research and development in respect of its formulations business at its research and development centers in Noida, Uttar Pradesh.

JGL was incorporated on 25 November 2013 and its registered office is located at Plot 1A, Sector 16A, Institutional Area, Noida, Gautam Buddha Nagar - Uttar Pradesh – 201 301. For the financial year ended 31 March 2021, JGL reported revenues from operations of INR 14,531.0 million and profit after tax of INR 1,296.9 million.

JGL is a wholly owned subsidiary of JPL which in turn is a wholly owned subsidiary of JPM.

The shareholding pattern of JGL as at 30 June 2021 is given below:

| Particulars | No. of shares held | % holding |
|--------------|--------------------|---------------|
| JPL | 2,579,665 | 100.00 |
| Total | 2,579,665 | 100.00 |

Source: Management



VALUER'S RECOMMENDATION

The Independent Valuer assessed the need for valuation of the API Undertaking considering the requirements stated in Ind AS 103, Business Combinations, Para's 4 (b), (c) & (d) of Part I of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22 December 2020 and Section 19 of the Companies Act, 2013 and concluded that valuation of the API Undertaking is not required.


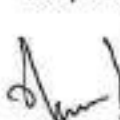
Considering that ultimately both JGL and JPL are wholly owned subsidiaries of JPM, the beneficial economic interest of the shareholders of JPM (upon the Scheme becoming effective) would be the same. The Independent Valuer recommended Nil consideration for the Proposed Demerger as there would not be any economic impact on the ultimate value of the shareholders of JPM and the Proposed Demerger would be value-neutral to the shareholders of JPM.

OUR OPINION

In the present case, the API Undertaking is indirectly wholly owned by JPM through its wholly owned subsidiary JPL. Once the Scheme comes into effect, the API Undertaking would be demerged into JPM and would be directly owned by the Company. The effect of the Proposed Demerger or the Scheme would be such that there would be no change in economic interest of the shareholders of the Company. On consideration of all the relevant factors and circumstances stated above, we believe that Nil consideration recommended by the Independent Valuer is fair to the equity shareholders of JPM.

It should be noted that we have examined only the fairness of the consideration as recommended by the Independent Valuer from financial perspective only and have not examined any other matter including economic rationale of the transfer *per se* or accounting and tax matters involved in the Proposed Demerger.

Respectfully submitted,



Navin Vohra
Partner

Ernst and Young Merchant Banking Services LLP



**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF JUBILANT PHARMOVA LIMITED
ON JULY 23, 2021 IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT,
2013 EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT BETWEEN
JUBILANT GENERICS LIMITED AND JUBILANT PHARMOVA LIMITED AND THEIR
RESPECTIVE SHAREHOLDERS AND CREDITORS**

1. Background

- 1.1 Jubilant Pharmova Limited ("**Company**") is considering a reorganisation involving the Active Pharmaceuticals Ingredients ("**APIs**") business of Jubilant Generics Limited ("**JGL**"), its indirect wholly-owned subsidiary, *inter alia*, for better operational synergy and management effectiveness, by way of a demerger of the API undertaking of JGL and vesting of the same with the Company, on a going concern basis ("**Proposed Demerger**"), to be implemented through a scheme of arrangement between JGL and the Company and their respective shareholders and creditors ("**Scheme**") under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("**Act**"). The Proposed Demerger and the draft Scheme were approved by the Board of Directors of the Company ("**Board**") *vide* resolution dated July 23, 2021.
- 1.2 The provisions of Section 232(2)(c) of the Act requires the Directors of the Company to adopt a report explaining the effect of the arrangement pursuant to the Scheme on each class of shareholders, key managerial personnel, and promoters and non-promoter shareholders, and to set out, in particular, the share entitlement ratio, specifying any special valuation difficulties, if any, and if required, be circulated to the shareholders/ creditors of the Company along with the notice convening the meeting of the shareholders/ creditors as may be directed by the jurisdictional bench of the National Company Law Tribunal.
- 1.3 Capitalized terms used but not defined in this report shall have the meanings ascribed to such terms under the Scheme.
- 1.4 Accordingly, this report of the Board is being made in pursuance of the requirements of Section 232(2)(c) of the Act and in this regard, the following documents were presented before the Board.
 - (i) The Scheme, as approved by the Board pursuant to resolution dated July 23, 2021;
 - (ii) Valuation Opinion dated July 16, 2021 issued by Incwert Advisory Private Limited, a registered valuer ("**Valuation Opinion**");
 - (iii) Fairness Opinion dated July 23, 2021 issued by Ernst and Young Merchant Banking Services LLP, a SEBI registered merchant banker ("**Fairness Opinion**");
 - (iv) Report from the Audit Committee of the Company dated July 23, 2021, recommending the draft Scheme, for favorable consideration by the Board.

A Jubilant Bhartla Company

OUR VALUES



Jubilant Pharmova Limited

1-A, Sector 16-A,
Noida-201 301, UP, India
Tel: +91 120 4361000
Fax: +91 120 4234895-96
www.jubilantpharmova.com



Regd Office:
Bhartiagram, Gajraula
Distt. Amroha - 244 223
UP, India
CIN : L24116UP1978PLC004624

- 1.5 The Board noted the rationale for the Scheme, as set forth in detail in the Scheme, and is therefore not reiterated in this report.

2. **Disclosure about the effect of the Scheme on the following persons in relation to the Company in terms of Section 232(2)(c) of the Act**

| S.NO. | EFFECT OF THE SCHEME ON | |
|-------|--|--|
| 1. | Directors and Key Managerial Personnel of the Company | Upon the Effective Date, all the Directors and Key Managerial Personnel ("KMP") of the Company will continue as Directors and KMPs of the Company and would not be affected by the Scheme. |
| 2. | Equity Shareholders: Promoters of the Company | Since the Scheme does not envisage the issuance of shares, there will be no change in the shareholding consequent to the Scheme. Accordingly, the shareholders of the Company would not be affected by the Scheme. |
| 3. | Equity Shareholders: Non-promoter shareholders of the Company | |

3. **Share Exchange Ratio & Valuation Difficulties, if any**

- 3.1 As per the Valuation Opinion, pursuant to the demerger of the API Undertaking of JGL into the Company, on a going concern basis, a separate valuation of the API Undertaking is not required as no consideration will be discharged. Further, considering that ultimately, both JGL and Jubilant Pharma Limited are subsidiaries of the Company with the Company controlling, directly or indirectly, 100% of the total shareholding in both, JGL and Jubilant Pharma Limited, the beneficial economic interest of the shareholders of the Company (upon the Scheme becoming effective) would remain unchanged. Accordingly, assigning nil consideration for demerger of the API Undertaking would not have any economic impact on the ultimate value of the shareholders of the Company.
- 3.2 No special valuation difficulties were reported by the valuers.
- 3.3 Further, since the equity shares of the Company are listed on the Stock Exchanges (i.e. National Stock Exchange of India Limited and BSE Limited), the above mentioned Fairness Opinion was obtained. The Fairness Opinion has been issued in respect of the Valuation Opinion.

4. **Adoption of the Report by the Board of Directors**

The Board has adopted this report after noting and considering the information set forth above.

By Order of the Board
For Jubilant Pharmova Limited


Rajiv Shah
Company Secretary

Date: July 23, 2021
Place: Noida





REPORT ADOPTED BY THE BOARD OF DIRECTORS OF JUBILANT GENERICS LIMITED ON JULY 16, 2021 IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 EXPLAINING THE EFFECT OF THE SCHEME OF ARRANGEMENT BETWEEN JUBILANT GENERICS LIMITED AND JUBILANT PHARMOVA LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

1. Background

- 1.1 Jubilant Generics Limited ("Company") is considering a reorganisation of its Active Pharmaceuticals Ingredients ("APIs") business within Jubilant Pharmova Limited ("JPM"), its ultimate holding company, *inter alia*, for better operational synergy and management effectiveness, by way of a demerger of the API undertaking of the Company and vesting of the same with JPM, on a going concern basis ("Proposed Demerger"), to be implemented through a scheme of arrangement between the Company and JPM and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme"). The Proposed Demerger and the draft Scheme were approved by the Board of Directors of the Company ("Board") *vide* resolution dated July 16, 2021.
- 1.2 The provisions of Section 232(2)(c) of the Act requires the Directors of the Company to adopt a report explaining the effect of the arrangement pursuant to the Scheme on each class of shareholders, key managerial personnel, and promoters and non-promoter shareholders, and to set out, in particular, the share entitlement ratio, specifying any special valuation difficulties, if any, and if required, be circulated to the shareholders/ creditors of the Company along with the notice convening the meeting of the shareholders/ creditors as may be directed by the jurisdictional bench of the National Company Law Tribunal.
- 1.3 Capitalized terms used but not defined in this report shall have the meanings ascribed to such terms under the Scheme.
- 1.4 Accordingly, this report of the Board is being made in pursuance of the requirement of Section 232(2)(c) of the Act and in this regard, the following documents were presented before the Board.
 - (i) The Scheme, as approved by the Board pursuant to resolution dated July 16, 2021;
 - (ii) Valuation Opinion dated July 16, 2021 issued by Incwert Advisory Private Limited, a registered valuer ("Valuation Opinion"); and
- 1.5 The Board noted the rationale for the Scheme, as set forth in detail in the Scheme, and is therefore not reiterated in this report.



A Jubilant Pharmova Company

OUR VALUES



Jubilant Generics Limited
 Plot No. 15, Knowledge Park II,
 Greater Noida, Distt. Gautam
 Budh Nagar - 201 306, UP India
 Tel: +91 120 7186009
 Fax: +91 120 7186140
www.jubilantpharma.com

Regd Office:
 I-A, Sector 16-A,
 Noida-201 301, UP India
 CIN : U24100UP2013FLC060821

2. Disclosure about the effect of the Scheme on the following persons in relation to the Company in terms of Section 232(2)(c) of the Act

| SR. NO. | EFFECT OF THE SCHEME ON | |
|---------|--|--|
| 1. | Directors and Key Managerial Personnel of the Company | Upon the Effective Date, all the Directors and Key Managerial Personnel ("KMP") of the Company will continue as Directors and KMPs of the Company, as applicable and would not be affected by the Scheme. |
| 2. | Equity Shareholders: Promoters of the Company | Since the Scheme does not envisage the issuance of shares, there will be no change in the shareholding consequent to the Scheme. Accordingly, the shareholders of the Company would not be affected by the Scheme. |
| 3. | Equity shareholders: Non-promoter shareholders of the Company | |

3. Share Exchange Ratio & Valuation Difficulties, if any

As per the Valuation Opinion, pursuant to the demerger of the API Undertaking of the Company into JPM, on a going concern basis, a separate valuation of the API Undertaking is not required as no consideration will be discharged.

No special valuation difficulties were reported by the valuers.

4. Adoption of the Report by the Board of Directors

The Board has adopted this report after noting and considering the information set forth above.

By Order of the Board

For Jubilant Generics Limited



Anant Pande
Director
DIN: 08186854



Date: July 16, 2021
Place: Noida

Inbiant Pharmova Limited
Standalone Financial Statements for the period ended 31 July 2021 (Provisional)


| | | ₹ in million) | |
|---------------------------------|-------|------------------|------------------|
| | Notes | As at | |
| | | 31 July 2021 | 31 March 2021 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 992.60 | 1,000.56 |
| Capital work-in-progress | 3 | 3.36 | 3.27 |
| Right-of-use assets | 36 | 258.89 | 270.24 |
| Financial assets | | | |
| i. Investments | 5 | 16,459.84 | 16,459.34 |
| ii. Loans | 6 | 32.41 | 17.25 |
| Deferred tax assets (net) | 8 | 8.55 | - |
| Income tax assets (net) | | 32.32 | 32.32 |
| Other non-current assets | 9 | 2.62 | - |
| Total non-current assets | | 17,789.99 | 17,783.48 |
| Current assets | | | |
| Financial assets | | | |
| i. Trade receivables | 10 | 242.32 | - |
| ii. Cash and cash equivalents | 11 | 419.17 | 403.27 |
| iii. Loans | 6 | 0.25 | - |
| iv. Other financial assets | 7 | 967.36 | 258.24 |
| Other current assets | 12 | 14.64 | 0.96 |
| Total current assets | | 1,643.74 | 662.47 |
| Total assets | | 19,433.73 | 18,445.95 |

| | | (₹ in millions) | |
|--|-------|------------------|------------------|
| | Notes | As at | |
| | | 31 July 2021 | 31 March 2021 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 13 | 159.30 | 159.30 |
| Other equity | | 13,558.28 | 12,665.15 |
| Total equity | | 13,717.58 | 12,824.45 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 15(A) | 4,930.00 | 4,200.00 |
| ii. Lease liabilities | | 67.53 | 78.06 |
| Provisions | 16 | 54.35 | 53.35 |
| Deferred tax liabilities (net) | 3 | - | 88.56 |
| Total non-current liabilities | | 5,051.88 | 4,419.97 |
| Current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 15(B) | - | 730.00 |
| ii. Lease liabilities | | 39.16 | 39.03 |
| iii. Trade payables | 17 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 0.10 | 4.37 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 50.92 | 154.64 |
| iv. Other financial liabilities | 18 | 294.56 | 153.25 |
| Other current liabilities | 19 | 20.99 | 17.19 |
| Provisions | 16 | 81.40 | 79.65 |
| Current tax liabilities (net) | | 186.14 | 35.33 |
| Total current liabilities | | 664.27 | 1,201.53 |
| Total liabilities | | 5,716.15 | 5,621.50 |
| Total equity and liabilities | | 19,433.73 | 18,445.95 |

The accompanying notes form an integral part of the standalone financial statements

For Jubilant Pharmova Limited


Arun Kumar Sharma
Chief Financial Officer


Raju Shah
Company Secretary

Jubilant Pharmova Limited
Statement of Profit and Loss for the period ended 31 July 2021 (Provisional)

| | | (₹ in million) | |
|---|-------|--------------------------------------|-------------------------------------|
| | Notes | For the period ended 31 July 2021 | For the year ended 31 March 2021 |
| Revenue from operations | 20 | 276.28 | 27,094.98 |
| Other income | 21 | 1,031.11 | 478.81 |
| Total income | | 1,307.39 | 27,573.79 |
| Expenses | | | |
| Cost of materials consumed | 22 | - | 19,289.21 |
| Purchases of stock in trade | 23 | - | 662.51 |
| Charges in inventories of finished goods, stock-in-trade and work-in-progress | 24 | - | 552.09 |
| Employee benefits expense | 25 | 151.59 | 2,206.72 |
| Finance costs | 26 | 95.17 | 1,018.00 |
| Depreciation and amortisation expense | 27 | 20.34 | 999.71 |
| Other expenses | 28 | 81.72 | 6,114.08 |
| Total expenses | | 348.86 | 24,842.12 |
| Profit before tax | | 958.54 | 2,731.67 |
| Tax expense | 29 | | |
| Current tax | | 167.18 | 454.44 |
| Deferred tax (credit)/charge | | (102.64) | 152.48 |
| Total tax expense | | 64.54 | 606.91 |
| Profit for the year | | 894.00 | 2,144.75 |
| Other comprehensive (loss)/income | | | |
| <i>Items that will not be reclassified to profit or loss</i> | | | |
| Changes in fair value of equity investments which are classified at fair value through other comprehensive income (OCI) | | - | (10.38) |
| Remeasurement of defined benefit obligations | | (1.62) | (10.88) |
| Income tax relating to items that will not be reclassified to profit or loss | 29 | 0.57 | 3.80 |
| Other comprehensive loss for the year, net of tax | | (1.05) | (17.46) |
| Total comprehensive income for the year | | 892.95 | 2,127.29 |
| Earnings per equity share of ₹ 1 each | 31 | | |
| Basic (₹) | | 5.61 | 13.47 |
| Diluted (₹) | | 5.61 | 13.47 |

The accompanying notes form an integral part of the standalone financial statements

For Jubilant Pharmova Limited

Arun Kumar Sharma
Chief Financial Officer

Rajiv Shah
Company Secretary

Sublimet Pharmaceuticals Limited

| | |
|---|--------|
| A. Equity share capital | |
| Balance as at 1 April 2019 | 159.50 |
| Changes in equity share capital during the year ended 31 March 2021 | |
| Balance as at 31 March 2021 | 159.50 |
| B. Reserve | |
| Balance as at 31 March 2021 | 159.50 |

FL Outlet Expanding

| B. Other equity | | (€ million) | | | | | |
|-----------------|--------------------|----------------------------|---------------------------|-----------------|---|-------------------|---------------------------------|
| | | Comprehensive Income | | | | | Total |
| | | Reserves and surplus (1) | | | | (2) | |
| Capital reserve | Securities premium | Capital redemption reserve | Reserve for contingencies | General reserve | Share based payment reserve (refer note 4B) | Retained earnings | Equity attributable through OCI |
| 1,098.73 | 5,873.41 | 9.38 | 13.21 | 7,375.72 | - | 31,572.44 | 44,813.45 |
| - | - | - | - | - | - | 2,341.25 | 2,341.25 |
| - | - | - | - | - | - | (7.50) | (7.50) |
| - | - | - | - | - | - | 2,337.67 | 2,337.67 |
| - | - | - | - | - | - | 0.62 | 0.62 |
| - | (5,238.41) | - | - | (7,375.72) | - | (2,131.78) | (2,131.78) |
| (0.20) | - | - | - | - | - | - | (0.20) |
| 1,098.53 | - | 9.38 | 13.21 | - | - | 31,540.18 | 32,664.15 |
| - | - | - | - | - | - | 394.00 | 394.00 |
| - | - | - | - | - | - | (7.40) | (7.40) |
| - | - | - | - | - | - | 883.95 | 883.95 |
| - | - | - | - | - | 0.11 | - | 0.11 |
| 1,098.23 | - | 9.38 | 13.21 | - | - | 32,412.10 | 32,532.89 |

Notes:

1. Higher costs for negative social purpose of other equity.

The accompanying notes form an integral part of the consolidated statement of financial position.

