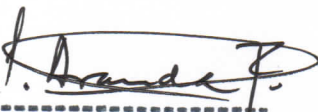


**Glenmark Pharmaceuticals Peru S.A**

**BALANCE SHEET AS AT MARCH 31 ST, 2020**

I. SOURCES OF FUNDS	Functional Currency	Schedules	01.04.19 TO	01.04.18 TO
			31.03.2020	31.03.2019
			Nuevos Soles	Nuevos Soles
<b>1. SHAREHOLDERS' FUNDS</b>				
a) Share capital		1	32,993,169	32,993,169
b) Share additional		1		
c) Reserves and surplus		2	(25,124,766)	(23,805,385)
			<u>7,868,403</u>	<u>9,187,784</u>
<b>2. LOAN FUNDS</b>				
a) Secured loans			-	-
b) Unsecured loans			-	-
			<u>-</u>	<u>-</u>
<b>2. DEFERRED TAX LIABILITY</b>		3	-	-
Less: DEFERRED TAX ASSETS		4	(4,119,259)	(4,794,478)
			<u>(4,119,259)</u>	<u>(4,794,478)</u>
		<b>TOTAL</b>	<u>3,749,144</u>	<u>4,393,305</u>
<b>II. APPLICATION OF FUNDS</b>				
<b>1. FIXED ASSETS</b>		5		
a) Gross Block			709,856	299,089
b) Less : Depreciation			200,769	170,912
c) Net Block			<u>509,087</u>	<u>128,177</u>
d) Intangible			116,303	140,153
			<u>116,303</u>	<u>140,153</u>
<b>3. CURRENT ASSETS, LOANS AND ADVANCES</b>				
a) Inventories		6	1,308,432	2,738,287
b) Sundry debtors		7	2,273,956	2,816,294
c) Cash and bank balances		8	1,690,999	1,265,053
d) Loans and advances		9	1,652,166	1,814,066
			<u>6,925,553</u>	<u>8,633,701</u>
Less : CURRENT LIABILITIES AND PROVISIONS				
a) Current liabilities		10	3,568,281	4,221,121
b) Provisions		11	233,518	287,604
			<u>3,801,799</u>	<u>4,508,725</u>
<b>NET CURRENT ASSETS</b>			<u>3,123,753</u>	<u>4,124,976</u>
		<b>TOTAL</b>	<u>3,749,144</u>	<u>4,393,306</u>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>		12		

Schedules referred to above and notes attached there to form an integral part of the Balance Sheet.

  
**SANTIAGO ARANDA FLORES**  
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**Glenmark Pharmaceuticals Peru S.A**

**PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31 ST, 2020**

Functional Currency	Schedules	01.04.19 TO 31.03.2020 Nuevos Soles	01.04.18 TO 31.03.2019 Nuevos Soles
<b>INCOME</b>			
Sales & Operating Income	13	6,926,301	7,566,977
Other income	14	379,945	371,788
		<u>7,306,246</u>	<u>7,938,765</u>
<b>EXPENDITURE</b>			
Cost of sales	15	2,730,776	4,457,867
Selling and operating expenses	16	7,145,239	8,247,312
Depreciation/Amortisation	5	78,104	120,462
		<u>9,954,119</u>	<u>12,825,642</u>
Exchange rate		341,574	433,631
<b>PROFIT BEFORE TAX</b>		<b>(2,989,446)</b>	<b>(5,320,508)</b>
Provision for taxation		675,219	(480,779)
- Current Year			
- Earlier Years			
- Deferred tax		675,219	(480,779)
<b>NET PROFIT AFTER TAX</b>		<u>(3,664,666)</u>	<u>(4,839,729)</u>
Balance Profit brought forward		(26,641,079)	(21,801,350)
<b>NET PROFIT AVAILABLE FOR APPROPRIATION</b>		<u>(30,305,745)</u>	<u>(26,641,079)</u>
Interim Dividend paid on preference shares			
Tax on dividend paid on preference shares			
Interim Dividend on Equity Shares			
Tax on interim dividend paid on equity shares			
Transfer to Debenture Redemption Reserve			
Transfer to General Reserve			
Adjustment previous years		(2)	(2)
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<u>(30,305,743)</u>	<u>(26,641,077)</u>

**NOTES TO THE FINANCIAL STATEMENTS**

Schedules referred to above and notes attached there to form an integral part of the Profit and Loss Account.

