

Preliminary Information Memorandum and Global Invitation

**for Submission of Expression of Interest
for**

Strategic Disinvestment of HLL Lifecare Limited (HLL)



by
President of India



through the Ministry of Health and Family Welfare

(Strictly private and confidential)

Transaction Advisor



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December 2021

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List of abbreviations

Abbreviation	Meaning
ACI	Available Capital for Investment
ACS	Associate Company Secretary
AIDS	Acquired Immune Deficiency Syndrome
AIF	Alternate Investment Fund
AIIMS	All India Institute of Medical Sciences
AMRIT	Affordable Medicines and Reliable Implants for Treatment
API	Active Pharmaceutical Ingredient
ARIPO	African Regional Intellectual Property Organization
ASTM	American Society for Testing and Materials
AUB	Abnormal Uterine Bleeding
BBA	Bachelor of Business Administration
BE	Bachelor of Engineering
BPL	Below Poverty Line
BTech	Bachelor of Technology
CAGR	Compounded Annual Growth Rate
CBD	Consumer Business Division (of HLL)
CBRN	Chemical, Biological, Radiological and Nuclear
CDRI	Central Drug Research Institute
CE	Conformité Européenne
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGHS	Central Government Health Scheme
cGMP	Current Good Manufacturing Practice
CGOCS	Central Government Owned Cooperative Societies
CIF	Central Instrumentation Facility
CMA	Certified Management Accountant
COGS	Cost of Goods Sold
CPSE	Central Public State Enterprise
CRDC	Corporate R&D Centre
CSIR	Council of Scientific Industrial Research
DBT	Department of Biotechnology
DIN	Director Identification Number
DIPAM	Department of Investment and Public Asset Management
DMAI	Dyestuffs Manufacturers Association of India
DNB	Diplomate of National Board
DRDO	Defense Research Development Organization
DSIR	Department of Scientific and Industrial Research
DST	Department of Science and Technology
DUB	Dysfunctional Uterine Bleeding
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EMD	Earnest Money Deposit
EoI	Expression of Interest
EPC	Engineering, Procurement and Construction

Abbreviation	Meaning
ESIC	Employees' State Insurance Corporation
FCA	Fellow Chartered Accountant
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 including regulations and framework made thereunder
FGP	Free Generic Pharmacy
FGP	Free Generic Pharmacies
FMCG	Fast-Moving Consumer Goods
FSH	Follicle-Stimulating Hormone
FY	Financial Year
GAPL	Goa Antibiotics and Pharmaceuticals Limited
GBD	Government Business Division (of HLL)
GDS	Generic Drug Store
GeM	Government e Marketplace
GERD	Gastroesophageal Reflux Disease
GMCIs	Government Medical Colleges / Institutions
GMP	Good Manufacturing Process
GoI	Government of India
HBL	HLL Biotech Limited
HBV	Hepatitis B Virus
HCD	HiCare Division (of HLL)
HCG	Human Chorionic Gonadotropin
HCV	Hepatitis C Virus
HITES	HLL Infra Tech Services Limited
HIV	Human Immunodeficiency Virus
HLFPPT	Hindustan Latex Family Planning Promotion Trust
HLL	HLL Lifecare Limited
HMA	HLL Management Academy
HMCCHL	HLL Mother & Child Care Hospitals Limited
HML	HLL Medipark Limited
HPCS	HLL Pratheeksha Charitable Society
HRT	Hormone Replacement Therapy
IAS	Indian Administrative Service
IB(s)	Interested Bidder(s)
IBD	International Business Division (of HLL)
ICMR	Indian Council of Medical Research
ICWA	Institute of Cost and Works Accountants
IDA	International Development Association
IMHANS	Institute of Mental Health and Neuro Sciences
INR	Indian Rupees
IPPF	International Planned Parenthood Federation
IRTS	Indian Railway Traffic Service
IS	(Bureau of) Indian Standards
ISO	International Organisation for Standardisation
IST	Indian Standard Time
IUCD	Intra-Uterine Contraceptive Devices

Abbreviation	Meaning
IUD	Intrauterine Device
IUS	Intra Uterine Delivery System
IV	Intra Venous
IV	Intravenous
JIPMER	Jawaharlal Institute of Postgraduate Medical Education and Research
JV	Joint Venture
LHPL	LifeSpring Hospitals Private Limited
LLB	Bachelor of Laws
LSH	Luteinizing Hormone
MAT	Moving Annual Total
MBA	Master of Business Administration
MBBS	Bachelor of Medicine and Bachelor of Surgery
MCC	Mother & Child Care
MCom	Master of Commerce
mg	milligram
MoF	Ministry of Finance
MoHFW	Ministry of Health and Family Welfare
MoU	Memorandum of Understanding
MRP	Maximum Retail Price
MS	Master of Science
MTP	Medical Termination of Pregnancy
NABL	National Accreditation Board for Testing and Calibration Laboratories
NACO	National AIDS Control Organisation
NACP	National AIDS Control Programme
NCI	National Cancer Institute
NFWP	National Family Welfare Programme
NGOs	Non-Governmental Organizations
NLEM	National List of Essential Medicines
NMP	Natural Micronized Progesterone
NPSA	National Procurement Support Agency
NRHM	National Rural Health Mission
NVBDCP	National Vector Borne Disease Control Programme
OCB	Overseas Corporate Body
OCD	Obsessive-Compulsive Disorder
OCP	Oral Contraceptive Pill
OHSA	Occupational Safety and Health Administration
OHSAS	Occupational Health and Safety Assessment Series
ORS	Oral Rehydration Therapy
PAT	Profit After Tax
PCOS	Polycystic Ovary Syndrome
PCT	Patent Cooperation Treaty
PDF	Portable Document Format
PGDFM	Post Graduate Diploma in Financial Management
PGDM	Post Graduate Diploma in Management
PhD	Doctor of Philosophy

Abbreviation	Meaning
PIM	Preliminary Information Memorandum
PMC	Project Management Contract
PMSSY	Pradhan Mantri Swasthya Suraksha Yojana
PPP	Public Private Partnership
PQ	Prequalification
PSA	Procurement Support Agency
PSI	Population Services International
QIBs	Qualified Interested Bidder(s)
R&D	Research and Development
RBD	Retail Business Division (of HLL)
RBI	Reserve Bank of India
RCH	Reproductive Child Health
RFP	Request for Proposal
RIAHS	Regional Institute of Allied Health Sciences
RIPANS	Regional Institute of Paramedical and Nursing Sciences
RoC	Registrar of Companies
ROU	Right of Use
RTI	Reproductive Tract Infection
SABS	South African Bureau of Standards
SCTIMST	Sree Chitra Tirunal Institute for Medical Sciences and Technology
SEBI	Securities and Exchange Board of India
SERM	Selective Estrogen Receptor Modulators
SHA	Shareholders Agreement
SKUs	Stock-Keeping Units
SPA	Share Purchase Agreement
SPV	Special Purpose Vehicle
sq. m.	square meters
STD	Sexually Transmitted Disease
TA	Transaction Advisor
TSH	Thyroid Stimulating Hormone
UIP	Universal Immunization Program
UK	United Kingdom
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNOPS	United Nations Office for Project Services
USA	United States of America
USD	United States Dollar
USFDA	United States Food and Drug Administration
UTI	Urinary Tract Infection
VBD	Vending Business Division (of HLL)
VDR	Virtual Data Room
WHD	Women's Healthcare Division (of HLL)
WHO	World Health Organization
WIPO	World Intellectual Property Organization

Part A

Part I

Introduction

Transaction background

HLL Lifecare Limited (“HLL” or “the Company”), is a Miniratna [Category-I] enterprise, currently a CPSE under the administrative control of the MoHFW, GoI and was incorporated in the year 1966 under Companies Act, 1956, and is fully owned by GoI. HLL was converted into a Public Limited Company with effect from 21st February, 2012.

HLL is involved in manufacturing and marketing of a range of contraceptives, women’s healthcare products, hospital supplies as well as other pharmaceutical products. HLL is also engaged in providing healthcare and diagnostic services, consultancy and contract services for healthcare infrastructure projects and consultancy services for procurement of medical equipment and devices in the healthcare sector. HLL caters to both domestic and international markets.

GoI acting through DIPAM has given ‘in-principle’ approval for the strategic disinvestment of HLL by way of the transfer of management control and sale of 100% equity share capital in HLL held by the President of India through MoHFW, including ownership interests in identified subsidiaries and associates held by GoI (hereinafter referred to as “the Transaction” or “the Proposed Transaction”). The GoI has appointed PricewaterhouseCoopers Private Limited as its exclusive Transaction Advisor (TA) to advise and manage the Proposed Transaction.

The GoI envisages the strategic disinvestment of HLL as a whole rather than separately in parts, where Interested Bidders can bid individually or in consortium. On completion of the transaction as well as the stipulated lock-in period, flexibility would be given to the strategic acquirer for an easy exit from a part of business which is not in sync with the business plans of the acquirer. The condition of lock-in period of entire shareholding in the Company, requirements regarding lock-in of equity, continuity of business, staff service conditions, etc. will be clarified at Stage II – RFP stage of the Bid Process.

As of 31st March, 2021, HLL’s authorised capital was INR 3,00,00,00,000 divided into 30,00,00,000 equity shares of INR 10 each and its paid-up share capital was INR 15,53,50,000 divided into 1,55,35,000 equity shares held by the President of India through MoHFW (aggregating to 100% of the entire paid-up share capital in HLL).

The following table summarises HLL’s subsidiaries and associates which are to be included in the Proposed Transaction:

Table 1: HLL’s subsidiaries included in Proposed Transaction

Name of the subsidiary	% of share capital of the subsidiary held by HLL	Type of undertaking	Nature of business
HITES	100%	Wholly owned subsidiary	Infrastructure development and procurement of medical devices and equipment. Services for design, engineering, and execution of construction projects.
HMCCHL	100%	Wholly owned subsidiary	SPV for operationalisation of Mother & Child hospital wings in 20 district hospitals in Uttar Pradesh through PPP model. Considering the fact

Name of the subsidiary	% of share capital of the subsidiary held by HLL	Type of undertaking	Nature of business
			that HMCCHL could not serve the objective for which the SPV was set up, it is currently undergoing the process for striking off its name from the records of the RoC, in accordance with the provisions of Section 248 of the Companies Act, 2013, as on 30th November 2021.
GAPL	74%	Subsidiary	Manufacturing and distribution of allopathic, ayurvedic and homoeopathic drugs. Currently operating within state of Goa. <i>Balance 26% of GAPL's equity shareholding is held by EDC Limited, a Government of Goa Enterprise.</i> EDC Ltd. has by email of 8th April 2020 granted consent for the proposed Strategic Disinvestment of HLL.
LHPL	50%	JV	50:50 JV with Acumen Fund Inc., USA for operating maternity care hospitals. Presently, running units in 10 hospitals in Hyderabad / Secunderabad.

HLL, HITES, HMCCHL, GAPL and LHPL are hereinafter referred to as the Companies.

Table 2: Trusts and societies associated with HLL

The following table summarises HLL's trusts and societies which are to be included in the Proposed Transaction:

Name of the trust / society	Nature of trust / society
HLFPPT	Founded in 1992 as a not-for-profit health services organisation. HLL implements its CSR programmes directly through HLFPPT.
HMA	Society registered as the knowledge centre of HLL and is engaged in training and development of the employees of HLL besides training and development of persons belonging to socially and / or economically weaker sections of the society at large through various projects, programmes, and activities.
HPCS	Society is registered with the objective of sponsoring students belonging to the below poverty category to pursue professional studies and also to support the health care of genuinely deserving persons.

Contact details for clarifications / enquiries

All enquiries related to the Proposed Transaction (submitted on the letterhead of the IB, duly signed by its authorised signatory and a scanned copy of such letter should be emailed from the IBs official email) should be addressed to the following representatives of the TA at the common email ID: in_project.grande@pwc.com

**Mr. Rajesh Vig / Mr. Dinesh Arora,
Partners, PricewaterhouseCoopers Pvt. Ltd.
Building No. 8, Tower – B,
DLF Cybercity,
Gurgaon – 122 022, India**

All such enquiries should be emailed not later than the date mentioned in the table titled “Important dates” in this section. All communication shall clearly bear the following identification / title:

“Queries / request for additional information: PIM for strategic disinvestment of HLL Lifecare Limited.”

IBs should note that all correspondence, enquiries, requests for additional information and clarifications in relation to the Proposed Transaction should be routed and addressed only to the TA at the above email address. The GoI, the Company, DIPAM or MoHFW shall not be responsible, in any manner, to reply to any communication directly to the IBs or to respond to any communication sent directly to them by the IBs.

All responses to queries will be provided without revealing the source of the query. Further, GoI, the Company and the TA, reserve the right, to not respond to queries or clarifications sought and to not provide information, in addition to the information provided herein.

The PIM, or any other clarifications and common communications would be available on the following websites:

- i. Website of TA at <https://www.pwc.in/>
- ii. Website of HLL at <http://www.lifecarehll.com>
- iii. Website of DIPAM at <http://dipam.gov.in>
- iv. Website of MoHFW at <https://mohfw.gov.in/>

IBs are advised to check the above websites regularly for any updates on the Bid Process (defined in Section 8).

Important dates

Sr. no.	Activity	Date
1.	Publication of advertisement for inviting EoI and release of PIM	14th December 2021
2.	Start date for receiving queries	14th December 2021
3.	Last date for invitation of queries through email	4th January 2022
4.	Last date for release of response to queries on the specified websites (stated in PIM)	18th January 2022
5.	Last date & time for submission of EoIs (Due Date)	31st January 2022 (03:00 p.m.)
6.	Intimation to the Qualified Interested Bidders (QIBs)	14th February 2022

Note that the above dates may change at the discretion of GoI and TA.

Detailed instructions for submission of EoI are set out in Section 9 of this PIM.

1. Company overview

1.1. Company profile

HLL Lifecare Limited

HLL Lifecare Limited (“HLL”) is a Miniratna [Category-I] Enterprise fully owned by the GoI under the administrative control of MoHFW. Established in 1966, HLL has a rich legacy of over 50 years and currently operates through a network of 21 offices and 8 state-of-the-art manufacturing facilities servicing public and private markets across over 85 countries.

HLL, through its subsidiaries, associates, and JV, is involved in manufacturing and marketing of a range of contraceptives, women’s healthcare products, hospital supplies as well as other pharmaceutical products. The Company is also engaged in providing healthcare and diagnostic services, consultancy and contract services for healthcare infrastructure projects and consultancy services for procurement of medical equipment and devices in healthcare sector.

HLL, through its subsidiaries, associates, and JV, has a strong domestic distribution network covering about 1.5 lakh retail outlets across major cities and over 1 lakh remote villages. Internationally, HLL’s products are exported to over 85 countries and are also provided to global public health programmes managed by international agencies like UNFPA, UNOPS, UNHCR, WHO, PSI and IDA. As on date, HLL has three subsidiary companies and one JV. Moreover, HLL has promoted three not-for-profit organisations.

Subsidiaries

HLL Infra Tech Services Ltd.

HLL Infra Tech Services Ltd. (“HITES”) is a wholly owned subsidiary of HLL incorporated in 2014, specialising in infrastructure development and procurement of medical equipment and devices in healthcare sector. It provides services in design, engineering and execution of construction projects and facility management services including integrated building management, housekeeping, security services, horticulture services, warehouse management, amongst others. HITES also plays a key role in providing healthcare procurement consultancy services to GoI, state governments and other institutions and is designated as a NPSA by MoHFW.

Goa Antibiotics & Pharmaceuticals Ltd.

Goa Antibiotics & Pharmaceuticals Ltd. (“GAPL”) is a leading formulations manufacturing company. As of 31st March, 2021, HLL owns 74% stake in GAPL while the rest 26% is held by EDC Limited, a Government of Goa enterprise.

GAPL manufactures a wide range of pharmaceutical, ayurvedic and homeopathic formulations. It manufactures life-saving drugs, dry powder injectables, tablets, capsule and liquid orals. GAPL’s manufacturing facility is spread over 84,000 sq. m. campus and is cGMP guidelines (GoI) compliant and is also compliant with cGMP norms as per revised Schedule “M” of the Drugs and Cosmetics Act. GAPL also operates chemist retail outlets in the name GAPL Medicentre. It operates three (3) medicentre outlets as of 31st March, 2021 in government hospitals across Goa.

HLL Mother & Child Care Hospitals Limited

HLL Mother & Child Care Hospitals Limited (“HMCCHL”) is a 100% subsidiary of HLL. It has been formed to operate Mother & Child Hospitals wings with 100 beds each in 20 district hospitals in UP through PPP mode on Equip, Finance, Operate, Maintain and Transfer (EFOMT) basis. HMCCHL was incorporated on 1st August, 2017. Considering the fact that HMCCHL could not serve the objective for which the SPV was set up, it is currently undergoing the process for striking off its name from the records of the RoC in accordance with the provisions of Section 248 of the Companies Act, 2013 as on 30th November 2021.

Joint Venture

Lifespring Hospitals (P) Limited (LHPL)

Lifespring Hospitals (P) Limited (“LHPL”) is a 50:50 JV between HLL and Acumen Fund, a USA-based non-profit global venture philanthropy fund. Operating on the model of small hospitals, LHPL has been providing high quality maternal and child health care at affordable rates for low-income populations for over a decade. Its’ services include prenatal care, normal and caesarean deliveries, postnatal care, family planning services, immunisations, paediatric consultations, pharmacy and diagnostic services. As of 31st March 2021, the JV operates 10 hospitals in Hyderabad / Secunderabad.

Trusts and societies

The following three trusts and societies are integral part of the Company and derive their strength from HLL. They are not-for-profit organizations and were created to help in the outreach of the Company. There are HLL nominees are on the board of the trusts and societies. HLL is exercising control on these societies in the manner mentioned below:

- In the bylaw of the trusts and societies HLL reserves right to appoint all the board of trustees / governing committee members of the societies.
- By virtue of the bylaw of the trusts and societies, the Chairman & MD of HLL will be ex-officio chairman of these societies

In case of HLPPT, staff is that of the trust at its own funding, but it’s a trust managed by the Company. But in case of others, staff includes staff from HLL.

Hindustan Latex Family Planning Promotion Trust (HLPPT)

Established in 1992, HLPPT is a non-for-profit organisation promoted by HLL to provide affordable healthcare solutions and reduce maternal mortality rate through PPP model. Its operations span across the entire spectrum of RMNCH+A (reproductive, maternal, new-born, child and adolescent healthcare), HIV prevention and control and primary healthcare.

HLPPT has an active presence across 25 states and 3 UTs through 60 active programmes and is a preferred collaborator for MoHFW, GoI, State Governments and other institutions for their healthcare implementation programmes.

Table 3: List of trustees of HLPPT

Sr. no.	Name	Designation in HLL	Designation in HLPPT
1.	Shri K. Beji George IRTS	Chairman & Managing Director	Chairman
2.	Shri E. A. Subramanian	Director (Technical & Operation)	Member-Trustee
3.	Shri T. Rajasekar	Director – Marketing	Member-Treasurer
4.	Dr. Geeta Sharma	Director – Finance	Vice-Chairperson
5.	Shri Santhosh Cherian C.	Senior Vice President (Finance) i/c & Chief Financial Officer	Member-Trustee
6.	Dr. S. M. Unnikrishnan	AVP (CC, SP & IBD)	Member-Trustee
7.	Shri Jaikrishnan A. R.	Company Secretary	Member-Secretary

HLL Management Academy (HMA)

HMA was registered as a not-for-profit society under the Travancore Cochin Literary, Scientific and Charitable Societies Registration Act, 1955. It is the knowledge centre of HLL meant for providing training and management development programmes for its employees and society at large. HMA offers specialised courses in social marketing and franchising, latex technology, clinical engineering, procurement management, reproductive health amongst others.

Table 4: List of governing committee members of HMA

Sr. no.	Name	Designation in HLL	Designation in HMA
1.	Shri K. Beji George IRTS	Chairman & Managing Director	Chairman
2.	Shri E. A. Subramanian	Director (Technical & Operation)	Member
3.	Shri T. Rajasekar	Director – Marketing	Member
4.	Dr. Geeta Sharma	Director – Finance	Member
5.	Shri Santhosh Cherian C.	Senior Vice President (Finance) i/c & Chief Financial Officer	Member-Treasurer
6.	Shri Sharad Agarwal	Chief Executive officer - HLPPT	Member
7.	Shri Jaikrishnan A. R.	Company Secretary	Member-Secretary

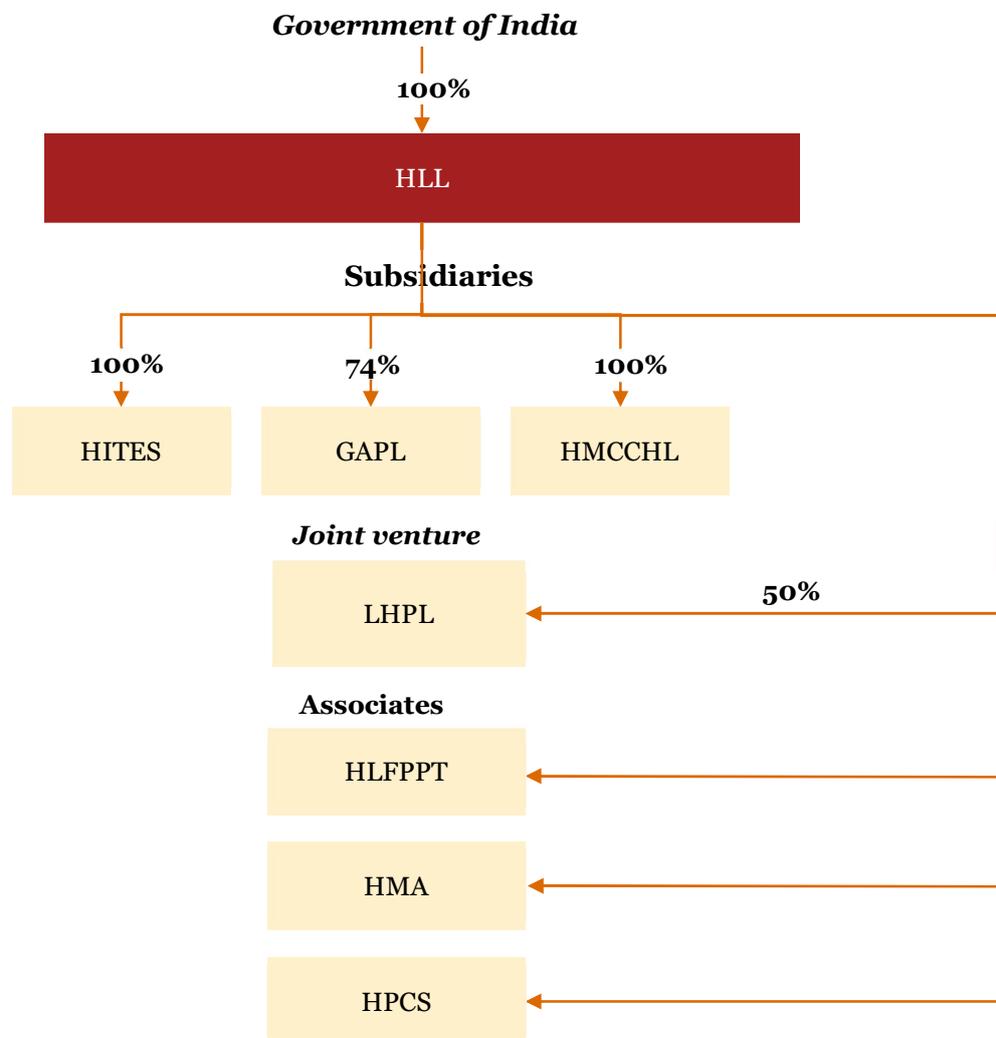
HLL Pratheeksha Charitable Society (HPCS)

This society is formed with the objective of providing sponsorship to students belonging to the below poverty line category to pursue professional studies and to support the healthcare of genuinely deserving persons. The funds for the society are pooled through the monthly individual contribution of all the employees and lump sum annual contribution by the company from the CSR fund.

Table 5: List of governing committee members of HPCS

Sr. no.	Name	Designation in HLL	Designation in the Society
1.	Shri K. Beji George IRTS	Chairman & Managing Director	Chairman
2.	Shri E. A. Subramanian	Director (Technical & Operation)	Member
3.	Shri T. Rajasekar	Director – Marketing	Member
4.	Dr. Geeta Sharma	Director – Finance	Member
5.	Dr. Roy Sebastian	Vice President (HR)	Member
6.	Shri Santhosh Cherian C.	Senior Vice President (Finance) i/c & Chief Financial Officer	Member
7.	Shri Jaikrishnan A. R.	Company Secretary	Member-Secretary

1.2. Current organisation structure (31st March, 2021)



1.3. Key investment highlights – HLL

Diverse product & services portfolio	<ul style="list-style-type: none">• HLL has a diverse portfolio covering almost the entire healthcare spectrum including product areas such as contraceptives, pharmaceuticals, healthcare equipment and devices as well as services such as affordable diagnostics, hospitals, and niche services such as healthcare project and procurement consulting.
Brand equity across multiple segments	<ul style="list-style-type: none">• HLL has strong brand equity and is a pioneer in the contraceptives and women’s healthcare segment in India: <p data-bbox="539 640 944 667">Notable brands marketed by HLL:</p> <ul style="list-style-type: none">• <i>Moods</i> – for male condoms (2nd largest condom brand in the country¹)• <i>Ustad</i> – for male condoms• <i>Rakshak</i> – for male condoms• <i>Saheli</i> – 1st non-steroidal OCP in the world, marketed since 1991• <i>Velvet</i> – 1st indigenously produced female condom brand in India• <i>Crezendo</i> – 1st condom with a vibrator ring in India• <i>Novex</i> – non-steroidal oral contraceptive pills• <i>Nogestol, Arpan</i> for steroidal oral contraceptive pills• <i>HLL Haemopack, Donato</i> for blood transfusion services equipment
Strong distribution network and geographical reach	<ul style="list-style-type: none">• Dedicated domestic field force of 700 frontline team members. HLL’s rural footprint is across 4,00,000 villages with offices in all metro and mini-metro cities.• Globally, HLL products are marketed in over 85 countries.• HLL has setup dedicated business divisions to expand and maintain domestic and international reach:<ul style="list-style-type: none">– Consumer Business Division (CBD) operates through a network of 700 stockists reaching over 140,000 retail outlets– HiCare Division (HCD) services over 20,000 medical professionals and reaches over 3,500 hospitals– Women’s Healthcare Divisions’ (WHD) network reaches out to over 13,000 gynaecologists in India– International Business Division (IBD) manages distribution to over 85 countries– Government Business Division (GBD) partners with union and state governments

¹ Based on the information provided by the Company

-
- Vending Business Division (VBD) makes available HLL’s products through vending machines. The division has sold 16,870 vending machines and 19,171 incinerators as of 31st March, 2021
-

Strong manufacturing footprint with high quality standards

- Strong manufacturing footprint with 8 production facilities spread across Kerala, Karnataka, Haryana, Madhya Pradesh, and Uttarakhand.
 - HLL has maintained high standards of quality control across all its business segments. HLL’s facilities have bagged numerous certifications and accreditations for its quality products.
 - Key certifications and accreditations availed by HLL facilities include:
 - Conformité Européenne (CE) mark: for all key products including male and female condoms, blood bags, intrauterine devices, surgical sutures, and others
 - WHO GMP: Valid GMP certification for Belgaum plant (oral contraceptives and pharmaceutical products) and Thiruvananthapuram (condoms)
 - ISO Mark: 13485:2003, 14001:2004, 18001: 2007, 9001:2008, 50001:2011 for all facilities
 - NABL: Accreditation for diagnostics facilities in accordance with ISO 17025:2005
-

Opportunities

- Positive growth trends across end-use segments driven by increased affordability, awareness, and higher government expenditure on public healthcare.
 - Opportunity to leverage existing brands and distribution networks, especially in non-metro areas, to augment presence in consumer healthcare space.
 - Opportunity to leverage reach and relationships within leading healthcare institutions to augment institutional sales of multiple hospital products and services.
 - Address large and rapidly expanding affordable healthcare market opportunity in India given extensive experience in operations of affordable pharmacies, low-cost diagnostics, and social marketing of contraceptives.
 - Explore new exports opportunities across multiple healthcare product segments.
 - Leverage niche expertise in healthcare infrastructure and procurement consulting through HITES to serve large, untapped private hospitals market.
 - Augment scale of operations to enhance profitability of pharmacies and diagnostics services divisions.
-

- Unlock operational efficiencies through streamlining and reorganisation of current operations.
- Optimise utilisation of real estate of HLL in Trivandrum, Mumbai, Noida, and Chennai for earning rental income.
- UNFPA pre-qualified female condoms facility within the Kakkanad (KFC) plant premises.
- New WHO PQ certified Unipill facility within the Kanagala (KFB) plant premises.
- Established distribution network in semi-urban and rural markets.
- Potential to become implementation partner for government schemes related to wellness, sanitation, sex education and healthcare.

1.4. Key investment highlights – HITES

Niche business model

- HLL Infra Tech Services Limited, known as ‘HITES’ is a 100% subsidiary of HLL. HITES is specifically positioned towards addressing the requirements of medium to large public hospitals primarily within the country as well as small forays overseas.
- Provides consultancy services for medical infrastructure development (concept to construction) on PMC as well as EPC Mode.
- Provides procurement and consultancy of all foreseeable medical equipment and furniture up to patient treatment ready stage.
- Provides bio medical engineering services for equipment specification, post installation testing, calibration labs and medical equipment maintenance.
- Provides facility management support for new and existing hospitals, taking care of housekeeping, security services, building facility maintenance under one umbrella.
- HITES also plays a key role in providing consultancy services for procurement of medical supplies and equipment to GoI, state governments and affiliated agencies.
- Designated as an “Executing Agency” and as a NPSA by MoHFW, GoI.
- Designated as a PSA by MoHFW, GoI for phase-IV and V of PMSSY projects.
- HITES is uniquely placed CPSE in the country offering total solutions in the setting up and maintaining healthcare facilities i.e., design, build, procure, install, and maintain both building and medical equipment (excluding the core services of medical care, medical education, nursing care and research & rehabilitation, etc).