For Jubilee Pharmacy Limited

For Jubilant Pharmova Limited


Arun Kumar Sharma
Chief Financial Officer


Rajiv Shah
Company Secretary

Jubilant Pharmova Limited
Statement of Cash Flows for the period ended 31 July 2021 (Unaudited)


| | (₹ in millions) | |
|--|--------------------------------------|-------------------------------------|
| | For the period ended 31 July 2021 | For the year ended 31 March 2021 |
| A. Cash flow from operating activities | | |
| Net profit before tax | 958.54 | 2,731.47 |
| Adjustments: | | |
| Depreciation and amortisation expense | 20.54 | 999.21 |
| (Gain)/Loss on sale/disposal/discard of property, plant and equipment (net) | (0.13) | 2.36 |
| Finance costs | 95.17 | 1,018.00 |
| Employee share-based payment expense | 0.18 | - |
| Unrealised foreign exchange loss | 4.02 | 1.41 |
| Interest income | (4.64) | (2,100) |
| Dividend income | (871.11) | - |
| | <u>(546.19)</u> | <u>1,364.48</u> |
| Operating cash flow before working capital changes | 102.35 | 4,095.15 |
| (Increase)/decrease in trade receivables, loans, other financial assets and other assets | (6.27) | 77.15 |
| Decrease in inventories | - | 1,234.22 |
| (Decrease)/increase in trade payables, other financial liabilities, other liabilities and provisions | (12.48) | 202.15 |
| Cash generated from operations | 86.80 | 6,509.75 |
| Income tax paid/(net of refund) | <u>(15.98)</u> | <u>(423.98)</u> |
| Net cash generated from operating activities | 42.62 | 4,083.77 |
| B. Cash flow from investing activities | | |
| Purchase of property, plant and equipment and other intangible assets (including capital work-in-progress and intangible assets under development) | (0.15) | (925.02) |
| Proceeds from sale of property, plant and equipment | 0.46 | 4.49 |
| Investment in subsidiaries | - | (227.17) |
| Loans repaid by subsidiaries (net) | - | 36.47 |
| Proceeds from sale of business (refer note 17) | - | 1,255.00 |
| Movement in other bank balances | - | 1,486.37 |
| Interest received | <u>3.66</u> | <u>52.81</u> |
| Net cash generated from investing activities | 3.27 | 1,779.55 |
| C. Cash flow from financing activities | | |
| Proceeds from long term borrowings | - | 948.47 |
| Repayments of long term borrowings | - | (2,530.96) |
| Payment of lease liabilities | (9.42) | (49.52) |
| Repayments of short term borrowings (net) | - | (3,899.22) |
| Finance taken from subsidiaries | - | 1,113.49 |
| Repayment of loans taken from subsidiaries | - | (947.49) |
| Dividend paid/(including dividend distribution (2)) | - | (14.75) |
| Finance costs paid | <u>(24.27)</u> | <u>(1,013.22)</u> |
| Net cash used in financing activities | (29.99) | (7,816.45) |
| Net increase in cash and cash equivalents (A+B+C) | 15.90 | 46.87 |
| Add cash and cash equivalents at the beginning of year | <u>481.21</u> | <u>967.02</u> |
| Cash and cash equivalents transferred pursuant to the Corporate Scheme (refer note 11) | - | (410.67) |
| Cash and cash equivalents received pursuant to the Corporate Scheme (refer note 18) | <u>-</u> | <u>0.65</u> |
| Cash and cash equivalents at the end of the year (refer note 11) | 497.11 | 403.27 |


Notes:

1. Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 'Statement of Cash Flows'.
2. For cash and cash equivalents pursuant to the Corporate Scheme, refer note 11.

The accompanying notes form an integral part of the standalone financial statements

For Jubilant Pharmova Limited


Arun Kumar Sharma
 Chief Financial Officer


Rajesh Bhatia
 Company Secretary

Note 1. Corporate information

Jubilant Pharmova Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its shares are listed on BSE Limited and National Stock Exchange of India Limited. The registered office of the Company is situated at Bharti Nagar, Gajraula, District Amroha, Uttar Pradesh - 244223.

The Company is an integrated global pharmaceutical engaged in pharmaceuticals, contract research and development services and proprietary novel drugs. The pharmaceuticals segment, through wholly owned subsidiary Jubilant Pharms Limited, is engaged in manufacture and supply of APIs, solid dosage formulations, radiopharmaceuticals, allergy therapy products and contract manufacturing of sterile injectables and non-sterile products through 6 manufacturing facilities in India, USA and Canada and a network of over 50 radiopharmacies in the USA. The contract research and development segment provides drug discovery and development services as well as clinical data software and service solutions. Proprietary novel drugs segment is a patient-focused biopharmaceutical business working to address unmet medical needs in oncology and autoimmune diseases. The Company is well recognised as a 'Partner of Choice' by leading pharmaceutical companies globally.

The Composite Scheme of Arrangement ("Composite Scheme") for amalgamation of certain promoter controlled entities into the Company and demerger of the Life Science Ingredients business into Jubilant Ingrevia Limited, the Resulting entity, was approved by Honorable National Company Law Tribunal ("NCLT"), Allahabad Bench vide its order dated 23 December 2020, formal order received on 6 January 2021. The said NCLT order was filed with the Registrar of Companies by the Company and the Resulting entity on 4 February 2021, thereby making the Composite Scheme effective. Accordingly, all assets and liabilities of the Life Science Ingredients business stand transferred and vested into Jubilant Ingrevia Limited on 1 February 2021, being the Appointed date as per the Composite Scheme for the demerger of Life Sciences Ingredients business. Effective that date, the name of the Company has changed to Jubilant Pharmova Limited from Jubilant Life Sciences Limited (refer note 31).

Note 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these interim financial statements. The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) Statement of compliance

These Special Purpose Standalone Interim Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) including the requirements of Ind AS 34 "Interim Financial Reporting", as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, ("the Act"), relevant provisions of the Act and other accounting principles generally accepted in India.

All the amounts included in the financial statements are reported in millions of Indian Rupees ("Rupees" or "₹") and are rounded to the nearest million, except per share data and unless stated otherwise.

These financial statements have been prepared for the purpose of filing with the National Company Law Tribunal, Allahabad Bench, pursuant to the Scheme of Arrangement ("the Scheme") for the demerger of the Active Pharmaceutical Ingredients (API) Undertaking of Jubilant Generics Limited (step-down wholly owned subsidiary company) and vesting of the same with Jubilant Pharmova Limited on a going concern basis. These financial statements do not include impact resulting from the Scheme pending regulatory and other approvals.

(ii) Historical cost convention

These financial statements have been prepared under historical cost convention or accrual basis, unless otherwise stated.

(b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There's no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

(c) Property, plant and equipment (PPE) and intangible assets

(i) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalised finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition off its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the period end, are shown as capital work-in-progress.

(iii) Intangible assets

- Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:
 - Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
 - Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.
- Intangible assets that are acquired and implementation of software system are measured initially at cost.
- After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

(iii) Depreciation and amortisation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

| Category of assets | Management estimate of useful life | Useful life as per Schedule II |
|---|--|--------------------------------|
| Vehicles owned | 5 years | 8 years |
| Computer servers and networks (included in office equipment) | 5 years | 6 years |
| Dies and punches for manufacture of dosage formulations (included in plant and equipment) | 1-2 years | 15 years |
| Employee perquisite related assets (except end-user computers) (included in furniture and fixtures) | 5 years, being the period of perquisite scheme | 10 years |

Software systems are being amortised over a period of five years being their useful life. Rights are amortised over the useful life.

Depreciation and amortisation on property, plant and equipment and intangible assets added/disposed off during the period has been provided on pro-rata basis with reference to the date/month of addition/disposal.

Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(iv) Derecognition

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

(d) Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Statement of Profit and Loss.

Once classified as held-for sale, property, plant and equipment and intangible assets are no longer amortised or depreciated.

(e) Impairment of non-financial assets

The Company's non-financial assets other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that expire/deliver of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt Instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investments in subsidiaries

Equity investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognises loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case these are measured at lifetime ECL. The amount of ECL (or reverse) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the

Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(ii) Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(h) Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability

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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(I) Revenue recognition

Revenue from sale of products is recognised when the Company satisfies a performance obligation upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognized when the Company satisfies a performance obligation as and when the underlying services are performed.

The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. Invoices are issued as per the general business terms and are payable in accordance with the contractually agreed credit period.

Revenues are measured based on the transaction price allocated to the performance obligation, which is the consideration, net of taxes or duties collected on behalf of the government and applicable discounts and allowances including expected sales return etc. The transaction price is allocated to each performance obligation in the contract on the basis of the relative standalone selling prices of the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes significant financing component.

Contract assets are recognised when there is excess of revenue earned over billings on contracts, excluding amounts classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash and only passage of time is required as per contractual terms. Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

Income in respect of entitlement towards export incentives is recognised in accordance with the relevant scheme on recognition of the related export sales. Such export incentives are recorded as part of other operating revenue.

(J) Employee benefits

(i) *Short-term employee benefits:* All employee benefits falling due within twelve months from the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) *Post-employment benefits:* Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment.

b) Superannuation

Certain employees of the Company are also participants in the superannuation plan, a defined contribution plan. Contribution made by the Company to the superannuation plan during the period is charged to Statement of Profit and Loss.

(c) Provident fund

- The Company makes contribution to the recognised provident fund - "VAM Employees Provident Fund Trust" (a multiemployer trust) for most of its employees in India, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

For other employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

- Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(ii) Other long-term employee benefits

Compensated absences

- As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

(iv) Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(v) Actuarial valuation

The liability in respect of all defined benefit plans and other long term benefits at the end of the financial year is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses on other long term benefits are recognised in the Statement of Profit and Loss in the period in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

The expense for an interim period is calculated on a year-to-date basis by using the actuarially-determined expense of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements or other significant one-time events, if any.

(k) Share-based payments

The Company has adopted the policy to account for Employees Welfare Trust as a legal entity separate from the Company but as a subsidiary of the Company. Any loan from the Company to the trust is accounted for as a loan in accordance with its terms.

The grant date fair value of options granted (net of estimated forfeiture) to employees of the Company is recognised as an employee expense, and those granted to employees of subsidiaries is considered as the Company's equity contribution and is added to the carrying value of investment in the respective subsidiaries, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share-based payment transaction is presented as a separate component in equity under "share based payment reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

Corresponding balance of a share based payment reserve is transferred to general reserve upon expiry of grants or upon exercise of stock options by an employee, as the Company is operating the Employee Stock Option schemes through Jubilant Employees Welfare Trust, which has purchased share from the secondary market.

(l) Finance costs and finance income

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalised as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalisation. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

Finance income consists of interest income. Interest income or expense is recognised using the effective interest method. The "effective interest rate" is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. In calculating interest income or expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(m) Exceptional items

Exceptional items refer to items of income or expense within the Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

(n) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

• **Current tax:**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous periods. Current tax expense is recognised at an amount determined by multiplying the profit/(loss) before tax for the interim reporting period by management's best estimate of the weighted average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

• **Deferred tax:**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is a tax liability of a company computed at specified rate on adjusted book profits as per applicable provisions of the Income Tax Act. A company is liable to pay MAT, if the income tax payable under normal provisions of the Income Tax Act is less than tax payable under MAT.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred income tax is not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

For operations carried out in SEZs, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

(c) Leases - Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset; (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Company has the right to direct the use of the asset.

The Company's lease asset classes primarily consist of leases for land, buildings, plant and machinery and vehicles which typically run for a period of 3 to 25 years, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets and lease liabilities includes the options to extend or terminate the lease when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend

or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(p) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(q) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presumed within other operating revenue.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(r) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial period, adjusted for bonus elements in equity shares issued during the period.

(iii) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

(5) *Measurement of fair values*

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(f) Critical estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Assessment of useful life of property, plant and equipment and intangible asset – Note 2(c)
- Impairment of financial assets and non-financial assets – Note 2(f) and 2(e)
- Lease term, whether the Company is reasonably certain to exercise extension options – Note 2(m) and 36.
- Recognition and estimation of tax expense including deferred tax – Note 8 and 29.
- Fair value measurement – Note 2(s)
- Estimation of assets and obligations relating to employee benefits – Note 2(j)
- Recognition and measurement of contingency. Key assumption about the likelihood and magnitude of an outflow of resources – Note 34.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company, as at the date of approval of these financial statements, has used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the Company. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes in future economic conditions.

Jubilant Pharmancy Limited

Notes to the financial statements for the period ended 31 July 2021 (Continued)

Note 3: Property, plant and equipment and capital work-in-progress

| | ₹ in million | | | | | |
|--|-------------------|-----------------------|----------------------|-------------------------------------|--------------------|--------------------|
| | Land- freehold | Buildings- factory | Buildings- others | Plant and equipment and fixtures | Vehicles- owned | Railway sidings |
| Gross carrying amount as at 1 April 2020 | 227.01 | 1,338.92 | 2,235.20 | 17,213.26 | 36.81 | 108.43 |
| Additions (1) | - | - | 66.31 | 245.34 | - | 30.06 |
| Deductions (2) | - | - | - | (3.37) | (6.94) | (3.91) |
| Transferred pursuant to the Composite Scheme (refer note 11) | (226.80) | (1,318.92) | (1,253.83) | (17,955.52) | (11.32) | (108.43) |
| Gross carrying amount as at 31 March 2021 | 0.12 | - | 1,047.38 | - | 19.83 | 128.26 |
| Accumulated depreciation as at 1 April 2020 | - | 176.49 | 268.50 | 3,284.32 | 24.68 | 55.40 |
| Depreciation charge for the year | - | 38.83 | 170.92 | 601.98 | 3.22 | 9.24 |
| Deductions (3) | - | - | - | (9.26) | (5.34) | (3.91) |
| Transferred pursuant to the Composite Scheme (refer note 11) | - | (211.52) | (285.35) | (3,976.04) | (10.31) | (54.64) |
| Accumulated depreciation as at 31 March 2021 | - | - | 104.07 | - | 16.43 | 218.50 |
| Net carrying amount as at 31 March 2021 | 0.12 | - | 943.31 | - | 3.40 | 1,009.56 |
| | | | | | | 3.27 |

| | ₹ in million | | | | | |
|---|-------------------|-----------------------|----------------------|-------------------------------------|--------------------|--------------------|
| | Land- freehold | Buildings- factory | Buildings- others | Plant and equipment and fixtures | Vehicles- owned | Railway sidings |
| Gross carrying amount as at 1 April 2021 | 0.12 | - | 1,047.38 | - | 19.83 | 128.26 |
| Additions (1) | - | - | - | - | - | 0.57 |
| Deductions (2) | - | - | - | (0.24) | - | (0.31) |
| Gross carrying amount as at 31 July 2021 | 0.12 | - | 1,047.38 | - | 19.59 | 128.84 |
| Accumulated depreciation as at 1 April 2021 | - | - | 104.07 | - | 13.03 | 83.81 |
| Depreciation charge for the year | - | - | 3.60 | - | 0.31 | 1.37 |
| Deductions (3) | - | - | - | (0.14) | (0.14) | (0.16) |
| Accumulated depreciation as at 31 July 2021 | - | - | 109.87 | - | 13.70 | 85.66 |
| Net carrying amount as at 31 July 2021 | 0.12 | - | 937.51 | - | 5.89 | 43.18 |
| | | | | | | 3.36 |

Note: (1) Refer note 15(a) for information on property, plant and equipment provided as security to the Company.

(2) Refer note 25 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(3) Refer note 38 for lease costs capitalised.

(4)

| Particulars | ₹ in million | |
|--|--------------|---------------|
| | 31 July 2021 | 31 March 2021 |
| Opening capital work-in-progress of R&D assets | - | 21.28 |
| Expenditure incurred during the period/year | - | 9.74 |
| Less: Capitalised during the period/year | - | (11.87) |
| Less: Transferred pursuant to the Composite Scheme (refer note 11) | - | (19.15) |
| Closing capital work-in-progress of R&D assets | - | - |

Note 4: Other intangible assets and intangible assets under development

| | | | | (₹ in million) |
|--|---------|----------|----------|-------------------------------------|
| | Rights | Software | Total | Intangible assets under development |
| Gross carrying amount as at 1 April 2020 | 12.24 | 148.24 | 160.48 | 6.80 |
| Additions | - | 3.46 | 3.46 | 26.76 |
| Deductions | - | - | - | (3.46) |
| Transferred pursuant to the Composite Scheme (refer note 31) | (12.24) | (151.62) | (163.86) | (30.10) |
| Gross carrying amount as at 31 March 2021 | - | 0.08 | 0.08 | - |
| Accumulated amortisation as at 1 April 2020 | 12.24 | 96.44 | 108.68 | - |
| Amortisation for the year | - | 14.86 | 14.86 | - |
| Transferred pursuant to the Composite Scheme (refer note 31) | (12.24) | (131.22) | (123.46) | - |
| Accumulated amortisation as at 31 March 2021 | - | 0.08 | 0.08 | - |
| Net carrying amount as at 31 March 2021 | - | - | - | - |

| | | | | (₹ in million) |
|---|--------|----------|-------|-------------------------------------|
| | Rights | Software | Total | Intangible assets under development |
| Gross carrying amount as at 1 April 2021 | - | 0.08 | 0.08 | - |
| Additions | - | - | - | - |
| Gross carrying amount as at 31 July 2021 | - | 0.08 | 0.08 | - |
| Accumulated amortisation as at 1 April 2021 | - | 0.08 | 0.08 | - |
| Amortisation for the period | - | - | - | - |
| Accumulated amortisation as at 31 July 2021 | - | 0.08 | 0.08 | - |
| Net carrying amount as at 31 July 2021 | - | - | - | - |

Note 5: Non-current investments

| | (₹ in million) | |
|---|------------------|------------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| I. Investment in equity shares (at cost) | | |
| Unquoted (fully paid up) | | |
| Subsidiary companies: | | |
| 326,758,994 (31 March 2021: 326,758,994) equity shares with no par value | | |
| Jubilant Pharm Limited | 14,913.01 | 14,912.01 |
| 2,050,000 (31 March 2021: 2,050,000) equity shares of ₹ 10 each | | |
| Jubilant First Trust Healthcare Limited | 44.43 | 44.43 |
| 4,650,001 (31 March 2021: 4,650,001) equity shares with no par value | | |
| Drug Discovery and Development Solutions Limited | 641.31 | 641.31 |
| 50,000 (31 March 2021: 50,000) equity shares of ₹ 10 each | | |
| Jubilant Business Services Limited | 0.50 | 0.50 |
| 86,645,213 (31 March 2021: 86,645,213) equity shares of ₹ 10 each | | |
| Jubilant Therapeutics India Limited | 570.00 | 570.00 |
| 252,140,534 (31 March 2021: 252,140,534) equity shares of ₹ 10 each | | |
| Jubilant Biosys Limited | 219.77 | 219.77 |
| | 16,389.02 | 16,189.02 |
| II. Investment in equity shares (at fair value through other comprehensive income) | | |
| Unquoted (fully paid up) | | |
| Other Companies: | | |
| 6,569,310 (31 March 2021: 6,569,310) equity shares of ₹ 10 each | | |
| Fortan Aviation Limited* | 70.82 | 70.82 |
| | 70.82 | 70.82 |
| Total non-current investments | 16,459.84 | 16,459.84 |
| Aggregate amount of unquoted investments | 16,459.84 | 16,459.84 |
| Aggregate amount of impairment in the value of investments | - | - |

*The Company designated this investment as equity instruments measured at FVOCI because these shares represent investment that the Company intends to hold for long-term for strategic purposes.