  
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**Glenmark Pharmaceuticals Peru S.A**

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

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As at As at  
31.03.2020 31.03.2019  
Nuevos Soles Nuevos Soles

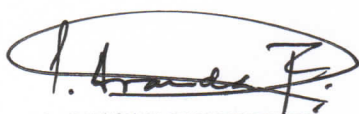
1. SHARE CAPITAL	Functional Currency		
Authorised			
_____ (Previous Period -- _____) Equity shares of _____ each	Note		
 <u>Issued, Subscribed and Paid-up</u>			
Share capital		32,993,169	32,993,169
		32,993,169	32,993,169
Share Application Money		5,180,977	2,835,692
	TOTAL	38,174,146	35,828,861

Notes :

2. SHARE ADDITIONAL			
Share additional	Note	5,180,977	2,835,692
Balance at the beginning of the year			
Add: Addition during the year			
Less: Deduction during the year			
Closing balance		5,180,977	2,835,692
 Profit and loss account ( Retained Earnings)			
Balance		(30,305,743)	(26,641,077)
adjustment to the income statement			
Legal Reserves		-	-
	TOTAL	(25,124,766)	(23,805,385)

Note :

3. DEFERRED TAX LIABILITY [Refer Note _____ of Schedule _____]			
Liabilities			
Depreciation		-	-
Others		-	-
	TOTAL	-	-
4. DEFERRED TAX ASSET [Refer Note _____ of Schedule _____]			
Assets		4,119,259	4,794,478
	TOTAL	4,119,259	4,794,478



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**Glenmark Pharmaceuticals Peru S.A**

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

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	Functional Currency	As at 31.03.2020 Nuevos Soles	As at 31.03.2019 Nuevos Soles
<b>5. FIXED ASSETS [Refer note _____ and ____ of Schedule ____]</b>			
a) Gross Block		709,856	299,089
b) Less : Depreciation		200,769	170,912
c) Net Block		509,087	128,177
<b>INTANGIBLE ASSETS [Refer note _____ and ____ of Schedule ____]</b>			
a) Gross Block		179,192	209,384
b) Less : Amortization		62,889	69,231
c) Net Block		116,303	140,153
<b>TOTAL</b>		<b>625,390</b>	<b>268,330</b>
<b>6. INVENTORIES [Refer Note _____ of Schedule ____]</b> (As certified by the management)			
Miscellaneous Supplies		-	-
Raw materials		-	-
Packing material		-	-
Work-in-process		-	-
provision for destruction		-	-
Finished goods		(1,034,471)	(349,000)
Transi Inventori		1,991,863	2,912,970
<b>TOTAL</b>		<b>351,040</b>	<b>174,318</b>
<b>7. SUNDRY DEBTORS (Accounts Receivables)</b>			
<b>Outstanding for more than six months</b>			
Secured, considered good - Secured by way of guarantee, LC etc.			
Unsecured, considered good		525,250	525,250
Unsecured, considered doubtful			
Less: Provision for doubtful debts		525,250	525,250
<b>Outstanding for less than six months</b>			
Secured, considered good		31,713	31,713
Unsecured, considered good		493,537	493,537
<b>TOTAL</b>		<b>1,780,419</b>	<b>2,322,757</b>
<b>8. CASH AND BANK BALANCES</b>			
Cash in hand		1,500	1,500
Funds in Transit		-	-
Balances with banks			
- Current accounts			
- Margin Money Account		1,437,060	1,011,114
- Deposit accounts			
-Other ( Please Specify)			
<b>TOTAL</b>		<b>252,439</b>	<b>252,439</b>
<b>TOTAL</b>		<b>1,690,999</b>	<b>1,265,053</b>

  
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Glenmark Pharmaceuticals Peru S.A