Large order book size

- HITES has an order book of more than INR 18,000 crore of projects across construction, facilities management, and hospital procurement as of October 2021.

	<ul style="list-style-type: none"> • The order-book translates to a revenue pipeline of over INR 400 crore over the medium-term.
Potential to compete in the private sector	<ul style="list-style-type: none"> • HITES' past and current order book is entirely focussed on projects for GoI or related agencies, with significant untapped opportunity in the private sector. • Experience of having worked on big-ticket government healthcare projects can be leveraged for entry into similar services for private sector projects.

1.5. Key investment highlights – GAPL

Diversified revenue mix	<ul style="list-style-type: none"> • GAPL manufactures wide range of life-saving medicinal formulations across allopathic, ayurvedic, unani and homeopathic systems of medicine with requisite quality approvals. • GAPL also operates three 24*7 pharmacies known as “medicentres”, across the state of Goa.
Diversified product portfolio	<p>GAPL’s product portfolio is well-diversified, across a wide range of therapy groups including:</p> <ul style="list-style-type: none"> • Anti-bacterials (including quinolones, macrolides) • Anti-emetics • Anti-allergic • Anti-pyretic • Sedatives • Analgesics • Anti-fungals • Anti-ulceratives • Anti-helminthics
Manufacturing footprint and quality standards	<ul style="list-style-type: none"> • GAPL operates 3 manufacturing facilities across Goa, Ajmer, and Jaipur. • The Goa facility is GMP guidelines (GoI) compliant and is also compliant with cGMP norms as per the revised Schedule “M” of the Drugs and Cosmetics Act, 1940.

HLL

2. Company details

2.1. Brief history

HLL was incorporated on 1st March 1966 as Hindustan Latex Limited under the MoHFW. HLL's first manufacturing plant was established in Peroorkada in Thiruvananthapuram, Kerala on 14th January 1967. Commercial production at this plant was commenced on 5th April 1969 in technical collaboration with Okamoto Industries of Japan. Hindustan Latex Limited was renamed HLL Lifecare Limited in 2009.

2.2. Registration details

Table 6: Registration details of HLL

Particulars	Details
Name	HLL Lifecare Limited
Constitution	Public Company
Date of incorporation	01 March, 1966
Registered office	HLL Bhavan, Poojapurra, Thiruvananthapuram – 695 012
CIN number	U25193KL1966GoI002621

2.3. Capital structure

HLL is 100% owned by the GoI.

Table 7: Capital structure of HLL as on 31st March, 2021; value per equity share = INR 10

Particulars	No. of equity shares (millions)	Share capital (INR lakhs)
Authorised share capital	300.0	30,000.0
Issued, subscribed and paid-up share capital	15.535	1,553.5

2.4. Board of directors

Table 8: Board of directors for HLL as on 31st March, 2021

Sr. no.	Name and designation	Qualification	DIN
1.	Shri K. Beji George IRTS – Chairman and Managing Director	BTech, MS, MBA, Masters in Soil and Water Conservation Engineering	08419099
2.	Dr. Dharmendra Singh Gangwar, – Additional Secretary & Financial Advisor, MoHFW, GoI Government nominee director	IAS	08299862
3.	Dr. Mandeep Kumar Bhandari, – Joint Secretary, MoHFW, GoI Government nominee director	IAS	07310347
4.	Shri E. A. Subramanian – Director, Technical & Operations	B. Tech (Chemical), Certificate in Re-engineering, PGDM, PGDFM	06818313
5.	Shri T. Rajasekar – Director, Marketing	BBA, M.B.A.	07808705
3.	Dr. Geeta Sharma – Director, Finance	Ph.D., M. Com, CMA	08225251
7.	Dr. P. Vijayachander Reddy – Independent director	MBBS, MS (Ortho), DNB (Ortho)	01494347

2.5. Key management personnel

Table 9: Key management personnel of HLL as on 31st March, 2021

Sr. no.	Name	Designation	Qualification	Years of experience
1.	Shri Santhosh Cherian C.	Vice-President (Finance) & CFO	FCA	26
2.	Shri Jaikrishnan A. R.	Company Secretary	ACS, M.B.A., LLB	21

2.6. Remuneration to key management personnel

Table 10: Remuneration to key management personnel of HLL

Name	Total remuneration - INR lakhs (FY 2020 - FY 2021)
Shri K. Beji George IRTS	30.96
Shri E. A. Subramanian	32.47
Shri T. Rajasekar	31.12
Dr. Geeta Sharma	34.51
Shri Santhosh Cherian C.	21.60
Shri Jaikrishnan A. R.	16.10

2.7. Business segments, products and services

Currently, HLL is involved in manufacturing and marketing of a range of contraceptives, pharmaceutical and healthcare products:

- **Contraceptives** products are major contributors of revenue at 22.60%* with a wide product range spanning male and female condoms, IUCDs, steroidal and non-steroidal OCPs. Marketed brands include some of the biggest names in Indian contraceptives market like Moods, Rakshak, Ustad, Velvet, Saheli among others. The products have a reach spanning over 500,000 retail outlets across India.
- **Pharmaceuticals** include MTP pills, menstrual cycle regulators, ovulation inducers, nutritional supplements and others cumulatively contributing to 34.33%* of revenues of HLL. HLL pharmaceutical products mainly cater to women's reproductive health cycle. The products have a reach spanning over 13,000 gynaecologists across India.
- **Healthcare products** constitute 5.22%* of the revenues through a diversified product range comprising of hospital equipment (such as sutures, blood collection bags, hydrocephalous shunts, tissue expanders, needle destroyers), diagnostic kits, sanitary napkins amongst others. The products have a reach of over 20,000 medical professionals and 3,500 hospitals across India. Notable brands in the segment include Donato and Haemopack (blood bags), HiCare (surgical gloves) and a range of HLL-branded sutures.
- **Projects, services, and others** contribute the remainder 37.85%* of the revenues for HLL. Revenues of this segment are derived from pharmacies, diagnostics, hospitals, and other services such as project consultancy and procurement services.

* Source: Annual report 2021, excluding revenue from Covid-19 segment

Mapping of HLL's products across women's lifecycle

HLL is one of the few entities in India which has a vast product portfolio with offerings covering the needs of women across their age and reproductive cycle right from teenage to old age.

Table 11: Mapping of HLL's products across women's age

Teens	Reproductive period			Pre-menopause	Elderly	Drugs used (HLL present / HLL absent)
	Early	Peak	Late			
	Acne					Anti-testosterone + estrogen
	Menstrual Rhythm disturbances					Estrogen, progesterone, OCP
	DUB			DUB		Antifibrinolytics
	Menorrhagia					Estrogen, anti-fungal , topical anti-fungal
	Emergency	Spacing	Total			OCD, IUD, E-pill , topical
	Medical Termination					Abortion pill , methotrexate
		Infertility				FSH, LSH, ovulation diag. kits
	Urinary tract infections					Analgesics, antibiotics, anti-ulceratives
	Pelvic inflammatory disease					Antibiotics
	Miscarriage					Progestins , uterine relaxants
			Gynecological Cancers			Cervical cancer vaccine, diagnostic Kit
		Pregnancy				Iron, folic acid, calcium , protein supplements
	Local Infections					Antibiotics, anti-fungal
	STDs					Antibiotics , antivirals
				Menopausal symptoms		Hormone replacement therapy
				Osteoporosis		HRT, SERM, Calcium, Vit. D
					Degenerative	Estrogen, anti-fungal , topical anti-fungal

2.7.1. Business activities and key brands

HLL has built strong brand equity for its product and service offerings across contraceptives, pharmaceuticals, and healthcare segments. These brands have high recall within the target customer audiences and are widely accepted by medical professionals.

2.7.1.1. Contraceptives

This division comprises sales of male and female condoms, contraceptive pills, deodorants, personal lubricants and sanitary napkins across India and the world through multiple government and non-government channels. HLL has been accorded the “captive” status by MoHFW with respect to procurement of condoms and contraceptives. As per the existing MoU between the MoHFW and HLL, 75% of the Company’s manufacturing capacity for condoms and 55% of the manufacturing capacity for oral contraceptives is reserved for fulfilment of GoI tenders (subject to a cap of 75% and 55% of total procurement by MoHFW for both segments respectively). Besides supplying condoms and oral contraceptives in bulk for GoI brands, HLL is also involved in distribution of social marketing brands (such as Nirodh, Ustad, Rakshak, Mala-D, etc) at prices subsidised by the GoI.

Besides, HLL also markets multiple brands of condoms, contraceptives and various FMCG products through the private retail channel with a reach of over 150,000 retail outlets across the country as well as an extensive exports market reach.

HLL manufactures both male and female contraceptives for safe and effective pregnancy prevention and protection from STDs.

A. Condoms

i. Male Condoms

MOODS



- Established in the year 1987, Moods is the flagship premium condom brand of HLL.
- Moods is available in 20 variants with different flavours, scents, and textures.
- Moods brand has received several recognitions for excellence in marketing over the years:
 - Moods was identified as ‘Prestigious Brand’ by Elsol Research Trend & Consulting in 2017
 - Moods received an award from DMAI for the best digital activations in 2015. Moods was awarded the Brand Excellence Award in the FMCG segment in 2013
 - Moods has been consistently recognised as a Super Brand, last winning the award in 2011 - 2012 and 2012 - 2013
 - Moods was recognised as one of top 200 “Power Brands” in a survey conducted by Indian Council for Medical Research in the country in 2010 - 2011
- Moods has a social media fan base of close to 5 Lakhs.



- Moods condoms have received several registrations and certifications such as CE mark, SABS, USFDA 510k, NF mark. Production facilities for Moods Condoms comply with WHO GMP, ISO 9001, ISO 13485, ISO 50001, OHSAS 18001 and ISO 14001.
- Moods has a wide global reach and is currently marketed across Asia, Europe, South America, Canada, Middle East and Caribbean Islands.

CREZENDO



- Launched in 2007, Crezendo is the first brand of vibrating rings in India.

USTAD, RAKSHAK



- The brands Ustad and Rakshak are manufactured and marketed through HLL and HLFPPPT respectively.

ii. Female Condoms

VELVET



- Velvet is the first indigenously developed and marketed female condom in India, launched by HLL in 2007.
- Made of natural latex, Velvet offers dual protection against unwanted pregnancy and sexually transmitted diseases such as HIV / AIDS.
- Velvet female condoms have received several registrations and certifications such as CE mark, and SABS. It has also received WHO's PQ enabling it to be eligible for institutional procurement under donor-funded programmes.

- Production facilities for Velvet comply with WHO GMP, ISO 9001, ISO 13485, OHSAS 18001 and ISO 14001 norms.

E-Commerce through moodspanet.com

HLL has forayed into online marketing and e-tailing through its branded website 'moodspanet.com'. Moods was the first condom brand to venture into ecommerce in the sexual wellness category. The brand website provides an opportunity for customers to familiarise with different variants of its flagship brand, Moods apart from Moods DEOS and Velvet female condoms, understand different product features and also purchase variants of their choice. The portal is developed targeting the youth in mind and also acts as an educational platform.

B. Oral Contraceptive Pills (OCP)

HLL has product presence across steroidal (daily), non-steroidal (once-a-week) and emergency contraceptive pills to facilitate family planning and aid women in avoiding unwanted pregnancies.

1. Non-Steroidal OCPs

SAHELI



- HLL is a pioneer in promoting the use of non-steroidal OCPs in India through its brand Saheli which was introduced in 1991.
- Saheli is world's 1st non-steroidal OCP (containing the active ingredient ormeloxifene) with a favourable safety and side-effect profile established by the CDRI, Lucknow. Saheli was awarded the Brand Excellence award in the Pharmaceutical segment in 2013.

2. Steroidal OCPs

NOGESTOL



- Nogestol is a combination of levonorgestrel and ethinyl estradiol tablets.
- Nogestol belongs to the class of combined oral contraceptives and is widely used for birth control.

C. Intra-Uterine Contraceptive Devices (IUCDs)

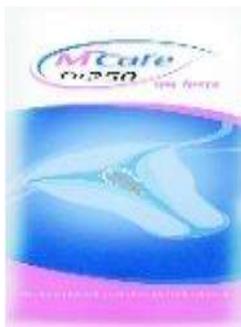
IUCDs are useful for family planning and helps women delay or limit their pregnancies. These are safe and effective contraceptive devices which enable families to take an informed contraceptive choice while factoring fertility intentions and desired family size.

T-CARE 380 A



- T-Care 380 A is a copper containing IUCD and provides long term contraception for up to 10 years.
- HLL manufactures T-Care 380 A in a class-10000 clean room.

M-CARE (250 and 375)



- M-Care CU250 and M-Care CU 375 are m-shaped copper containing IUCDs.
- M-Care CU250 and M-Care CU 375 provide safe and effective contraception for up to 3 years and 5 years respectively.
- It is a convenient-to-use IUCD made of polyethylene and is a steroid / hormone free method of reversible contraception.

EMILY



- Emily is a Levonorgestrel-releasing Intra Uterine Delivery System (LNG IUS) releasing 20 mcg of Levonorgestrel / day and efficacy up to 5 years.
- It is the second most widely used LNG IUS in India, competing with international brand Mirena.
- HLL's Corporate R&D team has developed Emily indigenously in collaboration with SCTIMST.
- Unique advantages of Emily include easier insertion, safe birth control over a longer period and availability at an affordable price in the Indian market.
- Besides its use as a contraceptive, Emily is ideal for treatment of Abnormal Uterine Bleeding (AUB).

D. Deodorants

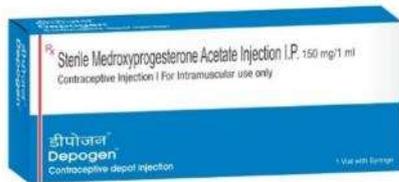
MOODS DEO



- HLL launched range of men's deodorants under the Moods brand in 2013.
- Moods deodorants are targeted at age groups of 18-30 years.

E. Injectable Contraceptives

DEPOGEN



- Depogen is a depot formulation containing medroxyprogesterone acetate 150mg / ml and provides contraceptive efficacy for 3 months.
- Each pack contains one disposable syringe (1 ml), cotton swab with a vial.

2.7.1.2. Pharmaceuticals

HLL's product range has a wide variety of women's health products including pregnancy test kits, MTP pills, ovulation inducers, nutritional supplements amongst others.

A. Anti-infectives

CLOVISTA 625



- Clovista 625 is a combination of antibiotics amoxicillin 500 mg and potassium clavulanate 125 mg in the form of tablets.
- This combination is used to treat bacterial infections including urinary tract, other gynaecological infections, and respiratory infections.

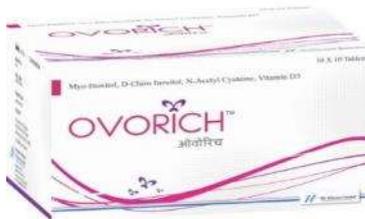
B. Antenatals and PCOS treatment

HILGESTRONE



- Hilgestrone is a brand of Natural Micronized Progesterone (NMP).
- Different SKUs of 100 mg and 200 mg soft gel capsules for enhanced bioavailability and 200 mg, 300 mg sustained release tablets are available.
- NMP market in India is estimated to be about INR 608 crores annually and is one of the major products within the gynaecology formulations market.
- Hilgestrone is mainly prescribed in recurrent pregnancy loss, pre-term labour and luteal phase defects.

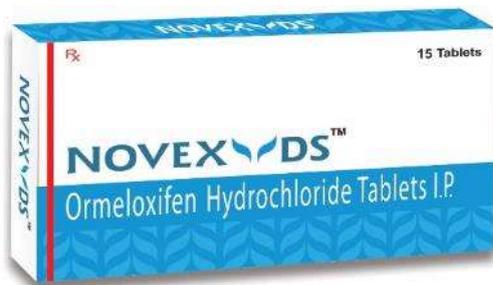
OVORICH



- Ovorich is a combination of myo-inositol 550 mg, d-chiro inositol 150 mg, n acetyl cysteine 600 mg and vitamin D3 400 IU.
- Ovorich is a food supplement mainly used to treat PCOS.

C. Menstrual disorders

NOVEX DS



- Novex DS is a brand of ormeloxifene 60 mg, a novel non-steroidal and non-hormonal alternative to conventional oral contraceptives.
- Novex DS has a market share of 35% in the Indian ormeloxifen market (as per Company estimates) and is the second most prescribed brand in the segment amongst gynaecologists.
- Novex DS is a treatment of choice in COEIN (coagulopathy; ovulatory dysfunction; endometrial; iatrogenic; and not yet classified) AUB.

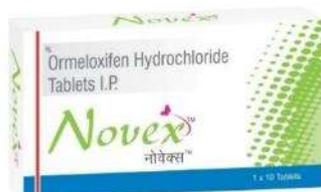
HILNOR



- Hilnor contains norethisterone 5 mg in the form of tablets.
- Hilnor is prescribed widely for postponement of menstruation, abnormal uterine bleeding, endometriosis and menstrual cycle control.

D. Treatment of mastalgia and fibroadenoma

NOVEX



- Novex is a brand of ormeloxifene 30 mg, used mainly for the indication mastalgia (breast pain) and fibroadenoma.
- Novex is the leading brand in the Indian ormeloxifen market.

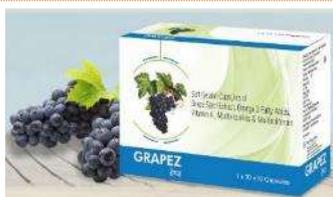
E. Nutritional supplements

FERROPLUS



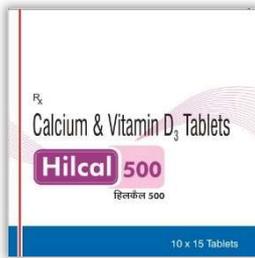
- Ferroplus is an iron supplement, contains ferrous fumarate and folic acid in the form of tablets.
- Ferroplus is mainly prescribed for the prevention of iron deficiency anaemia during pregnancy.

GRAPEZ



- Grapez is a combination of grape seed extract, omega-3 fatty acids, vitamin A, multivitamins and multivitamins.
- Grapez is used as antioxidant and nutritional supplement.

HILCAL 500



- Hilcal 500 is a calcium supplement, contains calcium carbonate equivalent to 500 mg and vitamin D₃ 250 IU in the form of tablets.
- Hilcal 500 is mainly prescribed for prevention of calcium deficiency during pregnancy.

XOOM



- Launched in 2013, Xoom is a combination of ferrous ascorbate equivalent to 100 mg elemental iron, folic acid 1.5 mg and zinc 22.5 mg for the prevention of iron deficiency anaemia during pregnancy.
- Ferrous ascorbate is currently the most widely prescribed oral iron supplement in the gynaecology category with a market of approximately INR 350 crores annually (as per Company estimates).

F. Medical Termination of Pregnancy (MTP)

M-PROST 200



- M-Prost 200 contains misoprostol 200 mcg in the form of tablets.
- Misoprostol is used in combination with mifepristone in medical termination of pregnancy.
- M-Prost 200 is also prescribed in management of post-partum haemorrhage.

MIFEPRO



- Mifepro, contains mifepristone 200 mg in the form of tablets.
- Mifepristone is used in combination with misopristol in medical termination of pregnancy.

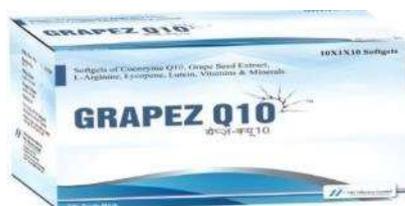
G. Others

SETRIGHT DSR



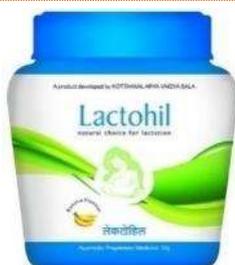
- Setright DSR is a combination of rabeprazole sodium and domperidone in the form of capsules.
- Setright DSR is prescribed in treatment of ulcerative GERD, dyspepsia and nausea associated with peptic disorders and chronic gastritis.

GRAPEZ Q10 – Male Infertility Treatment



- Grapez Q10 is a combination of 5 antioxidants coenzyme Q10, grape seed extract, l-arginine, lycopene, lutein, vitamins and minerals in soft gel capsules.
- Grapez Q10 is a nutritional supplement mainly prescribed for the treatment of male infertility.

LACTOHIL



- Lactohil is a galactagogue containing a combination of 23 pure herbal ayurvedic ingredients.
- Lactohil is useful for promoting lactation and treating hypogalactia, agalactia, delayed lactation and failed lactogenesis after caesarean section.

H. Pregnancy detection kits

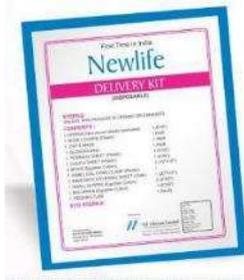
MAKESURE, NISHCHAY



- Makesure, launched by HLL in 2008 is an in-vitro diagnostic test kit for pregnancy detection.
- HLL also provides pregnancy detection kits for the GoI's Maternal and Child Health Programme under the brand Nishchay launched in 2007.
- The products are CE approved.

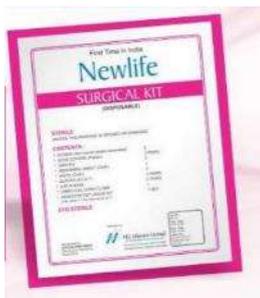
I. Delivery and surgical kits

NEWLIFE DELIVERY KIT



- Newlife Delivery Kit is a disposable sterile kit used during delivery to prevent umbilical and puerperal infections.

NEWLIFE SURGICAL KIT



- Newlife Surgical Kit is a disposable sterile kit used during surgeries like caesarean section and hysterectomy.

ELITE NEW LIFE



- Elite New Life Kit is an easy-to-use disposable delivery and surgical kit in a single pack.
- It is packed and ethylene oxide sterilised with steri-pack.

2.7.1.3. Healthcare products

HLL has a vast portfolio of healthcare products for hospitals across blood transfusion service equipment, wound care products and neonatal equipment.

A. Blood transfusion service equipment

HL HAEMOPACK and DONATO



- Launched in 1995 to meet the needs of modern blood transfusion systems, HL Haemopack is a leading brand of blood bags manufactured and marketed by HLL.
- HL Haemopack is the outcome of significant research efforts by SCTIMST and is manufactured by HLL with highest adherence to quality standards including the ISO 3826 standard.
- HLL Haemopack is mainly marketed through NACO supplies and to standalone government blood banks.
- Launched in 2011, the Donato line of blood bags is equipped with the latest innovations in blood bags, such as ultra-thin 16G needle, re-capable needle cover, in-line sampling system, pinch clamps, tamper evident labels and transfusion port covers.
- The Donato range of blood bags includes single, multiple and top and bottom blood bags.

B. Wound care

HLL SURGICAL SUTURES

HINGLACT



HINCRYL



HINDOX



HILON



HISIL



HINSURG



- HLL has the capacity to produce 6 lakh dozen sutures per annum and is marketed to wide audience of over 3,500 hospitals and 20,000 medical professionals.
- HLL offers a range of absorbable and non-absorbable sutures for different types of surgeries.
- The product range consists of:
 - HINGLACT – polyglactin 910 sutures
 - HIDOX – polydioxanone sutures
 - HINCRYL – polyglycolic acid sutures
 - HINSURG – monofilament polypropylene sutures
 - HISIL – black braided silk sutures
 - HILON – monofilament polyamide sutures
- These sutures are manufactured in WHO-GMP certified facilities for maintaining safety and quality.
- The sutures are micro-grained stainless steel eyeless needles tested as per IS 9165 and IS 7531 to ensure minimum tissue trauma.

C. Surgical and Examination Gloves

MEDIGARD



- Medigard range of surgical and examination gloves are manufactured in facilities with international quality certifications conforming to ASTM-D-3577-92 and IS 13422.
- Medigard gloves conform to ASTM-D-3578-92 and non-sterile gloves conform to IS 4148.

D. Hernia mesh

HINSURG Brace



- Hinsurge Brace (mesh) –material non-absorbable monofilament polypropylene (undyed) synthetic surgical mesh is constructed of knitted filament of extruded polypropylene.
- Highlights of the product include:
 - Ideal pore size to guarantee comfort to patients
 - Highly bio-compatible
 - Flexible, strong, elastic and transparent mesh
 - Excellent knitting ability
 - Reduced risk of recurrence
 - Repaid healing and tissue penetration

E. Blood banking equipment, transfusion and intravenous sets

HICARE BLOOD BANKING EQUIPMENT



- HiCare brand comprises of a wide array of blood banking equipment, such as blood donor couch, tube sealer, blood collection monitor, blood bank refrigerator, ice-lined freezer, ice-lined refrigerator, deep-freezer and ultra-freezer.
- Important products in this range include:
 - The HiCare Blood Transfusion set with 18G disposable needle for smooth flow
 - The HiCare Intravenous (IV) set with disposable needle, air vent & IV Set with luer lock adaptor which conforms to IS 12655 (Part-4)/ISO 8536-4

F. Neonatal equipment

HICARE NEONATAL EQUIPMENT



- The HiCare brand also includes wide range of equipment to provide safe and stable environment for neonatal care.
- Key products include phototherapy unit for intense blue light for the effective treatment of neonatal hyperbilirubinemia.

G. Disinfectants

MEDIGUARD DISINFECTANTS



- Medigard Hand Rub has broad-spectrum of anti-microbial activity including against Human Immunodeficiency Virus (HIV), Hepatitis B Virus (HBV) and Hepatitis C Virus (HCV).
- Medigard has rapid onset of action in just 30 seconds compared to 2-3 minutes of ethanol-based products, it also prevents nosocomial infections.
- Additionally, Medigard Hand Rub is the only product of its class which is also effective against spores.

H. Other products

1. Sanitary napkins

HAPPY DAYS



- Happy Days sanitary napkin brand was introduced in 2013 with a focus towards affordable menstrual hygiene for the adolescents.

2.7.1.4. Projects, services and others

A. Healthcare services division

The healthcare services division of HLL offers advanced diagnostic and specialty retail services to partner institutions through PPP. “Hindlabs” and “Lifespring” are the key banners that operate under the division.

HINDLABS



- In 2008, HLL started its first Hindlabs in New Delhi, mainly for CGHS beneficiaries.
- Hindlabs offers advanced radio diagnostic imaging services and complete range of pathology laboratory services. It also offers tele radiology reporting service to hospitals for them to avail off location services of Hindlabs diagnostics. The facilities are designed to comply with NABL standards. HLL currently operates 220 pathology labs, 47 imaging centres and 6 labs across the country under Hindlabs brand name.
- Hindlabs has been awarded pathology diagnostics contracts by state governments in Maharashtra and Assam and imaging contracts in Uttar Pradesh.
- Hindlabs also operates a super-speciality clinic in Thiruvananthapuram.

LIFESPRING HOSPITALS



- Lifespring Hospitals was promoted by HLL to provide affordable reproductive care for low-income population. LHPL offers maternity and neo-natal care services during pregnancy, pre-natal, delivery and post-natal stages. It also offers laboratory, pharmacy and family planning services. LHPL also has a community outreach programme to educate the surrounding communities on maternity and related health issues. The chain currently operates 10 small-sized hospitals in Hyderabad / Secunderabad.

B. Retail Business Division (RBD)

The Retail Business Division of HLL operates a total of 253 pharmacies / life-care centres offering affordable drugs and implants across the country, mainly out of locations within government-owned healthcare institutions. The pharmacies are operated under AMRIT, Generic Drug Store and HLL Pharmacy & Surgicals and offer drugs, orthopaedic and cardiac implants to patients at rates 50-60% lower than maximum retail prices.

Retail Business Division



- AMRIT stands for Affordable Medicines and Reliable Implants for Treatment. AMRIT was envisioned by MoHFW with the objective to reduce out-of-pocket expenditure for patients and enable access to a wide range of drugs, implants, surgicals and disposables at affordable rates.
- Accordingly, HLL has established 217 AMRIT outlets across the country, marketing more than 5,200 drugs, implants and other consumables at up to 50% discount to maximum retail prices. Generic Drug Stores (GDS) operates on a PPP model and is a chain of drug stores established near govt. hospitals. GDSs



charge subsidised rates up to 60% from MRP and at Janaushadhi rates.

- Currently, HLL operates 23 GDSs in India.
- Free Generic Pharmacies (FGPs), on the other hand, are a delivery model of dispensing generic medicines free of cost in partnership with medical institutions.
- FGPs operated by HLL are currently located in AIIMS New Delhi and Haryana.
- HLL Pharmacy and HLL Opticals are comprehensive medical retail outlets, started in partnership with state governments / medical institutions, wherein all type of essential medicines, surgical disposables, implants and ophthalmic products are provided at a discount from the prevailing market price. It is a successful PPP model implemented by HLL. 16 pharmacy & surgicals outlets and 2 free generic pharmacies have been established by HLL across the country.

2.8. Business segments for distribution

HLL has set up dedicated divisions for dedicated focus on women’s health, government projects, international operations, retail operations amongst others. These divisions have helped HLL to establish a strong pan-India and international reach.