Note 6: Loans

| | (₹ in million) | | | |
|----------------------------|----------------|--------------|---------------|--------------|
| | As at | | | |
| | 31 July 2021 | | 31 March 2021 | |
| | Current | Non-current | Current | Non-current |
| Unsecured, considered good | | | | |
| Security deposits | - | 32.32 | - | 17.14 |
| Loan to employees | 0.25 | 0.00 | - | 0.11 |
| Total loans | 0.25 | 32.41 | - | 17.25 |

Note 7: Other current financial assets

| | (₹ in million) | |
|---|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Receivable from related parties | - | 258.00 |
| Interest receivable | 1.23 | 0.24 |
| Dividend receivable | 966.43 | - |
| Total other current financial assets | 967.36 | 258.24 |

Note 8: Deferred tax

Deferred income tax reflects the net tax effects of temporary difference between the carrying amount of asset and liabilities in financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's net deferred income tax are as follows:

Deferred tax assets

| | (₹ in million) | | | | | |
|--|---|--|------------------------|-----------------|--|------------|
| | Provision for compensated absences and gratuity | Expenditure allowed as actual government bonus | MAT credit entitlement | Lease liability | Accrued expenses and other temporary differences | Total |
| As at 1 April 2020 | 270.31 | 36.67 | 1,943.18 | 104.24 | 19.39 | 2,453.79 |
| (Charged)/credited: | | | | | | |
| - to statement of profit and loss | (8.47) | (22.00) | (306.69) | 80.51 | (0.17) | (427.73) |
| - to MAT credit adjusted/added | - | - | (45.17) | - | - | (45.17) |
| - to other comprehensive income | 3.39 | - | - | - | - | 3.39 |
| Transferred pursuant to the Corporate Scheme (refer note 31) | (240.76) | (14.07) | (1,487.71) | (153.96) | (14.35) | (2,010.85) |
| As at 31 March 2021 | 35.48 | - | - | 36.59 | 0.93 | 43.00 |
| (Charged)/credited: | | | | | | |
| - to statement of profit and loss | 11.75 | - | 142.13 | (1.69) | (9.17) | 156.01 |
| - to MAT credit adjusted/added | - | - | (6.10) | - | - | (6.10) |
| - to other comprehensive income | 4.57 | - | - | - | - | 4.57 |
| As at 31 July 2021 | 47.80 | - | 136.03 | 34.90 | 0.80 | 212.38 |

Jubilant Pharmacia Limited
Notes to the financial statements for the period ended 31 July 2021 (Provisional)

Deferred tax liabilities:

| | (₹ in million) | | |
|---|--|--------|------------|
| | PPE, Intangibles and Right-of-use assets | Others | Total |
| As at 1 April 2020 | 2,564.98 | 5.93 | 2,570.91 |
| Charged/(credited): | | | |
| - to statement of profit and loss | (94.96) | (0.29) | (95.25) |
| - to other comprehensive income | - | - | - |
| Transferred pursuant to the Composite Scheme (refer note 31) | (2,320.46) | (5.64) | (2,326.10) |
| As at 31 March 2021 | 149.56 | - | 149.56 |
| Charged/(credited): | | | |
| - to statement of profit and loss | 54.27 | - | 54.27 |
| - to other comprehensive income | - | - | - |
| As at 31 July 2021 | 203.83 | - | 203.83 |

Reflected in the Balance Sheet as follows:

| | (₹ in million) | |
|---|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Deferred tax assets | 212.58 | 01.00 |
| Deferred tax liabilities | 203.83 | 149.56 |
| Deferred tax assets/(liabilities) (net) | 8.55 | (88.56) |

Reconciliation of deferred tax assets/(liabilities) (net).

| | (₹ in million) | |
|--|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Balance as at the commencement of the year | (88.56) | (113.13) |
| Credit/ (charge) during the period/year recognised: | | |
| - in statement of profit and loss (including MAT) | 102.64 | (132.48) |
| - in other comprehensive income | 0.57 | 3.80 |
| MAT credit adjusted/utilised | (6.10) | (48.87) |
| Transferred pursuant to the Composite Scheme (refer note 31) | - | 202.12 |
| Balance as at the end of the period/year | 8.55 | (88.56) |

DTA has not been recognised on temporary differences in relation to induction benefit of investment in subsidiaries amounting to ₹ 3,009.64 million (31 March 2021: ₹ 4,559.70) as the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

Tax related contingencies: Refer note 34.

Note 9: Other non-current assets

| | (₹ in million) | |
|--------------------------------|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Capital advances | 2.62 | - |
| Total other non-current assets | 2.62 | - |

Note 10: Trade receivables

| | (₹ in million) | |
|----------------------------------|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Unsecured and current | | |
| Receivables from related parties | 242.32 | - |
| Total trade receivables | 242.32 | - |

Note 11: Cash and cash equivalents

| | (₹ in million) | |
|--|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Balances with banks | | |
| - current accounts | 26.90 | 192.30 |
| - dividend accounts | 39.87 | 40.22 |
| deposit accounts with original maturity up to three months | 352.40 | 130.00 |
| Others | | |
| - Funds in transit | - | 40.95 |
| Total cash and cash equivalents (1) | 419.17 | 403.27 |

Note:

(1) ₹ 39.87 million (31 March 2021: ₹ 40.22 million) has restricted use.

Note 12: Other current assets

| | (₹ in million) | |
|--|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Prepaid expenses | 14.64 | 0.93 |
| Recoverable from/balance with government authorities | - | 0.01 |
| Total other current assets | 14.64 | 0.96 |

Jubilant Pharmova Limited

Notes to the financial statements for the period ended 31 July 2021 (Provisional)

Note 13: Equity share capital

| | (₹ in million) | |
|---|-----------------|-----------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Authorised* | | |
| 1,430,200,000 (31 March 2021 : 1,430,200,000) equity shares of ₹ 1 each | 1,430.20 | 1,430.20 |
| | 1,430.20 | 1,430.20 |
| Issued and subscribed | | |
| 159,313,139 (31 March 2021 : 159,313,139) equity shares of ₹ 1 each | 159.31 | 159.31 |
| | 159.31 | 159.31 |
| Paid up capital | | |
| 159,281,139 (31 March 2021 : 159,281,139) equity shares of ₹ 1 each | 159.28 | 159.28 |
| Add: Equity shares forfeited (paid up) | 0.02 | 0.02 |
| | 159.30 | 159.30 |

*During the year ended 31 March 2021, authorised share capital of the Company has increased on account of amalgamation of certain promoter controlled entities pursuant to the Composite Scheme (refer note 31).

Movement in equity share capital:

| | As at 31 July 2021 | | As at 31 March 2021 | |
|---|--------------------|--------------|---------------------|--------------|
| | Number | ₹ in million | Number | ₹ in million |
| At the commencement and at the end of the year# | 159,281,139 | 159.28 | 159,281,139 | 159.28 |

#Refer note 31.

Terms and rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having par value of ₹ 1 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the Company:

| Equity shares of ₹ 1 each fully paid-up held by | As at 31 July 2021 | | As at 31 March 2021 | |
|---|--------------------|-------------------|---------------------|-------------------|
| | Number | % of total shares | Number | % of total shares |
| H&B Trustee Company Private Limited & HS Trustee Company Private Limited (Jointly on behalf of Hari Shanker Bhartia Family Trust) | 30,257,473 | 19.00% | 30,257,473 | 19.00% |
| SPE Trustee Company Private Limited & SS Trustee Company Private Limited (Jointly on behalf of Shyam Sunder Bhartia Family Trust) | 32,686,161 | 20.52% | 32,686,161 | 20.52% |

Note 14: Nature and purpose of other equity

- *Capital reserve*
 Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently and includes excess/shortfall of consideration over book value of net assets/liabilities transferred under a common control transaction.
- *Securities premium*
 The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilized in accordance with the provisions of the Act.
- *Capital redemption reserve*
 Capital redemption reserve represents the unutilized accumulated amount set aside at the time of redemption of preference shares. This reserve is utilized in accordance with the provisions of the Act.
- *Amalgamation reserve*
 Amalgamation reserve represents the unutilized accumulated surplus created at the time of amalgamation of another company with the Company. This reserve is not available for distribution of dividend and is expected to remain invested permanently.
- *General reserve*
 This represents appropriation of profit by the Company and is available for distribution of dividend.
- *Debtenture redemption reserve*
 The Company is required to create a debtenture redemption reserve out of the profits prior to the redemption of debtentures. This reserve is available for distribution of dividend post redemption of debtentures.
- *Share based payment reserve*
 The fair value of the equity settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to share based payment reserve. Further, equity settled share based payment transaction with employees of subsidiary is recognised in investment of subsidiaries with corresponding credit to Share based payment reserve. Corresponding balance of a share based payment reserve is transferred to general reserve upon expiry of grants or upon exercise of stock options by an employee, as the Company is operating the Employee Stock Option schemes through Jubilant Employees Welfare Trust, which has purchased share from the secondary market.
- *Retained earnings*
 Retained earnings represent the amount of accumulated earnings of the Company and re-measurement differences on defined benefit plans.
- *Equity instrument through OCI*
 The Company has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity instrument through OCI within equity. The Company transfers amount therefrom to retained earnings when the relevant equity securities are derecognized.

Also refer note 31.

Note 15 (A): Non-current borrowings

| | (₹ in million) | |
|--|-----------------|-----------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Secured debentures | | |
| Non-convertible debentures (secured) | 950.00 | 950.00 |
| Term loans | | |
| From related parties | | |
| Indian rupee loans from subsidiaries (unsecured) | 3,940.00 | 3,250.00 |
| Total non-current borrowings | 4,930.00 | 4,200.00 |

Note 15 (B): Current borrowings

| | (₹ in million) | |
|----------------------------------|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Loans repayable on demand | | |
| From related parties (unsecured) | - | 730.00 |
| Total current borrowings | - | 730.00 |

15 (a). Nature of security and other terms of repayment of non-current borrowings

15(a)(i) Non-convertible debentures amounting to ₹ 950.00 million is repayable in January 2026 and carries an interest rate of 5.50% per annum. These non-convertible debentures are secured by way of first charge on immovable fixed assets located at Plot No.15, Knowledge Park-II, Greater Noida, Uttar Pradesh.

15(a)(ii) Loans from subsidiaries is repayable up to five years and carry interest rate ranging from 4.75% to 7.35% per annum.

15(a)(iii) Refer note 31 for borrowings transferred to Jubilant Ingrevia Limited pursuant to the Composite Scheme during the year ended 31 March 2021.

15 (b). Assets pledged as security

Assets with following carrying amounts are pledged as collateral/security against loans and borrowings at period end.

| | (₹ in million) | |
|-------------------|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Land and building | 893.25 | 898.61 |
| | 893.25 | 898.61 |

15 (c). Reconciliation of movements of liabilities (borrowings, lease liabilities and interest accrued) to cash flows arising from financing activities

| | (₹ in million) | |
|--|----------------|---------------|
| | 31 July 2021 | 31 March 2021 |
| As at beginning of the period/year | 5,061.35 | 20,228.63 |
| Movement due to cash transactions as per the statement of cash flows | (24.99) | (7,801.67) |
| Movement due to non-cash transactions: | | |
| - Finance costs expensed | 91.17 | 1,018.00 |
| - Finance costs capitalised | - | 24.54 |
| - Lease liabilities | - | 86.88 |
| - Transferred pursuant to the Composite Scheme (refer note 31) | - | (8,495.03) |
| As at end of the period/year | 5,126.53 | 5,061.35 |

Note 16: Provisions

| | (₹ in million) | | | |
|---------------------------------|----------------|-------------|---------------|-------------|
| | As at | | | |
| | 31 July 2021 | | 31 March 2021 | |
| | Current | Non-current | Current | Non-current |
| Unsecured, considered good | | | | |
| Provision for employee benefits | 81.40 | 54.31 | 79.61 | 53.35 |
| Total provisions | 81.40 | 54.35 | 79.65 | 53.35 |

Note 17: Trade payables

| | (₹ in million) | |
|--|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Current | | |
| Total outstanding dues of micro enterprises and small enterprises (refer note 30) | 0.10 | 4.37 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises * | 50.92 | 154.64 |
| Total trade payables | 51.02 | 159.01 |
| * Amount payable to related party included in the above | 35.00 | 123.19 |

Note 18: Other current financial liabilities

| | (₹ in million) | |
|---|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Interest accrued | 98.84 | 24.24 |
| Unpaid dividend | 19.87 | 40.22 |
| Security deposit | 1.44 | 1.44 |
| Capital creditors | 5.29 | 2.97 |
| Employee benefits payable | 75.13 | 45.38 |
| Other payables | 73.09 | 39.00 |
| Total other current financial liabilities | 294.56 | 153.25 |

Note 19: Other current liabilities

| | (€ in million) | |
|---------------------------------|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Statutory dues payable | 20.99 | 17.19 |
| Total other current liabilities | 20.99 | 17.19 |

Note 20: Revenue from operations

| | (€ in million) | |
|-------------------------------|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Sale of products | - | 26,874.47 |
| Sale of services | 276.28 | 6.24 |
| Other operating revenue | - | 214.27 |
| Total revenue from operations | 276.28 | 27,094.98 |

Contract balances

| | (€ in million) | | |
|----------------------|----------------|---------------|--------------|
| | As at | | |
| | 31 July 2021 | 31 March 2021 | 1 April 2020 |
| Trade receivables | 242.52 | - | 4,254.51 |
| Contract liabilities | - | - | 90.10 |

The amount of € Nil and € 90.10 million recognised in contract liabilities at the beginning of the period has been recognised as revenue for the period ended 31 July 2021 and year ended 31 March 2021, respectively.

Reconciliation of revenue recognized with the contracted price is as follows.

| | (€ in million) | |
|--|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Contracted price | 276.28 | 26,905.91 |
| Reductions towards variable consideration components | - | (25.22) |
| Revenue recognised | 276.28 | 26,880.71 |

The reduction towards variable consideration comprises of volume discounts, price discounts etc.

Note 21: Other income

| | (€ in million) | |
|---|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Interest income | 4.64 | 57.00 |
| Dividend from subsidiaries | 971.11 | - |
| Net gain on disposal of property, plant and equipment | 0.15 | - |
| Other non-operating income | 55.21 | 421.81 |
| Total other income | 1,031.11 | 478.81 |

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Note 22: Cost of materials consumed

| | (₹ in million) | |
|---|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Raw materials consumed | - | 13,219.21 |
| Total cost of materials consumed | - | 13,219.21 |

Note 23: Purchases of stock-in-trade

| | (₹ in million) | |
|--|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Purchases of stock-in-trade | - | 662.31 |
| Total purchases of stock-in-trade | - | 662.31 |

Note 24: Changes in inventories of finished goods, stock-in-trade and work-in-progress

| | (₹ in million) | |
|--|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Opening balance | | |
| Work-in-progress | - | 1,169.48 |
| Finished goods | - | 1,691.96 |
| Stock-in-trade | - | 7.91 |
| Total opening balance | - | 2,870.35 |
| Closing balance | | |
| Work-in-progress | - | - |
| Finished goods | - | - |
| Stock-in-trade | - | - |
| Total closing balance | - | - |
| Less: Transferred pursuant to the Composite Scheme (refer note 31) | - | (2,313.26) |
| Total changes in inventories of finished goods, stock-in-trade and work-in-progress | - | 557.09 |

Note 25: Employee benefits expense

| | (₹ in million) | |
|--|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Salaries, wages, bonus, gratuity and allowances | 143.66 | 1,993.09 |
| Contribution to provident fund, superannuation and other funds | 6.26 | 101.62 |
| Employer share-based payment expense | 0.13 | - |
| Staff welfare expenses | 1.49 | 110.01 |
| Total employee benefits expense | 151.54 | 2,206.72 |

Note 26: Finance costs

| | (` in million) | |
|--------------------------------|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Interest expense | 95.17 | 978.39 |
| Other finance costs | - | 39.61 |
| Total finance costs (1) | 95.17 | 1,018.00 |

Note:

(1) Refer note 18 for finance costs capitalised.

Note 27: Depreciation and amortisation expense

| | (` in million) | |
|--|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Depreciation of property, plant and equipment | 9.06 | 613.15 |
| Depreciation on right-of-use assets | 11.28 | 11.10 |
| Amortisation of intangible assets | - | 14.86 |
| Total depreciation and amortisation expense | 20.34 | 639.11 |

Note 28: Other expenses

| | (` in million) | |
|---|----------------------|--------------------|
| | For the period ended | For the year ended |
| | 31 July 2021 | 31 March 2021 |
| Power and fuel | 9.83 | 2,804.04 |
| Consumption of stores and spares and packing materials | - | 1,136.61 |
| Processing charges | - | 156.82 |
| Rental charges | 0.74 | 40.14 |
| Rates and taxes | 1.84 | 39.20 |
| Insurance | 0.05 | 89.02 |
| Advertisement, publicity and sales promotion | 0.90 | 2.59 |
| Travel and conveyance | 29.64 | 33.71 |
| Repairs and maintenance | | |
| i. Plant and machinery | - | 711.52 |
| ii. Buildings | 0.08 | 34.02 |
| iii. Others | 0.63 | 129.84 |
| Office expenses | 13.95 | 118.56 |
| Vehicle running and maintenance | 0.25 | 12.29 |
| Printing and stationery | 0.01 | 7.10 |
| Telephones and communication charges | 0.26 | 13.29 |
| Staff recruitment and training | 2.31 | 16.02 |
| Donation (including corporate social responsibility expenditure) | - | 60.80 |
| Payments to statutory auditors | 1.14 | 9.84 |
| Legal and professional fees | 12.02 | 73.63 |
| Freight and forwarding (including ocean freight) | - | 498.11 |
| Subscription | 1.47 | 17.13 |
| Claims and other selling expenses | - | 5.17 |
| Commission on sales | - | 24.73 |
| Loss on sale/disposal/depreciation of property, plant and equipment (net) | - | 2.36 |
| Provision/write off of bad debts/irrecoverable advances (net) | - | 9.89 |
| Net foreign exchange loss | 2.95 | - |
| Miscellaneous expenses | 3.43 | 68.61 |
| Total other expenses | 81.75 | 6,314.08 |

Note 29: Income tax

The major components of income tax expense for the period ended 31 July 2021 and year ended 31 March 2021 are

| | (₹ in million) | |
|---|--|---|
| | For the period ended 31 July 2021 | For the year ended 31 March 2021 |
| Profit or loss section: | | |
| Current tax: | | |
| Current tax charge for the period/year | 167.18 | 436.04 |
| Adjustments in respect of current tax of previous years | - | (21.60) |
| Total current tax expense | 167.18 | 454.44 |
| Deferred tax: | | |
| Deferred tax on profits for the period/year | (102.64) | 144.64 |
| Adjustments in respect of deferred tax of previous years | - | (12.16) |
| Total deferred tax (benefit)/expense | (102.64) | 132.48 |
| Income tax expense | 64.54 | 586.92 |
| Other comprehensive income section: | | |
| Tax related to items that will not be reclassified to profit and loss | 0.17 | 3.80 |
| Income tax expense | 0.57 | 3.80 |

Reconciliation between average effective tax rate and applicable tax rate for the period:

| | (₹ in million) | |
|--|--|---|
| | For the period ended 31 July 2021 | For the year ended 31 March 2021 |
| Profit before income tax | 958.54 | 2,731.67 |
| At statutory income tax rate of 34.944% (31 March 2021: 34.944%) | 334.95 | 954.56 |
| - Effect of non-deductible expenses and exempt income | - | (155.49) |
| - Allowances and income taxed at lower rate | (105.48) | - |
| - Effect of prior year taxes | - | (43.76) |
| - Tax effect on reversal of temporary differences | 31.33 | (143.19) |
| - Effect of lower tax rate on temporary difference | - | (40.36) |
| - Others | (6.26) | (4.84) |
| Income tax expense reported in the Statement of Profit and Loss | 64.54 | 586.92 |

Note 30: Micro, small and medium enterprises

There are no micro, small and medium enterprises, to whom the company owes dues which are outstanding for more than 45 days as at the end of period. The information as required to be disclosed in relation to micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

| | As at | |
|---|--------------|---------------|
| | 31 July 2021 | 31 March 2021 |
| The principal amount remaining unpaid to any supplier as at the end of the period/year | 0.10 | 4.27 |
| The interest due on principal amount remaining unpaid to any supplier as at the end of the period/year | - | - |
| The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the period/year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period/year) but without adding the interest specified under the MSMED Act | - | - |
| The amount of interest accrued and remaining unpaid at the end of the period/year | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act | - | - |

Note 31: Composite scheme of arrangement:

The Board of Directors of the Company at its meeting held on 25 October 2019 had approved the Composite Scheme of Arrangement ("Composite Scheme") and subsequently filed with National Company Law Tribunal ("NCLT") for (a) amalgamation of HSB Corporate Consultants Private Limited ("Transferor Company 1"), Jubilant Stock Holding Private Limited ("Transferor Company 2"), SSB Consultants & Management Services Private Limited ("Transferor Company 3"), JCPL Life Science Ventures and Holdings Private Limited ("Transferor Company 4") and JSP1 Life Science Services and Holdings Private Limited ("Transferor Company 5") [collectively, the "Transferor Companies"] into the Company; and (b) demerger of the Life Science Ingredients ("LSI") Business into Jubilant Ingrevia Limited (the "Resulting Entity").