SCHEDULES FORMING PART OF THE BALANCE SHEET

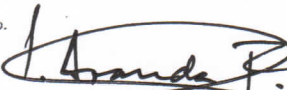
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	Functional Currency	As at 31.03.2020 Nuevos Soles	As at 31.03.2019 Nuevos Soles
9.	<b>LOANS AND ADVANCES (unsecured, considered good)</b>		
	Capital Advances	-	-
	Advance to Vendors	-	-
	Advances recoverable in cash or kind or for value to be received	-	-
	VAT Recoverable	-	-
	Advance to Subsidiaries:	1,292,174	1,281,678
	Glenmark Generics	-	-
	Others	-	-
		<u>359,992</u>	<u>532,389</u>
		<u>1,652,166</u>	<u>1,814,067</u>
10.	<b>CURRENT LIABILITIES</b>		
	Acceptances		
	Accounts Payable		
	Unclaimed Dividend		
	Advances from Customers		
	Payable to Subsidiaries		
	Glenmark Pharceuticals LTD India	3,020,787	3,334,850
	Glenmark Pharceuticals LTD Brasil	160,256	454,594
	Glenmark Generics	-	-
	Glenmark Ecuador	-	-
	Glenmark Mexico	-	-
	Other Liabilities	-	-
	Interest accrued but not due	387,238	431,677
	Interim Dividend on Equity Shares	-	-
	Tax on Interim Dividend	-	-
	Tax on Preference Dividend	-	-
		<u>3,568,281</u>	<u>4,221,121</u>
11.	<b>PROVISIONS</b>		
	Proposed dividend		
	Wealth tax		
	Income-tax (net of advance tax) [Refer Note _____ of Schedule ____]		
	Provident Fund Scheme payable		
	Provision for Gratuity and leave encashment		
	Other		
		<u>233,518</u>	<u>287,604</u>
		<u>233,518</u>	<u>287,604</u>

  
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**SANTIAGO ARANDA FLORES**  
 Contador Público Colegiado  
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**Glenmark Pharmaceuticals Peru S.A**  
**SCHEDULES TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED**


Functional Currency	01.04.19 to 31.03.20 Nuevos Soles	01.04.18 to 31.03.19 Nuevos Soles
<b>13. SALES AND OPERATING INCOME [refer note (1) (vii) of Schedule 12]</b>		
Sale of goods and IP assets (Net exclusive of Taxes/ Duty)	6,926,301	7,566,977
Income from services	-	-
<b>Net Sales</b>	<b>6,926,301</b>	<b>7,566,977</b>
<b>14. OTHER INCOME</b>		
Exchange gain	-	-
Other Income	207,763	258,983
Sale of fixed assets	168,402	56,975
Miscellaneous income	3,780	55,829
	<b>379,945</b>	<b>371,788</b>
<b>15. COST OF SALES</b>		
Salary, wages and allowances	-	-
Contribution to pension and other employee benefits	-	-
Labour charges	-	-
Consumption of raw & packing materials	-	-
Purchase of Trading goods	-	-
Excise duty paid	4,160,631	6,023,420
Sales tax	-	-
Power, fuel and water charges	-	-
Consumable stores	-	-
Repairs and maintenance - plant and machinery	-	-
Rent, rates and taxes	-	-
Other manufacturing expenses	-	-
(Increase)/decrease in inventory	-	-
	<b>1,429,855</b>	<b>1,565,553</b>
	<b>2,730,776</b>	<b>4,457,867</b>
<b>16. SELLING AND OPERATING EXPENSES</b>		
Salary and allowances	-	-
Contribution to pension and other employee benefits	1,641,506	2,167,066
Staff welfare	654,182	755,638
Directors' salaries and allowances	-	-
Directors -Contribution to pension and other employee benefits	-	-
Incentive and commission	-	-
Product Registration, Trade Marks, IP Registration	290,777	302,509
Sales promotion expenses	46,579	72,852
Export Commission	2,307,916	1,959,759
Commission on sales	-	-
Travelling expenses	-	-
Freight outward	79,019	72,963
Telephone expenses	-	-
Rates and taxes	45,655	67,374
Provision for doubtful debts	27,522	76,708
Insurance premium	-	-
Electricity charges	13,390	22,649
Rent	8,150	9,053
Repairs & Maintenance	188,320	288,023
Auditors' remuneration	46,358	54,462
Audit fees	-	-
Other matters	-	-
Out of pocket expenses	-	-
Loss on sale of assets	-	-
Other operating expenses	-	-
Other Expenses	-	-
Exchange Loss	1,097,873	1,816,185
Conference Expenses	-	-
Printing & Stationery	133,143	75,489
Postage & Telegram	-	-
Legal & Professional Expenses	-	-
Royalties	362,270	328,578
Conveyance	-	-
Bank Charges	37,088	36,723
write off fixed assets	165,489	141,280
	<b>7,145,239</b>	<b>8,247,312</b>
<b>20. INTEREST EXPENSE</b>		
On loans from banks	-	-
Other interest	-	-
	<b>-</b>	<b>-</b>
<b>21. RESEARCH AND DEVELOPMENT EXPENSES [refer note (1) (viii) of Schedule 22]</b>		
Salary and other allowances	-	-
Contribution to pension and other employee benefits	-	-
Staff welfare expenses	-	-
Directors' Remuneration	-	-
Consumable & Chemicals	-	-
Electricity charges	-	-
Repairs and maintenance	-	-
Insurance premium	-	-
Other expenses	-	-
Labour charges	-	-
Analytical Charges	-	-
Rates & Taxes	-	-
Travelling Expenses	-	-
Printing & Stationery	-	-
Telephone Expenses	-	-
Conference expenses	-	-
Training & Recruitment Expenses	-	-
Legal & Professional Expenses	-	-
Security Charges	-	-
Similar Expenses	-	-
Belapur Expenses	-	-
Conveyance	-	-
Water Charges	-	-
Service Charges	-	-
Octroi Charges	-	-
Drug development exp.	-	-
Other expenses	-	-
	<b>-</b>	<b>-</b>