Table 12: HLL’s business divisions

Business Division	Functions	Reach
Consumer Business Division (CBD)	<ul style="list-style-type: none"> • CBD markets the full range of HLL’s products for private retail markets through its strong network of stockists reaching outlets across the country in urban and rural areas. • CBD also manages sales of GoI brands manufactured by HLL viz. Deluxe Nirodh and Mala-D nationally. 	Network of 700 stockists and over 140,000 retail outlets.
HiCare Division (HCD)	<ul style="list-style-type: none"> • HCD offers a wide range of critical hospital products and services to healthcare professionals in the field of transfusion services and advanced patient care. 	HCD has a team servicing over 20,000 medical professionals directly as well as through its reach across over 3,500 hospitals in India.
Women’s Healthcare Division (WHD)	<ul style="list-style-type: none"> • WHD offers a range of women’s healthcare products including contraceptives, ovulation inducers, anti-emetics, menstrual cycle regulators, anti-fibrinolytics, MTP pills, pregnancy test kits, natural products and vaccines. 	Distribution network with reach to over 13,000 gynaecologists across India, with strong presence in south India.

Business Division	Functions	Reach
Healthcare services division	<ul style="list-style-type: none"> The purpose of HLL's Healthcare services division is 'to provide affordable solutions for quality healthcare'. The division offers advanced diagnostic services to partner institutions in a variety of PPP models. Hindlabs and Lifecare centres are the two brands that come under Healthcare services division. 	Hindlabs manages a total of 220 pathology labs, 47 imaging centres and 6 labs across the country.
International Business Division (IBD)	<ul style="list-style-type: none"> HLL exports products and provides services to over 85 countries and gained entry into 19 new markets in 2017. HLL supplies its products to world bodies such as the UNFPA, PSI, Mission Pharma, IPPF and IDA, in addition to various governmental procurement organisations. HLL has significantly ramped up its presence in Nigeria, Brazil, Malawi, Namibia, Guatemala, Nicaragua, Georgia, Rwanda and Malaysian markets over the past few years. With the IBD divisions' efforts, HLL has also made inroads into South America for its non-steroidal contraceptive pill marketed under the brand name Ivy Femme in Peru. 	The IBD manages the distribution of HLL's products to over 85 countries.
Government Business Division (GBD)	<ul style="list-style-type: none"> GBD partners with the central and state governments in India for their requirements of contraceptives and hospital products. 	GBD has partnered with the government for various social welfare programmes such as National Family Welfare Programme (NFWP) and the National Rural Health Mission (NRHM).
Vending Business Division (VBD)	<ul style="list-style-type: none"> VBD offers solutions for retailing and makes available a range of HLL's - healthcare products / sanitary napkins / condoms etc., through vending machines. 	VBD facilitated installation of 16,870 vending machines and 19,171 incinerators as of 31st March, 2021.
Retail Business Division (RBD)	<ul style="list-style-type: none"> The RBD is aimed at setting up a network of retail pharmacies to provide quality products at affordable rates operates under 4 divisions: <ul style="list-style-type: none"> – AMRIT A flagship programme by the Union and MoHFW implemented by HLL. It is aimed 	Total of 217 AMRIT pharmacies spread across India in institutions like AIIMS, government institutes, medical college hospitals, district and subdistrict college hospitals.

Business Division	Functions	Reach
	<p>at providing affordable care for cancer and heart diseases patients.</p> <ul style="list-style-type: none"> HLL Pharmacy and HLL Optical <p>These are PPPs implemented by HLL wherein all types of essential medicines, surgical disposables, implants and ophthalmic products are provided at a discount from market price.</p> <ul style="list-style-type: none"> Free Generic Pharmacy (FGP) <p>FGP is a delivery model of dispensing generic medicines free of cost in partnership with medical institutions.</p> <ul style="list-style-type: none"> Generic Drug Stores (GDS) <p>GDS operates on a PPP model and is a chain of drug stores established near government hospitals.</p>	<p>16 pharmacy & surgical outlets and 2 free generic pharmacies spread across the country.</p> <p>FGPs located in AIIMS New Delhi and Haryana and in Indira Medical College, Himachal Pradesh.</p> <p>23 GDSs in India.</p>

2.9. Manufacturing facilities and quality certifications

HLL has 8 manufacturing facilities across 7 locations which produce range of contraceptives, pharmaceutical and hospital products. HLL strives to maintain highest quality standards for its products. HLL's certifications obtained / renewed as of 31st March 2021 are enumerated as under:

Table 13: Manufacturing facilities of HLL

Facility	Total land area (built-up area)	Product segment	Products capacity (per annum)	Quality certifications
Peroorkada (Trivandrum)	11.4 acres	Contraceptives (male and female condoms)	<ul style="list-style-type: none"> Male condoms (million pieces) - 1,247 Female condoms (million pieces) - 25 	<ul style="list-style-type: none"> ISO 9001 - Quality Management System certification ISO 13485 – Medical Devices Quality Management System certification ISO 14001 – Environment Management System certification OHSAS 18001 – Occupational Health and Safety Management System

Facility	Total land area (built-up area)	Product segment	Products capacity (per annum)	Quality certifications
				<ul style="list-style-type: none"> • ISO 50001 – Energy Management System Certification
Kanagala factory (Belgaum)	43.2 acres	Contraceptives, pharmaceutical products, personal hygiene products	<ul style="list-style-type: none"> • Condoms (million pieces) – 370 • Steroidal OCP (million cycles) – 99 • Non-steroidal OCP (million tabs) – 30 • Sanitary napkin (million pieces) – 392 	<ul style="list-style-type: none"> • HLL Kanagala Factory - Belgaum ISO 9001 – Quality Management System certification • ISO 13485 – Medical Devices Quality Management System certification • ISO 14001 – Environment Management System certification • OHSAS 18001 – Occupational Health and Safety Management System
Akkulam (Trivandrum)	7.1 acres	Hospital products (blood bags, sutures, copper T)	<ul style="list-style-type: none"> • Blood bags (million pieces) – 12.5 • IUD (million pieces) – 5.5 • Surgical sutures (lakh dozens) – 6 • Tubal rings (million pairs) – 2.5 	<ul style="list-style-type: none"> • ISO 9001 – Quality Management System certification • ISO 13485 – Medical Devices Quality Management System certification • ISO 14001 – Environment Management System certification • OHSAS 18001 – Occupational Health and Safety Management System • ISO 50001 – Energy Management System Certification
Kakkanad (Cochin)	0.8 acres	Contraceptives (male condoms and female condoms)	<ul style="list-style-type: none"> • Testing and packing capacity for matching the male condom production at Irapuram (275 million pieces), and • Female condom production at Peroorkada (25 million pieces) 	<ul style="list-style-type: none"> • ISO 9001 – Quality Management System certification • ISO 13485 – Medical Devices Quality Management System certification • ISO 14001 – Environment Management System certification • OHSAS 18001 – Occupational Health and Safety Management System

Facility	Total land area (built-up area)	Product segment	Products capacity (per annum)	Quality certifications
Irapuram (Cochin)	3.0 acres	Contraceptives (male condoms)	<ul style="list-style-type: none"> Male condom (million pieces) – 275 	<ul style="list-style-type: none"> ISO 9001 – Quality Management System certification ISO 13485 – Medical Devices Quality Management System certification
Manesar factory (Gurugram)	Only building	Hospital products (diagnostic kits)	<ul style="list-style-type: none"> Pregnancy test kits (million pieces) – 26 	<ul style="list-style-type: none"> ISO 9001 – Quality Management System certification ISO 13485 – Medical Devices Quality Management System certification
Pharmaceutical factory (Indore)	Only building	Iron and folic acid tablets	<ul style="list-style-type: none"> Tabletting capacity of 250 million tablets 	<ul style="list-style-type: none"> ISO 9001 – Quality Management System certification ISO 13485 – Medical Devices Quality Management System certification ISO 14001 – Environment Management System certification OHSAS 18001 – Occupational Health and Safety Management System
HLL Factory (Haridwar)	0.4 acres	Ayurvedic and unani medicines	<p>Ayurvedic:</p> <ul style="list-style-type: none"> Liquids (million litres) – 4.7 Tablet / capsules (millions) – 1,123.2 Granules (million kgs) – 4.9 <p>Unani:</p> <ul style="list-style-type: none"> Liquids (million litres) – 5.6 Tablet / capsules (millions) – 1,872.0 	

Facility	Total land area (built-up area)	Product segment	Products capacity (per annum)	Quality certifications
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- Granules (million kgs) – 4.8

Product-wise capacity utilisation

HLL manufactures wide array of products in-house in its manufacturing facilities with an aim to achieve optimum capacity utilisation.

Table 14: HLL's product-wise capacity utilisation for FY 2020 - FY 2021

Product	Unit	Installed capacity	Quantity manufactured (current year)	Capacity utilization (%)	Quantity manufactured (previous year)
Condoms	Million pieces	1,947.00	1,302.27	67%	1,269.40
Blood bags	Million pieces	12.50	4.83	39%	11.00
Suture	Lakh dozens	6.00	0.82	14%	0.80
Copper - T	Million pieces	5.50	7.96	145%	6.20
Steroidal OCP	Million cycles	98.66	70.01	71%	48.54
Non-steroidal OCP (Saheli)	Million tabs	30.00	145.13	484%	121.30
Sanitary napkin	Million pieces	392.00	211.61	54%	87.80
Diagnostic test kits	Million pieces	26.00	15.77	61%	16.50

2.10. R&D activities

The Corporate R&D Centre (CRDC) of HLL has been conceived as a centre of excellence of international standards, for carrying out applied research activities in selected healthcare areas. CRDC is a DSIR, GoI, approved centre. This centre based at Akkulam in Thiruvananthapuram integrates various in-house R&D efforts and focuses mainly on reproductive health. The centre has the technical competence to develop technologies, nurture them to commercial products and align them to company's line of business. Moreover, the centre has state-of-the-art analytical and testing facilities for developing innovative technologies. The R&D centre is broadly segmented into three verticals focusing on medical devices, diagnostics and pharmaceuticals.

- The core function of the medical devices lab is to advance the development of new tools, standards, and approaches to assess safety, efficacy, quality, and performance of healthcare products.
- The diagnostics lab offers a comprehensive range of facilities and is concerned with the development of methods for early and accurate detection of medical conditions in order to facilitate effective medical treatment.
- The pharmaceuticals lab researches drug delivery methods which play an important role in bringing new medicines to patients and in improving the effectiveness, safety, or compliance of older medicines.

The Central Instrumentation Facility (CIF) is well equipped with a number of sophisticated analytical instruments to support research activities at CRDC. Further, it is being equipped with an array of advanced analytical and testing instruments which are available for external testing. This centre hosts an incubation facility to achieve a fast turnaround time for introducing product developed at R&D facility or obtained from elsewhere into pilot level for clinical evaluation and for test marketing. Based on its technological competency, the CRDC is implementing sponsored projects from organisations including Department of Science and Technology (DST), Defence Research Development Organisation (DRDO), Department of Biotechnology (DBT), Council of Scientific Industrial Research (CSIR) and international agencies like Bill & Melinda Gates Foundation.

CRDC of HLL has the capability to develop new technologies to address the needs of healthcare sector, transform them to commercial products and tailor them to suit the company's line of business. The research area focuses into development of novel contraceptives, drug delivery devices, diagnostic devices, pharmaceuticals and herbal products.

Achievements

- i. HLL has got its first Indian patent for latex female condom [patent no.: 338697] awarded during June 2020. Currently, HLL has three international patents awarded under PCT (South Africa, Brazil and ARIPO) out of the 8 patents filed.
- ii. Phase I / II clinical trial of graphene condom got completed in India. The international trial for graphene condoms is in progress.
- iii. A five-year research plan for bulk grant support, in areas like women health, cancer care, herbal formulation, contraceptive devices, drug delivery systems and diagnostic kits is submitted to ICMR during April 2020 for "providing affordable healthcare solutions in India".
- iv. The R&D projects of the CRDC has received funding from marquee entities for its research initiatives in the physical health domain. CRDC has 14 ongoing projects which are at different stages of execution. This includes 6 externally funded projects and 8 internally funded projects. HLL has submitted 4 projects for external funding during 2020 - 2021.

- v. Research work towards doctoral degree under the faculty of science of Cochin University of Science and Technology (CUSAT) got started at CRDC.

Table 15 A: Patents awarded to the CRDC

Patent no.	Purpose
International patent no. (patent no. 2013/07698, AP3716)	For an improved female condom and process of manufacturing the same using natural rubber latex. Awarded in South Africa ARIPO.
Patent no. (patent no. 2013/1000032970, IN/3321/CHE/2010, W00201302296,1/2013/500806)	For development of a novel intrauterine device with controlled copper release. International patent awarded in PCT countries (Bangladesh, Philippines, Portugal, Indonesia and Hungary).
Patent no. (patent no. AP/P/2016/009272)	Graphene based polymer composites for producing condoms with high heat transfer, improved sensitivity and capacity for drug delivery. International patent awarded in ARIPO. Indian patent pending.

Table 15 B: Summary of ongoing patent applications

Patent no.	Patent title	Status
Patent no. (201741004017, PCT/IN2018/05005)	Herbal microbicide formulation for preventing HIV	Filed complete specification and PCT application.
Patent no. (201841000652)	Process for the synthesis of non-steroidal oral contraceptive and its pharmaceutically acceptable salts	Filed complete specification.
Patent no. (201641031883, PCT/IN2017/050393)	Antifungal formulations from medicinal plants for vaginal candidiasis	Filed complete specification and request for examination. Filed PCT application.
Patent no. (3861/CHE/2015)	Methods and formulations of sublingual oxytocin film.	Filed provisional specification / complete specification. Published in the gazette.
Patent no. (2610/CHE/2015)	Targeted, bioavailable and safe delivery of mucoadhesive polymer coated iron particles.	Received first examination report.
Patent no. (513/CHE/2015)	Graphene oxide based diagnostic kit for FSH.	Filed PS and complete specification and request for examination. Published in the gazette.
Patent no. (512/CHE/2015)	Graphene oxide based diagnostic kit for LH.	Filed PS and complete specification and request for examination. Published in the gazette.
Patent no. (633/CHE/2015)	Graphene oxide based Diagnostic kit for anti-müllerian hormone.	Filed PS and complete specification and request for examination. Published in the gazette.

Patent no.	Patent title	Status
Patent no. (4256/CHE/2014)	Poly (glycerol sebacate) based materials for food packaging applications.	Filed complete specification. Published in the gazette.
Patent no. (2319/CHE/2014)	Producing poly (glycerol sebacate) condoms.	Filed complete specification and request for examination / published in the Gazette.
Patent no. (3407/CHE/2014)	Supermacroporous cryogels matrices for leukocyte depletion from whole blood.	Filed complete Specification and request for examination. Published in the Gazette.
Patent no. (PCT/IN2014/000711, 5092/CHE/2013)	Graphene based polymer composites condom for drug delivery.	Received partial international search report. Published in WIPO.
Patent no. (0584/CHE/2011)	Modified spacer balloon device.	Filed complete specification. Published in the gazette. Filed request for examination.
Patent no. (PCT/IN2011/000770)	A novel intrauterine device with controlled copper release.	Received first examination report for the application filed in India. PCT - received international search report. published in WIPO. Entered into national phase.
Patent no. (PCT/IN2012/000278 BR 11 2013 02894-8)	An improved female condom and process of manufacturing the same using natural rubber latex.	Received first examination report for application filed in India. PCT - received international search report. Published in WIPO. Entered national phase. Brazil - filed request for examination.
Patent no. (408/KOLNP/2005)	Female condom.	Taken over prosecution and filed recordal of assignment.
Patent no. (201641002483)	Three-line rectangular packing machine.	Filed complete specification and request for examination / published in the gazette.
Patent no. (201641011602)	Butterfly type double line automatic condom dipping machine.	Filed complete specification and request for examination / published in the gazette.
Patent no. (5092/CHE/2013 PCT/IN2014/000711 BR 112016010479-0)	Graphene based polymer composites for producing condoms with high heat transfer, improved sensitivity and capacity for drug delivery.	Filed complete specification and PCT and Request for examination. Published in the gazette. PCT - received partial international search report. Published in WIPO. Brazil - filed application and filed request for examination.

2.11. Key technological and distribution partnerships

HLL has developed partnerships with various domestic and international corporate organisations, development agencies and NGOs to be at the forefront of technological innovation. HLL has successfully commercialised

several indigenous technologies developed by premier research institutions such as SCTIMST Thiruvananthapuram, CDRI, Lucknow and Biotech Consortium India Ltd. (BCIL). These partnerships have achieved various strategic marketing objectives for the company across various markets.

With an aim to become a truly world-class provider of healthcare products and services, HLL has been seeking to partner with companies for knowledge sharing, technology and market access. Over the years, HLL has developed strong networks with various corporate organisations, development agencies and NGOs which has enabled it to produce cost-effective and high-quality medical devices, drugs and contraceptives.

Table 16: HLL's marketing and technological partnerships

Nature of partnership	Name of the partner	Product category
Technology	Okamoto Industries Inc	Male condoms
Technology	Finishing Enterprises, USA	Copper T IUD
Technology	Arya Vaidya Sala (AVS), Kerala	Natural ayurvedic products
Technology	Bharat Biotech International Ltd., Hyderabad	Hepatitis B and typhoid vaccines
Marketing	Cheng Da Biotechnology (CDBIO), China	Human anti-rabies vaccine
Distribution	Chengdu Institute of Biological Products, China	Supply of Japanese encephalitis vaccines to GoI
Distribution	Other NGOs (over 300)	Implementing population stabilisation and HIV / AIDS prevention and control programmes
Technology	SCTIMST, Thiruvananthapuram	HL Haemopack blood bags
Technology	CDRI, Lucknow	Ormeloxifene

HLL has also signed a MoU with Council of Scientific and Industrial Research–National Institute for Interdisciplinary Science and Technology (CSIR-NIIST) for the development of technologies for diagnostic applications. The joint collaboration is aimed at developing Colloidal Gold Particle (CGP) conjugated system for detection of Malaria.

2.12. HLL's target achievement of MoU parameters

HLL is currently a captive unit for MoHFW. In case of condoms, MoHFW can utilise up to 75% of installed capacity of HLL or 75% of the annual requirement of GoI (whichever is lower). In case of contraceptives other than condoms, the MoHFW can utilise up to 55% of installed capacity of HLL or 55% of the annual requirement of the GoI (whichever is lower). This is a bi-annual contract extended after every two years. The current contract is valid until March 2022.

HLL's performance is assessed annually against targets agreed upon in consultation with MoHFW. These targets are documented at the beginning of every financial year formally through an MoU. The following table documents HLL's performance targets for FY 2020 - FY 2021 and achievement reported against each parameter. HLL's performance for the year was rated "very good" as per assessment against MoU targets for the FY 2020 - FY 2021.

Table 17: HLL's achievement of targets set by MoHFW for FY 2020 - FY 2021

I. MoU financial parameters

Sr. no.	MoU parameters	MoU target for excellent	Actual achievement
1.	Revenue from operations	INR 1,60,000 lakhs	INR 5,08,131 lakhs
2.	Operating profit / surplus as a percentage of revenue from operations (net)	2.75%	1.85%
3.	PAT or surplus / average net worth	7.80%	32.9%
4.	Export as percentage of revenue from operations	13.80%	1.69%
5.	Inventory of finished goods and work in progress to revenue from operations (net)	33 days	20 days
6.	Trade receivables (net) as number of days of revenue from operation (gross)	30 days	132 days
7.	Increase in revenue from operations (net) over previous years from GAPL		-20.7%

II. MoU non-financial parameters

Sr. no.	MoU parameters (unit)	MoU target for excellent	Actual achievement
1	Capacity utilisation: condoms (%) (installed capacity: 1,947 million pieces)	95%	79%
2	Capacity utilisation: sanitary napkin (%) (installed capacity: 392 million pieces)	75%	69%
3	Exports as percentage of revenue from operations (%)	13.8%	1.69%
4	Design, development and commercial production and sales of sanitary napkin vending machine with GSM facility (number of machines)	200	340
5	Achievement of parameters given in Table A below (number of parameters)	2	3
6	Completion of the human clinical trial of graphene condom in India (date)	28-Feb-21	7-Dec-2020
7	Reduction in claims against the Company not acknowledged as debt (%) Note (-) indicates an increase in claims	20%	-33.1%
8	Reduction in loss of all subsidiary CPSEs from previous year Note: (-) indicates an increase in loss	100%	-103%

Table A

Sr. no.	Parameters	Target
1	Augmentation of BDU plant to enhance the capacity to 2,000 kg. per annum	25-Feb-2021
2	Development of new formulation of levonorgestrol and ethinylestradiol OCP from unipill Plant (bioequivalence study)	25-Feb-2021

'Actual achievement' figures are based on standalone financials and are as provided by the Company.

2.13. Employee strength

HLL employs 3,905 people across its manufacturing facilities, business and marketing divisions and its corporate offices.

Table 18: Employee strength across permanent and contract employees as of 31st March, 2021

Manpower as on 31st March 2021			
Units	Permanent	Contract	TOTAL
Business units and marketing divisions			
Consumer business, FMCG and social marketing	22	7	29
Women Health Care & Institutional Business	17	44	61
HiCare Division	23	1,044	1,067
Vending Business Division	6	5	11
International Business Division	10	1	11
Government Business Division	13	6	19
Retail Business Division	57	558	615
Health Care Services Division	35	647	682
Marketing (others)	30	20	50
Total manpower at business units and marketing divisions	213	2,332	2,545
Total manpower at manufacturing division	1,091	96	1,187
Total manpower at corporate and other offices	109	64	173
Total employees	1,413	2,492	3,905

2.14. Key financials

Detailed consolidated financials are provided for reference below. Interested Bidders are encouraged to refer to the detailed financial statements for HLL and its subsidiaries available on the website of HLL.

2.14.1. Income statement

Table 19: Consolidated statement of profit and loss for HLL for years FY 2017 - FY 2021

INR lakhs	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue from operations	116,077	121,722	168,209	198,051	537,532
Less: excise duty	1,104	179	0	0	0
Net revenue from operations	114,973	121,543	168,209	198,051	537,532
Cost of materials consumed	25,808	21,809	17,828	22,326	23,485
Purchases of stock-in-trade	40,352	42,289	63,577	68,635	382,020
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-5,996	-2,076	-432	-822	-12,785
COGS	60,164	62,022	80,973	90,139	392,720
Gross margin	54,809	59,521	87,237	107,912	144,812
Employee benefits expense	17,823	19,351	18,846	19,617	24,143
Contract expenses	4,144	2,302	14,952	22,308	25,586
Other expenses	28,798	35,867	42,646	47,335	77,861
EBITDA	4,044	2,001	10,793	18,651	17,221
<i>EBITDA margin %</i>	<i>3.5%</i>	<i>1.6%</i>	<i>6.4%</i>	<i>9.4%</i>	<i>3.2%</i>
Depreciation and amortization expense	3,928	5,216	5,542	5,418	4,807
EBIT	116	-3,215	5,251	13,233	12,414
Finance costs	3,130	3,119	3,447	3,548	2,553
Other income	756	943	1,384	3,737	4,600
Profit / (loss) before exceptional items and tax	-2,258	-5,392	3,189	13,423	14,461
Exceptional items	386	-8	213	0	0
Profit / (loss) before tax	-2,644	-5,384	2,975	13,423	14,461
Current tax expenses for current year	682	392	1,350	2,529	4,963
Current tax expenses for relating to prior years			0	0	

INR lakhs	2016-17	2017-18	2018-19	2019-20	2020-21
MAT credit entitlement			0	184	
Deferred tax	-1,610	481	-930	-404	-665
Other comprehensive income adjustments	9	15	-699	-145	-1,087
Profit / (loss) for the year	-1,707	-6,242	1,856	10,969	9,077
Non-controlling interest	0	0	0	0	0
PAT margin %	-1.5%	-5.1%	1.1%	5.5%	1.7%

2.14.2. Balance sheet

Table 20: Consolidated balance sheet for HLL for the years FY 2017 - FY 2021

INR lakhs	2016-17	2017-18	2018-19	2019-20	2020-21
Tangible assets	25,156	35,612	32,460	28,464	25,311
Capital work-in-progress	10,889	1,197	222	411	1,035
Goodwill	0	0	0	602	602
Intangible assets	1,348	1,323	1,181	385	305
ROU asset	0	0	0	2,928	2,669
Non-current investments	28,285	28,352	28,610	1,003	637
Deferred tax assets	710	-		1,381	2,047
Other non-current assets	593	2,434	3,287	4,192	5,466
Total non-current assets	66,981	68,918	65,759	39,367	38,072
Inventories	15,994	17,855	17,834	19,684	33,850
Trade receivables	57,791	58,938	83,490	102,447	204,960
Cash and cash equivalents	4,231	6,266	21,320	6,356	89,599
Others	9,722	8,804	9,788	22,948	29,507
Total current assets	87,738	91,863	132,432	151,435	357,916
Assets classified as held for sale	13	10	28	29	39
Cash and bank balances of projects held under trust	130,354	259,088	327,654	418,510	438,800
Total assets	285,086	419,879	525,874	609,342	834,828
a) Equity share capital	29,042	29,087	29,042	1,554	1,554
b) Reserves and surplus	23,365	16,258	18,275	29,571	37,704
Total equity	52,407	45,345	47,316	31,125	39,257
Non-controlling interests	360	392	307	162	13

INR lakhs	2016-17	2017-18	2018-19	2019-20	2020-21
Borrowings and provisions	10,572	8,220	6,547	5,305	3,200
Deferred tax liabilities (net)	-	-229	-1,156	0	0
Other non-current liabilities	1,447	10	491	3,756	3,487
Total non-currents liabilities	12,019	8,001	5,882	9,060	6,687
Borrowings	39,253	34,986	33,633	32,787	29,656
Trade payables	30,574	39,443	59,393	68,128	185,033
Other financial liabilities and provisions	20,120	32,623	51,689	49,570	135,382
Total currents liabilities	89,947	107,052	144,715	150,485	350,071
Liabilities + equity	154,733	160,790	198,220	190,832	396,028
Advances Received for projects held under trust as per contra*	130,354	259,089	327,654	418,510	438,800
Total equity liabilities	285,087	419,879	525,874	609,342	834,828

*The cash and bank balances held by HITES under trust and the corresponding liabilities disclosed as contra items in the balance sheet are advances received for various projects executed by the infrastructure development division and procurement consultancy division of the Company.

Consolidated financials provided above excludes HML and HBL. These entities have been demerged from HLL in March 2021 and therefore ceased to be subsidiary companies of HLL and are thus not included in the Proposed Transaction. The figures for FY2017 – FY2020 as mentioned above have been provided by the Company.

The entities GAPL (subsidiary, 74% owned), HITES (subsidiary, 100% owned), LHPL (JV, 50% owned) and HMCCHL (subsidiary, 100% owned) have been consolidated to arrive at the above provided figures.

2.15. Real estate assets held by HLL

HLL holds multiple leasehold and freehold real estate assets across India for its manufacturing facilities, corporate and other offices.

A. Freehold assets

Table 21: Freehold assets of HLL

Sr. no.	City	Area	Use
1	Thiruvananthapuram	11.4 acres	HLL Peroorkada factory
2	Thiruvananthapuram	1.1 acres	HLL Corporate Head Office, Poojappura
3	Belgaum	43.19 acres	HLL Kanagala factory
4	Thiruvananthapuram	7.14 acres and 20 cents	HLL Akkulam factory
5	Chennai	0.3 acres	Office building

6	Lucknow	0.14 acres	Land owned by M/s. Hindustan Latex Family Planning Promotion Trust
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B. Leasehold assets

Table 22: Leasehold assets of HLL

Sr. no.	Location	Area	Lessor	Unexpired tenure (as of November 30th, 2021)	Commercial arrangement	Use
1	Konni Taluk	4.8 acres	Government of Kerala	23.5 years	INR 19,400 / year	Industrial plot
2	Thiruvananthapuram	3 acres	Trivandrum Spinning Mills Ltd. Kerala Textile Corporation Ltd.	87.0 years	INR 1.2 crore lease premium and yearly rent of INR 1,000/-	Secondary packing Unit for male condoms
3	Mumbai	0.2 acres	CIDCO	48.0	INR 92.4 lakhs	Office building
4	Noida	1.2 acres	New Okhla Industrial Development Authority	72.0 years	INR 2.6 crore	Office building
5	Chennai	430.1 acres	Government of India	86.0 years	INR1 / year	100 acres is for HLL Biotech Ltd. 330.1 for HLL Medipark Ltd
6	Haridwar	0.4 acres	Multani Pharmaceuticals Ltd.	0.5 years	INR1,212 / year	Manufacture of ayurveda and unani products
7	Ernakulam	3.1 acres	Rubber Park India (P) Ltd. and Agreeen Kare Latex (P) Ltd.	73.0 years	INR 2.62 crore	Condom manufacturing plant
8	Indore	Only building	Cyano Pharma Pvt. Ltd. and Biophil Chemicals Pvt. Ltd.	5 years at a time	INR 4,20,000 / year	Manufacture of pharmaceutical products

Sr. no.	Location	Area	Lessor	Unexpired tenure (as of November 30th, 2021)	Commercial arrangement	Use
9	Cochin	0.8 acres	Cochin Special Economic Zone	13 years	INR 6,65,656 / year	Export oriented unit
10	Goa	20.8 acres	Government of Goa	60.0 years	INR 3,166 / year	GAPL factory
11	Gurugram	Only building	Private party	1.0 years	INR 40,52,472 / year	HLL Manesar factory

Clarification regarding 430.10 acres of leasehold land situated at Chengalpattu, Tamil Nadu in the possession of HLL:

HLL and Central Leprosy Teaching and Research Institute (CLTRI) had signed a lease deed on 26th February 2009. By means of the said lease deed, CLTRI had handed over the possession of 430.10 acres of land situated at Chengalpattu in Tamil Nadu to HLL for setting up an Integrated Vaccine Complex (IVC) for manufacturing vaccines required for Universal Immunization Program (UIP) of the GoI and new generation vaccines and a 'Medipark', which is an industrial park envisaged for medical devices to attract potential investors to set up their units for manufacture of medical devices.