The Composite Scheme was approved by Honourable NCLT, Allahabad Bench vide its order dated 23 December 2020 (formal order received on 6 January 2021).

Amalgamation

In terms of the Composite Scheme, Transferor Company 1, Transferor Company 2 and Transferor Company 3 amalgamated into the Company. The said NCLT order was filed with the Registrar of Companies by these transferor companies and the Company on 8 January 2021 thereby making the Composite Scheme effective for these transferor companies. On amalgamation, 62,943,636 equity shares of the Company held by these transferor companies were automatically cancelled on and from the effective date. Simultaneously and concurrent with such cancellation, the Company issued and allotted equivalent number of equity shares i.e. 62,943,636 of ₹ 1 each fully paid up to Transferor Company 4 and Transferor

Company 5 who are the shareholders of Transferor Company 1, Transferor Company 2 and Transferor Company 3 as on the Record Date i.e. 8 January 2021.

Further, in terms of the Composite Scheme, after occurrence of the above amalgamation, Transferor Company 4 and Transferor Company 5 amalgamated into the Company. The said NCLT order was filed with the Registrar of Companies by these transferor companies and the Company on 18 January 2021 thereby making the Composite Scheme effective for these transferor companies. On amalgamation, 62,943,636 equity shares of the Company held by these transferor companies were automatically cancelled on and from the effective date. Simultaneously and concurrent with such cancellation the Company issued and allotted equivalent number of equity shares i.e. 62,943,636 of ₹ 1 each fully paid up to the shareholders of Transferor Company 4 and Transferor Company 5 as on the Record Date i.e. 18 January 2021.

Accounting of amalgamation as per approved Composite Scheme:

- (i) The Company recorded the assets, liabilities and reserves of the Transferor Companies, vested in it pursuant to this Scheme, at their respective book values as appearing in the books of the Transferor Companies;
- (ii) The loans and advances or payables or receivables or any other investment or arrangement of any kind, held inter se, between the Transferor Companies and the Company was cancelled. The Company cancelled its equity shares held by the Transferor Companies and issued equivalent numbers of its equity shares to the shareholders of the Transferor Companies; and
- (iii) The difference between the book value of assets, liabilities and reserves as reduced by the face value of the equity shares issued by the Company and after considering the cancellation of inter-company investments was recorded within Other Equity of the Company.

The book value of assets, liabilities and reserves acquired from Transferor Companies were

| | (₹ in millions) |
|-------------------------------------|-----------------|
| | Amount |
| ASSETS | |
| Non-current assets | |
| Financial assets | |
| i. Investments | 2,564.59 |
| ii. Loans | 0.02 |
| Income tax assets (net) | 0.51 |
| Total non-current assets | 2,565.16 |
| Current assets | |
| Financial assets | |
| i. Cash and cash equivalents | 0.05 |
| Total current assets | 0.05 |
| Total assets | 2,565.21 |
| EQUITY AND LIABILITIES | |
| Equity | |
| Other equity | |
| - Amalgamation reserve | (144.17) |
| - Capital Redemption Reserve | 369.00 |
| Retained earnings | 1,992.35 |
| Total equity | 2,417.18 |
| Liabilities | |
| Total liabilities | - |
| Total equity and liabilities | 2,417.18 |

Jubilant Pharmova Limited

Notes to the financial statements for the period ended 31 July 2021 (Provisional)

| | (₹ in million) |
|--|----------------|
| | Amount |
| Net assets acquired | 148.03 |
| Less: Equity shares issued to the shareholders of the Transferor Companies | 62.94 |
| Balance recognised under amalgamation reserve | 85.09 |
| Cancellation of investments held by the Transferor Companies | (2,564.59) |
| Adjusted against equity of the Company and reserves of Transferor Companies acquired pursuant to amalgamation: | |
| - Equity share capital | (62.94) |
| - Amalgamation reserve | (85.09) |
| - Capital reserve | 144.17 |
| - Capital redemption reserve | (569.00) |
| - Retained earnings | (1,991.73) |
| | (2,564.59) |
| Net reserves acquired pursuant to amalgamation | |
| - Retained earnings | 0.62 |

Demerger

The said NCLT order was filed with the Registrar of Companies by the Resulting Entity and the Company on 1 February 2021 thereby making the Composite Scheme effective. In terms of the Composite Scheme, all assets and liabilities of the LSI Business of the Company stands transferred and vested into the Resulting Entity on 1 February 2021, being the Demerger Appointed Date as per the Composite Scheme for the Demerger of LSI Business. Effective that date, the name of the Company has changed to Jubilant Pharmova Limited from Jubilant Life Sciences Limited. The standalone financial statements comprise solely the LSI business, which stands demerged to the Resulting Entity.

Accounting of Demerger as per approved Composite Scheme:

- the Company reduced the book values of assets and liabilities of the LSI Business as at the close of business on the day immediately preceding the Demerger Appointed Date in its books of accounts;
- the Company made an adjustment equal to the book values of the LSI Business, first in the Securities Premium to the extent available, thereafter in the General Reserve to the extent available and residual balance in the Retained Earnings under the head "Other Equity"; and
- the carrying value of the investment in equity shares of the Resulting Entity to the extent held by the Company, amounting to ₹ 0.50 million were cancelled.

Jubilant Pharmova Limited
Notes to the financial statements for the period ended 31 July 2021 (Provisional)
The book value of assets and liabilities transferred as at the appointed date are as under :

| | (₹ in million) |
|---|------------------|
| | Amount |
| ASSETS | |
| Non-current assets | |
| Property, plant and equipment | 16,506.26 |
| Capital work-in-progress | 637.35 |
| Other intangible assets | 40.40 |
| Intangible assets under development | 30.10 |
| Right-of-use assets | 752.36 |
| Financial assets | |
| i. Investments | 1,327.30 |
| ii. Loans | 25.05 |
| iii. Other financial assets | 4.95 |
| Other non-current assets | 25.90 |
| Total non-current assets | 19,349.67 |
| Current assets | |
| Inventories | 5,029.49 |
| Financial assets | |
| i. Trade receivables | 4,755.49 |
| ii. Cash and cash equivalents | 610.67 |
| iii. Other bank balances | 192.69 |
| iv. Loans | 25.75 |
| v. Other financial assets | 105.10 |
| Other current assets | 1,588.52 |
| Total current assets | 12,307.91 |
| Total assets (A) | 31,657.58 |
| LIABILITIES | |
| Non-current liabilities | |
| Financial liabilities | |
| i. Borrowings | 6,926.98 |
| ii. Lease liabilities | 492.26 |
| Provisions | 602.92 |
| Deferred tax liabilities (net) | 202.12 |
| Total non-current liabilities | 8,134.28 |
| Current liabilities | |
| Financial liabilities | |
| i. Borrowings | 167.40 |
| ii. Lease liabilities | 21.30 |
| iii. Trade payables | 6,188.57 |
| iv. Other financial liabilities | 1,372.63 |
| Other current liabilities | 233.46 |
| Provisions | 164.03 |
| Total current liabilities | 8,147.39 |
| Total liabilities (B) | 16,281.67 |
| Net assets transferred (A) - (B) | 15,375.91 |
| Utilisation of reserves for transfer of net assets pursuant to the Composite scheme | |
| Securities premium | 5,878.41 |
| General reserve | 7,375.72 |
| Retained earnings | 2,121.78 |
| | 15,375.91 |

Note 32. Financial risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversees the formulation and implementation of the risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are an institutional, dealers or end-user customer, the geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss with respect to trade receivables:

With respect to trade receivables, based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss.

Expected credit loss with respect to other financial asset:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties, from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed in Balance Sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is

to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by treasury department. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are USD, EUR, CAD and CHER.

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contract and interest rate swap.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR and USD with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally to changes in base lending rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Note 33. Capital management

Risk management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, retain capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

'Net debt' (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total equity' (as shown in the Balance Sheet).

Note 34. Contingent liabilities to the extent not provided for:

Claims against the Company, disputed by the Company, not acknowledged as debt²:

| | (₹ in million) | |
|------------|----------------|---------------|
| | As at | |
| | 31 July 2021 | 31 March 2021 |
| Income Tax | 686.12 | 686.12 |
| Others | 2.40 | 2.40 |

*Excluding claims in respect of business transferred to Jubilant Ingrevia Limited pursuant to the Composite Scheme (refer note 31) through the claims may be continuing in the name of the Company.

The above does not include all other obligations resulting from claims, legal pronouncements having financial impact in respect of which the Company generally performs the assessment based on the external legal opinion and the amount of which cannot be reliably estimated.

Future cash outflows in respect of the above matters are determinable only on receipt of judgments/decisions pending at various stages/forums.

Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

The Company believes that none of above matters, either and virtually or in aggregate, are expected to have any material adverse effect on its financial statements.

Note 35. Commitments as at period end

Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 15.93 million (31 March 2021: ₹ 15.41 million) for property, plant and equipment.

Note 36. Leases

The details of the right-of-use assets held by the Company is as follows:

| | (₹ in million) | | | |
|---------------------|---|--|--|---------------|
| | Depreciation charge for the period ended 31 July 2021 | Depreciation charge for the year ended 31 March 2021 | Net carrying amount as at 31 July 2021 | 31 March 2021 |
| Land | 0.86 | 36.16 | 167.01 | 167.12 |
| Buildings | 10.14 | 16.21 | 91.07 | 101.31 |
| Plant and equipment | - | 4.37 | - | - |
| Vehicles | 0.28 | 14.92 | 0.31 | 1.16 |
| Total | 11.29 | 71.70 | 258.39 | 270.24 |

Additions to the right-of-use assets during the period ended 31 July 2021 were ₹ Nil (year ended 31 March 2021: ₹ 97.75 million).

Amount recognised in Statement of Profit and Loss:

| | (₹ in million) | |
|--|--------------------------------------|-------------------------------------|
| | For the period ended 31 July 2021 | For the year ended 31 March 2021 |
| Interest on lease liabilities | 3.18 | 36.95 |
| Rental expense relating to short-term leases | 0.74 | 40.14 |
| | 3.92 | 77.09 |

Amount recognised in Statement of Cash Flows:

| | (₹ in million) | |
|-------------------------------|--------------------------------------|-------------------------------------|
| | For the period ended 31 July 2021 | For the year ended 31 March 2021 |
| Total cash outflow for leases | 13.34 | 118.92 |
| | 13.34 | 118.92 |

Note 37: During the year ended 31 March 2020, the Company transferred its India Branded Pharmaceuticals (IBP) Business in Jubilant Generics Limited, a wholly owned indirect subsidiary in India, against a consideration of ₹1,285.00 million, which was received during the year ended 31 March 2021.

Note 38: During the period, finance costs amounting to ₹ Nil (year ended 31 March 2021: ₹ 24.54 million) has been capitalized in property, plant and equipment, calculated using capitalisation rate of Nil % (31 March 2021: 9.80%).

Note 39: The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial period and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

Note 40. Employee Stock Option Scheme

The Company has a stock option plan in place namely "JLL Employees Stock Option Plan 2018" ("Plan 2018").

The Nomination, Remuneration and Compensation Committee ("Committee") of the Board of Directors which comprises a majority of Independent Directors is responsible for administration and supervision of the Stock Option Plan.

Under Plan 2018, up to 1,500,000 Stock Options can be issued to eligible directors (other than promoter directors and independent directors) and other specified categories of employees of the Company / subsidiaries. Exercise price shall not be higher than the market price (i.e. latest available closing price on a recognized stock exchange having highest trading volume on which the equity shares of the Company are listed) of the equity shares at the time of grant and not less than the face value of the equity shares of the Company. As per the SEBI guidelines, the market price is taken as the closing price on the day preceding the date of grant of options on the stock exchange where the trading volume is the highest.

Under Plan 2018, each option, upon vesting, shall entitle the holder to acquire one equity share of ₹ 1 each. Options granted will vest in the manner decided by the Committee and specified in the grant letter, and in any event not earlier than 1 year from the grant date and no later than a period of 5 years from the grant date. Vesting of Options is a function of achievement of performance criteria or any other criteria, as specified by the Committee and communicated in the grant letter.

Vesting schedule:

| Sr. No | Exercise price ₹ 714.85 per option | | Exercise price ₹ 1.00 per option | |
|--------|------------------------------------|-------------------------|----------------------------------|-------------------------|
| | % of options scheduled to vest | Vesting date | % of options scheduled to vest | Vesting date |
| 1 | 20 | 1 year from grant date | 100 | 3 years from grant date |
| 2 | 30 | 2 years from grant date | - | - |
| 3 | 50 | 3 years from grant date | - | - |

In 2008-09, Jubilant Employees Welfare Trust ("Trust") was constituted for the purpose of acquisition of equity shares of the Company from the secondary market or subscription of shares from the Company, to hold the shares and to allocate/transfer these shares to eligible employees of the Company/subsidiaries from time to time on the terms and conditions specified under Plan 2018.

During the year ended 31 March 2021, Jubilant Employees Welfare Trust (the "Trust") purchased 107,140 equity shares of the Company from the open market, out of which Nil equity shares were transferred to the employees on exercise of Options.

The movement in the number of equity shares held by trust:

| | As at 31 July 2021 |
|--|-----------------------|
| At the commencement of the period | 107,140 |
| Transfer to employees on exercise of options | - |
| At the end of the period | 107,140 |

The movement in the stock options under "Plan 2018", during the period, is set out below:

| | For the period ended 31 July 2021 | |
|--|--------------------------------------|-------------------------------------|
| | Number of options | Weighted average exercise price (₹) |
| Outstanding at the beginning of the period | - | - |
| Granted during the period | 35,734 | 355.61 |
| Forfeited/lapsed during the period | - | - |
| Exercised during the period | - | - |
| Outstanding at the end of the period | 31,734 | 355.61 |
| Exercisable at the end of the period | - | - |

Fair value of options granted:

The weighted average fair value of options granted during the period for Plan 2018 was ₹ 518.43 per option. The fair value at grant date is determined using the Black-Scholes-Merton model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The following tables list the inputs to models used for fair valuation of the options:

| | Plan 2018 |
|-------------------------|-----------------|
| Expected volatility | 43.72% - 45.88% |
| Risk free interest rate | 5.36% - 6.21% |
| Exercise price (₹) | 1.00 - 714.85 |
| Expected dividend yield | 0.12% |
| Life of options (years) | 3.50 - 5.50 |

Expected volatility was based on an evaluation of the historical volatility of the share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

Expense arising from share-based payment transaction:

The expense arising from share-based payment transaction recognised in Statement of Profit and Loss as part of employee benefit expense for the period ended 31 July 2021 was ₹ 0.18 million.