  
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Glenmark Pharmaceuticals Peru S.A  
 SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT March 31st, 2020 AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE  
 Functional Currency Nuevos Soles  
**FIXED ASSETS** [Refer note \_\_\_\_\_ and 7 of Schedule \_\_\_\_\_]

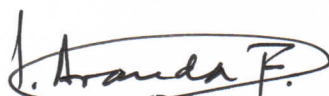
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	Rate of Depreciation and Life of Assets		GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	Rate of Depreciation	Life of Assets	As on	Additions	Sales/Disposals	As on	For the period	Sales/Disposals	As on	As on	As on	As on
			31st March, 2019	01st April, 2019 To 31st March, 2020	01st April, 2019 To 31st March, 2020	31st March, 2019	01st April, 2019 To 31st March, 2020	01st April, 2019 To 31st March, 2020	31st March, 2020	31st March 2020	31st March 2020	31st March 2019
Other Buildings & Premises	3%	33 Años	-	-	-	-	-	-	-	-	-	-
Plant and Machinery	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	10%	10 Años	111,807	-	-	111,807	73,149	3,561	76,710	35,097	38,658	-
Computer Equipment	25%	4 Años	187,282	47,912	-	235,194	97,763	47,781	145,544	89,651	89,519	-
Vehicles	20%	5 Años	-	-	-	-	-	-	-	-	-	-
Construction in Progress	0%	-	-	384,339	-	384,339	-	-	-	384,339	-	-
<b>Intangible assets</b>												
- Computer software	10%	10 Años	209,384	2,913	-	212,297	69,231	26,763	95,994	116,303	140,153	-
- Product Development	-	-	508,473	435,165	-	943,638	240,143	78,105	318,248	625,390	268,350	-
<b>TOTAL</b>			485,959	142,265	(119,752)	508,473	238,429	120,462	240,143	268,330	247,550	-
Previous Year (As on March 31, 2019)			485,959	142,265	(119,752)	508,473	238,429	120,462	240,143	268,330	247,550	-

  
 SANTIAGO ARANDA FLORES  
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**Glenmark Pharmaceuticals Peru S.A****CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31 ST, 2020**