On 20th February 2014, HLL had given 100 acres of land on sublease basis to HBL a subsidiary company formed by HLL to implement the IVC project of the GoI mentioned earlier. Subsequently, on 2nd March 2017 HLL gave on sub-lease basis the remaining 330.10 acres of land to HML, another subsidiary company formed by HLL to set up the 'Medipark' project.

HBL and HML mentioned above have been demerged from HLL in March 2021 and therefore both these companies ceased to be subsidiary companies of HLL.

In view of the above, it is hereby clarified that 430.10 acres of land situated at Chengalpattu in Tamil Nadu in the possession of HLL on lease basis will not form part of HLL's strategic disinvestment by the GoI.

2.16. Consolidated contingent liabilities and assets

Contingent liabilities and commitments (to the extent not provided for)		2019 – 2020 (INR lakhs)	2020 – 2021 (INR lakhs)
(I) Contingent liabilities			
(i)	Income tax		
	(a) Income tax demands against the Company not acknowledged as debt and not provided for in respect of which the Company is in appeal and exclusive of the similar matters in respect of pending assessments and interest	1,727.01	614.81

	(b) Sales tax and service tax claims against the Co. not acknowledged as debt	3,143.34	2,974.40
(ii)	Claims against the Company not acknowledged as debts	11,274.35	15,807.89
(iii)	Guarantee	-	-
	(a) Company's guarantee for employees housing loan for officers	-	-
	(b) Company's guarantee for employees housing loan for others	-	-
(iv)	Bank guarantees to govt. departments. (net of margin money)	7,831.32	7,550.71
(v)	Bank guarantees to others (net of margin money)	427.38	165.91
(vi)	Corporate guarantees issued and outstanding as on date	3,268.08	2,906.94
(vii)	Letter of credits (net of margin money)	7,174.68	776.06
(viii)	Provision for interest on EMI / EMC lab project	-	62.46
TOTAL		34,846.16	30,859.16
(II) Commitments			
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	8,645.93	-
(ii)	Pending rebate claim for which appeals filed	3.35	3.35
TOTAL		8,649.28	3.35
(II) Contingent assets			
	Arbitration award in favour of the company in the legal case with State Innovations in Family Planning Services Agency (SIFPSA)	2,684.36	2,684.36

GAPL

3. Goa Antibiotics & Pharmaceuticals Limited

3.1. History

GAPL was incorporated in the year 1980 as a JV between Hindustan Antibiotics Ltd. (HAL) Pune and EDC Ltd., a premier financial institution owned by Government of Goa. In the year 1987, the shares of HAL in GAPL were transferred in favour of EDC Ltd. enabling it to function as a state undertaking of Government of Goa. Further, on 19th of March 2014 74% of EDC's shareholding in GAPL was sold to HLL and GAPL became a CPSE under the administrative control of MoHFW, GoI.

3.2. Registration details

Table 23: Registration details of GAPL

Particulars	Details
Name	Goa Antibiotics and Pharmaceuticals Limited
Constitution	Central Public Sector Enterprise
Date of incorporation	09 December, 1980
Registered office	Tuem, Pernem, Goa, 403512
CIN number	U24231GA1980SGC000412

3.3. Capital structure

HLL owns 74% of the shares of GAPL with the balance 26% owned by EDC Ltd.

Table 24: Capital structure of GAPL as on 31st March, 2021; value per equity share = INR 100

Particulars	No. of equity shares	% shareholding	Share capital (INR lakhs)
Authorised share capital	25,00,000	-	2,500
HLL and nominees	14,07,480	74%	1,407
EDC Limited and nominees	4,94,520	26%	494
Total issued, subscribed and paid-up share capital	19,02,000	100%	1,902

3.4. Board of directors

Table 25: Board of directors for GAPL as on 31st March, 2021

Sr. no.	Name and designation	Qualification	Director category	DIN
1.	Shri K. Beji George IRTS – Chairman	B. Tech, MS, M.B.A., Masters in Soil and water Conservation Engineering	HLL nominee	08419099
2.	Dr. Dharmendra Singh Gangwar – Director	IAS	Government nominee	08299862
3.	Shri K. V. Ballikar – Director	Mechanical Engineer, LLB General, PGDM	EDC nominee	06813369
4.	Shri T. Rajasekar – Director	BBA, M.B.A.	HLL nominee	07808705
5.	Dr. Geeta Sharma – Director	Ph.D., M. Com, CMA	HLL nominee	08225251
6.	Shri Ravi Dhawan – Director		Government of Goa nominee	09106085

3.5. Key management personnel

Table 26: Key management personnel for GAPL as on 30th September, 2021

Sr. no.	Name	Designation	Qualifications	Years of experience
1.	Shri Reju Skaria	Chief Executive Officer	BE, MBA	28
2.	Shri Vijaykumar Parapu	Chief Finance Officer	MCom, ICWA	13

3.6. Business segments, products and services

GAPL is involved in manufacturing and marketing pharmaceutical formulations to major central and state government institutions in the country. It also operates a chain of 24*7 retail pharmacies in Goa by the name GAPL Medicentre.

3.6.1. Products

A. Allopathic pharmaceutical formulations

Within the allopathic segment, GAPL manufactures and markets broad spectrum of products within the therapy areas of anti-bacterial, anti-malarial, anti-fungal, anti-tubercular drugs, anti-protozoan, sedatives and

tranquilizers, antiemetic, anti-allergic, nutritional supplements amongst others. These formulations are manufactured in the Tuem facility in Goa.

Table 27: GAPL's brands in pharmaceutical formulations

Pharmaceutical formulations		
Therapeutic group	Products	Brand
Macrolide	Roxithromycin tablets	Turex
Quinolones	Ciprofloxacin tablets	Salorim
	Tinidazole tablets	Salorim – TZ
	Norfloxacin tablets	Sysnor
Anti-emetics	Domperidone tablets	Erid
Anti-allergic	Cetirizine tablets	Gapzin
Anti-bacterial	Tetracycline tablets	n.a.
Anti-ulcer	Ranitidine tablets	Rultin
Anti-bacterial / anti-ulcer	Metronidazole tablets	Govazol
Nutritional supplements	Calcium and cholecalciferol tablets	Gapcal
Antacid and anti-flatulent	Alumina, magnesia and simethicone tablets	Silpaj
Anti-cough	Bromhexine hydrochloride syrup	Gabromo
Deworming	Albendazole oral suspension	Galzol
Sedatives	Albendazole tablets	Galzol
Anti-bacterial	Cefoperazone for injection	Gapzone
	Cefotaxime sodium injection	Gaptax
	Cefuroxime sodium injection	Goacef
	Caftazidime for injection	Gapzem
Analgesics	Ibuprofen tablets	Rufen
	Diclofenac sodium tablets	Gapclofen
Antifungals	Fluconazole tablets	Glacon
Analgesic and anti-pyretic	Nimesulide tablets	Glanim
	Ibuprofen and paracetamol tablets	Myoflam

B. Ayurvedic, unani and siddha drugs

GAPL produces ayurvedic products in its Ajmer facility in Rajasthan. The facility has been upgraded as per GMP / revised Schedule “T” compliance as per Drugs and Cosmetics Act.

Products include ayurvedic medicines, sedatives, homeopathic dilutions, analgesic and anti-pyretic products in the form of gutikas, churna, bhasma and syrups.

Table 28: Ayurvedic product portfolio of GAPL

Ayurvedic		
Category	Product	Product form
Ayurvedic	Bhagotar gutika	Gutika
Sedatives	Musli churna	Single drugs churna
Homeopathic dilutions	Kasis bhasma	Bhasma
	Lauha bhasma	Bhasma
Analgesic and anti-pyretic	Dashmoolrarist	Asava-arishta

C. Homoeopathic formulations

Homeopathic medicines are manufactured at GAPL's Jaipur facility in Rajasthan. The plant and testing facilities are GMP standards compliant.

Table 29: Homeopathy product portfolio of GAPL

Homeopathy	
Category	Product
External ointments	Apis mellifica, arnica m, belladonna, bryonia, calendula, cantharis, echinacea, graphites, hamamelis, ledum pal, rhustox, sulphur, thuja occ., utrita urens, acid cryso, hypericum, psoralea cor, berberis aquifolium and aesculus hip.

3.6.2. Services

Medicentres

GAPL Medicentres are 24*7 retail pharmacy outlets operating in government hospitals located in the state of Goa. GAPL operates three medicentre outlets as of 30th November, 2021.

Table 30: GAPL medicentres across locations

Medicentre	Locations	District, state
1	Goa medical college	Bambolim, Goa
2	Hospicio hospital	Margao, Goa
3	District hospital	Ponda, Goa

3.7. Manufacturing facilities

Facility for pharmaceutical formulations

Table 31: GAPL manufacturing facility details

Area of facility	Products manufactured	Products forms manufactured	Installed capacity (in lakhs)	Capacity utilisation 2020 - 2021 (%)
84,000 sq. m.	Allopathic formulations	Vials	150	12.26%
		Tablets	2,400	46.28%
		Capsules	1,900	15.35%
		Syrups (litres)	18	20.47%

Facilities for ayurvedic and homeopathic products

Ayurvedic products are manufactured at GAPL's Ajmer facility and homeopathic products are manufactured at the Jaipur facility in Rajasthan on a lease from Jajot Enterprises Ltd. (JEL) where JEL has to give a specified margin to GAPL based on annual turnover (slab system).

Strategy for business expansion

GAPL will focus on promoting generic drugs through retail pharmacies and will also promote generics through channel partners appointed in southern states. Opportunities to supply generics to the Jan Aushadhi schemes of GoI, supply to free generic medicine outlets in AIIMS and AMRIT outlets are also under consideration.

3.8. Employee strength

Table 32: Employee strength of GAPL as on 31st March, 2021

	Permanent employees	Contract employees	On deputation employees from other companies	Casual workers engaged	Others (T&D)	Total
GAPL	158	10	5	6	2	176

3.9. Key financials

3.9.1. Income statement

Table 33: Profit and loss statement for GAPL for the years FY 2017 - FY 2021

INR lakhs	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue from operations	7,766	5,603	4,991	3,349	2,657
Excise duty	340	74			
Net income	7,426	5,529	4,991	3,349	2,657
Cost of materials consumed	2,941	2,059	2,912	2,188	1,887
Cost of traded goods	1,126	1,070	248	269	111
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-88	91	144	-9	23
COGS	3,978	3,220	3,304	2,448	2,022
Employee benefits expense	1,061	962	936	905	1,148
Other expenses	1,126	918	866	561	535
EBITDA	1,261	428	-115	-565	-1,048
<i>EBITDA margin %</i>	16.2%	7.6%	-2.3%	-16.9%	-39.5%
Depreciation and amortisation expense	59	59	63	64	58
EBIT	1,202	369	-178	-629	-1,107
Finance costs	63	70	79	91	140
Other income	21	78	39	18	51
Profit before exceptional items and tax	1,161	376	-218	-702	-1,196
Exceptional items	-89	186	213	0	
Extraordinary items	-		1	0	
Profit / (loss) before tax	1,250	191	-432	-702	-1,196
Current tax expenses for current year	432	70	0	0	
Less: MAT credit entitlement	-	0	0	0	
Prior year tax adjustments	-	0	0	0	
Deferred tax	31	7	-170	-158	-41
Profit / (loss) for the year	787	114	-262	-543	-1,155
<i>PAT margin %</i>	10.1%	2.0%	-5.2%	-16.2%	-43.5%

3.9.2. Balance sheet

Table 34: Balance sheet of GAPL for the years FY 2017 - FY 2021

INR lakhs	2016-17	2017-18	2018-19	2019-20	2020-21
Tangible assets	383	479	497	543	491
Capital work in progress	10	2	5	1	1
Intangible assets	33	33	27	21	16
Deferred tax assets	52	45	215	373	414
Other non-current assets	161	145	39	39	27
Long term loans and advances	-	-	52	55	53
Total non-current assets	639	702	835	1,033	1,001
Inventories	599	463	86	176	81
Trade receivables	3,839	2,853	2,522	3,169	2,741
Cash and cash equivalents	33	138	92	361	128
Others	69	52	102	169	221
Total current assets	4,540	3,506	2,802	3,875	3,171
Total assets	5,179	4,208	3,637	4,907	4,171
a) Equity share capital	1,902	1,902	1,902	1,902	1,902
b) Reserves and surplus	-519	-396	-630	-1,193	-2,441
Total equity	1,383	1,506	1,272	709	-539
Long-term borrowings	292	127	50	140	160
Other non-current liabilities	2	10	4	79	396
Total non-current liabilities	294	137	55	219	555
Borrowings	689	-	328	737	334
Trade payables	2,006	1,995	1,706	2,936	3,442
Other current liabilities and provisions	807	569	276	306	379
Total current liabilities	3,502	2,564	2,310	3,978	4,155
Total liabilities + equity	5,179	4,208	3,637	4,907	4,171

HITES

4. HLL Infra Tech Services Limited

4.1. History

HITES is a wholly owned subsidiary of HLL incorporated on 3rd April, 2014. It is engaged in providing services in the areas of construction, infrastructure development, engineering services, procurement management, supply chain management, facility management services, both in India and abroad. HITES serves marquee government clientele including Ministry of Labour and Employment, MoHFW, Ministry of Home Affairs, Ministry of Human Resources, Government of Himachal and Government of Punjab amongst others.

HITES is currently designated as a NPSA by MoHFW for the procurement of various medical supplies and equipment. It is also designated as an 'Implementing Agency' for execution of various government healthcare infrastructure projects. HITES currently has a pipeline of projects exceeding INR 18,000 crores (in project value) to be executed over the medium term.

4.2. Registration details

Table 35: Registration details of HITES

Particulars	Details
Name	HLL Infra Tech Services Limited
Constitution	Central Public Sector Enterprise
Date of incorporation	03 April, 2014
Registered office	HLL Bhavan, Poojapurra, Thiruvananthapuram – 695 012
CIN number	U45200KL2014GoI036617

4.3. Capital structure

HLL owns 100% of the shares of HITES.

Table 36: Capital structure of HITES as on 31st March, 2021; value per equity share = INR 10

Particulars	No. of equity shares	% shareholding	Share capital (INR lakhs)
Authorised share capital	20,00,000	-	200
HLL	19,99,900	99.99%	199.99
Dr. Geeta Sharma, nominee of HLL	100	0.01%	0.1

Total issued, subscribed and paid-up share capital	20,00,000	100%	200
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4.4. Board of directors

Table 37: Board of directors for HITES as of 31st March, 2021

Sr. no.	Name and designation	Direct category	DIN
1.	Shri K. Beji George IRTS – Chairman	HLL nominee	08419099
2.	Dr. Dharmendra Singh Gangwar IAS – Director	Government nominee	08299862
3.	Dr. Geeta Sharma – Director	HLL nominee	08225251
4.	Shri Nilambuj Sharan – Director	Government nominee	

4.5. Key management personnel

Table 38: Key management personnel for HITES as of 31st March, 2021

Sr. no.	Name	Designation	Qualification	Years of experience
1.	Shri S. K. Mishra	CFO	CMA	

4.6. Services portfolio

4.6.1. Infrastructure development support

HITES provides holistic support for infrastructure development to government organisations and other institutions. HITES' services portfolio includes:

- i. Preparation of feasibility reports
- ii. Concept planning including surveys and geotechnical investigations
- iii. Detailed project planning and Detailed Project Report (DPR)
- iv. Architectural, structural, planning and designing services
- v. Project management consultancy services
- vi. Tendering and bid process management
- vii. Project and construction management with site supervision
- viii. Project monitoring and contract management

- ix. Post construction maintenance

Projects undertaken: healthcare infrastructure construction

HITES has undertaken and successfully completed projects across government institutions and initiatives, setting up of hospitals and blood banks and upgradation of institutes amongst others.

Table 39: Select infrastructure projects undertaken by HITES

Sr. no.	Project	Cost (INR crores)
1	Upgradation of PMSSY Phase III (12 medical colleges)	960
2	Medical hospital at Konni (Kerala)	140
3	JIPMER Puducherry, Phase - III	238
4	AIIMS at Guwahati, Assam	905
5	AIIMS at Bathinda, Punjab	721
6	AIIMS at Gorakhpur, UP	785
7	AIIMS Bibinagar, Telangana (planning in progress)	689
8	Construction of residential complex at AIIMS Patna	280
9	Strengthening healthcare system in Republic of Guinea	250
10	JIPMER offsite at Karaikal	250
11	Upgradation of RIPANS, Aizwal	230
12	CBRN Centre at New Delhi and Chennai	140
13	Tata Memorial Centre, Mumbai (Phase I and II)	150
14	Procurement of medical equipment for 39 GMCIs under PMSSY III	2,156
15	Procurement of medical equipment for NCI Jhajjar (Haryana)	729
16	PMSSY phase - IV (upgradation of 3 medical colleges)	339
17	Facility management service in 6 medical colleges in Madhya Pradesh	45
18	Procurement of medical equipment for 6 medical colleges in Madhya Pradesh	250
19	Procurement of diagnostic kits and equipment for ICMR	464

4.6.2. Procurement consultancy services

HITES has proven its mettle in supporting procurement projects for various government and research institutes. HITES has provided support for procurement of medical equipment, lab and scientific equipment and other such aid to multiple government-affiliated hospitals and medical research institutes.

Services portfolio include:

- i. Need assessment
- ii. Preparation of procurement plans, technical specifications
- iii. Bid process management
- iv. Procurement of equipment, goods and services
- v. Pre-shipment and post-shipment inspection
- vi. Installation testing and commissioning
- vii. Comprehensive Maintenance Contract (CMC) support

Projects undertaken: Procurement consultancy

Table 40: Select procurement projects undertaken by HITES

Procurement projects	
Medical and other research institutes	
AIIMS	6 new AIIMS: procurement of medical equipment NCI, AIIMS extended campus at Jhajjar: medical equipment procurement
Others	Equipping regional cancer centre
Government institutions	
Employees' State Insurance Corporation	Procurement of equipment
Municipal corporation of Delhi	Procurement of insecticides, larvicides
NACO	Procurement of diagnostic kits
National Institute of Biologicals	Lab and scientific equipment
Indian Pharmacopoeia Commission	Lab and scientific equipment
Japanese encephalitis Vaccine for MoHFW, GoI	Procurement of equipment
ICMR, New Delhi	Procurement of equipment diagnostic kits and equipment
Government and institutional projects	
National Vector Borne Disease Control Programme (NVBDCP)	Procurement of antimalarial drugs and other insecticides
PMSSY-III	Procurement of medical equipment for 39 GMCIs
PMSSY-IV	Procurement of medical equipment for 19 GMCIs
PMSSY-V	Procurement of medical equipment for 7 GMCIs
UIP – Phase I and II	Procurement of medical equipment
PMSSY Phase I and II for MoHFW, GoI	Procurement of medical equipment
RCH project - World Bank funded)	Procurement of RCH kits

4.6.3. Facilities management division

The facility management division of HITES provides both hard and soft facility management services.

Service offerings include:

- i. Operation and maintenance
- ii. Integrated building management
- iii. Housekeeping
- iv. Security services
- v. Horticulture Services
- vi. Warehouse management
- vii. Hospitality services

Projects undertaken: Facilities management

- The facilities management division undertook the work of mechanised cleaning of external areas of AIIMS, Delhi.
- For AIIMS Patna (main complex and residential complex), MoUs were signed for facility management services including housekeeping, operation and maintenance and hospital support.
- HITES was appointed for providing facility management services for the six government medical colleges at Bhopal, Jabalpur, Indore, Gwalior, Rewa and Sagar.
- HITES was appointed for providing facility management services for the seven new government medical colleges at Vidisha, Datia, Shivpuri, Shahdol, Khandhwa, Ratlam and Chhindwara.

4.6.4. Other services offered

Bio medical engineering

HITES assists in providing biomedical engineering services including testing and calibration of equipment, third party inspections and specification portal.

HITES has undertaken biomedical equipment maintenance services for West Bengal and Mizoram.

Prototype development

HITES assists state governments in setting up various healthcare facilities for the GoI initiative under NHM. Consequently, HITES has developed prototype models for various healthcare facilities –

- i. Mother & Child Hospital 30 bed, 50 bed and 100 bed
- ii. 120 bedded super speciality teaching hospital
- iii. Medical college (100 admission)
- iv. Oncology centre
- v. Centre for ageing

- vi. Dialysis centre
- vii. Wellness centre
- viii. Rehabilitation centre
- ix. Emergency unit
- x. Healthcare solutions for smart cities of future

4.7. Employee strength

Table 41: Employee strength of HITES as on 31st March, 2021

HLL employs 404 people across its manufacturing facilities, business and marketing divisions and its corporate offices.

	Permanent employees	Contract employees	On deputation employees from other companies	Casual workers engaged	Others	Total
HITES	139	265	-	-	-	404

4.8. Key financials

4.8.1. Income statement

HITES commenced its operations in April 2014. Profit and loss statements for the years FY 2017 - FY 2021 as below:

Table 42: Profit and loss statement for HITES for the years FY 2017 – FY 2021

INR lakhs	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue from operations	3,655	8,632	19,069	27,320	27,003
Excise duty	-	-			
Net income	3,655	8,632	19,069	27,320	27,003
Employee benefits expense	1,562	3,125	3,500	2,922	4,191
Other expenses	1,676	4,291	12,538	20,267	21,312
Total expenses	3,237	7,416	16,039	23,189	25,504
EBITDA	418	1,217	3,030	4,131	1,499
<i>EBITDA margin %</i>	<i>11.0%</i>	<i>14.1%</i>	<i>15.9%</i>	<i>15.1%</i>	<i>5.6%</i>
Depreciation and amortisation expense	9	23	19	21	27
EBIT	409	1,194	3,012	4,110	1,472
Finance costs	39	88	12	0	38
Other Income	39	20	87	110	69
Profit / (loss) before tax	409	1,126	3,087	4,220	1,503
Current tax expenses for current year	131	325	900	1,057	417
Deferred tax	0	0	1	0	0
Profit / (loss) for the year	278	800	2,186	3,163	1,086
<i>PAT margin %</i>	<i>7.6%</i>	<i>9.3%</i>	<i>11.5%</i>	<i>11.6%</i>	<i>4.0%</i>

4.8.2. Balance sheet

Table 43: Balance sheet for HITES for the years FY 2017 - FY 2021

INR lakhs	2016-17	2017-18	2018-19	2019-20	2020-21
Tangible assets	23	30	39	37	51
Intangible assets	3	2	9	6	13
Other non-current assets	312	528	1,284	1,141	934
Total non-current assets	338	561	1,331	1,184	999
Trade receivables	1,211	3,653	8,217	15,505	19,659
Cash and cash equivalents	1,400	1,556	3,894	2,131	2,033
Short terms and advances	319	108	113	104	168
Other current assets	65	16	482	827	1,166
Total current assets	2,994	5,333	12,707	18,567	23,025
Cash and bank balances of projects held under trust as per contra	29,498	1,42,781	2,33,808	3,32,894	3,67,500
Total assets	32,830	1,48,765	2,47,846	3,52,644	3,91,524
a) Equity share capital	5	50	200	200	200
b) Reserves and surplus	180	550	1,340	1,705	1,781
Total equity	185	600	1,540	1,905	1,981
Borrowings		169			1,000
Trade payables	2,272	2,160	5,351	12,831	15,514
Other current liabilities and provisions	875	2,964	7,146	5,014	5,529
Total current liabilities	3,147	5,293	12,498	17,278	21,451
Advances received for projects held under trust as per contra*	29,498	1,42,781	2,33,808	3,32,894	3,67,500
Liabilities + equity	32,830	1,48,675	2,47,846	3,52,644	3,91,524

*The cash and bank balances held by HITES under trust and the corresponding liabilities disclosed as contra items in the balance sheet are advances received for various projects executed by the infrastructure development division and procurement consultancy division of the Company.

HMCCHL

5. HLL Mother & Child Care Hospitals Limited

HMCCHL was incorporated on 1st August, 2017 as a 100% subsidiary of HLL. HMCCHL has been operationalised to set up Mother & Child Care wings in 20 districts in Uttar Pradesh. HLPPT will provide technical support, oversee implementation and monitor projects undertaken by HMCCHL.

5.1. HMCCHL services

HMCCHL will primarily operate under two categories of hospital wings viz., 'Category A hospitals' and 'Category B service hospitals' to provide maternity, neonatal and intensive care.

Category A hospitals

Category A hospitals aim to provide basic maternity and neonatal care.

Service Offerings

- i. Outpatient department registration
- ii. Antenatal care (routine)
- iii. Antenatal care (complicated)
- iv. Management of birth (routine)
- v. Management of birth (complicated)
- vi. Post-natal care
- vii. Neonatal care (routine)
- viii. Neonatal care referrals from existing district hospitals
- ix. Diagnostic services

Category "B" service hospitals

Category B hospitals are aimed at treating high-risk pregnancy and diagnostic services including treating referrals from other hospitals where such facilities might not be available.

Service offerings

- x. Care for high-risk pregnancies
- xi. Diagnostic services to in-patients and out-patients
- xii. Care for referral patients from existing district hospitals

5.2. Registration details

Table 44: Registration details of HMCCHL

Particulars	Details
Name	HLL Mother & Child Care Hospitals Limited
Constitution	Central Public Sector Enterprise
Date of incorporation	01 August, 2017
Registered office	No.9/316, Vikas Nagar, Lucknow, Uttar Pradesh-226022 Vikas Nagar Lucknow UP 226022 IN
CIN number	U85200UP2017GoI095591

5.3. Capital structure

HLL owns 100% of the shares of HMCCHL.

Table 45: Capital structure of HMCCHL as of 31st March, 2021; value per equity share = INR 10

Particulars	No. of equity shares	% shareholding	Share capital (INR lakhs)
Authorised share capital	1,00,000		10
HLL	99,900	99%	9.99
Shri EA Subramanian (on behalf of HLL)	100	1%	0.01
Total issued, subscribed and paid-up share capital	1,00,000		10

5.4. Board of directors

Table 46: Board of directors of HMCCHL as of 31st March, 2021

Sr. no.	Name and designation	Qualifications	Director category	DIN
1.	Shri K. Beji George IRTS	BTech, MS, MBA., Masters in Soil and water Conservation Engineering	Chairman (Non-Executive)	08419099
2.	Shri E. A. Subramanian	BTech (Chemical), Certificate in Re-engineering, PGDM, PGDFM	HLL nominee Director	06818313
3.	Dr. Geeta Sharma	PhD, MCom, CMA	HLL nominee Director	08225251

5.5. Key management personnel

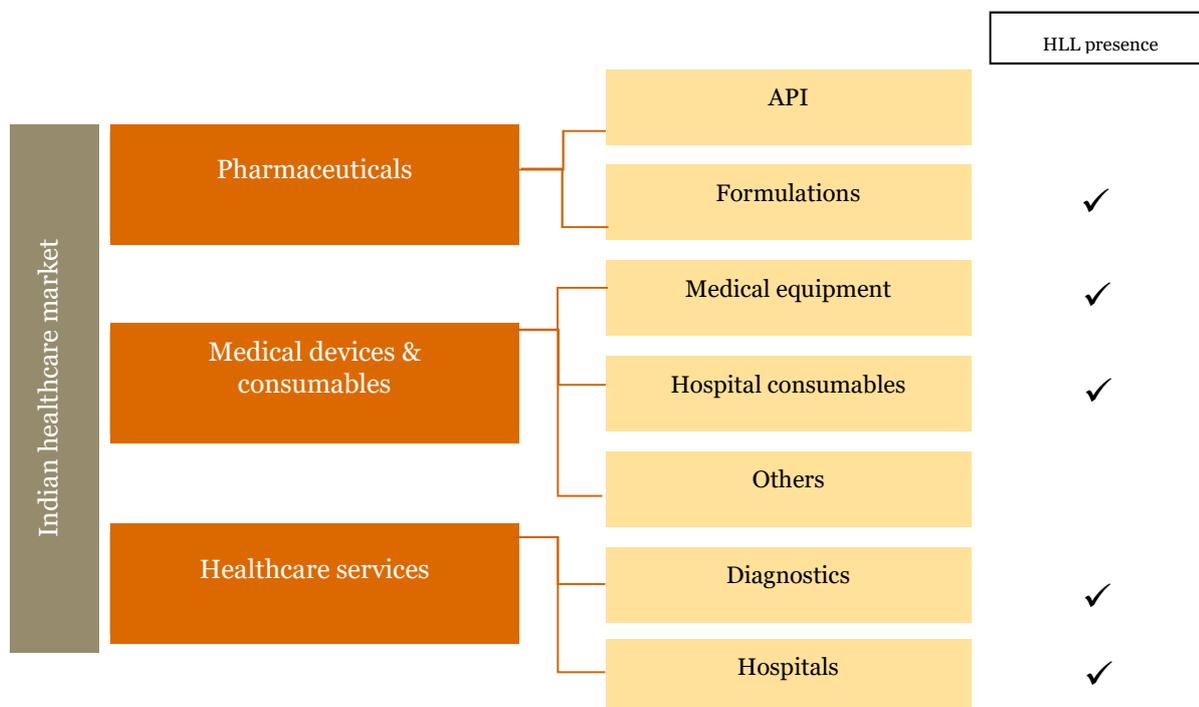
Table 47: Key management personnel for HMCCHL as of 30th September, 2021

Sr. no.	Name	Designation	Qualifications	Years of experience
1.	Sharad Agarwal	CEO	ICWA, LLB, MBA	31

Part II

6. Indian healthcare industry overview

Figure 1: Segmenting India's healthcare market



The Indian healthcare sector can be broadly categorised into pharmaceuticals, medical devices and consumables and healthcare services. HLL's operation span across the entire healthcare value chain with a focus on addressing underserved reproductive health needs.

Indian pharmaceutical sector ²

Indian pharmaceutical sector is estimated USD 42 billion in 2021 and ranks 13th in value terms and 3rd in volume terms worldwide. With over 10,500 manufacturing units and the largest number of US FDA approved facilities outside the US, India has emerged as a leader in generics manufacturing. The Indian drugs and pharmaceuticals sector received cumulative FDIs worth USD 17.99 billion between April 2000 and March 2021.