Share options outstanding at the end of the period:

| Options | Options outstanding | Weighted average remaining contractual life (in years) | Exercise Price (₹) |
|-----------|---------------------|--|--------------------|
| Plan 2018 | 17,751 | 5.13 | 714.85 |
| Plan 2018 | 17,983 | 3.48 | 1.00 |

Note 41. Earnings per share

| | ₹ in million | For the year ended | |
|---|--------------|--------------------|---------------|
| | | 31 July 2021 | 31 March 2021 |
| Profit for basic and diluted earnings per share of ₹ 1 each | | 294.00 | 2,144.75 |
| Weighted average number of equity shares used in computing earnings per share | | | |
| For basic earnings per share | Nos. | 159,281,139 | 159,281,139 |
| For diluted earnings per share: | | | |
| No. of shares for basic earnings per share | Nos. | 159,281,119 | 159,281,139 |
| Add: weighted average outstanding options related to employee stock options | Nos. | - | - |
| No. of shares for diluted earnings per share | Nos. | 159,281,139 | 159,281,139 |
| Earnings per share (face value of ₹ 1 each) | | | |
| Basic | ₹ | 1.61 | 13.47 |
| Diluted | ₹ | 1.61 | 13.47 |

The accompanying notes form an integral part of the standalone financial statements

For Jubilant Pharmova Limited

Arun Kumar Sharma
Chief Financial Officer

Rajiv Shah
Company Secretary

Jubilant Generics Limited

Standalone financial statements for the period ended 31 July 2021 (Provisional)

INR in million

| | Notes | As at 31 July 2021 | As at 31 March 2021 |
|-------------------------------------|-------|-----------------------|------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 7,559.91 | 7,716.66 |
| Capital work-in-progress | 3 | 797.52 | 787.01 |
| Goodwill | 4 | 1,171.36 | 1,171.36 |
| Other intangible assets | 4 | 467.49 | 522.17 |
| Intangible assets under development | 4 | 3,656.86 | 3,568.53 |
| Right of use assets | 29 | 157.64 | 176.69 |
| Financial assets | | | |
| i. Investments | 5(a) | 4,055.00 | 4,055.00 |
| ii. Loans | 5(b) | 3,298.25 | 3,298.25 |
| iii. Others | 5(c) | 0.25 | 0.25 |
| Deferred tax assets (net) | 6 | 987.27 | 1,108.55 |
| Income tax assets (net) | | 61.92 | 5.31 |
| Other non-current assets | 7 | 35.06 | 20.50 |
| Total non-current assets | | 22,418.27 | 22,130.03 |
| Current assets | | | |
| Inventories | 8 | 5,115.34 | 4,490.30 |
| Financial assets | | | |
| i. Trade receivables | 5(d) | 1,783.13 | 1,866.87 |
| ii. Cash and cash equivalents | 5(e) | 67.30 | 47.90 |
| iii. Other bank balances | 5(f) | 56.79 | 56.55 |
| iv. Loans | 5(b) | 7.24 | 7.00 |
| v. Other financial assets | 5(g) | 471.19 | 545.47 |
| Other current assets | 9 | 1,026.36 | 1,101.59 |
| Total current assets | | 8,507.35 | 8,118.68 |
| Total assets | | 30,545.62 | 30,248.71 |



...Continued

| | | IN ₹ in rupees | |
|--|--------|-----------------------|------------------------|
| | Notes | As at 31 July 2021 | As at 31 March 2021 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity share capital | 10(a) | 25.80 | 25.80 |
| Other equity | 10(b) | 25,700.91 | 25,217.77 |
| Total equity | | 25,726.71 | 25,243.57 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| i. Lease liabilities | | 116.52 | 137.52 |
| Provisions | 13 | 342.78 | 325.38 |
| Other non-current liabilities | 12 (a) | 69.88 | 79.71 |
| Total non-current liabilities | | 529.18 | 542.61 |
| Current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 11(a) | - | 200.00 |
| ii. Lease liabilities | | 63.26 | 60.40 |
| iii. Trade payables | 11(c) | | |
| Total outstanding dues of micro enterprises and small enterprises | | 52.71 | 43.26 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 2,676.60 | 2,336.75 |
| iv. Other financial liabilities | 11(d) | 541.55 | 536.11 |
| Other current liabilities | 12 (b) | 750.32 | 1,175.72 |
| Provisions | 13 | 75.82 | 70.92 |
| Current tax liabilities (net) | | 166.93 | 43.76 |
| Total current liabilities | | 4,290.19 | 4,466.93 |
| Total liabilities | | 4,818.88 | 5,009.54 |
| Total equity and liabilities | | 30,545.62 | 30,248.71 |

The accompanying notes form an integral part of the financial statements

For Jubilant Generics Limited



Anant Pande

Anant Pande
Director
DIN: 08186854

Place : Noida
Date :

Jasdeep Singh

Jasdeep Singh
Managing Director
DIN: 03383378

Place : Noida
Date :

Jubilant Generics Limited
Statement of Profit and Loss for the period beginning from 1 April 2021 to 31 July 2021 (Interim only)

| | | INR million | |
|--|-------|---|-------------------------------------|
| | Notes | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2020 |
| Revenue from operations | 14 | 5,109.30 | 14,531.02 |
| Other income | 15 | 80.02 | 240.51 |
| Total income | | 5,189.33 | 14,771.53 |
| Expenses | | | |
| Cost of materials consumed | 16 | 2,124.09 | 5,323.21 |
| Purchases of stock-in-trade | | 40.57 | 38.69 |
| Changes in inventories of finished goods, stock-in-trade and work-in-progress | 17 | 1465.11 | 163.94 |
| Employee benefits expense | 8 | 773.81 | 2,173.80 |
| Finance costs | 19 | 2.45 | 19.43 |
| Depreciation and amortisation expense | 20 | 313.07 | 1,277.16 |
| Other expenses | 21 | 1,645.07 | 3,574.99 |
| Total expenses | | 4,456.65 | 12,621.13 |
| Profit before tax | | 732.68 | 2,150.40 |
| Tax expense/(benefits) | 22 | | |
| - Current tax | | 138.91 | 392.91 |
| - Deferred tax charge/(credit) | | 120.89 | 460.57 |
| Total tax expense/(benefits) | | 249.83 | 853.48 |
| Profit for the period | | 482.85 | 1,296.92 |
| Other comprehensive income | | | |
| <i>Items that will not be reclassified to profit or loss</i> | | | |
| Re-measurement of defined benefit obligations | | 1.11 | 3.34 |
| Income tax relating to items that will not be reclassified to profit or loss | 22 | (0.39) | (1.17) |
| Other comprehensive income for the period, net of tax | | 0.72 | 2.17 |
| Total other comprehensive income | | 0.72 | 2.17 |
| Total comprehensive income | | 483.57 | 1,299.09 |
| Earning per equity share of INR 10 each | 28 | | |
| Basic and Diluted (INR) | | 187.18 | 502.75 |

The accompanying notes form an integral part of the financial statements.

For Jubilant Generics Limited



Anant Pande
Director
DIN: 08186854

Place : Noida
Date:

Jasdeep Singh
Managing Director
DIN: 05383578

Place : Noida
Date:

Jubilant Generics Limited
Statement of Changes in Equity for the period beginning from 1 April 2021 to 31 July 2021 (In Lakhs)
a) Equity share capital

| | INR in million |
|-----------------------------|----------------|
| Balance as at 1 April 2020 | 25.80 |
| Issue of equity shares | - |
| Balance as at 31 March 2021 | 25.80 |
| Issue of equity shares | - |
| Balance as at 31 July 2021 | 25.80 |

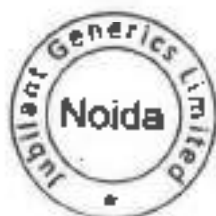
(b) Other Equity (1)

| | Reserves and surplus | | | Total reserves and surplus and other comprehensive income | Total other equity |
|---|----------------------|--------------------|-------------------|---|--------------------|
| | Capital reserve | Securities premium | Retained earnings | | |
| As at 1 April 2020 | 3,512.42 | 15,572.04 | 4,833.82 | 23,918.28 | 23,918.28 |
| Profit for the year | - | - | 1,296.92 | 1,296.92 | 1,296.92 |
| Other comprehensive income | - | - | 0.17 | 0.17 | 0.17 |
| Total comprehensive income for the year | - | - | 1,297.09 | 1,297.09 | 1,297.09 |
| As at 31 March 2021 | 3,512.42 | 15,572.04 | 6,132.91 | 25,217.37 | 25,217.37 |
| Profit for the year | - | - | 482.85 | 482.85 | 482.85 |
| Other comprehensive income | - | - | 0.72 | 0.72 | 0.72 |
| Total comprehensive income for the period | - | - | 483.57 | 483.57 | 483.57 |
| As at 31 July 2021 | 3,512.42 | 15,572.04 | 6,616.48 | 25,700.94 | 25,700.94 |

(1) Refer note 19(a) for nature and purpose of other equity.

The accompanying notes form an integral part of the financial statements.

For Jubilant Generics Limited



Anant Pandey
Director
DIN: 08186854

Place: Noida
Date:

Jusdee Singh
Gurdeep Singh Sood
Whole time Director
DIN: 03385578

Place: Noida
Date:

Jubilant Genetec Limited
Statement of Cash Flows for the period beginning from 1 April 2021 to 31 July 2021 (Provisional)

(INR in million)

| | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
|--|---|-------------------------------------|
| A. Cash flows from operating activities | | |
| Profit before tax | 732.58 | 2,150.40 |
| Adjustments: | | |
| Depreciation and amortisation expense | 1,111.07 | 1,277.16 |
| Loss on sale/disposal/transfer of property, plant and equipment & intangible assets | 0.10 | 15.17 |
| Finance costs | 2.45 | 19.41 |
| Unrealised foreign exchange loss | 4.80 | 19.62 |
| Allowance for expected credit loss | 4.64 | 1.25 |
| Interest income | (61.18) | (218.97) |
| Operating cash flows before working capital changes | 1,402.56 | 5,264.07 |
| Decrease/(increase) in trade receivables, loans, other financial assets | 725.11 | (163.05) |
| Increase in inventories | (645.03) | (573.01) |
| Decrease in trade payables, other financial liabilities, other liabilities and provisions | (117.20) | (1,325.67) |
| Cash generated from operations | 587.44 | 952.34 |
| Income tax paid/(net of refunds) | (62.38) | (303.74) |
| Net cash generated from operating activities | 525.06 | 644.02 |
| B. Cash flows from investing activities | | |
| Acquisition of property, plant and equipment, other tangible assets (including capital work-in-progress and intangible assets under development) | (288.99) | (847.97) |
| Proceeds from sale of property, plant and equipment | 0.62 | 8.08 |
| Investment in deposits | (3.24) | (3.19) |
| Interest received | 8.89 | 221.63 |
| Net cash used in investing activities | (279.72) | (621.45) |
| C. Cash flows from financing activities # | | |
| Proceeds from short-term borrowings (net of repayments) | (280.00) | (246.17) |
| Finance costs paid | (5.40) | (89.81) |
| Payment of lease liabilities | (19.53) | (53.56) |
| Net cash (used in)/generated from financing activities | (225.93) | (942.56) |
| Net (decrease)/increase in cash and cash equivalents (A+B+C) | 19.41 | (919.99) |
| Add: cash and cash equivalents at the beginning of period | 47.90 | 467.89 |
| Cash and cash equivalents at the end of the period (refer note 5(e)) | 67.31 | 47.90 |

A. Refer note 1(b) for charges in liabilities arising from financing activities.

Notes:

1. Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

2. Bank balances of INR 56.70 million (year ended 31 March 2021: INR 56.55 million) has restricted use.

The accompanying notes form an integral part of the financial statements.



For Jubilant Genetec Limited

Anant Pandey

Anant Pandey
Director
DIN: 03156658

Place: Noida
Date:

Jasdeep Singh

Jasdeep Singh
Managing Director
DIN: 03585378

Place: Noida
Date:

1. Corporate Information

Jubilant Generics Limited (the Company) is a public limited company, domiciled in India and incorporated on 25 November 2011 under the provisions of Companies Act, 1956. The Company is incorporated to engage in the manufacture and supply of Generics (including Active Pharmaceutical Ingredients (APIs) and Solid Dosage Formulations). The registered office of the Company is situated at Plot No. A, Sector - 6A, Industrial Area, Noida, Gautam Buddha Nagar, Uttar Pradesh 201301.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these interim financial statements. The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) Statement of compliance

These Special Purpose Standalone Interim Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) including the requirements of Ind AS 34 "Interim Financial Reporting", as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act.

All the amounts included in the financial statements are reported in millions of Indian Rupees and are rounded to the nearest million, except per share data and unless stated otherwise.

These financial statements have been prepared for the purpose of filing with the National Company Law Tribunal, Allahabad Bench, pursuant to the Scheme of Arrangement ("the Scheme") for the demerger of the Active Pharmaceutical Ingredients (API) Undertaking of Jubilant Generics Limited and vesting of the same with Jubilant Pharmova Limited (ultimate holding company), on a going concern basis. These financial statements do not include impact resulting from the Scheme pending regulatory and other approvals.

(ii) Historical cost convention

The standalone financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

(b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.



A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current/non-current classification of assets and liabilities.

(c) Business Combinations

Business combinations (other than business combinations between entities under common control entities) are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the consideration transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred does not include amounts related to the settlement of pre-existing relationships; such amounts are generally recognised in the Statement of Profit or Loss and Other Comprehensive Income. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities & contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Company are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established, for this purpose comparatives are revised. The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the Company in the same form in which they appeared in the financial statement of the acquired entity. The differences, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

(d) Property, plant and equipment (PPE) and intangible assets

(i) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalised finance costs, less accumulated depreciation and any accumulated



Impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price, including import duty, and other non-refundable taxes or levies, and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted from cost at the purchase price.

Expenditure incurred on start-up and commissioning of the project and on substantial expansion, including the expenditure incurred on trial runs that do not result in regularity of output to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is depreciated when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the period end, are shown as capital work-in-progress.

(ii) Intangible assets

• Goodwill

Goodwill arising on business combination is recognised in the Balance sheet and is carried at cost less accumulated impairment losses.

Internally generated goodwill is not recognised as an asset.

With regard to other internally generated intangible assets:

- Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
- Development expenditure, including regulatory cost and clinical expenses relating to product registration, market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (on the same manner as in the case of PPE). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.
- Intangible assets that are acquired (including acquisition of software system) are measured initially at cost.

After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.



(iii) Depreciation and amortization methods, estimated useful lives and residual value

Depreciation is provided on a straight line basis on the original cost/acquisition cost of assets or other amount substituted for cost of PPE as per the useful life specified in Part C of Schedule II of the Act, read with notification dated 20 August 2014 of the Ministry of Corporate Affairs, except for the following classes of property, plant and equipment which are depreciated based on the internal technical assessment of the management as under:

| Category of assets | Management estimate of useful life | Useful life as per Schedule II |
|---|---|--------------------------------|
| Motor vehicles (Vehicle - Office) | 5 years | 8 years |
| Computer servers & networks (included in office equipment) | 5 years | 6 years |
| Tires and patches for manufacture of George brand tires | 1-2 years | 15 years |
| Change parts for manufacture of George brand tires | 5 years | 15 years |
| Software (purchase related assets except end use software included in office equipment) | 5 years, being the period of amortizable scheme | 10 years |
| Leasehold improvements | 10 years | Period of lease |

Leasehold, and which qualifies as finance lease is amortised over the lease period on a straight line basis.

The estimated useful lives of intangibles are as following:

| | |
|---|---------|
| Internally generated product registration | 5 years |
| Rights | 5 years |
| Software | 2 years |

Depreciation and amortization on property, plant and equipment and intangible assets added/disposed off during the period has been provided on pro-rata basis.

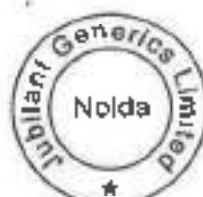
Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(iv) Derecognition

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from impairment and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

(v) Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.



Once classified as held for sale, property, plant and equipment and intangible assets are no longer depreciated or amortised.

(f) Impairment of non-financial assets

Goodwill, intangible assets that have an indefinite useful life and intangible assets under development are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. The company's other non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets



Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention of the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company enters into a contract to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

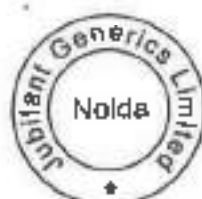
Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. In addition, at initial



recognition, the Company may, at its sole discretion, designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which the AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVOCI category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investments in subsidiaries and associate

Investments in subsidiaries and associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired; or



- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates it and to select extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL, if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



(h) Inventories

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value.

The Company uses weighted average method to determine cost for all categories of inventories except free goods in respect of which is valued at specifically identified purchase cost. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition, inclusive of non-refundable and non-recoverable taxes when ever applicable. The cost of work in progress and manufactured finished goods include an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.

Net realisable value is the estimated selling price at the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand (including interest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(j) Provisions and contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits related to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability

A provision 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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



(k) Revenue recognition

Revenue from sale of products is recognised upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognised as and when the underlying services are performed. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Any fees including upfront fees received in relation to contract manufacturing arrangements is recognised over the period over which the company satisfies the underlying performance obligation. In respect of outsourcing contracts for drug development with third party Clinical Research Organization (CRO), revenue is recognized on the basis of actual cost incurred plus mark-up as agreed with the customer under each agreement.

Revenues are measured based on the transaction price, which is the consideration, net of tax collected from customers and remitted to government authorities such as Goods and services tax (GST), sales tax, excise duty, value added tax and applicable discounts and allowances including expected sales returns etc. The computation of these estimates using expected value method involve significant judgment based on various factors including contractual terms, historical experience, estimated inventory level etc.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (in case of invoicing is pending) when there is unconditional right to receive cash and only passage of time is required as per contractual terms. Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

Income in respect of entitlement towards export incentives is recognised in accordance with the relevant scheme on recognition of the related export sales. Such export incentives are recorded as part of other operating revenue.

(l) Employee benefits

(i) Short-term employee benefits: All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expense in the period in which the employee renders the related service and accounted accordingly.

(ii) Post-employment benefits: Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment.



(vi) Provident fund

(a) The Company makes contribution to the recognised provident fund - "JAM EMPLOYEES PROVIDENT FUND TRUST" (a multi-employer trust) for most of its employees in India, which is a defined benefit plan to be settled at the Company's sole obligation to make good the short fall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided that if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

(b) Other employees in India provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

(c) Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(vii) Other long-term employee benefits

Compensated absences

As per the Company's policy, eligible leave can be accumulated by the employees and carried forward to future periods to be utilised during the service, or encashed. Encashment can be made during service, or early retirement, on withdrawal of service, on resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

(viii) Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Retracted obligation

The liability in respect of all defined benefit plans and other long-term benefits at the end of the financial year is ascertained in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements gains and losses are recognised in the Statement of Profit and Loss in the period in which they arise. Remeasurements gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are set off in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation (resulting from plan amendments or curtailments) are recognised immediately in the Statement of Profit and Loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) or the defined benefit obligation as an actuarial valuation is recognised as a liability if it



is a deficit on an asset or a surplus (to the extent of the lower of positive value of any economic benefits available in the form of refunds from the plan or reduction in future contributions to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

The expense for an interim period is calculated on a year-to-date basis by using the actuarially-determined expense of the prior financial year, adjusted for significant market fluctuations since that time and for significant contingencies, settlements or other significant market events, if any.

(iii) Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production and development of a qualifying asset are capitalized as part of the cost of that asset. *Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.* All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalization. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Any finance costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

(iv) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, in which is recognised directly in equity or in OCI.

• Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous periods. Current tax expense is recognised at an amount determined by multiplying the profit/loss before tax for the interim reporting period by management's best estimate of the weighted average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the offsetted amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.



• **Deferred tax.**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTAs) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(c) **Leases**

Leases – Company as a lessee

The Company assesses whether a contract contains a lease, or incorporates a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time, in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset; (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Company has the right to direct the use of the asset.

The Company's lease assets primarily consist of lease of land, buildings and vehicles which typically run for a period of 5 to 10 years, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub lease arrangements. At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognises the lease payments as a operating expense on a straight-line basis over the term of the lease.



Right-of-use assets and lease liabilities includes the options to extend or terminate the lease when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statements of Profit or Loss and Other Comprehensive Income.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For AS-16 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

18) Segment reporting

Board of Directors of the Company had been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 105, Operating Segments. Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the company has determined pharmaceutical as the only reportable segment.

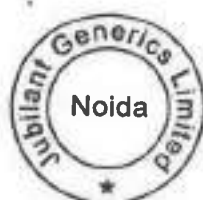
19) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These Financial statements are presented in Indian rupees.