Functional Currency	As at	As at
	31.03.2020	31.03.2019
	Nuevos Soles	Nuevos Soles
<b>A. Cash flow from operating activities:</b>		
Net Profit before tax	(2,989,446)	(5,320,508)
Adjustments for:		
Depreciation	78,104	120,462
Fixed Assets Written Off		
(Profit)/Loss on Fixed Assets sold		
Deferred revenue expenditure written off		
Provision for Bad & Doubtful Debts		
Inventory damaged		
Provision for Gratuity & Leave Encashment		
Reclassification of P&L		
Employee stock option plan		
<b>Operating profit before working capital changes</b>	<b>(2,911,342)</b>	<b>(5,200,046)</b>
<b>Adjustments for changes in working capital :</b>		
- (increase)/decrease in Sundry Debtors	542,338	2,840,283
- (increase)/decrease in Loans and Advances	161,901	823,991
- (increase)/decrease in Inventories	1,429,855	(1,565,553)
- increase/(decrease) in Trade and Other Payables	1,638,359	2,758,093
<b>Cash generated from operations</b>	<b>861,111</b>	<b>(343,232)</b>
- Taxes (Paid) / Received (Net of Tax deducted at source)	-	-
<b>Net cash from operating activities</b>	<b>861,111</b>	<b>(343,232)</b>
<b>B. Cash flow from Investing activities:</b>		
Purchase of fixed assets	(47,912)	(142,265)
Capital Work in Progress	(384,339)	
Proceeds from Sale of fixed assets	(2,913)	55,829
Proceeds from Sale of Investments		
Purchase of investments		
Share application money for Subsidiary companies.		
Loan to Subsidiary company		
Finance Lease Rent payment against principal amount		
Dividend Received		
<b>Net cash used in investing activities</b>	<b>(435,165)</b>	<b>(86,436)</b>
<b>C. Cash flow from financing activities:</b>		
Proceeds from fresh issue of	-	-
Share Capital (including Securities Premium )	-	-
Issue expenses of FCCB	-	-
Share Application Money	-	-
Proceeds / (Repayment ) of long term borrowings	-	-
Receipt /(Repayment) of short term borrowings	-	-
Proceeds from Cash Credits (NET)	-	-
Finance Lease Rent (Interest Part only)	-	-
<b>Net cash used in financing activities</b>	<b>-</b>	<b>-</b>
adjustment to the income statement	-	-
Legal Reserves	-	-
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>425,946</b>	<b>(429,668)</b>
<b>Cash and cash equivalents as at 31.03.2018</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents as at 31.03.2019</b>	<b>1,265,053</b>	<b>1,694,721</b>
<b>Cash and cash equivalents as the end of the year</b>	<b>1,690,999</b>	<b>1,265,053</b>
<b>Cash and cash equivalents comprise</b>		
Cash	1,500	1,500
Funds in Transit	-	-
Deposits with Scheduled banks	-	-
Deposits with Non-scheduled Banks	-	-
Balance with Scheduled Banks	1,689,499	1,263,553
Balance with Non-scheduled Banks		
	1,690,999	1,265,053



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**Glenmark Pharmaceuticals Peru S.A**  
**SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED**

**SCHEDULE 12 - NOTES TO THE FINANCIAL STATEMENTS**

**1) SIGNIFICANT ACCOUNTING POLICIES**

**i) Basis of Accounting**

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting, in conformity with accounting principles generally accepted in Perú.

**ii) Fixed assets and depreciation**

Fixed assets are stated at cost less accumulated depreciation. The Company capitalises all costs relating to the acquisition and installation of fixed assets. Expenditure of revenue nature, incurred in setting up of new projects, is capitalised as an indirect cost towards construction of the fixed assets. Exchange differences relating to the acquisition of fixed assets are adjusted in the cost of the assets.

The company has estimated the useful life of its assets as follows:

Category	Estimated useful life (in years)
Plant and machinery	5 years - 20% Annual
Vehicles	10 years - 10% Annual
Furniture and fixtures	33 years - 3% Annual
Other Buildings & Premises	4 years - 25% Annual
Computer Equipment	
Brands	
Product Development	10 years - 10% Annual

Leasehold land is amortised over the period of lease.

**iii) Foreign currency transactions**

Foreign currency transactions during the year are recorded at the rates of exchange prevailing on the date of the transaction. Foreign currency assets and liabilities are translated into soles at the exchange rates prevailing on the date of the balance sheet. All exchange differences are dealt with in the statement of profit and loss, except those relating to the acquisition of fixed assets, which are adjusted in the cost of the respective fixed assets.

**iv) Investments**

Long term investments are stated at cost. Provision, where necessary, is made to recognize a decline, other than temporary, in the value of the investments.