India is the largest exporter of formulations in terms of volume, with 14% market share and ranks 12th in terms of export value. India's drugs and pharmaceutical exports stood at USD 24.44 billion in FY 2021. India's cost of production is ~33% lower than that of the US as of 2019, which is a source of competitive advantage in the exports market.

On the domestic front, Indian pharmaceutical market is expected to grow threefold in the next decade in terms of market size to USD 120-130 billion by 2030. Medicine spending in India is expected to increase at 9-12% CAGR from 2020 to 2025, leading India to become one of the top 10 countries in terms of medicine spending. Increase in the size of middle-class households coupled with the improvement in medical infrastructure and increase in

² IBEF pharmaceutical report

the penetration of health insurance in the country will be the key drivers for growth of the domestic pharmaceuticals market.

Indian medical equipment and consumables market

The medical device industry in India was estimated at USD 10.36 billion in 2020 and is set to grow at 37% CAGR to reach USD 50 billion by 2025. Currently, India is counted among the top 20 global medical devices market and is the 4th largest medical devices market in Asia following Japan, China and South Korea.³ Medical equipment and consumables industry has strong growth prospects, driven by multiple factors like rise in affordability levels, growing hospitalisation rates, greater reach of modern healthcare infrastructure and thrust towards improving availability of healthcare services for underserved sections of the society.

Indian healthcare sector

The hospital industry in India was estimated at USD 193.83 billion in 2020 and is expected to reach USD 372 billion by 2022.⁴

Within the healthcare system, diagnostic services play the role of an information intermediary, providing useful information for correct diagnosis and treatment of diseases. Diagnostic services have lower share in overall healthcare spends (~4% of total) but play a vital role in identifying problem areas and major illnesses.

Increased disposable incomes, rising insurance penetration, urbanisation, private investments and government inclusion initiatives will drive the growth in the Indian healthcare sector. With a view to move towards universal health coverage, the government has announced the National Health Protection Scheme, which will provide coverage of up to INR 5 lakhs per family per year to 10 crore poor families. This scheme will cover around 50 crore people and will be the largest of its kind in the world.⁵

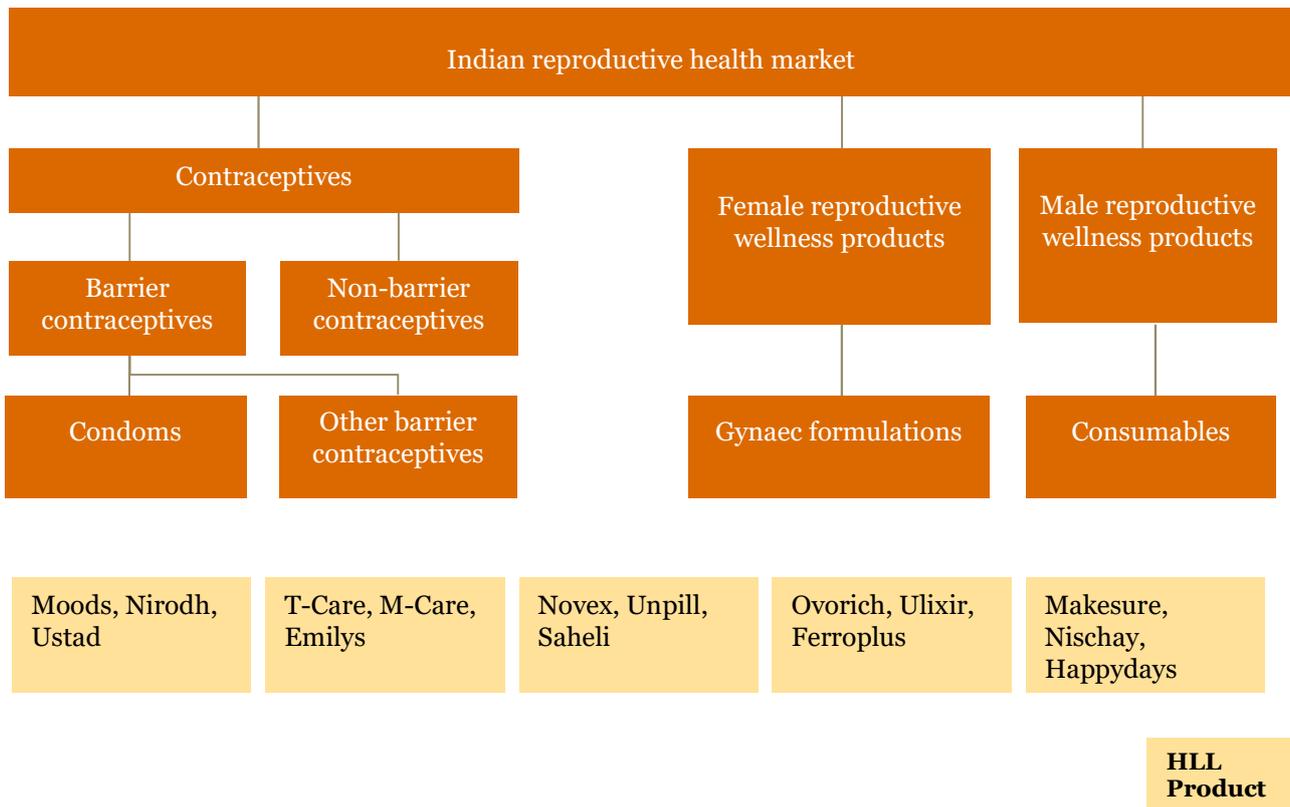
³ IBEF medical devices industry report

⁴ IBEF healthcare industry report

⁵ <https://www.india.gov.in/spotlight/ayushman-bharat-national-health-protection-mission>

7. Indian reproductive healthcare market

Figure 2: Segmenting India's reproductive health segment



The Indian reproductive health sector can be broadly categorised into contraceptives, gynaecological formulations and male reproductive wellness products.

The contraceptives segment may be further divided into barrier (male and female condoms, IUDs, tubal rings, etc.) and non-barrier contraceptives (OCPs and injectable contraceptives) markets.

Gynaecological formulations include products for female reproductive wellness such as menstrual cycle regulators, ovulation inducers, pregnancy supplements, pregnancy management formulations, hormones and others.

Male reproductive wellness products include erectile dysfunction formulations, fertility supplements, hormones and others.

7.1. Indian contraceptives market

India - male condom market

Male condoms were first introduced in India in the 1960s, when the government decided to offer affordable condoms under the 'Nirodh' brand as a method of population control. HLL was incorporated in 1966 to produce barrier contraceptives for 'Nirodh' brand and other brands to support government's family planning programmes.

Currently, condoms are marketed to Indian consumers through the following three different channels:

- **Free supply:** Distribution of condoms free-of-cost for family planning and HIV / AIDS prevention programmes of the central and state governments of India and allied governmental and non-governmental organisations. HLL has hitherto served as a captive unit for the manufacture of condoms for GoI initiatives.
- **Social marketing:** Marketing of condoms at subsidised prices through institutional and retail channels to meet social welfare objectives. HLL, along with other government and non-government organisations are currently involved in social marketing of condoms under "Nirodh", "Masti" and "Ustad" brands. Social marketing initiatives have played a key role in increased adoption of condoms as a method of contraception in rural and semi-urban India.
- **Retail channel / brand marketing:** Condoms sold through the private distribution channels are a key segment of the urban Indian market. Branded products of this segment typically reach consumers through retail and chemist channels. HLL and various private sector players compete on the basis of pricing, product quality, features, and brand positioning in this market. HLL's brand Moods is the second-largest brand in this segment and competes with the likes of Manforce (by Mankind), KamaSutra (by JK Investo), Skore (TTK Healthcare) and Durex (Reckitt Benckiser).

Condoms have been supplied for the family planning and HIV / AIDS control programme through two schemes of MoHFW - free supply scheme and social marketing scheme.

Intra Uterine Contraceptive / Device (IUC / IUD)

The global IUD market was estimated at USD 4.23 billion in 2020 and is expected to reach USD 5.89 billion by 2027, growing at a CAGR of 5.1% during the forecast period of 2021 to 2027. The global IUD market is broadly segmented based on the type and product. Based on the type, the market is further segmented into hormonal intrauterine device and copper intrauterine device market.⁶

Oral Contraceptive Pills (OCPs)

OCPs can be categorised as steroidal (daily), non-steroidal (once-a-week) and emergency contraceptive pills.

The Department of Health and Family Welfare is responsible for implementation of the national family welfare programme by, inter-alia, encouraging the utilisation of contraceptives and distribution of the same to the states / UTs through free supply scheme and PPP under social marketing scheme. The channel for supply of these contraceptives under free supply scheme is government network comprising sub-centres, primary health centres, community health centres and government hospitals, state AIDS control societies throughout the country. The national family welfare programme initiated the social marketing programme of condoms in 1968 and that of oral pills in 1987. Under the social marketing programme, both condoms and oral pills are made available to the people at highly subsidised rates, through diverse outlets. The extent of subsidy ranges from 70% to 85%

⁶ Global Intrauterine Devices (IUDs) Market - BlueWeave Consulting

depending upon the procurement price in a given year. Both these contraceptives are distributed through Social Marketing Organisations (SMOs). HLL is the chief SMO under both categories.

The quantities given to the states under free supply scheme during the last 5 years is given in the following tables:

Quantities supplied to states / UTs

Contraceptive	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021 [#]
Condoms (in million pieces)	433	527	0.0	378	397
Oral pills (in lakh cycles)	312	275	394	592	473
IUDs (in lakh pieces)	48	23	89	88	74
Tubal rings (in lakh pairs)	6	15	12	19	22
Emergency contraceptive pills (in lakh packs)	61	50	128	196	132
Centchroman contraceptive pills (lakh strips)	7	24	170	117	118
Injectable contraceptives (lakh doses)	0	27	0	32	29
Pregnancy test kits (in lakhs)	125	180	187	293	212

[#] upto 31st November 2021

Performance of social marketing programme in sale of contraceptives

Contraceptive	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021 [*]
Condoms (in million pieces)	399	483	460	508	92
Oral pills (social marketing) (in lakh cycles)	194	205	159	147	16

^{*} upto 31st November 2021, figures are provisional

HLL pioneered the use of non-steroidal oral contraceptive pills in India. Centchroman (ormeloxifene 30mg), the world's first non-steroidal Pill was launched as "SAHELI" by HLL in 1991. Extensive research carried out by the CDRI, Lucknow has proved the drug Centchroman to be highly safe by the medical fraternity. SAHELI, a once-a-week pill is more convenient to use and free from side effects that are associated with conventional hormonal oral contraceptives.

HLL also promotes ormeloxifene 30 mg ethically, under the brand name NOVEX. Brands Mala-N and Mala-D are manufactured specifically for supplies to the GoI. Mala-N is supplied free of cost through all PHCs, urban

family centres etc. whereas Mala-D is made available to the consumer through social marketing at a minimal price.

Other social marketing brands manufactured by HLL are Arpan, Khushi, Ecros, Sunehri, Apsara, Pearl, etc.

HLL also markets a double dosage ormeloxifene tablet in the brand name 'NOVEX-DS'. It is an ideal medication for a long term dysfunctional uterine bleeding management.

In the steroidal segment of oral contraceptive pills, HLL is marketing formulation containing levonorgestrel and ethinyl estradiol, under the brand names NOGESTOL and ARPAN.

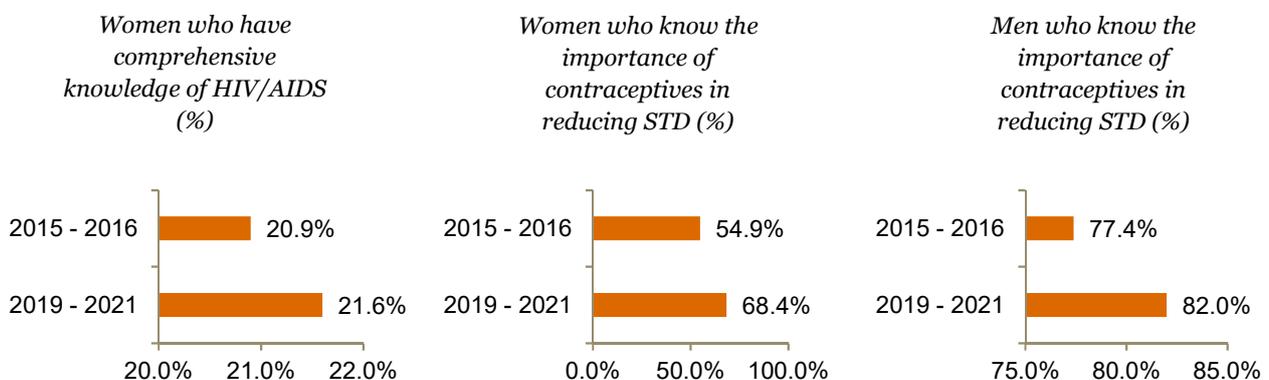
7.2. Reproductive health market: growth drivers

Some of the factors that are driving the adoption and usage of reproductive health products in the country are:

Increasing awareness

- The National AIDS Control Organisation (NACO) estimated that 2.14 million people lived with HIV/AIDS in India in 2017,⁷ a number surpassed only by South Africa and Nigeria worldwide (as of 2018). This highlights the importance of the condom usage in a country like India.

Figure 3: Increasing awareness of sexually transmitted diseases



Persons in the age range 15-49, all figures in percentage

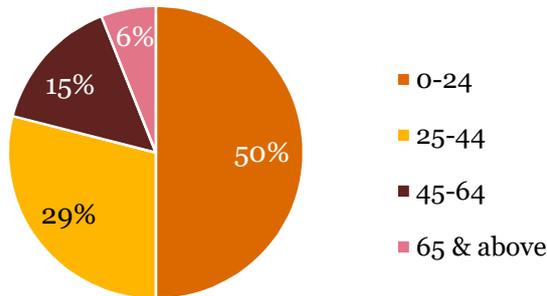
Source: National family health survey

- There has been a steady increase in awareness of sexual related diseases and contraceptives. With increasing awareness programs and the reach of internet, there will be more knowledge and acceptability on reproductive health

Large population in reproductive age

⁷ National AIDS Control Organization (NACO) annual report 2018 - 2019

Figure 4: Percentage of population in various age groups

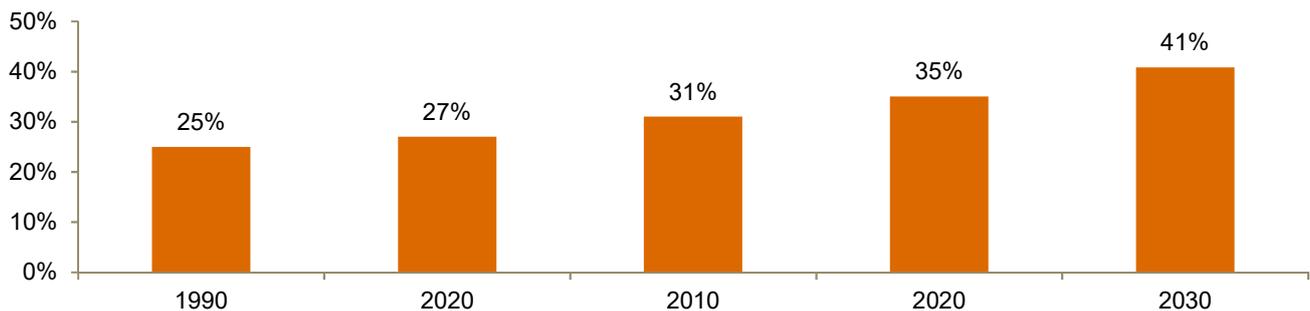


Source: Edelweiss report on India retail

India is a very young country with 50% of the population under the age of 24. The younger population is more aware about problems related to reproductive health and there is more acceptability with respect to the topic.

Growing urbanisation

Figure 5: Urbanisation rate (proportion of urban population) in India



Source: Edelweiss report on India retail

Urbanisation is rapidly gathering pace in the country. The urbanisation rate in 2011 census was 31.2% up from 28.5% in 2001 and reached 34.9% in 2020.⁸ Increasing urbanisation leads to greater awareness and better access to reproductive health resources.

Improved access through e-commerce

- The availability of condoms and other contraceptive pills through e-commerce sites such as Flipkart, Amazon, etc. has been a huge success in India, as there is no need for a human interaction and takes away any perceived social stigma. International non-profit organisation AIDS healthcare foundation started a free online condom store in India and got a tremendous response.

Government initiatives

- The government through its National AIDS Control Programme (NACP) IV campaign had targeted to distribute condoms across the country

⁸ Retrieved from World Bank data

- The specific condom promotion objectives are:
 - Increase demand for condoms among high risk, bridge and general population
 - Expanding social marketing program to saturate coverage in high HIV prevalence and / or high fertility districts and to increase the demand for condoms among high risk, bridge and general population
 - Maximise access of free condoms with most vulnerable groups – while minimising wastage
 - Increase sales in rural areas and expand availability through condom sales through non-traditional outlets
 - Introduce brand management innovations and demand generation activities to promote consistent condom use
 - Increase the accessibility of condoms to make it available within 15 minutes of walking distance from any location
- The government has launched “Mission Parivar Vikas” in which it will promote different kinds of contraceptives in 146 most populated districts of India which accounts for 28% of India’s population. As a part of this scheme, condom dispensing boxes have been launched at all primary and community health centres in Allahabad to offer condom free of cost. Nayi Pahal Shagun kits will be distributed among newlyweds in rural UP which will contain condoms and OCPs.⁹
- Government has initiated schemes like “Pradhan Mantri Matritva Vandana Yojana” aimed at the benefit of pregnant women in India which aims to provide proper care, practice and efficient utilisation of government sponsored facilities.

Initiatives taken by NGOs and private players

- Awareness programs co-hosted by the government and NGOs are spreading awareness about ill-effects on health caused by surgical measures and pills.
- Distribution channels for condoms have undergone a revamp. Now condoms are available through vending machines and online channels besides being available in nearby retail shops and medical centres.
- A series of promotions and advertisements are being telecasted and displayed to diffuse the stigma of using contraceptives. Efforts of private condom manufacturers in realms of tele-promotions and advertisement are notable in this regard.

⁹ <https://timesofindia.indiatimes.com/india/government-targets-146-districts-to-accelerate-indias-population-control-drive/articleshow/59168118.cms>

Part B

8. Process of Proposed Transaction

The Government of India, holding 100% of issued, subscribed and paid-up equity share capital of HLL, has 'in-principle' decided to disinvest 100.00% of its equity shareholding (held by or on behalf of the President of India through MoHFW) through Strategic Disinvestment with transfer of management control ("Strategic Disinvestment" or "Transaction" or "Proposed Transaction").

The process for the **Proposed Transaction** has been divided into two stages, namely, Stage I and Stage II, collectively referred to as "**Bid Process**".

Stage I - PIM Stage

1. Through this PIM, the GoI is providing the IBs with instructions for submitting their Expression of Interest (**EoI**) to the TA, which would be used for shortlisting the IBs for Stage II in accordance with the criteria specified herein.
2. This PIM along with annexures shall be uploaded on websites of the TA at <https://www.pwc.in/>, HLL at <http://www.lifecarehll.com>, DIPAM at <http://dipam.gov.in> and of MoHFW at <https://mohfw.gov.in/>. Subsequently, IBs will be required to submit their EoIs in the format as detailed in this PIM along with a demand draft of INR 2,00,000/- (Rupees Two Hundred Thousand Only) towards a non-refundable fee ("**Application Fees**"), drawn in favour of "PricewaterhouseCoopers Pvt. Ltd. – Fee for EoI", payable at New Delhi.
3. The EoI will be evaluated based on the Eligibility Criteria, Disqualifications and other terms detailed further in this PIM.
4. Only IBs shortlisted in Stage I ("**Qualified Interested Bidders**" or "**QIBs**") would be allowed to participate in Stage II, subject to the IB submitting the Confidentiality Undertaking, as provided.

Stage II - RFP stage

5. Based on the evaluation of EoIs submitted, QIBs will be provided with Request for Proposal (RFP) including draft Share Purchase Agreement (SPA) and draft Shareholders Agreement (SHA), access to a data room to review certain documents pertaining to the Company for conducting a due diligence on the Companies. The details pertaining to the RFP process shall be communicated in due course. The QIBs will be required to undergo a transparent bidding process for the Proposed Transaction, in accordance with the terms of the RFP.
6. The QIB may be required to deposit a bank guarantee and an Earnest Money Deposit (EMD) at Stage II as required by GoI.
7. The QIBs placing financial bids will be required to apply for security clearance from the Government. The format for obtaining security clearance will be provided to QIBs at a later stage.
8. In case a QIB fails in obtaining security clearance, it shall be disqualified from the process. The QIBs that pass the security clearance shall be eligible for submitting financial bids.
9. The shortlisted bidders will be required to submit the financial bid in the form of the price per share for acquiring 100% GoI equity stake in HLL (the "**Financial Bid**") along with important supporting documents including bid letter, bank guarantee, etc (the "**Non-financial Bid**") in accordance with the terms of RFP. The Financial Bid and Non-Financial Bid together shall be referred to as "Bid".
10. The shortlisted bidder in this stage will be referred to as "Confirmed Selected Bidder".

Other Details regarding the Proposed Transaction:

11. An advertisement (“**Advertisement**”) has been issued in certain newspapers on 14th December 2021, inviting IBs to submit their EoIs for participating in the Proposed Transaction. A copy of such advertisement is enclosed as Annexure 7.
12. This PIM contains the following:

Part A

Part I

Introduction

Transaction background

Contact details for clarifications / enquiries

Important dates

1. Company overview
2. Company details
3. Goa Antibiotics & Pharmaceuticals Limited
4. HLL Infra Tech Services Limited
5. HLL Mother & Child Care Hospitals Limited

Part II

6. Indian healthcare industry overview
7. Indian reproductive healthcare market

Part B

8. Process of Proposed Transaction
9. Instruction for submission of EoI
10. Eligibility Criteria
11. Disqualifications

Annexures

Annexure 1: Format for letter of EoI for Sole IB / Consortium

Annexure 1A - Undertaking in Relation to Ultimate Beneficial Ownership

Annexure 2: Form A (forming an integral part of EoI)

Annexure 3: General Power of Attorney

Annexure 4: Power of Attorney in favour of Lead Member

Annexure 5: Format for Consortium agreement (in case of Consortiums)

Annexure 6: Confidentiality Undertaking

Annexure 7: Advertisement

Annexure 8: Declaration in relation to Statement of Legal Proceedings

Annexure 9: Format of Affidavit

Annexure 10: Guidelines for management-employee bids in strategic sale

Annexure 11: Undertaking for Sole IB (Lock-in period)

Annexure 12: Undertaking for Consortium (Lock-in period)

13. Following the receipt of the PIM, IBs will be required to submit their respective EoI in the formats as detailed in this PIM along with non-refundable **Application Fees** as detailed herein.
14. IB's shall have satisfied themselves of their queries before participating in the Proposed Transaction.

The QIBs shall carry out their own due diligence, independent investigative assessment and appraisal of the Companies and the Proposed Transaction including all information provided as a part of the PIM and RFP. The GoI or the Companies or TA or their respective affiliates, subsidiaries, consultants, agents, officials, advisors, and employees make no representations in relation thereto and shall not be liable in any manner whatsoever for any decision taken on the basis of such information.

15. Details regarding the process to be followed in relation to the Proposed Transaction after the IBs have been shortlisted in Stage I will be subsequently shared with the QIBs in the RFP.
16. EoIs are liable to be rejected by the GoI if the relevant IBs fail to meet the qualifying eligibility criteria as specified in the section titled 'Eligibility Criteria' of this PIM and / or are disqualified in accordance with the conditions specified in section titled 'Disqualifications' of this PIM or any other terms and conditions mentioned in the PIM or for any other reason deemed fit, or even without assigning any reason whatsoever.
17. GoI reserves the right to modify / postpone / cancel or call off the Proposed Transaction without communicating any reasons whatsoever. In such an event, no financial obligation whatsoever shall accrue to the GoI, Companies, or TA or any of their respective affiliates, associates, officers, employees, advisors or agents.
18. TA also reserves the right to call for any additional document(s) / information from the IBs (after the EoI deadline), which may be considered necessary for evaluation of the EoI or otherwise, in the sole discretion of TA, without any liability to the GoI, Companies, TA or their respective affiliates, associates, officers, employees, advisors or agents.
19. A site visit (cost of which will be borne by the QIBs) may be scheduled to facilitate the QIBs in their assessment of the Company, at the discretion of GoI. The modalities related to the visit and due diligence will be communicated to the QIBs at the time of scheduling.
20. The GoI, TA, Company and their respective advisors shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the PIM or the EoI process, including any error or mistake therein or in any information or data given by the Advisor.

By submitting their EoIs, the IBs shall be deemed to have acknowledged that the PIM is not a legally binding document. In case of any dispute between the parties in respect of interpretation of the terms of Advertisement, this PIM, or anything arising therefrom, such dispute shall be referred to the President of India or such other officiating person and s/he shall adjudicate and decide the dispute, if any, between the parties and his decision shall be final, conclusive and binding on all parties. The laws of the Republic of India shall govern all matters relating to the Proposed Transaction. All disputes will be subject to jurisdiction of the courts at New Delhi (to the exclusion of all other courts).

21. The PIM, or any other clarifications and common communications thereto would be available on the following websites:

- a. Website of TA at <https://www.pwc.in/>
- b. Website of HLL at <http://www.lifecarehll.com>
- c. Website of DIPAM at <http://dipam.gov.in>
- d. Website of MoHFW at <https://mohfw.gov.in/>

IBs are advised to check the above websites regularly for any updates on the Bid Process

Neither the IBs nor any of the IB's representatives shall have any claims whatsoever against the Companies / GoI / TA or their advisors or any of their respective officials, agents, consultants or employees arising out of, or relating to this PIM.

9. Instruction for submission of EoI

1. The Expression of Interest along with its annexures, conforming to the conditions of this PIM shall be submitted duly filled in, in original and along with all the supporting documents (EoI), at following address on or before the scheduled date and time. The completed forms, “Annexures” along with all the supporting documents of the EoI shall be considered as part of the definitive agreements in the case of successful bid(s). The EoI shall be submitted as follows:
 - a. The complete EoI must be submitted in electronic form via mail to the TA at in_project.grande@pwc.com with all the requisite documents in PDF format upto 3:00 p.m. IST on or before 31st January 2022 (“**Due Date**”). The PDF files should be password protected and the password should be communicated via a separate mail at in_project.grande@pwc.com. All the documents submitted in the electronic form may be either scanned version of documents with physical signatures or signed digitally using a valid Digital Signature Certificate.
 - b. Subsequently, IBs are also be required to submit a physical copy of the EoI along with any supplementary documents upto 3:00 p.m. IST on or before 7th February 2022 at the below address:

Mr. Rajesh Vig / Mr. Dinesh Arora
Partner, PricewaterhouseCoopers Pvt. Ltd.
Building No. 8, Tower – B,
DLF Cybercity,
Gurgaon – 122 002, India

(Note: The above address for submission may be changed at the discretion of the TA)

The EoI along with all the supporting documents of the bid of IB shall be considered as part of the definitive agreements in case the IB is declared as the Confirmed Selected Bidder.

Explanation – For the avoidance of doubt, it is clarified that the Power of Attorney cannot be digitally signed, even if the EoI is submitted in an electronic form, which must be physically signed, witnessed, notarized and legalized / apostilled (as required), as per the procedure specified in the PIM. Such signed Power of Attorney may then be scanned and emailed.

EoIs submitted electronically shall only be evaluated upon receiving of hard copies on or before the date specified.

Pursuant to the submission of EoI, IBs should note that all correspondence, enquiries and clarifications in relation to the Transaction should be routed and addressed **only** to the TA. Neither MoHFW nor DIPAM nor HLL shall respond to any query from the IB.

2. Submission of the aforesaid documents by any other electronic means and / or facsimile will not be accepted.
3. The proposals received after the appointed time and date will be rejected.
4. **Unless otherwise specified, a copy of any document that is not the original shall be a certified true copy for submission.**

5. The IBs shall submit the EoI mentioning the page number on each document, with IB's signature and stamp on each page. The EoI shall be submitted via e-mails titled "**Private and Confidential – Expression of Interest for the Strategic Disinvestment of HLL Lifecare Limited**" as per the following directions:
- A. Covering envelope:
- i. Demand Draft of INR 2,00,000/- (INR Two Hundred Thousand only) towards non-refundable fees ("Application Fees") for the EoI drawn in favour of PricewaterhouseCoopers Pvt. Ltd., payable at New Delhi.
 - ii. EoI letter in the format specified as per Annexure 1.
 - iii. Duly filled in Form A by IB / each member of Consortium as per Annexure 2, including the following major supporting documents:
 - a) Executive summary providing brief description of the IB and (where applicable) for each member of Consortium, containing details like Ownership Structure, Identity of the natural persons who are the Ultimate Beneficial Owners of the IB / each member of Consortium ("Ultimate Beneficial Owner" means the natural person or persons who are the ultimate beneficial owners of the shares and who ultimately own, control or influence and includes a person who exercises ultimate effective control over a legal person or arrangement), the Place of Effective Management of business of the IB and each member of the consortium ("Place of Effective Management" means the place where key management and commercial decisions that are necessary for the conduct of business of an entity as a whole are, in substance made.), etc. write up on business history and growth, business areas / activities, respective revenue details etc., it shall include a brief commentary on the capability of the IB / members of the Consortium, as demonstrated, inter alia, in its past track record, to run its own business.
 - b) Contact information of the IB / each member of Consortium including full name, address, telephone and facsimile numbers, e-mail address and the names and the titles of the persons who are the principal points of contact for each member and identifying lead member of the consortium. Details of the website of the IB / each member of Consortium are also to be provided.
 - c) Basic information pertaining to incorporation and commencement of business for IB / each member of the Consortium.
 - d) Certified true copies of the following documents to be submitted. However, if IB / any member of the Consortium cannot submit any of the following documents, it shall state reasons for the same:
 - i. Memorandum of Association
 - ii. Articles of Association
 - iii. Certificate of Incorporation
 - iv. Certificate of Commencement of Business
 - v. Charter Documents
 - vi. Other Constitution Documents i.e., Partnership Deed etc. as may be applicable
 - vii. SEBI Registration Certificate for AIFs
 - e) A certificate for list of Board of Directors, principal shareholders and key management personnel duly signed by the respective Company Secretary or any officer in charge of secretarial / legal affairs of IBs / each member of Consortium and also counter signed by its authorized signatory.
 - f) A certificate by an independent chartered accountant / statutory auditor / Company Secretary or any other officer in-charge of secretarial / legal affairs, for the shareholding pattern of the IB / each member of Consortium.
 - g) A certificate duly signed by Company Secretary or any other officer in charge of secretarial / legal affairs, for eligibility to participate in the Proposed Transaction.