(ii) Transaction and balance

Foreign currency transactions are translated into the functional currency using the exchange rates at the



dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at Balance Sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(c) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the purchase of property, plant and equipment are included as non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

(d) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial period, adjusted for bonus elements in equity shares issued during the period and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



(i) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant non-observable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(ii) Critical estimates and judgments

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- Assessment of useful life of property, plant and equipment and intangible assets – Note 2(d)
- Valuation of inventories – Note 2(h)
- Recognition of revenue – Note 2(k)
- Fair value measurement – Note 2(i)
- Estimation of assets and liabilities relating to employee benefits – Note 2(j)
- Recognition and determination of tax expense including deferred tax – Note 2(m) and 2.2
- Estimated impairment of financial assets and non-financial assets – Note 2(f) and 2(g)



- Recognition and measurement of contingent liability: Key assumption about the likelihood and magnitude of an outflow of resources. (Note 25)
 - Lease term: Whether the Company is reasonably certain to exercise extension options. (Note 2(p) and 29)
- (v) The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, prepaids, plant and equipment, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company, as at the date of approval of these financial statements, has used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the Company. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial & non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.



3. Property, plant and equipment and capital work-in-progress

| Description | INR million | | | | | | | | |
|---|-------------------|----------------------|--------------------|------------------------|------------------------------|--------------------|---------------------|----------|---|
| | Land- freehold | Building- factory | Building- Other | Plant and equipment | Furniture and fixtures | Vehicles- owned | Office equipment | Total | Capital work-in- progress (CWIP) |
| Gross carrying value as at 1 April 2021 | 597.83 | 1,656.82 | 296.07 | 7,928.20 | 252.22 | 3.50 | 272.44 | 1,011.91 | 287.01 |
| Additions adjustments (3) | - | 1.61 | - | 53.31 | 0.30 | - | 9.27 | 61.02 | 194.20 |
| Deductions adjustments | - | - | - | - | 10.50 | 10.80 | 11.05 | 13.17 | 162.12 |
| Gross carrying value as at 31 July 2021 | 597.83 | 1,658.43 | 296.07 | 7,994.41 | 252.02 | 3.15 | 279.66 | 1,102.69 | 397.32 |
| Accumulated depreciation as at 1 April 2021 | - | 282.10 | 31.98 | 2,733.89 | 116.67 | 2.37 | 150.17 | 3,255.18 | - |
| Depreciation charge for the period | - | 14.99 | 3.10 | 171.44 | 7.62 | 0.57 | 11.68 | 220.33 | - |
| Depreciations adjustments | - | - | - | - | 10.37 | 10.77 | 11.21 | 12.43 | - |
| Accumulated depreciation as at 31 July 2021 | - | 302.10 | 45.17 | 2,905.33 | 125.95 | 2.17 | 163.54 | 3,542.78 | - |
| Net carrying value as at 31 July 2021 | 597.83 | 1,356.34 | 250.90 | 5,089.08 | 149.40 | 0.96 | 116.32 | 7,559.91 | 397.32 |
| Net carrying value as at 1 April 2021 | 597.83 | 1,374.72 | 256.09 | 5,204.61 | 156.55 | 1.59 | 125.27 | 7,716.66 | 287.01 |

| Description | INR in million | | | | | | | | |
|--|----------------|------------------|----------------|---------------------|------------------------|----------------|------------------|-----------|---------------------------------|
| | Land-freehold | Building-factory | Building-Other | Plant and equipment | Furniture and fixtures | Vehicles-owned | Office equipment | Total | Capital work-in-progress (CWIP) |
| Gross carrying value as at 1 April 2020 | 597.83 | 1,629.10 | 272.11 | 7,679.39 | 261.22 | 3.94 | 236.29 | 1,060.92 | 291.90 |
| Additions/adjustments (3) | - | 27.12 | 21.53 | 211.95 | 7.51 | 0.02 | 42.29 | 413.49 | 322.33 |
| Deductions/adjustments | - | - | - | 52.24 | 1,651 | - | 12.98 | 1,552.3 | 271.28 |
| Gross carrying value as at 31 March 2021 | 597.83 | 1,656.22 | 293.64 | 7,939.10 | 273.22 | 3.96 | 275.44 | 11,041.84 | 287.01 |
| Accumulated depreciation as at 1 April 2020 | - | 222.55 | 31.71 | 2,238.02 | 94.83 | 1.92 | 108.56 | 2,699.59 | - |
| Depreciation charge for the year | - | 59.57 | 15.25 | 530.17 | 23.19 | 0.43 | 21.63 | 620.33 | - |
| Deductions/adjustments | - | - | - | 134.30 | 11.34 | - | 61.23 | 1,552.3 | - |
| Accumulated depreciation as at 31 March 2021 | - | 282.10 | 39.98 | 2,733.89 | 116.67 | 2.37 | 150.17 | 3,525.18 | - |
| Net carrying value as at 31 March 2021 | 597.83 | 1,374.12 | 253.66 | 5,205.21 | 156.55 | 1.59 | 125.27 | 7,716.65 | 287.01 |
| Net carrying value as at 1 April 2020 | 597.83 | 1,406.95 | 247.41 | 5,441.87 | 171.50 | 2.02 | 127.83 | 7,946.33 | 321.96 |



Notes:

- (1) Refer note 26 for disclosure of contractual commitments for the acquisition of property, plant and equipment
- (2) Refer note 19 for finance costs capitalised.
- (3) Includes INR 2.67 million in respect of research and development assets (year ended 31 March 2021 INR 25.01 million)
- (4) Capital research and development expenditure aggregating to INR 28.86 million (year ended 31 March 2021 INR 56.97 million) incurred during the period included in addition to property plant & equipment capital works in progress

4. Goodwill, other intangible assets and intangible assets under development

INR in million

| Description | Goodwill | Internally generated product registration/ market authorisation (a) | Rights (b) | Software (c) | Total (a+b+c) | Intangible assets under development |
|---|----------|---|------------|--------------|---------------|-------------------------------------|
| Gross carrying value as at 1 April 2021 | 1,271.36 | 2,725.22 | 15.81 | 275.96 | 3,016.93 | 6,588.33 |
| Additions/adjustments (1) | - | 43.06 | - | 0.74 | 44.00 | 132.83 |
| Deletions/adjustments (2) | - | - | - | - | - | (144.30) |
| Gross carrying value as at 31 July 2021 | 1,271.36 | 2,769.18 | 15.81 | 276.24 | 3,041.23 | 3,656.86 |
| Accumulated amortisation as at 1 April 2021 | - | 2,285.11 | 15.81 | 192.94 | 2,693.76 | - |
| Amortisation for the period | - | 83.94 | - | 18.08 | 99.00 | - |
| Deletions/adjustments (3) | - | - | - | - | - | - |
| Accumulated amortisation as at 31 July 2021 | - | 2,367.05 | 15.81 | 210.92 | 2,593.78 | - |
| Net carrying value as at 31 July 2021 | 1,271.36 | 402.13 | - | 65.32 | 467.15 | 3,656.86 |
| Net carrying value as at 1 April 2021 | 1,271.36 | 439.11 | - | 83.06 | 522.17 | 3,658.33 |

INR in million

| Description | Goodwill | Internally generated product registration/ market authorisation (a) | Rights (b) | Software (c) | Total (a+b+c) | Intangible assets under development |
|--|----------|---|------------|--------------|---------------|-------------------------------------|
| Gross carrying value as at 1 April 2020 | 1,271.36 | 2,675.43 | 15.81 | 253.57 | 2,847.91 | 3,402.55 |
| Additions/adjustments (1) | - | 46.70 | - | 12.11 | 169.12 | 324.09 |
| Deletions/adjustments (2) | - | - | - | - | - | (148.31) |
| Gross carrying value as at 31 March 2021 | 1,271.36 | 2,726.12 | 15.81 | 275.90 | 3,016.93 | 3,568.33 |
| Accumulated amortisation as at 1 April 2020 | - | 2,003.45 | 15.81 | 141.36 | 2,149.67 | - |
| Amortisation for the year | - | 251.56 | - | 51.48 | 305.13 | - |
| Deletions/adjustments (3) | - | - | - | - | - | - |
| Accumulated amortisation as at 31 March 2021 | - | 2,286.11 | 15.81 | 192.84 | 2,493.76 | - |
| Net carrying value as at 31 March 2021 | 1,271.36 | 439.11 | - | 83.06 | 522.17 | 3,568.33 |



Notes:

- (1) Represents INR 43.96 million (year ended 31 March 2020: INR 146.79 million) in respect of research and development assets.
- (2) Capital research and development expenditure aggregating to INR 137.49 million (year ended 31 March 2021: INR 514.74 million) incurred during the period included in additions to Intangible assets/Intangible assets under development.
- (3) The carrying value of internally generated product registration and other intangibles (including intangible assets under development) is reviewed annually and was last reviewed on 31 March 2021 and based on prevailing market conditions, technical and financial assessment, INR 259.15 million had been charged off during the year ended 31 March 2021 and included under depreciation and amortization expense in the Statement of Profit and Loss. The estimate of value in use was determined using a discount rate of 11.55%.

During the period ended 31 July 2021, the management has not come across any factors that might indicate a need for impairment assessment.

- (4) For the purposes of impairment testing, goodwill is allocated to the Cash Generating Units (CGU) which represents the lowest level at which the goodwill is monitored for internal management purposes, which is not higher than the Company's operating segments. Accordingly, the Company is considered as a single CGU.

The recoverable amount of the above cash generating unit was based on its value in use. The value in use of these units was determined to be higher than the carrying amount and as analysis of the calculation's sensitivity towards change in key assumptions did not identify any probable scenarios where the CGU's recoverable amount would fall below their carrying amount.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

- i. The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan for all periods presented.
- ii. The terminal growth rate of upto 0.5% is considered for all periods presented, representing management's view on the future long-term growth rate.
- iii. Discount rate considered is 11.55% is considered for all periods presented, in determining the recoverable amount of the CGU. The discount rate was estimated based on past experience and industry's weighted average cost of capital.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

- (5) Refer note 19 for finance costs capitalized.



5(a) Non-current investments

| | INR in million | |
|---|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Investment in equity shares (at cost) | | |
| Unquoted investment (fully paid up) | | |
| (A) Subsidiary: | | |
| Jubilant Pharma NV | 965.00 | 965.00 |
| [15,900,000 (Previous year 17,900,000) equity shares at face value ₹100 (per share)] | | |
| (B) Associate: | | |
| Jubilant Pharma Holdings Inc | 3,090.00 | 3,090.00 |
| [200 (Previous year 200) equity shares with no par value] | | |
| Total non-current investments | 4,055.00 | 4,055.00 |
| Aggregate amount of unquoted investments | 4,055.00 | 4,055.00 |

5(b) Loans

| | INR in million | | | |
|-----------------------------------|-----------------------|-----------------|------------------------|-----------------|
| | As at 31 July 2021 | | As at 31 March 2021 | |
| | Current | Non-current | Current | Non-current |
| Unsecured, considered good | | | | |
| Security deposits | - | 42.50 | - | 42.19 |
| Loan to related parties | 7.00 | 3,250.00 | 7.00 | 3,250.00 |
| Loan to employees | 0.24 | 5.75 | - | 6.01 |
| Total loans | 7.24 | 3,298.25 | 7.00 | 3,298.22 |

5(c) Others

| | INR in million | | | |
|--|-----------------------|-------------|------------------------|-------------|
| | As at 31 July 2021 | | As at 31 March 2021 | |
| | Current | Non-current | Current | Non-current |
| Deposits accounts with maturity more than twelve months from the reporting date- held as margin money | - | 0.23 | - | 0.23 |
| Total others | - | 0.23 | - | 0.23 |



5(d) Trade receivables

| | INR in million | |
|--|-----------------|-----------------|
| | As at | As at |
| | 31 July 2021 | 31 March 2021 |
| Unsecured and current | | |
| Trade receivables considered good | 1,591.73 | 1,590.12 |
| Receivables from related parties | 191.40 | 276.75 |
| Trade receivables which have significant increase in credit risk | 14.37 | 11.20 |
| Less: Expected credit loss allowance | (14.67) | (15.20) |
| Total trade receivables | 1,783.13 | 1,866.87 |

5(e) Cash and cash equivalents

| | INR in million | |
|--|----------------|---------------|
| | As at | As at |
| | 31 July 2021 | 31 March 2021 |
| Balances with banks | | |
| - in current accounts | 66.77 | 33.85 |
| Cash on hand | 0.42 | 0.42 |
| Others | | |
| - funds in transit | - | 10.53 |
| - prepay | 0.11 | 0.10 |
| Total cash and cash equivalents | 67.30 | 44.90 |

5(f) Other bank balance

| | INR in million | |
|---|----------------|---------------|
| | As at | As at |
| | 31 July 2021 | 31 March 2021 |
| Deposits accounts with maturity up to five six months from the reporting date- held as margin money | 56.79 | 56.55 |
| Total other bank balance (I) | 56.79 | 56.55 |

(I) These have restricted use



5 (g) Other current financial assets

| | INR in million | |
|--|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| | Current | Current |
| Advances receivable from related parties | 122.91 | 333.57 |
| Interest receivable from related parties | 68.13 | 11.22 |
| Interest receivable from others | 149.95 | 143.93 |
| Current asset | 31.95 | 42.18 |
| Interest receivable | 0.61 | 2.21 |
| Others | 5.64 | 7.32 |
| Total other financial assets | 459.19 | 545.47 |

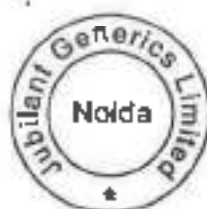
6. Deferred tax

Deferred income tax reflects the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:

The balance comprises temporary differences attributable to:

Deferred tax asset

| | Provision for comprovisioned allowances and provisions | Expenditure allowed as deduction | Tax losses carried forward | ACU Credit Entitlement | Intangibles | Lease Liability | Others | Total |
|-------------------------|---|--|-------------------------------|---------------------------|-------------|--------------------|--------|----------|
| As at 1 April 2020 | 65.81 | 29.31 | 1,407.63 | 1,151.34 | 458.12 | 47.89 | 19.69 | 3,280.89 |
| Changes during the year | 14.42 | 4.25 | 1,063.11 | 317.17 | (177.50) | 1.92 | 0.16 | 1,203.53 |
| As at 31 March 2021 | 180.23 | 33.56 | 2,470.74 | 1,468.51 | 280.62 | 49.81 | 19.85 | 4,483.42 |
| As at 1 April 2021 | 204.65 | 37.81 | 2,576.85 | 1,785.68 | 103.12 | 51.73 | 19.85 | 4,774.69 |
| Changes during the year | 14.42 | 4.25 | 1,063.11 | 317.17 | (177.50) | 1.92 | 0.16 | 1,203.53 |
| As at 31 July 2021 | 219.07 | 42.06 | 3,639.96 | 2,102.85 | (65.38) | 53.65 | 20.01 | 5,972.12 |



The balance comprises temporary differences attributable to:

Deferred tax liabilities:

| | PPIC, Intangibles and Right of use assets | Difference in tax value and book value of R&D CWTIP, Intangible and Intangibles under development | Others | INR in million Total |
|-----------------------------------|--|--|--------|-------------------------|
| As at 31 March 2020 | 870.23 | 802.78 | 7.32 | 1,680.33 |
| (Charged)/ Credited | | | | |
| - to statement of profit and loss | 125.99 | 7.33 | (3.13) | 130.17 |
| As at 31 March 2021 | 996.21 | 810.11 | 4.17 | 1,810.50 |
| (Charged)/ Credited | | | | |
| - to statement of profit and loss | 61.11 | 132.30 | (1.11) | 192.30 |
| As at 31 July 2021 | 1,057.32 | 942.41 | 3.07 | 2,002.80 |

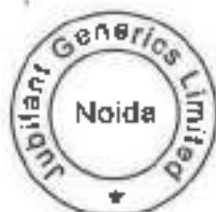
Reflected in the Balance Sheet as follows:

| | INR in million | |
|---------------------------|-------------------------|------------------------|
| | As at 31st July 2021 | As at 31 March 2021 |
| Deferred tax assets, net: | 2990.07 | 2917.05 |
| Deferred tax liabilities: | 2002.80 | 1810.50 |
| Deferred tax assets, net: | 987.27 | 1,106.55 |

Deferred tax has not been recognized on temporary differences in relation to indexation benefit of investment in subsidiaries and freehold land amounting to INR 703.08 million and INR 44.68 million respectively, as the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

7. Other non-current assets

| | INR in million | |
|--------------------------------|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Capital advances | 25.06 | 20.50 |
| Total other non-current assets | 25.06 | 20.50 |



8. Inventories

| | INR in million | |
|-------------------------------------|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Raw materials* | 1,671.82 | 1,577.98 |
| Work-in-progress | 2,270.98 | 1,862.18 |
| Finished goods* | 621.70 | 554.24 |
| Traded goods | 57.15 | 70.79 |
| Stores and spares | 441.81 | 314.30 |
| Packing material | 98.64 | 95.84 |
| Others* process chemicals and fuels | 11.25 | 11.27 |
| Total inventories | 5,135.34 | 4,490.30 |

* Goods in transit, included in above

| | INR in million | |
|--|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Raw materials | 96.11 | 77.75 |
| Finished goods | 75.77 | 124.17 |
| Total inventories | 171.88 | 195.92 |
| Total write down of inventories recognised during the year | 192.33 | 310.40 |

Cost of inventories (including cost of purchased products) recognised as an expense amounted to INR 2,530.91 million and INR 8,622.14 million for the Periods ended 31 July 2021 and 31 March 2021, respectively.

9. Other current assets

| | INR in million | |
|--|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Prepaid expenses | 142.64 | 143.97 |
| Recoverable from balance with government authorities | 666.36 | 894.48 |
| Advance to employees | 5.41 | 5.31 |
| Advance for supply of goods and services | 213.92 | 62.97 |
| Total other current assets | 1,028.36 | 1,104.59 |



14. Equity share capital and other equity

14(a) Equity share capital

| | INR in million | |
|---|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Authorized | | |
| 1,00,000 (Previous year: 1,00,000) equity shares of INR 10 each | 90.00 | 90.00 |
| | 30.00 | 30.00 |
| Issued and subscribed | | |
| 2,579,665 (Previous year: 2,579,665) equity shares of INR 10 each | 25.80 | 25.80 |
| | 25.80 | 25.80 |
| Paid up | | |
| 2,579,665 (Previous year: 2,579,665) equity shares of INR 10 each | 25.80 | 25.80 |
| | 25.80 | 25.80 |

Movements in equity share capital

| | As at 31 July 2021 | | As at 31 March 2021 | |
|------------------------------|--------------------|----------------|---------------------|----------------|
| | Number | INR in million | Number | INR in million |
| At the beginning of the year | 2,579,665 | 25.80 | 2,579,665 | 25.80 |
| At the end of the period | 2,579,665 | 25.80 | 2,579,665 | 25.80 |

Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of INR 10 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% shares in the company

| | As at 31 July 2021 | | As at 31 March 2021 | |
|--|--------------------|-------------------|---------------------|-------------------|
| | Number | % of total shares | Number | % of total shares |
| Accumulated capital surplus at the year end and at the period end Equity shares of INR 10 each fully paid-up held by: | | | | |
| Private Promoters and members of holding company (including Subsidiary companies and subsidiaries) | 2,579,665 | 100% | 2,579,665 | 100% |

14(b) Other equity

Nature and purpose of other equity

Capital reserve

Accumulated capital surplus is not available for distribution of dividend and expected to remain invested permanently. Represents difference between the consideration and carrying amount of net assets/liabilities for transactions among entities under common control to transfer control of any business or shares of entities under common control.