**v) Inventories**

Goods are recorded at acquisition cost, including all costs as per invoices. Withdrawals from stocks of goods are recognized in accordance with the cost formulas FIFO, weighted average cost. For the purposes of measuring the end of the reporting period, the rule applies to the valuation of acquisition cost or net realizable value, the lowest. Exchange differences arising in foreign currency liabilities will be applied to the result.

**vi) Employee Benefits**

Retirement benefits to employees comprise payments towards gratuity, superannuation and provident fund under the schemes of the Company and encashment of leave. Annual contributions to the superannuation and provident funds are charged to the statement of profit and loss.

**vii) Revenue recognition**

The company recognizes revenue on dispatch of goods to customers. Revenues from services are recognized on completion of such services. Revenue from IP asset/Marketing rights is recognized on transfer of ownership/right to use in accordance with the terms of relevant agreements. Revenue from contract research being in the nature of product development activities is recognized as per the terms of the agreement. Revenues are recorded at invoice value, inclusive of excise duty and sales-tax, but net of returns and trade discounts.

**viii) Research and development**

Capital expenditure on research and development (R&D) is capitalised as fixed assets. Development cost relating to the new and improved product and/or process development is recognised as an intangible asset to the extent that it is expected that such asset will generate future economical benefits. Other research and development costs is expensed as incurred.

**ix) Income-tax**

Provision for current income-taxes is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred income taxes are recognised for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for tax purposes. The effect on deferred tax assets and liabilities because of a change in tax rates is recognised in statement of profit and loss using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Prior / Earlier year's income tax is charged to the Profit and Loss account on payment and the same is disclosed separately.

**SCHEDULE 12 - NOTES TO THE FINANCIAL STATEMENTS**

**x) Miscellaneous expenditure**

Product launch expenditure

Earlier years' expenditure on launch of new products and their sales promotion is being amortised over a period of three years.

Implementation expenses of Enterprise Resource Planning system.

Earlier year's expenditure incurred on payments for infrastructure facilities and expenditure incurred on user license fees for an Enterprise Resource Planning system is being amortised over a period of one hundred thirty-six months.

**xi) Borrowing costs**

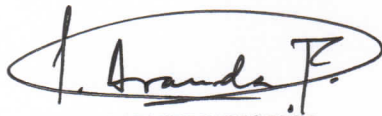
Borrowing costs that are attributable to the acquisition and construction of a qualifying asset are capitalised as a part of the cost of the asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.

**xii) Impairment of Assets**

The Company assesses at each balancesheet date whether there is any indication that an asset may be impaired. If any such indication exist, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balancesheet date there is an indication that if a previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**xiii) Provisions and Contingent Liabilities**

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.



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*SANTIAGO ARANDA FLORES*

*AUDITOR INDEPENDIENTE - CONSULTOR*

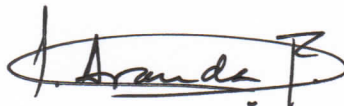
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**Auditors Report:**

To The Board of Directors  
Glenmark Pharmaceuticals Limited

1. We have audited the attached Balance Sheet of Glenmarks Pharmaceuticals Perú S.A. as at March 31, 2020 and the related Profit and Loss Account for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in Peru. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that:
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - c. The Balance Sheet, Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - d. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give a true and fair view in conformity with the accounting principle generally accepted in Peru;
    - i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020 and
    - ii. In the case the Profit and Loss Account, of the profit for the year ended on that date.

Place: Lima, Peru  
Date: 24 April, 2020



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**Annexure**

Prohibitions and THREATS TO INDEPENDENCE for continuing audit clients

DESCRIPTION	YES / NO	PROHIBITION / THREAT	SAFEGUARD – DESCRIBE
Overdue fees	NO	T	
Actual or threatened litigation	NO	T	
A partner or a partner who was a key audit principal or a former member of the audit team has joined the audit client in the last two years	NO	P T	
An ex- partner or manager of the firm is an officer of the client.	NO	T	
A partner or employee (not a member of the audit team) has an immediate or close family member on the board or subcommittee of the board of the client.	NO	T	
There is a mutual business interest between the Audit Firm or someone in a position to influence the audit or its network firms, and the client or the controlling shareholder or an officer or employee of a client	NO	P	
The firm, a partner or an immediate family member holds direct or material indirect financial interest in the audit client or associate of the client.	NO	P	
Loans or guarantees given to the client or the client to the firm.	NO	P	
Preparation of accounting records and financial statements of a public interest client.	NO	P	
Valuation services provided where material to the financial statements and significant degree of subjectivity amounts.	SI	P	
Design and implementation of financial information technology systems important to a significant part of the accounting system or production of financial statements.	NO	P	