- h) An independent chartered accountant / statutory auditor certificate certifying the fulfillment of Financial Criteria as specified in the Eligibility Criteria section.
 - i) Audited Financial Statements (on standalone and consolidated basis) / Annual Reports for the previous five financial years. Provided that, in the event IB / any member of Consortium is an unlisted entity, and does not have the audited financial statements of immediately preceding financial year, the latest available unaudited / provisional financial statements may be given as certified by its statutory auditor; in case such entity is a listed entity, and its audited financial statements are not available for the immediately preceding financial year, the information contained in latest Quarterly Limited Review report is to be submitted. However, the audited financial statements of such IB / member of Consortium shall be submitted, as and when prepared as per the statutory requirements and timelines of the relevant countries where it is incorporated. All financial statements / annual reports / net worth certificate submitted should be certified by authorized signatory. In case the IB / any member of the Consortium cannot submit the consolidated financial statements as mentioned above, it shall specify reasons for the same. GoI / TA shall reserve the discretion for rejecting such EoIs for any reason deemed fit or otherwise.
 - j) Documents such as a board or shareholders' resolution in favor of the person executing the Power of Attorney for the delegation of power on behalf of the IB / member of Consortium. (The date of execution of board or shareholders' resolution should be prior to the date of execution of the Power of Attorney)
 - k) Management Organization: An overview of IB's / each member of the Consortium's senior management and organization structure certified by the company secretary or any other officer in charge of secretarial / legal affairs of the IB / each member of Consortium.
 - l) International Operations / JV / Alliances: Brief note of IB's / member of Consortium's international operations, JVs, alliances (whether international or domestic), including incorporation details, registered office, nature and size of such operations, equity ownership / effective management and control (as applicable).
 - m) Details of those companies and professional firms, if any, who are (or will be) advising the IB / Consortium / member of Consortium for the Proposed Transaction, together with the names of the principal individual advisors at those companies and firms.
 - n) Details of contingent liabilities and outstanding litigations, which if materialized, would have, or would reasonably be expected to have a material adverse effect on the business, operations (or results of operations), assets, liabilities and / or financial condition of the IB / member of Consortium, or other similar business combination or sale.
 - o) If the IB / any member of Consortium is an entity / overseas corporate body, specify list of statutory approvals from the Government of India / the Reserve Bank of India / relevant ministry / any other Government agency, specifying whether the same is applied for / to be obtained / awaited.
- iv. Appropriately executed Power of Attorney authorizing the signatory of the EoI to commit the IB / each member of Consortium (as per **Annexure 3** and **Annexure 10** for Employee Bids).
 - v. Appropriately executed Power of Attorney authorizing the lead member of Consortium to do all acts, deeds and things as may be necessary in connection with the Consortium's Bid for the Transaction (as per **Annexure 4**)
 - vi. In case of a Consortium, a Consortium Agreement duly executed amongst each of the Consortium members (as per **Annexure 5**).
 - vii. Duly executed Confidentiality Undertaking (as per **Annexure 6**).
 - viii. A declaration in relation to statement of legal proceedings (as per **Annexure 8**).
 - ix. Duly executed Affidavit (as per **Annexure 9**).

In case an IB is satisfying the Eligibility Criteria based on the Net Worth of the entity into which the accounts of the IB are consolidated, the criteria for qualification and disqualification shall also be applicable to such entity apart from the IB, and such entity shall also provide all the declarations in the formats required as part of EoI.

6. All the EoI(s) shall be valid for 180 days from the date of opening of the EoI and can be further extended by another 180 days on intimation to the Interested Bidders.
7. PIM is available for downloading from websites of the TA at <https://www.pwc.in/>, HLL at <http://www.lifecarehll.com>, DIPAM at <http://dipam.gov.in> and of MoHFW at <https://mohfw.gov.in/>.
8. No IB / member of Consortium shall submit more than one EoI. An entity submitting EoI individually or as a member of a consortium shall not be entitled to submit another EoI either individually or as a member of any other consortium, as the case may be.
9. The IBs / members of Consortium are expected to carry out their own investigations and other examination in relation to the Transaction before submitting their EoIs.
10. Notwithstanding anything to the contrary contained in this PIM, the detailed terms specified in the definitive agreements shall have overriding effect; provided, however, that any conditions or obligations imposed on the IB / member of Consortium hereunder shall continue to have effect in addition to its obligations under the definitive agreements.
11. All financial statements or data to be derived therefrom for the evaluation of Financial Criteria referred herein shall mean on a Consolidated Basis.
12. Any condition or qualification or any other stipulation contained in the EoI shall render the EoI liable to rejection as a non-responsive EoI.
13. The EoI and all related correspondence and documents in relation to the EoI shall be in English language.
14. The documents including this PIM and all attached documents are and shall remain or become the properties of the GoI and are transmitted to the IBs solely for the purpose of preparation and the submission of an EoI in accordance herewith. IBs are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their EoI.
15. EoIs shall be opened only after the Due Date of submission of EoIs.
16. EoIs shall be submitted during the working hours (Monday to Friday 10:00 am IST to 5.00 pm IST) on or before scheduled date & time.
17. Advisor / GoI / Company shall bear no responsibility for non-receipt of documents sent by post / courier.
18. The IBs shall bear all costs associated with the preparation and submission of the EoI and also all costs associated with conducting the due diligence. The Advisor / GoI / Company shall not, under any circumstances, be responsible or liable for any such costs, whether direct, incidental, or consequential and no cost incurred by the IBs in this regard shall be borne by the Company, GoI and Advisor.
19. **Enquiry:** GoI / Company reserves the right, in their sole discretion, not to respond to any questions raised or provide clarifications sought, if considered inappropriate or prejudicial to do so or even otherwise. Nothing in this section shall be taken or read as compelling or requiring the GoI / Company to respond to any question or provide any clarification. No extension of any time and date referred to in this PIM shall be granted on the basis or grounds that the GoI / Company has not responded to any question or provided any clarification.
20. **Governing Law / jurisdiction:** The Proposed Transaction and all matters incidental thereto shall be governed by the laws of India. All disputes arising out of the Proposed Transaction shall be subject to the exclusive jurisdiction of the courts at New Delhi.

21. **Requisite approvals:** The IB shall be required to obtain all necessary approvals required to enable the IB to enter into the definitive agreements and to consummate the Proposed Transaction including obtaining all approvals.
22. **Amendment to PIM and invitation for EoI:** At any time prior to the Due Date for submission of EoI, GoI may, for any reason, whether at its own initiative or in response to clarifications requested by any Bidder, modify the PIM by the issuance of addendum / corrigendum. Any addendum / corrigendum / clarification issued shall be uploaded on websites of the TA at <https://www.pwc.in/>, HLL at <http://www.lifecarehll.com>, DIPAM at <http://dipam.gov.in> and of MoHFW at <https://mohfw.gov.in/>.

In order to afford the Interested Bidders a reasonable time for taking an addendum into account, or for any other reason, GoI may, in their sole discretion, extend the Due Date for submission of EoI.
23. Any additional information supplied subsequent to the Due Date of submission of EoI, unless the same has been expressly sought for by GoI / TA, shall be disregarded.
24. Notwithstanding anything contained in this PIM, the GoI / TA reserves the right to reject any or all EoIs on the grounds of national interest, national security, public interest, or any other grounds without communicating any reasons thereof and without any liability or any obligation for such rejection.
25. The GoI / TA / Company shall not be liable for any omission, mistake, or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the PIM or the EoI process, including any error or mistake therein or in any information or data given by the Advisor.
26. The GoI / TA reserves the right to verify all statements, information and documents submitted by the IB / any member of Consortium in response to the PIM, or the EoI process and the IB / any member of Consortium shall, when so required by the GoI / TA, make available all such information, evidence and documents as may be necessary for such verification. Any such verification or lack of such verification, by the GoI / TA shall not relieve the IB / any member of Consortium of its obligations or liabilities hereunder nor will it affect any rights of the GoI thereunder.
27. The IBs / members of Consortium may note that the files containing information about HLL can be in various formats including without limitation, doc, xls, ppt, pdf, jpg, jpeg, zip etc. and it shall be the responsibility of the IB / members of Consortium to have suitable facilities at their end to download the uploaded files.
28. The IBs / members of Consortium shall evaluate and ensure that they are permitted to invest under applicable laws to the extent they propose to participate.
29. Only IBs / members of Consortium which are permitted under applicable laws to participate (to the extent of their proposed participation) shall be permitted to bid.

10. Eligibility Criteria

The eligibility Criteria for the IBs are as follows (“**Eligibility Criteria**”):

1. **Incorporation criteria:**

- a) Any private limited company, public limited company, limited liability partnership, fund or body corporate whether registered or incorporated in India or outside or Alternative Investment Funds registered with SEBI (“AIF”) as per SEBI (Alternative Investment Funds) Regulations, 2012; which are eligible to invest under the laws of India (subject to such parties obtaining all statutory approvals by themselves from the GoI, RBI, relevant ministry etc. as applicable) either as a sole bidder or as part of a Consortium (“Interested Bidder” / “IB”).
- b) CPSEs or central government owned cooperative societies i.e., entities where the direct holding of the central government or of other CPSEs is 51% or more are not eligible to participate in the Proposed Transaction.
- c) Bids by management / employees of HLL directly and independently or in consortium or JV or as a SPV, along with a bank, venture capitalist or a financial institution will be considered in accordance with the guidelines issued by Department of Investment and Public Asset Management, annexed herewith as per Annexure 10 (“Guidelines”) if the legal entity so formed is qualified as per the criteria laid down in the PIM.

2. **Conditions for bidding by Consortium:** Entities are permitted to form a consortium (“Consortium”) and may participate in the Transaction (these entities shall be referred to as “member(s) of Consortium” or “member(s)”), subject to the following conditions:

- a. Minimum stake requirement in the Consortium / SPV:
 - i. Each member of the Consortium: Each member of the Consortium shall hold at least 10% in the equity share capital of the SPV (i.e., a company) promoted or to be promoted by the members of the Consortium for acquiring the 100% equity share capital of GoI in HLL being disinvested pursuant to the Transaction.
 - ii. Lead Member: Each consortium is required to declare one Lead Member who shall hold at least 51.00% equity share capital of the SPV (i.e., a company) promoted or to be promoted by the members of the Consortium for acquiring the GoI stake being divested in HLL.

3. **Financial Criteria:** For submitting the EoI and for being considered for subsequent qualification for Stage II of the Transaction, the IB shall satisfy the following Financial Criteria (“**Financial Criteria**”):

- a. Net worth Criteria:
 - i. Where IB is a sole bidder: A Minimum Net Worth (“Minimum Net Worth”) of INR 300 crores as per the latest audited annual consolidated financial statements which shall not be older than 12 months from the date of the PIM.

The Net Worth criteria may be satisfied either by the IB or by the entity into which the accounts of the IB are consolidated.

- ii. Where IB is a Consortium:

- a. The combined Net Worth of all the members of the Consortium should meet the Minimum Net Worth Criteria as mentioned in 3.a.i. above
- b. Combined Net Worth in case of a Consortium would be calculated as = Net Worth of member 1 + Net Worth of member 2 + Net Worth of member 3 + Net Worth of member 4 (as applicable, depending on number of members in Consortium)
- c. The Lead Member of the Consortium shall have a Net Worth, which is at least in proportion to its shareholding in the entire consortium, towards the calculation of Minimum Net Worth.
- d. All members of consortium shall have a minimum net worth, which is at least equal to their respective shareholding in the consortium as percentage of the Minimum Net Worth criteria mentioned on clause 3.a.i.
For example:
 - If a member of Consortium has 30% shareholding in the consortium, it is required to have a minimum Net worth which is at least equal to: Rs 90 crores (i.e., 30% of INR 300 crores)
 - If a member of Consortium has 51% shareholding in the consortium, it is required to have a minimum Net worth which is at least equal to: Rs 153 crores (i.e., 51% of INR 300 crores)

b. **Profitability Criteria:**

- i. Where IB is a sole bidder: Positive Profit after Tax (“PAT”) in at least two of the immediately preceding five financial years from the date of publication of this PIM. Where IB was incorporated less than five years ago, it should have positive PAT in at least two of the immediately preceding three completed financial years (each of not less than 12 months duration) from the date of publication of this PIM completed financial years, to be considered eligible (“Profitability Criteria”).

In the event IB is a sole bidder and has come into existence as a result of a merger / demerger / amalgamation of 2 (two) or more entities, the sum of the Profit after Tax of such entities should be positive in at least 2 (two) out of the last 5 (five) financial years.

- ii. Where IB is a Consortium: The Lead Member of the Consortium should have positive PAT in at least two of the immediately preceding five financial years from the date of publication of this PIM. Where entity was incorporated less than five years ago, it should have positive PAT in at least two of the immediately preceding three completed financial years (each of not less than 12 months duration).
- iii. PAT mentioned above in this clause shall mean Profit after Tax prior to any dividend pay-out.
- iv. The Profitability Criteria is not applicable for Funds and employees of HLL.

4. **Formation of SPV:**

- a. Where IB is a Sole bidder: If IB is a sole bidder, it has the option to either directly hold shares of HLL or hold shares through an investment vehicle (SPV) incorporated within stipulated time, under the laws of India, once finally selected prior to entering into the definitive agreements, as may be

prescribed by the GoI in the RFP. The SPV can be formed at any time after submission of EoI but prior to signing of the definitive agreements. Such SPV will be a wholly owned subsidiary of IB.

- If an IB satisfies the Net Worth Criteria on the basis of the Net Worth of its parent, then the IB and the parent both will have to sign the SPA. In such a case if such IB forms a SPV, then the IB, its parent and the SPV, all three will have to sign the SPA.
- b. Where IB is a Consortium: If IB is a Consortium, the Consortium shall incorporate a SPV (in the form of a company) under the laws of India, once finally selected prior to entering into the definitive agreements. The SPV is required to be incorporated at any time after submission of EoI but prior to signing of the definitive agreements. The shareholding of the SPV shall be the same as the shareholding of the members in the Consortium.
- c. Examples on Financial Criteria assessment for consortiums: *(the below mentioned examples are only illustrative and meant for explaining the Financial Criteria assessment only)*
- i. Example of Financial Criteria assessment in case of a 3-member Consortium:

Member 1	Member 2	Member 3	Eligibility
Stake in Consortium: 51%	Stake in Consortium: 25%	Stake in Consortium: 24%	Consortium qualifies as: Net Worth Requirement (Clause 3.a. of this section): All the Members of the Consortium meet minimum proportionate share of the prescribed combined Net Worth Requirement. Consortium meets the combined Net Worth requirement
Net Worth: INR 153 crores	Net Worth: INR 75 crores	Net Worth: INR 75 crores	
Profit After Tax: Positive in 2 out of 5 years	Profit After Tax: Positive in 2 out of 5 years	Profit After Tax: Positive in 3 out of 5 years	Profitability Requirement (Clause 3.b. of this section): Members meet the requirement of positive Profit After Tax in 2 out of last 5 years
Category: Company	Category: Company	Category: Company	Minimum Stake Requirement (Clause 2.a. of this section): Member 1 of Consortium holds 51% stake and qualifies under Minimum Stake Requirement for Lead Member (Clause 2.a.ii. of this section). Members 2 and 3 hold 25% and 24% stake respectively and qualify under Minimum Stake Requirement for non-Lead Members (Clause 2.a.i. of this section)

5. Bids by management / employees of HLL shall satisfy the minimum Net worth criteria as specified in Financial Criteria clause. The combined net worth of participating employees and bank / venture capitalist / financial institution, as may be applicable, shall be considered for calculating minimum net worth requirement as per Financial Criteria clause and in accordance with Conditions for bidding by Consortium.
6. Net worth of IBs / members of the Consortium shall be calculated as follows:
- a. In case of a company: “Net worth” shall be calculated as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure, Intangible Assets, redemption reserves, reserves made for any specific purpose and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets,

write-back of depreciation and amalgamation. Further, the cross holding of investments amongst the consortium members is also to be deducted where the IB is a Consortium.

- b. In case of LLP: "Net worth" shall be calculated as aggregate value of Partners' Capital and all reserves created out of the profits, after deducting the aggregate value of the accumulated losses, deferred expenditure, Intangible Assets, redemption reserves, reserves made for any specific purpose and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, the cross holding of investments amongst the consortium members is also to be deducted where IB is a Consortium.
- c. In case of a Fund: For SEBI registered Alternative Investment Fund (AIF) other than LLPs and companies, Net worth shall be considered as either committed capital / Available Capital for Investment (ACI) of Rs. 300 crores or minimum assets under management (AUM) of Rs. 1,200 crores.

The Transaction Advisor reserves the right to ask for any additional documents as required to verify and assess the eligibility.

7. Financial Criteria shall be assessed on the basis of:

- a. In case of IBs / members of Consortium other than Funds and employees: Based on latest audited financial statement of each IB / member of Consortium (on Consolidated Basis), which shall not be older than 12 months from the date of publication of this PIM. The fulfilment of Financial Criteria is to be certified by an independent chartered accountant / statutory auditor. The financial statements on the basis of which the Financial Criteria shall be assessed shall correspond to accounting periods completed (each of not less than 12 months duration) and shall not be based on partial periods.
- b. If the audited financial statements are not available for the immediately preceding financial year, latest unaudited / provisional numbers as certified by the statutory auditors (in case of an unlisted entity) or information contained in latest Quarterly Limited Review report (in case of a listed entity) shall be considered, provided they are not older than 12 months from the date of publication of this PIM.
- c. If an IB is found to be satisfying Net Worth criteria on the basis of its parent's Net Worth, the consolidated Net Worth of its parent will be considered.
- d. In case of consolidated financials, Non-Controlling Interest (NCI) shall be included in the definition of Net Worth.
- e. In case the IB / any member of Consortium is not required to prepare consolidated financial statements as part of statutory requirements, the standalone financial statements are to be used for assessment. However, the same would be accepted only if the certificate for fulfilment of Financial Criteria submitted by the IB / member of Consortium clearly mentions the nonrequirement for preparation of consolidated financial statements, in the manner specified in Annexure 2. GoI / TA shall reserve the discretion for rejecting such EoIs for any reason deemed fit or otherwise.
- f. In case of Funds: The ACI / AUM would be considered as per independent chartered accountant / statutory auditor's certificate not older than 3 months from the date of PIM.
- g. In case of bids by management / employees of HLL: Practicing Chartered Accountant's certificate not older than 3 months from the date of PIM, certifying Net worth of employees.

The Transaction Advisor reserves the right to ask for any additional documents as required to verify and assess the eligibility.

8. **Change in Consortium**

Change in Consortium is permitted as per the following conditions. Change may include addition of a new member, removal of a member, or change in shareholding of members.

- a. A qualified IB who has submitted the EoI as a Sole Bidder and wishes to form a Consortium for final bid, shall be permitted to form a Consortium with such IB acting as the Lead Member, within 6 weeks from the date of shortlisting for Stage II or for within an extended period as intimated in Stage II, from the date of shortlisting for Stage II, subject to submission of required documents had the Consortium been formed at the outset. Additionally, each of the Consortium members should be qualified as required in this document as applicable had the Consortium been formed at the outset.
 - b. In case an IB had submitted the EoI as a Consortium, then a one-time change to the Consortium shall be permitted within 6 weeks from the date of shortlisting for Stage II or for within an extended period as intimated in Stage II, from the date of shortlisting for Stage II. This would include permitting of a change where the Lead Member of the Consortium would like to continue as a Sole Bidder without other members of the Consortium.
 - c. In case where two sole bidders have been qualified based on the EoI submitted by each of the sole bidders, the formation of a consortium by the sole bidders shall not be permitted. Similarly, in case two Consortia are qualified based on the EoI submitted, then consolidation into a single Consortium shall not be permitted.
 - d. An IB submitting the EoI cannot be replaced by another subsidiary of its parent or a SPV created by its parent at any stage of the Proposed Transaction even when the parent's Net Worth is used to qualify the eligibility.
 - e. The IB shall have to apply for such a change to the TA. The TA may grant approval to such a Consortium subject to new proposed Consortium member meeting the eligibility criteria and the following:
 - i. The change shall be permitted only once per Consortium.
 - ii. No change in Lead Member shall be allowed.
 - iii. Jumping from one Consortium to another shall not be permitted.
9. On being selected as the Successful Bidder,
- a. If the IB (in the form of a sole bidder) makes the investment through a SPV, such IB (as the Parent of the SPV) shall be required to irrevocably and unconditionally guarantee to the GoI that such SPV shall, at all times, fully and faithfully perform and discharge all its obligations under the definitive agreements or other materials prepared in connection with the Proposed Transaction.
 - b. If the IB (in the form of a Consortium) makes the investment through a SPV then each member of the Consortium shall jointly and severally, irrevocably, and unconditionally guarantee to the GoI that such SPV shall, at all times, fully and faithfully perform and discharge all its obligations under the definitive agreements or other materials prepared in connection with the Proposed Transaction.
10. The IBs shall ensure that they are permitted to invest under applicable laws to the extent they propose to participate.
11. The fact that GoI may entertain bids by entities (including SPVs) from a jurisdiction outside of India should not be construed as approval from GoI on any tax issues relating to foreign investments in India that may arise in relation to the Proposed Transaction. IB has to comply with relevant tax laws and procedure.
12. In shortlisting interested parties, GoI will pay due attention, inter-alia to the security requirements of the country.
13. Where the financial statements are expressed in a currency other than the Indian Rupee, the eligible amount as described above shall be computed by taking the equivalent amount at the exchange rates prevailing on the dates of such financial statement as stipulated by Reserve Bank of India. All financial information required for satisfying the eligibility criteria shall be represented in Indian Rupees.

14. The GoI reserves the right to seek any additional indemnities, warranties, representations or performance obligations from the bidders or any of their group companies to their satisfaction.

The TA reserves the right to ask for any additional documents as required to verify and assess the eligibility.

15. IB expressly agrees and understands that if it is selected as the Confirmed Selected Bidder, it may be required to comply with lock-in requirements related to equity, control, continuity of business, staff etc. for a period as clarified in the Stage II of the Proposed Transaction.
16. IB expressly agrees and understands that if it is selected as a Confirmed Selected Bidder, till such time as the GoI owns any shareholding in HLL or businesses thereof in which the Confirmed Selected Bidder has acquired an equity ownership stake as a result of the Proposed Transaction, the Confirmed Selected Bidder shall carry on the business of HLL or parts thereof:
 - a. On a going-concern basis, as was being conducted prior to the date of completion of the Proposed Transaction; and
 - b. On an arms-length basis from existing business activities of the Confirmed Selected Bidder or any related parties thereof

17. The ultimate beneficial owner for any IB should not be the same as that of any other IB or of any Consortium Member. In case of a Consortium, the Ultimate Beneficial Owner of any member of the Consortium should not be the same as that of any member of any other Consortium or that of any sole bidder. In this regard, the IB/consortium member shall submit an undertaking in form of Annexure 1A.

In case of any IBs who are funds (including AIFs), Ultimate Beneficial Owner would mean the investment management entity which manages the investments of the fund and not the investors who have invested in the fund.

11. Disqualifications

1. GoI / TA shall not consider for the purpose of qualification, any EoI which has been found to be incomplete in content or attachments.
2. Without prejudice to any other rights or remedies available to GoI / TA, the GoI / TA reserves the right to, disqualify any IB or Consortium or member of Consortium and exclude its EoI from further consideration for any of the following reasons (including without limitation) listed below:
 - a. Misrepresentation / false statement is made by an IB or any member of a Consortium, at any stage in the Strategic Disinvestment process, whether in the EoI, the financial bid, supporting documentation or otherwise and whether written or oral.
 - b. If the EoI submitted by the IB or Consortium is in any respect inconsistent with, or demonstrate any failure to comply with, the provisions of the PIM, including not being accompanied by the fees of the specified amount, or the EoI being conditional in any respect.
 - c. Failure by IB / any member of Consortium to provide, within the time specified by the GoI / TA, the supplemental information sought by the GoI / TA for evaluation of the EoI.
 - d. Submission of more than one (1) EoI by any IB / any member of Consortium whether directly or indirectly either as sole bidder or as member of Consortium in which case, all such EoIs shall be rejected.
 - e. Submission of more than one (1) EOI by any IB either as sole bidder or as Consortium Member in which case, all such EOIs or where the Ultimate Beneficial Owner of any IB / Consortium Member is the same as that of any other IB / member of any other Consortium, shall be rejected.
 - f. The IB / Consortium / any member of Consortium not satisfying the eligibility criteria and requisite qualification criteria specified in this PIM and hence not being eligible.
 - g. CPSEs or Central Government owned Cooperative Societies i.e., entities where the direct holding of the Central Government or of other CPSEs is 51% or more are not eligible to participate in the Proposed Transaction.
 - h. Failure to comply with any reasonable request of GoI / TA in relation to the Proposed Transaction.
 - i. If it is discovered at any time that the IB / any member of Consortium and / or its promoters are subjected to any winding up / insolvency proceedings or other proceedings of a similar nature.
 - j. Any information regarding or in connection with the IB / any member of Consortium which becomes known that is detrimental to the national security and / or national interest and / or Proposed Transaction and / or the interests of the GoI / Company.
 - k. If at any stage of the process the IB / any member of Consortium and / or its directors / promoters are denied security clearance, or their security clearance is revoked by the GoI.
 - l. Initiation or existence of any legal proceedings, by or against the IB / any member of Consortium in respect of the Company, which proceeding may be prejudiced by the participation of the IB / any member of Consortium in the selection process or the Proposed Transaction.
 - m. The loans availed by the IB / any member of Consortium (including its parent and subsidiaries) availed from either banks or financial institutions has been classified as 'non-performing asset' or any equivalent classification.

- n. IB / any member of Consortium is an entity or promoters, or promoter groups or directors debarred from accessing or operating in the capital markets or restrained from buying, selling, or dealing in securities by any Governmental Authority.
- o. IB / any member of Consortium is an entity or promoters or promoter groups or directors appearing in the RBI list of wilful defaulters or any such list by a competent authority in their respective jurisdiction.

“Wilful Defaulter” means an issuer who is categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.

- p. IB / any member of Consortium is an erstwhile Overseas Corporate Bodies (OCB) which is incorporated outside India and are under the adverse notice of RBI. “OCBs” mean a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty % by Non-Resident Indians and includes overseas trust in which not less than sixty % beneficial interest is held by Non-resident Indians directly or indirectly but irrevocably, which was in existence as on the date of commencement of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003) and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under Foreign Exchange Management Regulation Act, 1999.
- q. IB / any member of Consortium is prohibited or restricted from investing in HLL on the basis of status or sector in which HLL operates under FEMA, 1999 or any regulations made thereunder and including the provisions of the consolidated Foreign Direct Investment Policy (FDI Policy). It is being clarified that sectors where government approval is required will not be considered as ‘restricted’ from investing.
- r. GoI is not satisfied with sources of funds / ownership structure of the IB / any member of Consortium. If any of the members of the Consortium are disqualified, all the members of the Consortium shall automatically stand disqualified.
- s. Any condition or qualification or any other stipulation inserted by the IB contained in the EoI shall render the EoI liable to rejection.

- 3. If any information or disqualification is discovered or becomes known after the IB has been qualified to Stage II, which information / disqualification would have entitled GoI / TA to reject the EoI of relevant IB / Consortium, GoI / TA, reserves the right to reject the IB / Consortium at the time such information / disqualification becomes known to / discovered by GoI / TA. Where such party is a consortium, GoI / TA, may disqualify the entire Consortium, even if the information/disqualification pertained/applied to only one member of the Consortium.
- 4. GoI’s / TA’s, determination that one or more of the events specified in Clauses 1), 2) and 3) has occurred shall be final and conclusive.
- 5. In addition to the eligibility of the IB being a sole bidder, each of the members of Consortium and the Consortium as a whole must be eligible, as per criteria mentioned in this PIM, on the date of submission of the EoI and must continue to be eligible throughout the Proposed Transaction.
- 6. In regard to matters relating to the national security and national integrity, any charge-sheet by any Governmental Authority / conviction by a court of law including under the provisions of the Indian Penal Code or Official Secrets Act or any other relevant legislation for an offence committed by the IB or any of the members of Consortium or by any of their respective sister concerns or any of their promoters, promoter group and directors would result in disqualification. The decision in regard to the relationship between the sister concerns would be taken based on the relevant facts and after examining whether the two concerns are substantially controlled by the same person / persons. The term ‘promoter’ shall have the same meaning as defined under the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the term ‘promoter

group' shall have the same meaning as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

“Governmental Authority” means (a) the government of India or the government of any state or other political subdivision thereof in India; (b) any other governmental or quasi-governmental or statutory or regulatory authority, agency, department, board, commission or instrumentality of India or of any state or political subdivision thereof including without limitation the Foreign Investment Promotion Board and the Reserve Bank of India; or (c) any court, tribunal, judicial or quasi-judicial authority of competent jurisdiction in India or any arbitration tribunal (including a sole arbitrator).