Securities premium

The mutual fund accumulated excess of issue price over face value of shares. This reserve is utilized in accordance with the provisions of the Act.

11(a) Current borrowings

| | INR in million | |
|----------------------------------|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Loans repayable on demand | | |
| From banks | | |
| Secured | - | 200.01 |
| Total current borrowings | - | 200.01 |

Notes:

- Working capital facilities (including cash credit) sanctioned by consortium of banks and financial institutions are secured by a first charge by way of hypothecation, ranking pari-passu, inter-se banks, on the entire book debts, receivables and inventories, both present and future, of the Company. All working capital loans are repayable as per terms of agreement within one year.
- Short-term loans (includes commercial papers raised during the previous year) are availed in Indian rupees. Indian rupee loans carry interest rate ranging from 4% to 7.75% p.a. (Previous year interest rate ranging from 3.78% to 9.20%) per annum.
- Inventory and Trade receivables with a carrying amount of INR 5,175.34 million (Year ended 31 March 2021 INR 4,490.20 million), and INR 1,787.13 million (Year ended 31 March 2021 INR 1,869.87 million) respectively are provided as security against borrowing at period end.
- The Company has availed fund based and non-fund based working capital facility of INR 5,000 million (Year ended 31 March 2021 INR 5,000 million) from a consortium of banks. The facility is secured by way of hypothecation of the company's entire stock of raw materials, semi-finished and finished goods, consumable stores and spares and such other moveables current assets including book-debts, receivables, both present and future, on a first charge basis ranking pari-passu with other participating consortium member banks.
- The Company has also availed an overdraft facility of INR 50.00 million (Year ended 31 March 2021 INR 50 million) from a bank, against a fixed deposit of INR 52.95 million (Year ended 31 March 2021 INR 52.85 million) placed with the bank.



11(h) Reconciliation of movements of liabilities to cash flows arising from financing activities

| | INR in million | | | | |
|--------------------------------------|------------------------|-------------------------|--------------------------|--|------------------------------|
| | As at 31 March 2020 | Financing cash flows | New finance leases | Other movements Finance costs expensed | Finance costs capitalised |
| Finance lease liabilities | 195.32 | (55.59) | 55.71 | - | - |
| Short-term loans repayable on demand | 896.8 | (1,501.17) | - | - | - |
| Interest accrued | 0.1 | (24.81) | - | 19.44 | 70.25 |
| Total | 1,092.22 | (1,570.57) | 55.71 | 19.44 | 70.25 |

| | INR in million | | | | |
|---|------------------------|-------------------------|--------------------------|--|------------------------------|
| | As at 31 March 2021 | Financing cash flows | New finance leases | Other movements Finance costs expensed | Finance costs capitalised |
| Lease liabilities (previous year Finance lease liabilities) | 187.92 | (185.3) | 1.40 | - | - |
| Short-term loans repayable on demand | 240.01 | (200.1) | - | - | - |
| Interest accrued | 0.07 | (5.40) | - | 2.45 | 3.93 |
| Total | 427.99 | (390.8) | 1.40 | 2.45 | 3.93 |

11(e) Trade payables

| | INR in million | |
|--|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Current | | |
| Trade payables | | |
| - Total outstanding dues of micro enterprises and small enterprises (Refer Note 27) | 57.31 | 43.26 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,656.61 | 2,036.73 |
| Total trade payables | 2,689.31 | 2,080.01 |
| Amount payable to related parties included in above | 346.61 | 447.95 |



11(d) Other current financial liabilities

| | INR in million | |
|--|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Interest accrued but not due on borrowings | - | 11.02 |
| Security deposit | 7.20 | 1.00 |
| Capital creditors * | 79.20 | 67.79 |
| Employee benefits payable | 116.54 | 150.63 |
| Other payable to related parties | 346.61 | 317.97 |
| Total other current financial liabilities | 544.55 | 536.11 |

* Includes payable to Micro, Small and Medium Enterprises INR 13.79 (Year ended 31 March 2021 INR Nil)

12(a) Other non-current liabilities

| | INR in million | |
|--|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Contract liabilities | 21.61 | 26.82 |
| Deferred income - Government grant | 45.24 | 48.89 |
| Total other non-current liabilities | 69.88 | 75.71 |

12(b) other current liabilities

| | INR in million | |
|--|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Contract liabilities | 633.10 | 1,063.45 |
| Deferred income - Government grant | 9.77 | 9.86 |
| Statutory dues payable | 107.90 | 110.38 |
| Total other current liabilities | 750.77 | 1,183.69 |

13. Provisions

| | INR in million | | | |
|---------------------------------|----------------|---------------|---------------|---------------|
| | As at | | As at | |
| | 31 July 2021 | | 31 March 2021 | |
| | Current | Non-current | Current | Non-current |
| Provision for employee benefits | 64.21 | 342.28 | 61.04 | 425.38 |
| Other provisions | 11.50 | - | 9.55 | - |
| Total provisions | 75.71 | 342.28 | 70.59 | 425.38 |



14. Revenue from operations

| | INR in million | |
|--------------------------------------|--|----------------------------------|
| | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Sale of products | | |
| • Finished goods | 4,865.50 | 13,905.43 |
| • Traded goods | 1,18.69 | 322.60 |
| Sale of services | 9.76 | 47.14 |
| Other operating income | 92.82 | 755.86 |
| Total revenue from operations | 5,186.77 | 14,531.03 |

Contract Balances

| | INR in million | |
|----------------------|---|----------------------------------|
| | For the period ended 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Trade receivables | 1,785.13 | 1,866.87 |
| Contract assets | 85.92 | 43.18 |
| Contract liabilities | 662.23 | 1,082.28 |

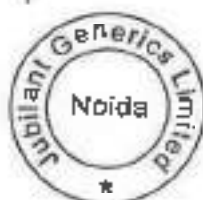
The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the Company issues an invoice to the customer. The contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognized when or as the performance obligation is satisfied.

The amount of INR 995.45 mill) on recognised in contract liabilities at the beginning of the period has been recognised as revenue for the period ended 31 July 2021.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revaluations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations, excluding those whose original expected duration of one year or less, amounts to INR 70.58 million.

15. Other income

| | INR in million | |
|---|--|----------------------------------|
| | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Interest income | 61.18 | 213.97 |
| Net foreign exchange gain | 17.29 | 20.36 |
| Gain on sale/disposal/sell of property, plant and equipment | 0.10 | - |
| Other items | 1.46 | 1.18 |
| Total other income | 80.03 | 240.51 |



16. Cost of materials consumed

| | INR in million | |
|----------------------------------|---|-------------------------------------|
| | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Raw materials consumed | 5,126.99 | 5,523.21 |
| Total cost of materials consumed | 5,126.99 | 5,523.21 |

17. Changes in inventories of finished goods, stock-in-trade and work-in-progress

| | INR in million | |
|---|---|-------------------------------------|
| | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Opening balance | | |
| Work-in-progress | 1,861.18 | 1,895.55 |
| Finished goods | 551.21 | 740.74 |
| Stock-in-trade | 70.09 | 24.96 |
| Total opening balance | 2,486.71 | 2,661.25 |
| Closing balance | | |
| Work-in-progress | 2,270.95 | 2,661.18 |
| Finished goods | 620.30 | 654.21 |
| Stock-in-trade | 55.15 | 70.29 |
| Total closing balance | 2,951.85 | 3,385.71 |
| Total changes in inventories of finished goods, stock-in-trade and work-in-progress | 465.14 | 724.46 |

18. Employee benefits expense

| | INR in million | |
|---|---|-------------------------------------|
| | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Salaries, wages, bonus, gratuity and allowances | 583.86 | 7,002.46 |
| Contribution to provident fund and other funds | 33.95 | 99.07 |
| Staff welfare expenses | 55.69 | 173.27 |
| Total employee benefits expense | 673.50 | 7,274.80 |

19. Finance costs

| | INR in million | |
|-----------------------|---|-------------------------------------|
| | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Interest expense* | 1.51 | 18.70 |
| Other borrowing costs | 0.93 | 1.53 |
| Total finance costs | 2.44 | 20.23 |



* Includes interest (INR Not under section 234B and 234C of the Income-tax Act, 1961) (year ended 31 March 2021: INR 2.92 million)

Notes:

(1) Finance costs on general borrowings amounting to INR 3.93 million (year ended 31 March 2021: INR 75.55 million) has been capitalised during the period with a capitalisation rate of 0.56% (year ended 31 March 2021: 2.7436).

28. Depreciation and amortisation expense

| | INR in million | |
|---|---|-------------------------------------|
| | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Depreciation of property, plant and equipment | 220.05 | 572.51 |
| Depreciation of right of use assets (refer note 29) | 13.14 | 42.10 |
| Amortisation of intangible assets (refer note 41) | 97.68 | 564.33 |
| Total depreciation and amortisation expense | 330.87 | 1,178.94 |



21. Other Expenses :

| | INR in million | |
|--|--|----------------------------------|
| | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Power and fuel | 331.51 | 353.37 |
| Consumption of stores and spares and packing materials | 280.06 | 611.61 |
| Processing charges | 54.23 | 497.06 |
| Rentals charges (refer note 29) | - | 1.01 |
| Rates and taxes | 52.90 | 127.59 |
| Insurance | 17.36 | 49.83 |
| Advertisement, publicity and sales promotion | 14.34 | 14.26 |
| Travel and conveyance | 9.32 | 31.04 |
| Repairs and maintenance | | |
| Plant and machinery | 46.01 | 130.34 |
| Buildings | 4.26 | 8.56 |
| Others | 17.48 | 91.68 |
| Office expenses | 17.61 | 65.12 |
| Vehicle running and maintenance (refer note 29) | 1.01 | 7.28 |
| Printing and stationery | 2.11 | 7.43 |
| Telephone and communication charges | 4.04 | 12.99 |
| Staff recruitment and training | 2.91 | 13.95 |
| Donation (including corporate social responsibility expenditure) | 1.15 | 84.53 |
| Payments to auditors | 0.10 | 1.41 |
| Legal and professional fees | 241.37 | 682.93 |
| Freight and forwarding (including ocean freight) | 34.45 | 335.98 |
| Directors' sitting fees | 0.19 | 0.41 |
| Subscription | 8.17 | 17.58 |
| Bank charges | 3.66 | 9.10 |
| Claims and other selling expenses | 14.86 | 72.08 |
| Commission on sales | 16.88 | 64.98 |
| Allowance for expected loss / irrecoverable advances | 4.64 | 1.25 |
| Loss on sale/disposal/sale of property, plant and equipments (net) | - | 15.17 |
| Miscellaneous expenses | 0.56 | 3.55 |
| Total other expenses | 1,645.07 | 3,574.99 |



22. Income tax expense

The major components of income tax expense for the period ended 31 July 2021 and 31 March 2021 are:

| | INR in million | |
|--|---|--------------------------------------|
| | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 Mar 2021 |
| Current income tax: | | |
| Current income tax charge for the year | 128.94 | 393.07 |
| Adjustments in respect of current income tax of previous years | - | (0.16) |
| | <u>128.94</u> | <u>392.91</u> |
| Deferred tax: | | |
| Deferred tax on profits for the year | 120.89 | 459.52 |
| Adjustments in respect of deferred tax of previous years | - | 1.05 |
| | <u>120.89</u> | <u>460.57</u> |
| Income tax expense reported in the Statement of Profit and Loss | <u>249.83</u> | <u>853.48</u> |
| OCT section | | |
| Tax related to items that will not be reclassified to Profit or Loss | 3.35 | 1.17 |
| Income tax charged to OCT | <u>0.39</u> | <u>1.17</u> |

Reconciliation between average effective tax rate and applicable tax rate for 31 March 2021 and 31 March 2020

| | INR in million | |
|---|---|--------------------------------------|
| Particulars | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 Mar 2021 |
| Profit before income tax | 732.68 | 2150.41 |
| At India's statutory income tax rate of 34.944% (31 Mar 2021: 34.644%) | 255.07 | 747.44 |
| Effect of non-deductible expenses and exempt income | 0.74 | 33.97 |
| Effect of change in tax law | - | 87.38 |
| Effect of lower tax rate on temporary difference of current period | (12.91) | (18.10) |
| Effect of prior year re-assessments | - | 0.89 |
| Income tax expenses reported in the Statement of Profit and Loss | <u>249.83</u> | <u>853.48</u> |

23. Financial risk management

A. Financial risk management

The Company has exposure to the following risks arising from financial instruments:



Risk Management framework

The Company's Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defense namely policies and procedural review mechanism and assurance runs to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversees the formulation and implementation of the Risk Management policies. The risks are identified at business unit level and mitigation plans are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from Financial instruments:

- Credit risk (see 10),
- Liquidity risk (see 11) and
- Market risk (see 12).

a. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sales terms are established for each customer and reviewed annually. Any sales exceeding three months require approval from the appropriate authority as per policy.

In evaluating customer credit risk, customers are compared according to their credit characteristics, including whether they are an individual or a legal entity, whether they are an institutional dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables

With respect to trade receivables, based on internal assessment which is driven by the historical experience of return back available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivables using lifetime expected credit loss.

Expected credit loss with respect to other financial assets

With regards to all financial assets with contractual cash flows other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and hence the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets. Risk of financial assets other than trade receivables have been disclosed in balance sheet.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty meeting the obligations associated with



as financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short-term and long-term liquidity requirements. Short-term liquidity situation is reviewed daily by the treasury department. Longer-term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The currencies in which the company is exposed to include USD, Euro, CAD and Other.

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigation steps are taken.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable loan margin. The borrowings of the Company are principally denominated in INR with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk arising primarily of changes in base lending rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

24. Capital management

Risk management

The Company's objectives when managing capital are to

- safeguard the ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders; and
- maintain a capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio.

Net debt (total borrowings net of cash and cash equivalents and other loan - to amount) divided by 'Total equity' (as shown in the Balance Sheet).

The gearing ratios were as follows:

| | INR million | |
|--------------------------|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Net debt | - | 95.56 |
| Total equity | 25,926.71 | 25,243.17 |
| Net debt to equity ratio | - | 0.38% |

25. Contingent liabilities to the extent not provided for:

Claims against the Company, disputed by the Company, not acknowledged as debt:

| | (INR, in million) | |
|-----------------------|--------------------|---------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| Service Tax | 0.79 | 0.79 |
| Central Excise | 7.87 | 7.87 |
| Customs | 26.53 | 26.53 |
| Goods and Service Tax | 17.18 | 18 |
| Others | 172.13 | 147.68 |

Including claims in respect of business acquired from Jubilant Pharmova Limited (formerly known as Jubilant Life Sciences Limited), though the litigations may be continuing in the name of Jubilant Pharmova Limited (formerly known as Jubilant Life Sciences Limited), however any liability arising in future relating to these disputes will be borne by the Company.

Additionally, the Company is involved in other disputes, lawsuits, claims, government and/or regulatory inspections, enquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business.

The Company believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

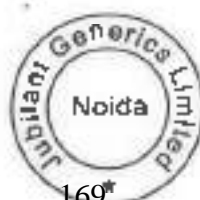
In March 2019, the Company received warning letter from U.S. Food and Drug Administration ("USFDA") for its solid dosage formulations manufacturing facility located at Roorkee, India. USFDA conducted subsequent inspections and found observations. In July 2021, USFDA placed the Roorkee facility under import alert, which restricts supplies to the USA from the Roorkee facility. However, the USFDA has exempted certain products from the import alert subject to certain conditions. The Company continues to engage with the USFDA and take all necessary steps, including comprehensive assessment and ongoing independent consulting, to ensure further stringent controls to resolve the import alert at the earliest and ensure GMP compliance for the Roorkee facility. In addition, the Company is also evaluating other options to minimize the potential financial impact due to the import alert.

The above does not include all other obligations resulting from claims, legal proceedings having financial impact in respect of which the Company generally performs the assessment based on the external legal counsel and the amount of which cannot be reliably estimated.

26. Commitments as at period end

a) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) is INR 256.75 million (year ended 31 March 2021: INR 271.45 million).



by Other Commitments:

Export obligation undertaken by the Company under EPCG scheme to be completed over a period of six years on account of import of Capital Goods at concessional import duty and remaining outstanding is INR 83.94 million (year ended 31 March 2021: INR 78.42 million). Similarly, export obligation under Advance License Scheme/DIFA scheme on duty free import of specific raw materials, remaining outstanding is INR 267.78 (year ended 31 March 2021: INR 311.86 million).

27. Micro, Small and Medium Enterprises

There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at the end of period. The information, as required to be disclosed in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

| Particulars | INR in million | |
|---|-----------------------|------------------------|
| | As at 31 July 2021 | As at 31 March 2021 |
| The principal amount remaining payable to any supplier as at the end of the period | 52.45 | 42.91 |
| The interest due on principal amount remaining payable to any supplier as at the end of the period | 0.26 | 0.35 |
| The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the period | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid for beyond the appointed day during the period) but without adding the interest specified under the MSMED Act | - | - |
| The amount of interest accrued and remaining unpaid at the end of the period | 0.26 | 0.35 |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act | - | - |

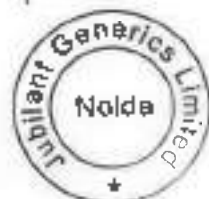
28. Earnings per share

| | | For the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
|--|----------------|---|-------------------------------------|
| Profit for basic and diluted earnings per share of INR 10 each | INR in million | 162.67 | 1,296.92 |
| Weighted average no. of shares outstanding during the period | No. | 35,20,667 | 11,29,165 |
| Basic and Diluted | INR | 187.16 | 107.76 |

29. Leases

Leases under Ind AS 115 for the period ended 31 July 2021:

The details of the right-of-use assets held by the Company is as follows:



| | INR in million | | | |
|-----------------------|--|--|--|---|
| | Depreciation charge for the period beginning from 1 April 2021 to 31 July 2021 | Depreciation charge for the year ended 31 March 2021 | Net carrying amount as at 31 July 2021 | Net carrying amount as at 31 March 2021 |
| Building ^a | 19.55 | 52.71 | 149.12 | 168.55 |
| Vehicle | 1.22 | 5.06 | 8.32 | 8.14 |
| Total | 20.75 | 57.77 | 157.44 | 176.69 |

^a INR 6.14 million (year ended 31 March 2021 INR 17.27 million) depreciation capitalised during the period.

Additions to the right-of-use assets during the period ended 31 July 2021 were INR 1.43 million (Year ended 31 March 2021 INR 55.73 million) and deduction during the year were INR Nil (year ended 31 March 2021 INR 2.24 million).

Amount recognised in Statements of Profit or Loss:

| | INR in million | |
|--|---|--|
| | Depreciation charge for the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Interest on lease liabilities ^a | 6.03 | 19.69 |
| Rental expense relating to short term leases | - | 1.01 |
| Total | 6.03 | 20.70 |

^a INR 1.49 million (year ended 31 March 2021 INR 5.26 million) interest has been capitalised during the period.