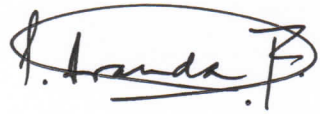


SANTIAGO ARANDA FLORES

AUDITOR INDEPENDIENTE - CONSULTOR

DESCRIPTION	YES / NO	PROHIBITION / THREAT	SAFEGUARD – DESCRIBE
Recruitment of senior management to public interest entity.	NO	P	
Advice on quantum or measurement criteria of remuneration package of directors or key management.	NO	P	
Advocacy for client e.g. tax if matters have a material impact on the financial statements and involve a significant degree of subjectivity.	NO	P	
Litigation support where we act for a client that might be expected to have a material effect on the financial statements.	NO	P	
Contingent fees for tax or corporate finance where fee dependent on outcome of audit.	NO	P	

07 April, 2020



SANTIAGO ARANDA FLORES  
Auditor Público Colegiado  
Matrícula N° 11230

**Glenmark Pharmaceuticals Peru S.A**  
**SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS**  
**SCHEDULE 12 - CONTD.**

[Back to Instruction Sheet](#)

**2) SEGMENT INFORMATION**

*Business segments*

The Company is primarily engaged in a single segment business of manufacturing and marketing of pharmaceuticals formulations and active ingredients and is managed as one entity, for its various activities and is governed by a similar set of risks and returns.

**3) RELATED PARTY DISCLOSURES**

a) Parties where control exists: None

b) Related party relationships where transactions have taken place during the period

Subsidiary Companies: None

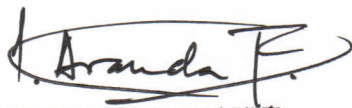
c) Key management personnel (includes directors of the Company)

1  
2

d) Transactions with related parties during the period

**Transactions during the period**

	Glenmark Pharmaceuticle Limited, India		Glenmark farmaceutica Ltda. Brasil		Glenmark Generics Limited Argentina		Glenmark Ecuador	
	01.04.2019 to 31.03.2020 In USD	01.04.2018 to 31.03.2019 In USD	01.04.2019 to 31.03.2020 In USD	01.04.2018 to 31.03.2019 In USD	01.04.2019 to 31.03.2020 In USD	01.04.2018 to 31.03.2019 In USD	01.04.2019 to 31.03.2020 In USD	01.04.2018 to 31.03.2019 In USD
Sale of finished products	-	-	-	-	-	-	-	-
Product Development Expenses incurred on behalf of	-	-	-	-	-	-	-	-
Purchase of finished goods	623,093	735,810	73,106	334,252	-	18420	32000	-
Purchase of service	-	-	-	-	-	-	-	-
Reimbursement of expenses	-	-	-	-	-	-	-	-
Investment in Share Capital	700,000	3,143,823	-	-	-	-	-	-
Paybles to Related Parties	877,625	1,005,383	46,559	136,885	-	0	0	0
Advance Recoverable (in cash or kind) from related party	-	-	-	-	-	0	0	0



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*Key management personnel*

Remuneration paid  
Personal guarantees given by directors

d) *Related party balances: none*

Receivable from wholly owned subsidiary companies: None

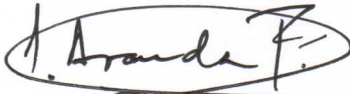
Payable to subsidiary company: None

c) The Company has taken godowns/residential & office premises at various locations in the country: None

	<b>As on</b> <b>31.03.2019</b>	<b>As on</b> <b>31.03.2018</b>
<b>4) CONTINGENT LIABILITIES NOT PROVIDED FOR</b>		
Bank guarantees	None	None
Corporate guarantee	None	None
Disputed taxes/duties	None	None
Labour / Industrial disputes	None	None
Open letters of credit	None	None
Sundry debtors factored with recourse option	None	None
Channel financing with recourse option	None	None
Any other contingent liability	None	None

**5) PRIOR YEAR COMPARATIVES**

Prior year's figures have been regrouped wherever necessary.



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