7. Any condition or qualification or any other stipulation inserted by the IB / any member of Consortium contained in the EoI shall render the EoI liable to rejection.
8. Breach of Confidentiality Undertaking executed by the IB / any member of Consortium.
9. If the IB / any member of Consortium does not satisfy any of the requirements as may be issued by the GoI by way of notifications / issue of guidelines / circulars or such similar notifications from time to time, including any conditions of disqualifications, the EoI submitted by the IB / Consortium shall be disqualified.
10. Notwithstanding anything contained in this PIM, the GoI reserves the right to reject any EoI and to annul the EoI process and reject all EoIs at any time without any liability or any obligation for such acceptance, rejection, or annulment, including on grounds of national integrity, national security, and national interest and without assigning any reasons, therefore. In the event that the GoI rejects or annuls all the EoIs, it may, in its discretion, invite all eligible IBs to submit fresh EoIs hereunder.
11. The GoI reserves the right not to proceed with the EoI process at any time, without notice or liability, and to reject any EoI without communicating any reasons.
12. Integrity Pact Clause: If an IB is found involved in corrupt practices, unfair means or illegal activities during any stage of its bid or during pre-contract or post-contract stage, the IB shall be disqualified, at the sole discretion of GoI.

Annexures

Annexure 1: Format for Letter of EoI for Sole IB / Consortium

(To be submitted on the letterhead of the Interested Bidder (IB) / lead member of Consortium on behalf of itself and the Consortium members submitting the EoI)

Reference No. _____ Date _____

To,

Mr. Rajesh Vig / Mr. Dinesh Arora
Partner, PricewaterhouseCoopers Pvt. Ltd.
Building No. 8, Tower – B,
DLF Cybercity,
Gurgaon – 122 002, India

Kind Attention: [●]

Sub: INVITATION OF EXPRESSION OF INTEREST FOR STRATEGIC DISINVESTMENT OF HLL LIFECARE LIMITED

Sir,

This is with reference to the advertisement dated 14th December 2021 (“**Advertisement**”) inviting Expression of Interest (“EoI”) for strategic disinvestment of 100% of the equity share capital of HLL Lifecare Limited (“HLL”) held by Government of India (“GoI”) in HLL, which will include HLL’s shareholding interest in identified subsidiaries and associates along with transfer of management control (“**Strategic Disinvestment**”).

We have read and understood the contents of the Advertisement and the Preliminary Information Memorandum dated 14th December 2021 (“**PIM**”) and are desirous of participating in the Strategic Disinvestment and confirm and undertake as follows:

1. We are interested in bidding for the Strategic Disinvestment of 100% of the equity share capital of HLL.
2. [We propose to submit our EoI in individual capacity as [●] (hereinafter referred to as the “**Interested Bidder**” or “**IB**”) (name of Interested Bidder) having its registered office at [●]

OR

We have formed a consortium comprising of [●] members (“**Consortium**”) as follows:

- a) [●] holding [●]% shareholding in the Consortium;
- b) [●] holding [●]% shareholding in the Consortium; and
- c) [●] holding [●]% shareholding in the Consortium

We have agreed that [●] shall act as the Lead Member of the Consortium (“**Lead Member**”) and we propose to submit this EoI on behalf of the Lead Member and other consortium members as mentioned hereinabove.]¹⁰

3. We have examined in detail and have understood the terms and conditions and eligibility criteria stipulated in the Advertisement and the PIM and satisfy the eligibility criteria detailed in the Advertisement and the PIM.
4. We confirm and represent that we have the requisite corporate authorization to submit the EoI.

¹⁰ Strike out whichever is not applicable
Preliminary Information Memorandum
PwC

5. We represent that all the information provided in the EoI along with supporting documents is complete and accurate in all respects.
6. We have agreed that [●] (insert name and designation of individual) will act as our representative / representative of the Consortium and has been duly authorized to submit the EoI along with all the documents to be submitted pursuant to the EoI (“**Representative**”).
7. The Representative is vested with the requisite power and authority to furnish this letter and Form A and authenticate the same.
8. We agree to form a SPV, under the laws of India, once finally selected to enter into the definitive agreements. The shareholding of the SPV shall be the same as the shareholding of the Members in the Consortium. (*applicable for the case of Consortium only*)
9. [We undertake that in the event we are selected as the Successful Bidder and make the investment through a SPV, we (as the Parent of the SPV) shall be required to irrevocably and unconditionally guarantee to the GoI that such SPV shall, at all times, fully and faithfully perform and discharge all its obligations under the definitive agreements or other materials prepared in connection with the Proposed Transaction. (*applicable for the case of sole bidder only*)

OR

10. We undertake that in the event we are selected as the Successful Bidder and make the investment through a SPV then each member of the Consortium shall jointly and severally, irrevocably and unconditionally guarantee to the GoI that such SPV shall, at all times, fully and faithfully perform and discharge all its obligations under the definitive agreements or other materials prepared in connection with the Proposed Transaction (*applicable for the case of Consortium*).]¹¹
11. We acknowledge that GoI will have rights of enforcement as against the SPV mentioned above under the parent guarantee and [also against the members of the Consortium for breach of undertakings and representations made to the GoI under the EoI including under Annexure 5 (Consortium Agreement)]¹².
12. We undertake that in the event we are finally selected to enter into definitive agreements, we shall continue the business of the Company in its entirety as being conducted as on the completion of the Proposed Transaction on a going concern basis.
13. We certify that neither have we been convicted by any Court of law, indicted, nor has any adverse order been passed against us by a regulatory authority which would cast a doubt on our ability to manage the public sector unit when it is disinvested, or which is related to a grave offence that outrages the moral sense of the community.
14. We further certify that in regard to matters relating to security and integrity of the country, no charge sheet has been filed by any agency of the Government of India or convicted by a Court of law, including under the provisions of the Indian Penal Code or Official Secrets Act, for any offence committed by us or by any of our group concerns.
15. We further certify that no investigation by a regulatory authority is pending either against us or against our group concerns or against any of our directors or key managerial personnel or employees.

¹¹ Strike out whichever is not applicable

¹² Delete in case IB is a sole bidder

16. In the event we are attracted by any of the disqualifications in terms of the PIM during the pendency of the process of Strategic Disinvestment, owing to change in facts or circumstances, we would intimate the Advisor of the same immediately.
17. We represent that we are not disqualified to enter into or perform our obligations in relation to the Proposed Transaction (including acting as promoter of the company) pursuant to the applicable laws including regulations, guidelines, orders, directions, or instructions of any regulatory authority (including SEBI or RBI), administrative authority or department or ministry of central or state government or any court in India.
18. We, however, understand that GoI reserves the right to decide whether or not to qualify our proposal without assigning any reason whatsoever and without any liability.
19. We represent that the loans availed by us (including our parent and subsidiaries) have not been classified as 'non-performing asset' or such similar classification by either banks or financial institutions.
20. We represent that we are not entities or promoters, or promoter groups or directors debarred from accessing or operating in the capital markets.
21. We represent that we are not entities or promoters or promoter groups or directors appearing in the RBI list of willful defaulters or any such competent authority in their respective jurisdiction.
22. We represent that we are not erstwhile Overseas Corporate Bodies which are incorporated outside India and are under the adverse notice of RBI.
23. We represent that we are not prohibited or restricted from investing in HLL on the basis of status or sector in which HLL operates under FEMA, 1999.
24. We confirm that we are not and have not been classified as Central Public Sector Undertaking or a central government owned Cooperative Society (i.e., where Government's ownership is 51% or more).
25. [Form A as per formats given in Annexure of the PIM, duly signed by us is enclosed along with the stamped and notarized / apostle / legalized¹³ Power of Attorney

OR

The Form A duly signed by representative members who jointly satisfy the eligibility criteria are enclosed along with the certified true copy of the Consortium Agreement between the consortium members as per formats given in Annexure of the PIM. Further, the stamped and notarized / apostle / legalized¹⁴ Power of Attorney is also enclosed.]¹⁵

26. [We certify that our Net worth as on _____ (date in dd/mm/yyyy) as per specifications in the Eligibility Criteria section of the PIM is Rs _____ crores.

OR

We certify that as per specifications in the Eligibility Criteria section of the PIM, Net worth for the Consortium and its Members is as below:

- a. Net worth of [●] is INR _____ crores as on _____ (date in dd/mm/yyyy);

¹³ Strike out whichever is not applicable

¹⁴ Strike out whichever is not applicable

¹⁵ Strike out whichever is not applicable

b. Net worth of [●] is INR ____ crores as on ____ (date in dd/mm/yyyy); and

c. Net worth of [●] is INR ____ crores as on ____ (date in dd/mm/yyyy);

Combined Net worth of the consortium is Rs_____ crores.]¹⁶

27. [We certify that our PAT during the immediately preceding financial years as per specifications in the Eligibility Criteria section of the PIM is as below (if applicable for the IB as per the PIM):

Sr. no.	Financial year ending date	Duration of financial year (in months)	PAT (in INR crores)
1			
2			
3			

OR

We certify that as per specifications in the Eligibility Criteria section of the PIM, our PAT during the immediately preceding financial years is as below (to be submitted for the Lead Member of the Consortium for whom the Profitability Criteria is applicable as per the PIM):

Sr. no.	Financial year ending date	Duration of financial year (in months)	PAT (in INR crores)
1			
2			
3			

] ¹⁷

(In case of entities having PAN and TAN registration in India)

Our PAN number is _____.

Our TAN number is _____.

(In case of entities not having PAN and TAN registration in India)

- Name, Email-ID, contact number
- Address in the country of residence
- Country of tax residency
- Tax Identification Number (“TIN”) in the country of residence; if no TIN is being issued, any other unique identification number issued by the government of such country.

Thank you.

Yours sincerely,

For and on behalf of: (name of the Interested Bidder)

¹⁶ Strike out whichever is not applicable

¹⁷ Strike out whichever is not applicable

Signature: (Authorized Representative and Signatory)

Name of the Person: [●]

Designation: [●]

Enclosure:

1. Demand Draft for non-refundable Application Fees
2. Undertaking in Relation to Ultimate Beneficial Ownership
3. Form A
4. General Power of Attorney
5. Power of Attorney in favor of Lead Member *(if applicable)*
6. Consortium Agreement between the Consortium Members *(if applicable)*
7. Confidentiality Undertaking
8. Declaration on Statement of Legal Proceedings
9. Affidavit
10. Undertaking for Sole IB / Consortium (Lock-in period) *(whichever is applicable)*

Note: In case of Consortium, each member of Consortium shall be required to submit Undertaking in Relation to Ultimate Beneficial Ownership, Form A, Power of Attorney, Confidentiality Undertaking, Declaration on Statement of Legal Proceedings, Affidavit and Undertaking for Consortium (Lock-in period)

Annexure 1A - Undertaking in Relation to Ultimate Beneficial Ownership

(On the letterhead of the IB / each Consortium Member)

To,
Mr. Rajesh Vig / Mr. Dinesh Arora
Partner, PricewaterhouseCoopers Pvt. Ltd.
Building No. 8, Tower – B,
DLF Cybercity,
Gurgaon – 122 002, India

Sub: UNDERTAKING IN RESPECT OF EXPRESSION OF INTEREST FOR STRATEGIC DISINVESTMENT OF HLL LIFECARE LIMITED

We hereby represent and undertake that we do not have the same ultimate beneficial owner(s) as of any other IB or Consortium Member participating in the Proposed Transaction and we have not submitted more than one (1) EOI, either as a Sole Bidder or as a Consortium Member.

Note: Capitalized terms not defined shall have the same meaning ascribed to them in the Request for Expression of Interest.

Yours sincerely,

For and on behalf of: [name of the Interested Bidder / Consortium Member]

Signature: (Authorised Representative and Signatory)

Name of the Person: [●]

Designation: [●]

Annexure 2: Form A (forming an integral part of the EoI)

(To be submitted on letterhead (unless otherwise mentioned) of Interested Bidder / each member of the consortium)

1) Name of the Interested Bidder / Member of Consortium _____

2) Executive Summary and Management Organization: providing brief description of the Interested Bidder (IB) and (where appropriate) of member in the consortium, containing details like ownership structure, identity of the natural persons who are the Ultimate Beneficial Owners (“Ultimate Beneficial Owner” means the natural person or persons who are the ultimate beneficial owners of the shares and who ultimately own, control or influence and includes a person who exercises ultimate effective control over a legal person or arrangement), (as per SEBI Circular No. CIR/MIRSD/2/2013 dated January 24, 2013), the Place of Effective Management of business of the IB / member of the consortium (“Place of Effective Management” means the place where key management and commercial decisions that are necessary for the conduct of business of an entity as a whole are, in substance made), (as per Central Board of Direct Taxes Guideline F. No. 142/11/2015-TPL dated January 24, 2017) etc. write up on business history and growth, business areas / activities, respective revenue details, the Place of Effective Management of business of the IB / member of the Consortium etc. It shall include a brief commentary on the capability of the IB / member of Consortium, as demonstrated, inter alia, in its past track record, to run its own business.

Also, an overview of IB’s / member of the Consortium’s senior management and organization structure certified by the company secretary / any other officer in charge of secretarial / legal affairs.

3) Contact Information of the IB / member of Consortium:

- a. Following details of IB / member of the Consortium including phone number and facsimile number
 - a) Registered Office – Address, phone number, facsimile number
 - b) Head Office – Address, phone number, facsimile number
- b. If Consortium, name of the Lead member of the Consortium:
- c. Address for correspondence along with email address of IB / member of the Consortium.
- d. Contact Person(s):
 - a) Name:
 - b) Designation:
 - c) Phone No.:
 - d) Mobile No.:
 - e) Fax No.:
 - f) Email:
- e. Website details of IB / member of the Consortium.

4) Basic Information:

- a. Constitution (Tick, wherever applicable)
 - a) Public Limited Company
 - b) Private Limited Company
 - c) Limited Liability Partnership Firm
 - d) Others, if any (Please specify)
- b. Date & Place of incorporation of IB / member of the Consortium
- c. Date of commencement of business of IB / member of the Consortium
- d. Role / Interest of each Member in the Consortium (if applicable).
- e. Nature of business carried out / products dealt with by the IB / member of Consortium and a profile containing information on the IB’s / member of Consortium’s operations.
- f. Certified true copies of the following documents to be submitted. However, if IB / member of the Consortium cannot submit any of the following documents, it shall state reasons for the same as per the format below:

Documents	Submitted (Yes / No)	If not submitted, please state reasons for the same
Certificate of Incorporation		
Memorandum of Association		
Articles of Association		
Certificate of Commencement of Business		
Charter Documents		
Other Constitution Documents, i.e., Partnership Deed etc., as may be applicable		
SEBI Registration Certificate for AIFs		

- g. A certificate for list of Board of Directors and key management personnel duly signed by the respective Company Secretary or any other officer in-charge of secretarial / legal affairs of IB / member of the Consortium and also counter signed by its authorized signatory.
- h. A certificate by an independent chartered accountant / statutory auditor / Company Secretary or any other officer in-charge of secretarial / legal affairs for the shareholding pattern of the IB / member of Consortium
- i. Basis of eligibility for participation in the process (Please mention details of your eligibility) as under:
- a) A certificate duly signed by our Company Secretary / any other officer in charge of secretarial / legal affairs, stating that we are eligible to participate in the proposed Strategic Disinvestment in terms of Clause _____ (specific reference to the said provision may be drawn) of our Memorandum and Articles of Association / _____ (insert name of Constitution Document, viz., Partnership Deed etc. as may be applicable).
 - b) Audited Financial Statements (on standalone and consolidated basis) / Annual Reports for the previous five financial years (including profit and loss statement, balance sheet and cash flow statement) (Kindly also include most recent, not older than 12 months from the date of publication of this PIM, Audited Financial Statements / Annual Report on standalone and consolidated basis).

Provided that, in the event such IB / any member of Consortium is an unlisted entity, and does not have the audited financial statements of immediately preceding financial year, the latest available unaudited / provisional financial statements may be given as certified by its statutory auditor; in case such entity is a listed entity, and its audited financial statements are not available for the immediately preceding financial year, the information contained in latest Quarterly Limited Review report is to be submitted. However, the audited financial statements of such entities shall be submitted, as and when prepared as per the statutory requirements and timelines of the relevant countries where it is incorporated. All financial statements / annual reports / net worth certificates submitted should be certified by authorized signatory. In case the IB / any member of the consortium cannot submit the consolidated financial statements as mentioned above, it shall specify reasons for the same.

- c) **Certificate for fulfilment of Financial Criteria:** Please provide an independent chartered accountant / statutory auditor certificate certifying the following:
- i) Net worth for IB / member of Consortium as specified in the Eligibility Criteria section of the PIM.

- ii) PAT for immediately preceding five financial years if available, or PAT for at least two of the immediately preceding five financial years with positive PAT; from the date of publication of this PIM, for the IB / Lead Member of consortium, as specified in the Eligibility Criteria section of the PIM in the following format (if applicable for the IB / Lead Member of Consortium as per the PIM):

Sr. no.	Financial year ending date	Duration of financial year (in months)	PAT (in INR crores)
1			
2			
3			

The certificate for fulfilment of Financial Criteria should clearly mention the following:

- The date of Net worth calculation and financial year ending date for respective financial years for which PAT has been submitted.
 - That the Net worth and PAT calculation has been done in accordance with the stipulations under the Eligibility Criteria section of the PIM.
 - In case the IB / member of the consortium are not required to prepare consolidated financial statements as a part of statutory requirements, the same should be mentioned in the certificate (in such a case, the standalone financial statements are to be used for assessment. However, the same would be accepted only if the certificate for fulfilment of Financial Criteria clearly mentions the non-requirement for preparation of consolidated financial statements)
 - The certificate should clearly mention that the issuing authority is Statutory Auditor or independent chartered accountant (as applicable), for the IB / member of Consortium
 - It should clearly specify the cross holdings among Consortium Members, if any.
 - The financial statements on the basis of which the Financial Criteria have been assessed correspond to accounting periods completed (each of not less than 12 months duration) and are not based on partial periods.
- j. Provide documents such as a board or shareholders' resolution in favor of the person executing the Power of Attorney for the delegation of power on behalf of the IB / member of Consortium.

Note: *The date of execution of board or shareholders' resolution should be prior to the date of execution of the Power of Attorney.*

5) **International Operations / JVs / Alliances:**

Brief note of IB's / member of the Consortium's international operations, JVs, alliances, (whether international or domestic), including incorporation details, registered office, nature and size of such operations, equity ownership / effective management and control (as applicable).

6) **Professional Advisors:**

IB / member of Consortium to provide names and addresses of those companies and professional firms, if any, who are (or will be) advising the IB / Consortium / member of Consortium for the Proposed Transaction, together with the names of the principal individual advisors at those companies and firms.

7) **Outstanding Litigation / Contingent Liability:**

- a. IB / member of Consortium (including the Ultimate Beneficial Owner, promoters, persons in control, thereof) must provide with the EoI a statement of those pending litigations that, if decided against the IB / member of Consortium / Ultimate Beneficial Owner / promoters / persons in control shall disqualify the IB / member of Consortium in terms of the prescribed Eligibility criteria and extant GoI instructions on disinvestment.
- b. IB / member of Consortium (including the Ultimate Beneficial Owner, promoters, persons in control, thereof) to provide details of all contingent liabilities that, if materialized, that have or would reasonably be expected to have a material adverse effect on the business, operations (or results of operations), assets, liabilities and / or financial condition of the IB / member of Consortium, or other similar business combination or sale.

8) Foreign Direct Investment (FDI) Restrictions:

If the IB / any member of Consortium is a foreign entity / overseas corporate body, specify list of statutory approvals from the Government of India / the Reserve Bank of India / relevant ministry / any other Government agency, specifying whether the same is applied for / to be obtained / awaited.

Yours sincerely,

For and on behalf of: (name of the Interested Bidder /member of Consortium)

Signature: (Authorized Representative and Signatory)

Name of the Person: [●]

Designation: [●]

Place:

Date:

Important Note:

- 1) Please follow the order adopted in the Format provided, while submitting the details.
- 2) If the IB / any member of Consortium is unable to respond to a particular question / request or submit any document as per stated requirement, the relevant question / request or request for submission of document, must nonetheless be set out as per the Format, with the words “No response given” mentioned against it, stating reasons for the same.

Annexure 3: General Power of Attorney

(To be appropriately stamped on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution; and

To be notarized and submitted by the IB / each member of the Consortium submitting the EoI)

General Power of Attorney

Know all men by these presents,

[We..... (name of the entity) having our registered office at _____ (address of the registered office) do hereby exclusively, unconditionally and irrevocably constitute, nominate, appoint and authorize Mr. / Ms. (name),.....son / daughter / wife of and presently residing at, who is presently employed with us and holding the position of, as our true and lawful attorney (hereinafter referred to as the "Attorney") to do in our name and on our behalf, to do, execute, and perform all such acts, agreements, deeds, matters and things as are necessary or required in connection with or incidental to submission of our application

OR

I, son / daughter / wife of and presently residing at being presently employed with HLL Lifecare Limited (HLL) having employee code [●] / being whole-time director on the Board of HLL having DIN No. [●], do hereby exclusively, unconditionally, and irrevocably constitute, nominate, appoint, and authorize Mr. / Ms., son / daughter / wife of and presently residing at, who is presently employed with [●]. I, [●], do hereby irrevocably nominate, constitute, and appoint, as my true and lawful attorney (hereinafter referred to as the "Attorney") to do in my name and on my behalf, to do, execute, and perform all such acts, agreements, deeds, matters and things as are necessary or required in connection with or incidental to submission of our application]¹⁸

for the proposed Strategic Disinvestment of shares held by the Government of India in HLL Lifecare Limited including but not limited to signing and submission of all applications, EoIs, response to Request for Proposal (RFP), affidavits, Bid ("*Non-Financial and Financial*") in response to RFP, and other documents and writings, participation in conferences (if any) and providing information / responses to GoI / Advisor, representing us in all matters before GoI / Advisor and generally dealing with GoI / Advisor / Company in all matters in connection with or relating to or arising out of our application for qualification for the Transaction (as defined in the Preliminary Information Memorandum dated 14th December 2021 issued by Advisor).

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by the Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by the Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us concerning or touching these presents as fully and effectually as if we were present and had done, performed or executed the same itself.

All the terms used herein but not defined shall have the meaning ascribed to such terms in the Preliminary Information Memorandum and EoI.

IN WITNESS WHEREOF WE..... THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS DAY OF

.....

¹⁸ Strike out whichever is not applicable
Preliminary Information Memorandum
PwC

(Signature, name, designation, and address)

In the presence of:

1.

2.

Accepted

(Signature, Name, Title and Address of the Attorney)

(To be duly notarized)

Important Instructions:

- 1) The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
- 2) Wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution / power of attorney in favor of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder. The date of execution of such document should be prior to the date of execution of the Power of Attorney.
- 3) For a Power of Attorney executed and issued overseas, instead of notarization, the document should either carry a conforming Apostille certificate or it should be legalized by applicable procedure in respective jurisdiction, before submission. Also, the document shall be stamped by the local authority in India with appropriate stamp duty paid, before submission, in any event within the specified timeframe as per applicable laws.
- 4) The date of execution of Power of Attorney shall be before the date of execution of other documents as part of EoI.
- 5) In case of a consortium, all the members of the consortium are required to submit the Power of Attorney.

Annexure 4: Power of Attorney in favour of Lead Member

(To be appropriately stamped on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution and notarized)

Whereas the Government of India (“GoI”) has invited EoIs from Interested Bidders for the Strategic Disinvestment of 100% of the equity share capital of HLL Lifecare Limited (the “Transaction”).

Whereas _____ (**Lead Member / Member-1**), _____ (**Member-2**) and _____ (**Member-3**) (collectively the “Consortium”) being Consortium Members are interested in bidding for the Transaction in accordance with the terms and conditions of the PIM and other connected documents in respect of the Transaction, and

Whereas the members to record their understanding to participate in the bidding with have entered into the Consortium Agreement dated _____, and Whereas, it is necessary for the Consortium Members to designate one of them as the Lead Member with all necessary power and authority to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium’s EoI or Bid (“*Non-Financial and Financial*”) for the Proposed Transaction and its execution.

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS

We (hereinafter collectively referred to as the “Principals”),

- a. M/s _____, having our registered office at _____;
- b. M/s _____, having our registered office at _____;
- c. M/s _____, having our registered office at _____;

do hereby irrevocably designate, nominate, constitute, appoint and authorize M/S _____, being one of the Members of the Consortium, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the “Attorney”). We hereby irrevocably authorize the Attorney (with power to sub-delegate):

- 1) To conduct all business for and on behalf of the Consortium and any one of us during the process of this Proposed Transaction.
- 2) In the event the Consortium is selected as Successful Bidder, during the execution of the Proposed Transaction and in this regard, to do on our behalf and on behalf of the Consortium, all or any of such acts, deeds, or things as are necessary or required or incidental to the qualification of the Consortium and submission of its EoI for the Proposed Transaction.
- 3) Further, do any of such acts, deeds or things on our behalf including but not limited to signing and submission of all applications, EoI, response to Request for Proposal (RFP), affidavits, Bid in response to RFP and other documents and writings, participate in pre-bid and other conferences, respond to queries, submit information / documents, sign and execute contracts and undertakings consequent to acceptance of the Bid of the Consortium and
- 4) Generally, to represent the Consortium in all its dealings with GoI, TA, HLL and / or any other GoI Agency or any person, in all matters in connection with or relating to or arising out of the Consortium’s EoI or Bid for the Proposed Transaction and / or upon award thereof till the completion of the Proposed Transaction.

AND hereby agree to ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us / Consortium.

All the terms used herein but not defined shall have the meaning ascribed to such terms in the PIM

IN WITNESS WHEREOF WE THE PRINCIPALS ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS _____, DAY OF [●], 2[●],

Executants:

For _____, (Signature) _____,

(Name & Title)

For _____, (Signature) _____,

(Name & Title)

For _____, (Signature) _____,

(Name & Title)

Witnesses:

1

2

(Notarized)

Important Instructions:

- 1) The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
- 2) For a Power of Attorney executed and issued overseas, instead of notarization, the document should either carry a conforming Aposte certificate or it should be legalized by applicable procedure in respective jurisdiction, before submission. Also, the document shall be stamped by the local authority in India with appropriate stamp duty paid, before submission, in any event within the specified timeframe as per applicable laws.
- 3) The date of execution of Power of Attorney for Lead member of Consortium shall be subsequent to the date of execution of General Power of Attorney (Annexure 3) by the Consortium members.

Annexure 5: Format for Consortium Agreement (in case of Consortiums)

(To be appropriately stamped on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution and notarized)

THIS Consortium Agreement ("**Agreement**") executed on this _____ day of _____ Two thousand _____ between

1. M/s [insert name of Lead Member] _____ a limited liability partnership or Company or Fund incorporated under the laws of _____ and having its Registered Office at _____ (hereinafter called the "**Member-1**", which expression shall include its successors, executors and permitted assigns);
2. M/s _____ a limited liability partnership or Company or Fund incorporated under the laws of _____ and having its Registered Office at _____ (hereinafter called the "**Member-2**", which expression shall include its successors, executors and permitted assigns);
3. M/s _____ a limited liability partnership or Company or Fund incorporated under the laws of _____ and having its Registered Office at _____ (hereinafter called the "**Member-3**", which expression shall include its successors, executors and permitted assigns); and

for the purpose of submitting response to Advertisement dated 14th December 2021 inviting Expression of Interest for strategic disinvestment of entire Government of India equity stake of 100% in HLL Lifecare Limited (HLL) along with transfer of management control.

WHEREAS, each Member individually shall be referred to as the "**Member**" and all of the Members shall be collectively referred to as the "**Members**" in this Agreement.

WHEREAS the Instructions for submitting EoI as per PIM stipulates that in case EoI is being submitted by a Consortium of Bidders, the Members of the Consortium will have to submit a legally enforceable Consortium Agreement in a format specified by GoI.

All the terms used in capitals in this Agreement but not defined herein shall have the meaning as per PIM.

NOW THEREFORE, THIS AGREEMENT WITNESSTH AS UNDER:

In consideration of the above premises and agreements all the Members in this Consortium do hereby mutually agree as follows:

1. We, the Members of the Consortium and Members to the Agreement do hereby unequivocally agree that Member-1 (M/s _____), shall act as the Lead Member as defined in the PIM for self and agent for and on behalf of Member-2, _____, and Member-3, _____, and to submit the EoI;
2. We have formed consortium comprising of _____ members as follows:
 - a. _____ (Insert name) /% of Shareholding in the Consortium
 - b. _____ (Insert name) / % of Shareholding in the Consortium
 - c. _____ (Insert name) / % of Shareholding in the Consortium
3. The Lead Member is hereby authorized by the Members of the Consortium and Members to the Agreement to bind the Consortium and receive instructions for and on their behalf.
4. The Lead Member shall be liable and responsible for ensuring the individual and collective commitment of each of the Members of the Consortium in discharging all of their respective obligations. Each Member further undertakes to be individually liable for the performance of its part of the obligations without in any way limiting the scope of collective liability envisaged in this Agreement.
5. We undertake and confirm that the Consortium shall incorporate a SPV (in the form of a company), under the laws of India, once finally selected to enter into the definitive agreements. We undertake to

incorporate the SPV after the submission of our EoI and prior to entering the definitive agreements. The shareholding of the SPV shall be the same as the shareholding of the Members in the Consortium.