Amount recognised in statement of cash flows:

| | INR in million | |
|-------------------------------|--|-------------------------------------|
| | Depreciation charge for the period beginning from 1 April 2021 to 31 July 2021 | For the year ended 31 March 2021 |
| Total cash outflow for leases | (19.53) | (53.58) |
| Total | (19.53) | (53.58) |

30. Few employees at the Company's Nangiyol facility were tested positive for COVID-19 and its operations were temporarily suspended from March 26, 2020. However, the operations resumed in May 2020 after necessary Government approvals. The Company continues to operate business as usual and based on current impact assessment, do not anticipate COVID-19 to have any material impact on the financial performance of the Company for FY 2021-22.



31. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1951. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

32. Previous year figures have been regrouped & reclassified to conform to current period's classification.

For Jubilant Genetex Limited



Anant Pande
Director
DIN: 08186854



Gurdeep Singh Sandhu
Whistle-blower Director
DIN: 01383538

Place: Noida
Date:

Place: Noida
Date:



DS: [Signature]
[Signature]

Unit No.- 502, 5th Floor, Tower- B,
ITES/ IS Complex, Advant Navis Business Park,
Plot No.- 7, Sector- 142, Expressway,
Noida- 201305, UP

Telephone: + 91 120 682 8700
Fax: + 91 120 682 8710

To,
The Board of Directors,
Jubilant Pharmova Limited
Plot No. 1A, Sector 16A, Institutional Area
Noida – 201301, Uttar Pradesh
India

1 September 2021

Independent Auditor's Certificate on the proposed accounting treatment specified in the Draft Scheme of Arrangement

1. This Certificate is issued in accordance with the terms of our engagement letter dated 26 November 2018 and addendum to the engagement letter dated 31 August 2021.
2. We, the statutory auditors of Jubilant Pharmova Limited, have examined the proposed accounting treatment specified in Clause 15 of Part B of the Scheme of Arrangement (the "Draft Scheme") between Jubilant Generics Limited ("Transferor Company or "JGL") and Jubilant Pharmova Limited ("Transferee Company or "JPM") and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013 ('the Act'), with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Act read with the rules thereunder and other Generally Accepted Accounting Principles in India.
3. For ease of reference, the extract of Clause 15 of Part B of the Draft Scheme, duly authenticated on behalf of the Transferee Company, is reproduced in the Annexure A to this Certificate and has been signed by us, only for the purpose of identification.

Management's Responsibility

4. The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards read with the rules issued thereunder and other Generally Accepted Accounting Principles in India as aforesaid, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates and judgements that are reasonable in the circumstances.

Auditor's Responsibility

5. Our responsibility is only to examine and report whether the accounting treatment referred to in Clause 15 of Part B of the Draft Scheme complies with the applicable Indian Accounting Standards notified under Section 133 of the Act read with the rules thereunder and other Generally Accepted Accounting Principles in India. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Transferee Company.

6. We carried out our examination in accordance with the Guidance Note on Audit Report and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagement. Further, our examination did not extend to any other parts and aspects of legal or proprietary nature in the aforesaid Draft Scheme.

Conclusion

8. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in Clause 15 of Part B of the Draft Scheme and as reproduced in Annexure A to the Certificate is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable Indian Accounting Standards notified by the Central Government under section 133 of the Act read with the rules issued thereunder and other Generally Accepted Accounting Principles in India.

Restriction on Use

9. This Certificate is issued at the request of the Transferee Company pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to stock exchanges in India, National Company Law Tribunal ("NCLT") and uploading the same on Company's website pursuant to the requirement of the Act, SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and Circulars issued by SEBI from time to time. This Certificate should not be used for any other purpose without our prior written consent.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/W-100022

**MANISH
GUPTA**

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Date: 2021.09.01
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Manish Gupta

Partner

Membership No.: 095037

UDIN No.: 21095037AAAACS1272

Place: Delhi

Date: 1 September 2021

Encl: Annexure A, prepared by the Transferee Company's management, signed by us for identification purpose only.



Appendure A

Relevant extracts of the Scheme of Arrangement ("Draft Scheme") between Jubilant Generics Limited ("Transferor Company") and Jubilant Pharmova Limited ("Transferee Company") and their respective shareholders and creditors under sections 230 to 242 and other applicable provisions of the Companies Act, 2013 ("the Act")

PART B

15. Accounting treatment in the books of the Transferee Company

15.1 Upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferee Company shall account for the demerger and vesting of the API Undertaking with the Transferee Company in its books of account in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, or notified under the Companies Indian Accounting Standards, Rules, 2015, or any framework of practice, in time and generally accepted accounting principles as under:

- (a) The Transferee Company shall record the Assets and Liabilities of the API Undertaking vested in it pursuant to this Scheme at the respective book value appearing in the books of accounts of the Transferor Company;
- (b) The loans and advances or payables or receivables or arrangement of any kind, held inter se, if any, shall stand cancelled; and
- (c) The difference between the book value of Assets and Liabilities so recorded under the Clause 15.1(a) above and after considering the cancellation of inter-company balances in accordance with Clause 15.1(b) above, shall be recorded as capital reserve.

For and on behalf of the Board of Directors of
Jubilant Pharmova Limited

Authorized Signatory
Place: Noida
Date:



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by MANISH
GUPTA
Date: 2021.09.01
20:46:25 +05'30'

A Jubilant Bharat Company

Corporate Office



Jubilant Pharmova Limited
Jubilant Bharat
Sector 63, Noida - 201304
Tel: 0120-2744000
Fax: 0120-2744000
www.jubilantpharmova.com

For and on behalf of the Board of Directors of
Jubilant Pharmova Limited
Date: 2021.09.01
20:46:25 +05'30'

BSR & Co. LLP

Chartered Accountants

Unit No - 502, 5th Floor, Tower - B
ITC'S IS Complex, Against Noida 7, Ganges Park
Plot No. 7, Sector- 142, Expressway
Noida- 201305, U.P.

Telephone : + 91 120 682 5700
Fax : + 91 120 682 5710

To,
The Board of Directors,
Jubilant Genetec Limited
Plot No. 1A, Sector 16A, Institutional Area
Noida - 201301, Uttar Pradesh
India

1 September 2021

Independent Auditor's Certificate on the proposed accounting treatment specified in the Draft Scheme of Arrangement

1. This Certificate is issued in accordance with the terms of our engagement letter dated 28 November 2018 and addendum to the engagement letter dated 31 August 2021.
2. We, the statutory auditors of Jubilant Genetec Limited, have examined the proposed accounting treatment specified in Clause 14 of Part B of the Scheme of Arrangement (the "Draft Scheme") between Jubilant Genetec Limited ("Transferor Company" or "JGL") and Jubilant Pharmova Limited ("Transferee Company" or "JPM") and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013 ("the Act"), with reference to its compliance with the applicable Indian Accounting Standards notified under Section 132 of the Act read with the rules thereunder and other Generally Accepted Accounting Principles in India.
3. For ease of reference, the extract of Clause 14 of Part B of the Draft Scheme, duly authenticated on behalf of the Transferor Company, is reproduced in the Annexure A to this Certificate and has been signed by us, only for the purpose of identification.

Management's Responsibility

4. The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards read with the rules issued thereunder and other Generally Accepted Accounting Principles in India as aforesaid, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates and judgements that are reasonable in the circumstances.

Auditor's Responsibility

5. Our responsibility is only to examine and report whether the accounting treatment referred to in Clause 14 of Part B of the Draft Scheme complies with the applicable Indian Accounting Standards notified under Section 132 of the Act read with the rules thereunder and other Generally Accepted Accounting Principles in India. Nothing contained in this Certificate, nor anything said or done in

Annexure A

Extract of Clause 14 of Part B of the Draft Scheme of Arrangement between Jubilant Genetec Limited and Jubilant Pharmova Limited



the course of or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statement of the Transferor Company.

6. We carried out our examination in accordance with the Guidance Note on Audit Report and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of Standards on Quality Control (SQQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagement. Further, our examination did not extend to any other parts and aspects of legal or proprietary nature in the aforesaid Draft Scheme.

Conclusion

8. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in Clause 14 of Part B of the Draft Scheme and as reproduced in Annexure A to the Certificate is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and all the applicable Indian Accounting Standards notified by the Central Government under section 133 of the Act read with the rules issued thereunder and other Generally Accepted Accounting Principles in India.

Restriction on Use

9. This Certificate is issued at the request of the Transferor Company pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to stock exchanges in India, National Company Law Tribunal ("NCLT") and uploading the same on Company's website pursuant to the requirement of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars issued by SEBI from time to time. This Certificate should not be used for any other purpose without our prior written consent.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/W-100322

**MANISH
GUPTA**

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Date: 2021.09.01
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Manish Gupta

Partner

Membership No.: 095037

UDIN No.: 21095037AAACT0116



Place: Delhi

Date: 1 September 2021

Encl: Annexure A, prepared by the Transferor Company's management, signed by us for identification purpose only.

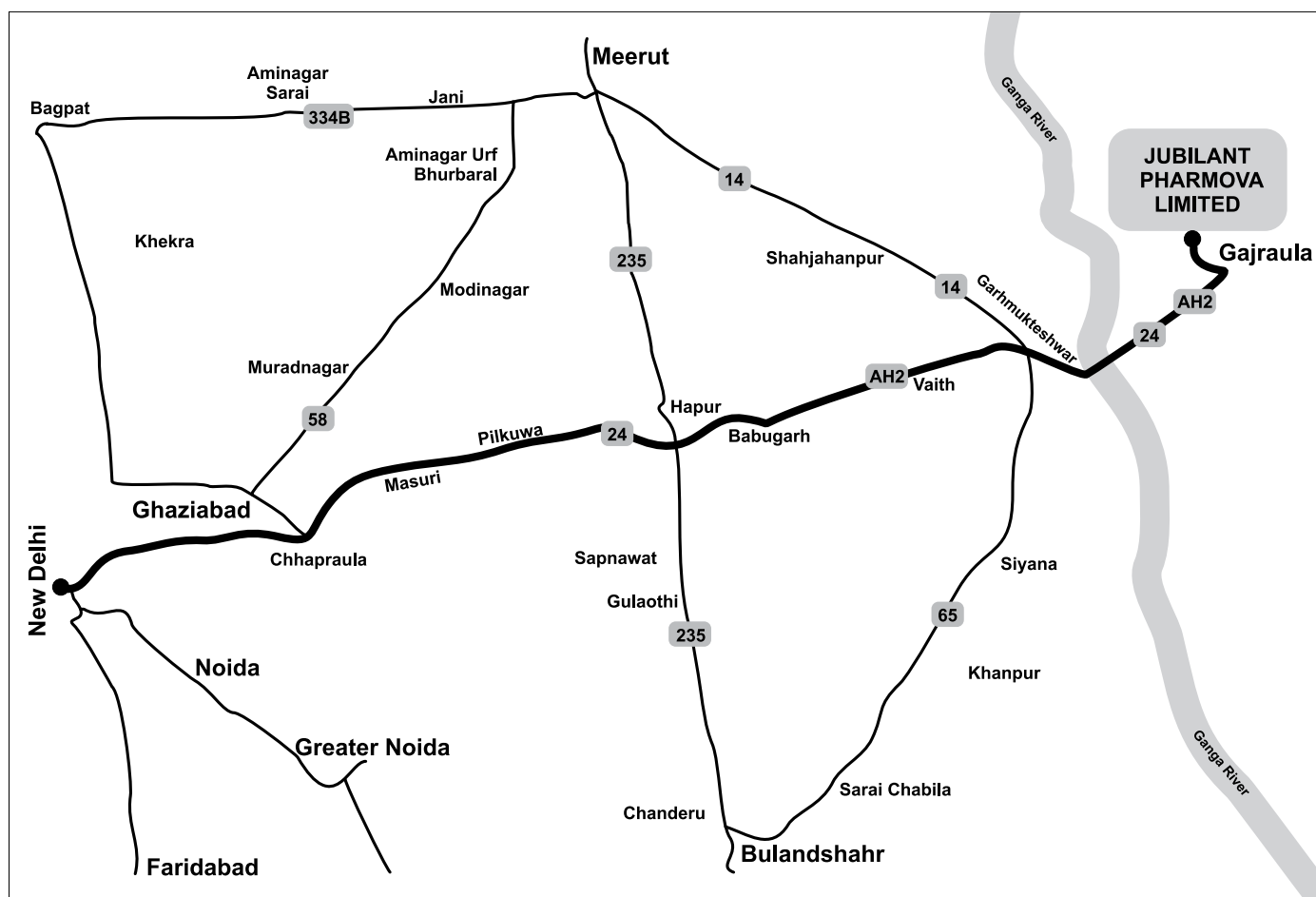
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JUBILANT PHARMOVA LIMITED

Route map of the venue for the NCLT Convened Meeting of Equity Shareholders

Day : Saturday
Date : January 15, 2022
Time : 1:30 p.m.
Venue : **Registered Office**
Bhartiagram, Gajraula,
District Amroha - 244 223,
Uttar Pradesh



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH**

In the matter of Companies Act, 2013

And

In the matter of Sections 230-232, read with Section 66 and other applicable provisions of the Companies Act, 2013 read with the
Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

IN THE MATTER OF

JUBILANT GENERICS LIMITED

.....Applicant Co. No. 1/ "Transferor Company"

And

JUBILANT PHARMOVA LIMITED

.....Applicant Co. No. 2/ "Transferee Company"

And

their respective Shareholders and Creditors

JUBILANT PHARMOVA LIMITED
(CIN: L24116UP1978PLC004624)

A Company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at Bhartiagram, Gajraula,
District Amroha-244223, Uttar Pradesh, India.....Applicant No. 2/ "Transferee Company"

MEETING OF THE EQUITY SHAREHOLDERS

FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration)
Rules, 2014]

| | | |
|----|--------------------------------|--|
| 1. | Name of the Equity Shareholder | |
| 2. | Registered Address | |
| 3. | E-mail ID | |
| 4. | Folio No./ DP ID*/ Client ID* | |

I/We being Equity Shareholder(s) holding _____ equity shares of the Applicant Company No. 2/ "Transferee
Company", hereby appoint:

1. Name: E-mail ID:

Address:

..... Signature

Or, failing him/her,

2. Name: E-mail ID:
Address:
..... Signature

Or, failing him/her,

3. Name: E-mail ID:
Address:
..... Signature

As my/ our proxy to attend and vote for me/ us and on my/ our behalf at the Meeting of the Equity Shareholders of the Applicant Company No. 2/ "Transferee Company", convened as per the directions of the Hon'ble National Company Law Tribunal, Allahabad Bench pursuant to Order dated November 15, 2021 passed in the Company Application CA(CAA) No. 22/ALD/2021 to be held on January 15, 2022 at 1:30 p.m at its registered office at Bhartiagram, Gajraula, District Amroha- 244223, Uttar Pradesh, India and at any adjournment thereof in respect of the resolution as indicated below:

| Sr. No. | Particulars of Resolution | Vote (Optional) (Please put a (✓) mark) | |
|---------|---|--|---------|
| | | For | Against |
| 1. | Resolution for approval of the Scheme of Arrangement between Jubilant Generics Limited and Jubilant Pharmova Limited and their respective shareholders and creditors under Sections 230-232, Section 66 and other applicable provisions of the Companies Act, 2013. | | |

Signed this _____ day of _____ 2021.

Signature of Equity Shareholder _____

Signature of Proxy _____

Affix
Revenue
Stamp of
Re. 1

Notes:

1. This Form of Proxy is applicable only to those equity shareholders who have not voted, and do not wish to vote, through the e-voting facility or Postal Ballot Facility. A proxy need not be a member of the Company.
2. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Applicant Company No. 2/ "Transferee Company" not later than 48 hours before the commencement of the Meeting.
3. It is optional to indicate your voting 'preference'. If you leave the 'For' or 'Against' column blank, your proxy will be entitled to vote in the manner as he/ she may deem appropriate.
4. In case the Equity Shareholder is a body corporate or other entity, the duly completed Proxy Form should be accompanied by a certified copy of the Board Resolution/ Authority and preferably with attested specimen signature(s) of the duly authorized signatory(ies) giving requisite authority to the Proxy holder.
5. Please affix Re. 1 Revenue Stamp in the space provided.
6. For the Resolution, Explanatory Statement and Notes, please refer the Notice of the Meeting. Signature of member should be across the Revenue Stamp of Re. 1.
7. Alterations, if any, made in the Form of Proxy must be initialed by the shareholder.

*Applicable for members holding Shares in dematerialized form.



JUBILANT PHARMOVA LIMITED

CIN: L24116UP1978PLC004624

Registered Office: Bhartiagram, Gajraula, District Amroha-244223,
Uttar Pradesh, India, Tel. +91-5924-267437

Email ID: investors@jubl.com, Website: www.jubilantpharmova.com

MEETING OF EQUITY SHAREHOLDERS

ATTENDANCE SLIP

(Please complete this attendance slip and hand over at the entrance of the meeting venue)

| | |
|--|--|
| Name and Address of the Equity Shareholder | |
| * DP ID/ Client ID No. | |
| ** Regd. Folio No. | |
| No. of Shares held | |
| Full name of Proxy / Authorized Representative | |

I/ We hereby record my/ our presence at the Meeting of the Equity Shareholders of Applicant Company No. 2/ "Transferee Company", convened as per the directions of the Hon'ble National Company Law Tribunal, Allahabad Bench, pursuant to the Order dated November 15, 2021 passed in the Company Application CA(CAA) No. 22/ALD/2021 being held on Saturday, January 15, 2022 at 1:30 p.m. at its registered office at Bhartiagram, Gajraula, District Amroha - 244223, Uttar Pradesh, India.

Signature of Equity Shareholder / Proxy/ Authorised Representative

NOTES:

- Equity Shareholder/ Proxy/ Authorized Representative needs to furnish duly signed 'Attendance Slip' along with a valid identity proof such as PAN Card, Passport, Aadhar Card or Driving License to enter the Meeting hall.
- Equity Shareholder/ Proxy/ Authorized Representative is requested to bring his/ her copy of the Notice for reference at the meeting.
- Equity Shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the Register of Members of Jubilant Pharmova Limited in respect of such joint holding will be entitled to vote.

* Applicable for Equity Shareholder holding Shares in Demat form.

** Applicable for Equity Shareholder holding Shares in Physical form.

ELECTRONIC VOTING PARTICULARS

| EVEN (Electronic Voting Event Number) | USER ID | PASSWORD |
|--|---------|----------|
| | | |



JUBILANT PHARMOVA LIMITED

(CIN : L24116UP1978PLC004624)

Registered Office: Bhartiagram, Gajraula, District Amroha - 244 223, Uttar Pradesh, India
Phone: +91-5924-267437; E-mail: investors@jubl.com; Website: www.jubilantpharmova.com