6. We certify that in the event we are finally selected to enter into definitive agreements, we shall continue the business of the Company in its entirety as being conducted as on the completion of the Transaction on a going concern basis.
7. The Lead Member, on behalf of the Consortium, shall inter alia undertake full responsibility for liaising with any authority or persons as required.
8. In case of any breach of commitment by any of the Consortium Members, the Lead Member shall be liable for the consequences thereof.
9. Except as specified in the Agreement, it is agreed that sharing of responsibilities as aforesaid shall not in any way be a limitation of responsibility of the Lead Member under these presents.
10. The Lead Member shall be liable irrespective of its scope of work or financial commitments.
11. This Agreement shall be construed and interpreted in accordance with the Laws of India and courts at Delhi alone shall have the exclusive jurisdiction in all matters relating thereto and arising thereunder.
12. It is further expressly agreed that the Agreement shall be irrevocable and shall remain valid until the expiration or early revocation / termination of the terms thereof, unless expressly agreed to the contrary by GoI.
13. The Lead Member is authorized and shall be fully responsible for the accuracy and veracity of the representations and information submitted by the Members respectively from time to time in EoI.
14. It is hereby expressly understood between the Members that no Member at any given point of time, may assign or delegate its rights, duties, or obligations under the EoI except with prior written consent of GoI.
15. This Agreement
 - a. has been duly executed and delivered on behalf of each Member hereto and constitutes the legal, valid, binding, and enforceable obligation of each such Member;
 - b. sets forth the entire understanding of the Members hereto with respect to the subject matter hereof; and
 - c. may not be amended or modified except in writing signed by each of the Members and with prior written consent of GoI.

IN WITNESS WHEREOF, the Members have, through their authorized representatives, executed these present on the Day, Month and Year first mentioned above.

For M/s _____ **[Member 1]**

_____ (Signature, Name & Designation of the person authorized vide board resolution / power of attorney duly executed by such partners as authorized by the partnership deed governing such partnership dated [•])

Witnesses:

- a. Signature _____
Name:
Address:
- b. Signature _____
Name:
Address:

For M/s _____ **[Member 2]**

_____ (Signature, Name & Designation of the person authorized vide board resolution / power of attorney duly executed by such partners as authorized by the partnership deed governing such partnership dated [•])

Witnesses:

- a. Signature _____
Name:
Address:
- b. Signature _____

Name:
Address:

For M/s _____ **[Member 3]**

_____ (Signature, Name & Designation of the person authorized vide board resolution / power of attorney duly executed by such partners as authorized by the partnership deed governing such partnership dated [●])

Witnesses:

a. Signature _____

Name:
Address:

b. Signature _____

Name:
Address:

[Signature and stamp of Notary of the place of execution]

Important Instructions:

- 1) For a Consortium Agreement executed and issued overseas, instead of notarization, the document should either carry a conforming Apostille certificate or it should be legalized by applicable procedure in respective jurisdiction, before submission. Also, the document shall be stamped by the local authority in India with appropriate stamp duty paid, before submission, in any event within the specified timeframe as per applicable laws.

Annexure 6: Confidentiality Undertaking

(To be appropriately stamped on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution; and

To be notarized and submitted by the IB / each member of the Consortium seeking VDR access and / or submitting the EoI)

DEED OF CONFIDENTIALITY UNDERTAKING

This DEED OF CONFIDENTIALITY UNDERTAKING ("Undertaking") is made on this day of, [•].

BY

(.....) insert name of the interested party), a company / trust / co-operative society / firm incorporated under the laws of _____ (insert name of the country), with its registered office at _____

(Insert address) (the "Interested Bidder" or "IB" or "Bidder");

IN FAVOUR OF:

The President of India, represented by and acting through the Ministry of Health and Family Welfare, at Nirman Bhavan, New Delhi-110011 (India) (the "Administrative Ministry");

AND

HLL Lifecare Limited, a company incorporated under the Companies Act, 1956 bearing corporate identification number U25193KL1966GOI002621, having its registered office at HLL Bhavan, Mahila Mandiram Road, Poojappura, Thiruvananthapuram, Kerala-695012, India ("HLL" or the "Company"),

AND

PricewaterhouseCoopers Private Limited, whose registered office is Y-14, Block EP, Sector V, Salt Lake, Kolkata – 700091, India (hereafter referred to as the "Transaction Advisor" or the "TA"),

AND

M/s Crawford Bayley & Co., whose registered office is State Bank Building, 4th Floor, N.G.N. Vaidya Marg, Fort, Mumbai 400023, India (hereafter referred to as the "Legal Advisor"),

AND

Adroit Technical Services Pvt. Ltd. whose registered office is 7 D Pocket I, Mayur Vihar, Phase I, New Delhi - 110091, India (hereafter referred to as the "Asset Valuer").

WHEREAS:

- A. The Bidder along with Consortium Members in compliance with the terms of Preliminary Information Memorandum dated 14th December 2021 ("PIM"), agreed to submit this undertaking in the format specified therein for participation in the proposed sale by Government of India ("GoI" / "Government") of 100% of the equity shares of the Company held by the GoI out of its entire shareholding of 100% as on date along with the transfer of management control (the "Transaction") and

- B. The Bidder along with Consortium Members has submitted non-refundable fee in terms of the PIM to gain access to the Confidential Information (as defined hereinafter) and the Virtual Data Room (“VDR”) which *inter alia* includes the draft share purchase agreement.
- C. In the context of the IB’s interest in the Transaction, the Disclosing Party (as defined hereinafter) may disclose Confidential Information to the Receiving Party (as defined hereinafter) to enable the IB to evaluate the Transaction.

NOW, THEREFORE, in consideration for receiving the Confidential Information, the IB hereby executes this Undertaking and undertakes, represents, warrants, covenants and agrees to the terms and conditions contained herein:

- 1. In this Undertaking (including the recitals) the following words shall have the respective meaning given to them below;

"**Advisors**" means, collectively, PricewaterhouseCoopers Private Limited, Adroit Technical Services Pvt. Ltd. and M/s. Crawford Bayley & Co.

"**Confidential Information**" means and includes any and all facts, knowledge, information, documents and materials whether written or otherwise, concerning the business, operations, prospects, finances, or other affairs of the Company, its affiliates, associates or subsidiaries (which includes, without limitation, documents delivered or shown to the Receiving Party in connection with due diligence, investigation, information relating to the existing business of the Company and new businesses (if any) proposed to be undertaken by the Company, market and company-specific data, agreements related to its business including know-how and technology agreements, agreements relating to license to use intellectual property rights, graphs, drawing, past, current, and planned research and development, current and planned marketing or distribution methods and processes, customer lists, current and anticipated customer requirements, price lists and other end-user pricing related information, market studies, computer software and programs, database technologies, systems, structures and architectures, historical financial statements, activities, products, specifications, data, know-how, compositions, designs, sketches, photographs, business plans, financial projections and budgets, historical and projected sales, capital spending budgets and plans, current or prospective financing sources, the names and backgrounds of personnel, personnel training techniques and materials, reports relating to the Company's operations prepared by external consultants which are proprietary to the Company or the GoI or the Administrative Ministry), and any information memorandum / or draft / final bid document, request for proposal, drafts of shareholders and share purchase agreements or other materials prepared in connection with the Transaction, howsoever documented, including disclosures / information / documents uploaded in the VDR, that has been or may hereafter be provided or shown or given VDR access to the Receiving Party by the Disclosing Party (as defined herein below) or is otherwise obtained for review of the Disclosing Party's documents or property or discussions with the Disclosing Party by the Receiving Party irrespective of the form of the communication, and also includes all notes, analyses, compilations, studies, summaries, and other material prepared by the Receiving Party containing or based, in whole or in part, on any information included in the foregoing.

Notwithstanding the foregoing, the following information will not constitute "Confidential Information" for purposes of this Undertaking:

- a. Information which the Bidder can prove was already in the possession of the Receiving Party and was available to the Receiving Party on a non-confidential basis prior to its disclosure to the Receiving Party by the Disclosing Party;
- b. Information which is obtained by the Receiving Party from a third Person who, insofar as is known to the Receiving Party, is not prohibited from disclosing the information to the Receiving party under a contractual, legal, or fiduciary obligation to the Disclosing Party; and
- c. Information which is or becomes generally available to the public otherwise than as a result of a breach of this Undertaking by the Receiving Party.

The decision of the Government and / or the Company on whether any information qualifies within the exceptions in a., b. and c. above shall be final, conclusive, and binding.

"Consortium" means the Bidder and all other Consortium Members acting in concert with the Bidder intending to directly or indirectly participate in the Transaction.

"Consortium Members" means the members of any existing Consortium or future Consortium, formed by the Bidder for purposes of the Transaction and shall include members of a future consortium previously approved in writing by the Administrative Ministry; in each case formed by the Bidder for purposes of the Proposed Transaction.

"Disclosing Party" means the Advisors, the Company, the Administrative Ministry, the GoI, other Governmental Authority and / or their respective Representatives, whether jointly or severally.

"Governmental Authority" means any governmental or regulatory authority, government ministry or department in India or other rule or regulation making entity having jurisdiction or acting on behalf of the Republic of India or any political subdivision thereof.

"Person" means any individual, company (including the Company and the Advisors), firm, association, trust, or any other organization or entity (including the Government and any governmental or political subdivision, ministry, department, or agency thereof)

"Receiving Party" means the Bidder, Consortium Members and / or their respective Representatives, whether jointly or severally.

"Representative(s)" of any Person includes the directors, officers, employees, agents, consultants, advisors, lenders for financing of this Transaction or other representatives, including legal counsel, accountants and financial advisors of such Person and also includes the Representatives of any Person.

2. The Confidential Information disclosed by the Disclosing Party to the Receiving Party or acquired by the Receiving Party in the course of any studies conducted by the Receiving Party, will be received and treated by the Receiving Party as strictly confidential, subject to its obligations contained herein, and Receiving Party shall not misuse the information provided. Further, the Receiving Party shall not, without the Company's as well as the Government's prior written consent or as expressly permitted herein, directly, or indirectly disclose in any manner whatsoever, in whole or in part, to any other Person, or use or allow others to disclose or use, the Confidential Information.
3. The Receiving Party will use the Confidential Information only to evaluate the Transaction and to decide whether or not the Bidder wishes to proceed with the Transaction and not for any purpose other than the Transaction and the Receiving Party will not directly or indirectly use the Confidential Information for any other purpose or in any way detrimental to the Disclosing Party and shall ensure the interests of the Disclosing Party.
4. In consideration of the Disclosing Party providing the Receiving Party with Confidential Information, by the Bidder's execution of this Undertaking, the Bidder, for itself and on behalf of all other Receiving Party, agrees that all of the Confidential Information shall be held and treated by the Receiving Party in strict confidence. The Bidder agrees that before accessing the Confidential Information, it shall provide to the TA the list of its Representative(s) / Representatives of its Consortium Members, as the case may be, to whom the Bidder will disclose the Confidential Information. The Bidder agrees (a) to disclose Confidential Information only to Consortium Members and / or those of its Representatives and / or those Representatives of Consortium Members who need to know the Confidential Information for the purposes of an evaluation of the Transaction and each such Consortium Member or Representative of the Bidder or Representative of Consortium Member will be informed and advised in writing by the

Bidder of the confidential nature of such information and the contents of and the obligations under this Undertaking (b) to satisfy itself that each such Consortium Member and / or Representatives of the Bidder and / or Representatives of Consortium Member will hold and treat the Confidential Information in confidence and act in accordance therewith. The Bidder agrees that the Confidential Information shall not, without the Company's as well as the Government's prior written consent, be disclosed by the Bidder and / or each such Consortium Member and / or Representative of the Bidder and / or Representative of Consortium Member, in any manner whatsoever, in whole or in part, to any third Person, and shall not be used by the Bidder or each such Consortium Member or Representative of the Bidder or Representative of Consortium Member other than in connection with an evaluation of the Transaction.

The Bidder recognizes and acknowledges the competitive value and confidential nature of the Confidential Information and the possible resultant impact to the Company and the Government if the Confidential Information is disclosed or allowed to be disclosed to an unauthorized party or used for any purpose other than evaluating the Transaction. The Bidder acknowledges and agrees that it is imperative that all Confidential Information remains confidential.

The Bidders, before disclosing any of the Confidential Information to any of its Representative(s) and / or Representatives of the Consortium Members, as the case may be, shall ensure that its Representative(s) / Representatives of the Consortium Members, as the case may be, have read and understood this Undertaking and have agreed in writing to be bound by the terms and conditions contained herein. The Bidder shall ensure that in case of a new Consortium Member, a written undertaking identical in form and content as this Confidentiality Undertaking, shall be executed and furnished to the Advisors within 7 (seven) days of it becoming a Consortium Member.

Notwithstanding any agreement or undertaking, the Bidder agrees that it shall continue to be responsible and liable for any breach of this Undertaking even though the same is caused by any act or omission of any Consortium Member and / or Representative of the Bidder and / or the Representative of Consortium Member and shall indemnify and hold the Government, the Company, and the Advisors harmless (including provisions of clause 6 and 15 set forth herein) from any breach of this Undertaking or consequences and claims arising therefrom. In case of Consortium, the Bidder agrees that for the purpose of this Confidentiality Undertaking, the liability of the Bidder shall be joint and several with each of the Consortium Members.

5. Except as permitted by Clause 4 herein and except as expressly permitted by definitive agreements including share purchase agreement, if any, entered into by the Bidder, the Consortium Members and / or any company formed and promoted by them for the acquisition of equity shares of the Company, the Receiving Party will not directly or indirectly disclose to any Person (including another prospective purchaser who has been provided Confidential Information) the fact that the Confidential Information has been made available to the Receiving Party or that the Receiving Party have inspected any portion of the Confidential Information. Except with the prior written consent of the Company and the Government, and except as expressly permitted by such definitive share purchase agreement, the Receiving Party will not directly or indirectly disclose to any Person the fact that any discussions or negotiations are taking place concerning the Transaction, including the status and content of such discussions or negotiations.
6. On acquiring the Confidential Information on the terms stated in this Undertaking or otherwise, the Receiving Party shall comply with all applicable law, and the Bidder hereby jointly and severally indemnifies and agrees to hold the Advisors, the Government and the Company indemnified and harmless (without prejudice to Clause 15 set forth below) against all and any consequences arising from any violation by the Receiving Party of such applicable laws.
7. If the Receiving Party is requested or becomes legally compelled (by oral questions, summons, interrogatories, requests for information or documents, subpoena, civil or criminal investigative demand, or similar process) or is required by a Government Authority and / or regulatory body (including any

self-regulated organization) to make any disclosure that is prohibited or otherwise constrained by this Undertaking or any similar undertaking or agreement, the Receiving Party will provide the Advisors, the Government and the Company with prompt written notice of such request so that the Advisors, the Government or the Company may seek an appropriate injunction, protective order or other appropriate remedy. Subject to the foregoing, the Receiving Party may furnish that portion (and only that portion) of the Confidential Information that, in the written opinion of the Bidder's legal counsel (reasonably acceptable to the Advisors, the Government and the Company), the Receiving Party is legally compelled or is otherwise legally required to disclose or else stand liable for contempt or suffer other material censure or material penalty; provided, however, that the Receiving Party must use best efforts to obtain reliable assurance that confidential treatment will be accorded to any Confidential Information so disclosed.

8. The confidentiality obligations contained in this Undertaking may at the discretion of the Government, the Company and the Advisors, be amended, modified or superseded upon the Bidder and the Consortium Members and / or any company formed and promoted by them for executing definitive agreements, but shall be without prejudice to any of the Advisors', the Government's or the Company's rights in respect of any breach of this Undertaking which may have occurred prior to such amendment, modification or supersession.

The Bidder agrees that the Government reserves the right, in its sole discretion to modify the process of the Transaction in any part and / or to vary any terms at any time without prior notice to the Bidder and / or to reject any or all proposals made by the Bidder with regard to the Transaction. The Government may elect at any time to terminate further access by the Receiving Party to any Confidential Information required by the Bidder in connection with its evaluation of the Transaction.

9. The Government and / or the Company in consultation with the Government may elect at any time to terminate further access by the Receiving Party to any Confidential Information in connection with its evaluation of the Transaction. After any such termination by the Government and / or the Company in consultation with the Government, or the Bidder and / or Consortium Members withdrawing from the Transaction, (i) the Bidder (a) will promptly deliver to the concerned Disclosing Party, all Confidential Information including all documents or other materials furnished by such Disclosing Party to the Receiving Party, together with all copies, extracts and summaries thereof in the possession or under the control of the Receiving Party, (b) will delete from the Receiving Party's computer systems all files, data or programmes constituting Confidential Information and (c) will destroy materials generated by the Receiving Party that include or refer to any part of the Confidential Information, without retaining a copy of any such material or (ii) alternatively, if the Advisors, the Government or the Company request or give prior written consent to the Bidder's request, the Bidder will destroy or cause to be destroyed all Confidential Information (including deleting files, data or programmes from the computer systems) in the possession or under the control of the Receiving Party. Any such destruction pursuant to the foregoing must be confirmed by the Bidder in writing to each of the Advisors, the Government, and the Company (such confirmation must include a list of the destroyed and deleted materials). The Bidder acknowledges that the return of the Confidential Information and the return or destruction of the Confidential Information pursuant to termination or otherwise shall not release the Receiving Party from its obligations under this Undertaking and the terms of the undertaking shall survive subsequent to the date of receipt of notification or decision. The Bidder further acknowledges that the confidentiality obligations contained in this Undertaking shall survive even if the Bidder fails to submit an expression of interest as per the terms and conditions mentioned in the PIM.
10. The Receiving Party shall not deal or communicate (except in the ordinary course of its business) with any officer, director or employee of the Government or the Company regarding the business, operations, prospects or finances of the Company, without the Advisors' prior written consent, unless otherwise agreed to in executed definitive agreements entered into in connection with the purchase by the Bidder and the Consortium Members and / or any company formed and promoted by them, of equity shares of

the Company. It is understood that the Advisors will arrange for appropriate contacts for due diligence purposes in connection with the Transaction. Unless otherwise agreed to by the Advisors in writing (i) all communications regarding any possible transaction, (ii) any requests for additional information, (iii) any requests for management meetings, and (iv) any queries regarding the Transaction, will be directed exclusively to the Advisors. However, if the Receiving Party is called upon by the Government and / or the Company for any discussions regarding the Transaction, the Receiving Party will do so or meet the Government and / or the Company only after duly informing the Advisors in writing.

11. The Government reserves the right, in its sole discretion, to reject any and all proposals made by the Receiving Party with regard to the Transaction and to terminate discussions and negotiations with the Receiving Party at any time. Without limiting the scope of the preceding sentence, nothing in this Undertaking (i) requires either the Bidder or the Government to enter into the Transaction or to negotiate such Transaction for any specified period of time or (ii) requires the Advisors, the Government or the Company to enter into an agreement or an understanding, or prohibits the Advisors, the Government or the Company from entering into any agreement or understanding, for proceeding with the Transaction with any other Person.
12. For a period of 1 year from the date of this Undertaking or till six months from the completion of the Transaction, whichever is later, the Receiving Party, unless selected as the Successful Bidder, shall not, directly, or indirectly, solicit for employment or hire any employee of the Company.
13. The Receiving Party agrees that from the date of this Undertaking till the completion of the Proposed Transaction or as the case may be, till the time the Government decide not to proceed with the Proposed Transaction, whether pursuant to Clauses 8 or 9 or 11, or the Bidder and / or Consortium Members decide to withdraw from the Transaction, whichever is earlier, the Receiving Party shall not, directly or indirectly, buy, sell, negotiate, or enter into any arrangements for the purchase and / or sale of any of the shares of the Company, or advise any other person directly or indirectly to buy, sell, negotiate or enter into any arrangements for purchase and / or sell any of the shares of the Company.
14. The Bidder understands, acknowledges, and agrees that the Government, the Advisors, and the Company retain the right to determine, in their sole discretion, the information that they wish to make available to the Receiving Party and the personnel through whom the same will be made available. Further, nothing in this Undertaking shall amount to or be construed as the Disclosing Party making any representations or warranties, express or implied, as to the accuracy and / or completeness of the Confidential Information and the Disclosing Party shall have no liability whatsoever to the Receiving Party resulting from the Bidder's use of the Confidential Information. The Bidder also agrees that if it determines to proceed with the Transaction, its determination will be based solely on the terms of the definitive agreements as well as on its own investigation, analysis and assessment of its investment and the Transaction. Moreover, unless and until such agreements are entered into, neither the Government nor the Bidder will be under any legal obligation of any kind with respect to the Transaction except for the matters specifically agreed to in this Undertaking or in another written and duly executed definitive agreement.
15. The Bidder hereby indemnifies and agrees to hold the Advisors, the Government and the Company indemnified and harmless from all and any damages, losses, costs, or liabilities (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from any unauthorized use or disclosure by the Receiving Party of the Confidential Information or other violation of this Undertaking (notwithstanding that a Receiving Party may not be party to this Undertaking) or of any similar undertaking or agreement. In addition, because an award of money damages (whether pursuant to the foregoing sentence or otherwise) would be inadequate for any breach of this Undertaking or any similar undertaking or agreement by the Receiving Party and any such breach would cause the Disclosing Party irreparable harm, the Bidder also agrees that, in the event of any breach or threatened breach of this Undertaking or such similar undertaking or agreement, the Advisors, the Government or the Company

will also be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance. Such remedies will not be the exclusive remedies for any breach of this Undertaking but will be in addition to all other remedies available at law or equity to the Advisors, the Government and / or the Company.

16. The Bidder understands, acknowledges, confirms, and agrees that each of the Government, the Company and the Advisors are beneficiaries under this Undertaking. The Bidder further agrees and confirms that each of the Government, the Company, and the Advisors, will be entitled to and may enforce, either individually or jointly, the obligations imposed on the Receiving Party under this Undertaking.
17. The Bidder agrees that no failure or delay by the Advisors / the Government / the Company in exercising any right, power or privilege hereunder will operate as a waiver thereof nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power, or privilege hereto.
18. The terms of this Undertaking may be varied only with the Company's and the Government's prior written agreement. This Undertaking shall be effective as of the date first above given on the first page of this Undertaking.
19. This Undertaking shall be governed by and construed in accordance with the substantive laws of India without giving effect to its conflict of law principles.
20. The Parties shall make good faith efforts to resolve any disputes arising in connection with the confidentiality obligations contained herein through negotiation. In case no settlement can be reached within thirty (30) days of one of the party's receipt of a written notice of dispute from the other party, such disputes shall be finally settled in accordance with the Arbitration and Conciliation Act, 1996 or any modification or re-enactment thereof which may be in force in India. The venue of arbitration shall be New Delhi and the Arbitration shall be conducted in English language only.
21. All notices required or permitted to be given hereunder shall be in writing and shall be valid and sufficient if dispatched by registered airmail, postage prepaid, or by telex, cable or facsimiles as follows.

If the notice is to the Government:

Attention of: Designated officer
Ministry of Health and Family Welfare
Nirman Bhavan, New Delhi-110011 (India)

If the notice is to the Advisors:

Transaction Advisor:

Attention of: Mr. Rajesh Vig / Mr. Dinesh Arora
Partner, PricewaterhouseCoopers Pvt. Ltd.
Building No. 8, Tower – B,
DLF Cybercity,
Gurgaon – 122 002, India
Email: in_project.grande@pwc.com

Legal Advisor:

Attention of: Mr. Sanjay K. Asher
M/s Crawford Bayley & Co.
State Bank Buildings, N.G. N. Vaidya Marg,
Fort, Mumbai 400 023, India.
Telephone: + 91 22 2266 3353

Facsimile: + 91 22 2266 3978 / Email: project.hll@crowfordbayley.com

Asset Valuer:

Attention of: Mr. Mukesh Kumar / Mr. Puneet Tyagi
Director & Co-founder
Adroit Technical Services Pvt. Ltd.
7 D Pocket I Mayur Vihar
Phase I
New Delhi 110091, India
Email: mukesh@adroitvaluation.com / puneet@adroitvaluation.com

If the notice is to the Company:

Attention of: Mr. Jaikrishnan A. R.
HLL Bhavan,
Mahila Mandiram Road,
Poojappura,
Thiruvananthapuram,
Kerala-695012, India
Email: jaikrishnanar@lifecarehll.com

If the notice is to the Bidder:

[•]

Any of the Bidder, the Government, the Company, or the Advisors may change its address by a notice given to the other in the manner set forth above. All notices and other communications shall be deemed to have been duly given (i) on the expiry of seven days after posting, if transmitted by registered airmail or (ii) on the date immediately after the date of transmission with confirmed answer back if transmitted by telex, cable or facsimile whichever shall first occur.

IN WITNESS WHEREOF, this Undertaking has been executed by the duly authorized representative of the Bidder on the date and year first hereinabove written.

Witnessed by: (Name of Bidder)

Name: By:

Address:

Name:

Title:

Important Instructions:

- 1) For a Confidentiality Undertaking executed and issued overseas, instead of notarization, the document should either carry a conforming Apostille certificate or it should be legalized by applicable procedure in respective jurisdiction, before submission. Also, the document shall be stamped by the local authority in India with appropriate stamp duty paid, before submission, in any event within the specified timeframe as per applicable laws.
- 2) In case of a consortium, all the members of the consortium are required to submit the Confidentiality Undertaking.

Annexure 7: Advertisement



**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT (DIPAM)**

GLOBAL INVITATION FOR EXPRESSION OF INTEREST FOR PROPOSED STRATEGIC DISINVESTMENT OF 100% STAKE IN HLL LIFECARE LIMITED BY GOVERNMENT OF INDIA (GOI) ALONG WITH TRANSFER OF MANAGEMENT CONTROL

HLL Lifecare Limited (“HLL”) or (the “Company”) is a Miniratna [Category-I] Enterprise, currently a Central Public State Enterprise (CPSE) under the administrative control of the MoHFW, GoI and was incorporated in the year 1966 under Companies Act, 1956, and is fully owned by GoI. HLL was converted into a Public Limited Company with effect from 21st February 2012. GoI proposes to disinvest its equity shareholding of 100% in HLL by way of strategic disinvestment to investor(s) along with transfer of management control. GoI has appointed PricewaterhouseCoopers Private Limited (PwC) as its Transaction Advisor to advise and manage the strategic disinvestment process.

This disinvestment process is to be implemented through open competitive bidding route. A Preliminary Information Memorandum (PIM) for the process of Strategic Disinvestment can be downloaded from websites of Department of Investment and Public Asset Management (DIPAM) at <http://dipam.gov.in>, MoHFW at <https://mohfw.gov.in/>, HLL at <http://www.lifecarehll.com> and Transaction Advisor at <https://www.pwc.in/>. For any future information / amendments / corrigenda, kindly refer to above websites only or contact the Transaction Advisor.

Interested Bidders (IBs) who meet the eligibility criteria mentioned in the PIM, must submit their EoI in electronic form via e-mail at the address mentioned below, upto 03:00 p.m. (Indian Standard Time) on or before 31st January 2022. Subsequently, the IBs have to mandatorily submit the EoI, along with any supplementary documents in a physical copy in a sealed, covering envelope clearly marked “Private and Confidential – Expression of Interest for the Strategic Disinvestment of HLL Lifecare Limited” at the below mentioned address, upto 03:00 p.m. (Indian Standard Time) on or before 7th February 2022.

E-mail for electronic submission of EoI: in_project.grande@pwc.com

**Address for submission of EoI:
Mr. Rajesh Vig / Mr. Dinesh Arora,
Partners, PricewaterhouseCoopers Pvt. Ltd.
Building No. 8, Tower – B,
DLF Cybercity,
Gurgaon – 122 022, India**

Annexure 8: Declaration in relation to Statement of Legal Proceedings

(To be submitted on the letterhead of the sole IB / each member of the Consortium submitting the EoI)

DECLARATION

1. We solemnly declare that we or our Director(s), CEO or principal officers are not convicted by any court of law or are indicted or have received any adverse order from regulatory authority relating to a grave offence with regard to matters other than the security and integrity of the country.

Grave offence for this purpose shall include:

- a. What constitutes "Fraud" under the provisions of the SEBI Act, 1992 and any of the regulations, rules, circulars, notifications, etc. made thereunder
 - b. SEBI orders on the IB / member of Consortium casting doubt on the ability of the IB / member of Consortium to hold the stake in the Company
 - c. Any conviction by a court of law
 - d. In case of SEBI's order of prosecution, disqualification will arise only on conviction by court of law.
2. We further declare that we or our sister companies have not been issued a charge sheet by any governmental Authority or convicted by a court of law for any offence with regard to matters relating to the security and integrity of the country.
 3. We further declare that we, our sister company, our Director(s), CEO, principal officers are not under any investigation pending before any regulatory authority or other authority.
 4. We declare that complete information as required is provided in the EoI and Form A.

Yours sincerely,

For and on behalf of: (name of the Interested Bidder / member of Consortium)

Signature: (Authorized Representative and Signatory)

Name of the Person: [●]

Designation: [●]

Place:

Date:

In case any IB / member of Consortium is unable to give above undertaking in view of any conviction, indictment, order, or investigation as above full details of the same shall be provided including names of persons involved, designation, charge / offence, ordering / investigating agency, status / outcome etc. with supporting / relevant documents. Any entity, which is disqualified from participating in the Transaction, shall not be allowed to remain associated with it or get associated merely because it has preferred an appeal against the order based on which it has been disqualified. The mere pendency of appeal will have no effect on the disqualification.

Annexure 9: Format of Affidavit

(To be appropriately stamped on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution; and

To be notarized and submitted by the IB / each member of the Consortium submitting the EoI)

Affidavit

I, [name] aged [age] years, resident of [address] working as [designation] an Authorized Signatory on behalf of [name of the Interested Bidder] (“**Interested Bidder**”) hereby state as under:

1. I am the [designation of the deponent] of the Interested Bidder. I am conversant with the facts and circumstances surrounding the subject of this affidavit [and have been authorized to depose to the same pursuant to the power of attorney dated [date] issued pursuant to [particulars of corporate approval]]. I am filing this affidavit to place on record verification of facts and documents in connection with the bidding process concerning strategic disinvestment of HLL Lifecare Limited (HLL).
2. [Insert separate paragraphs for each information / document physically submitted with the Transaction Advisor, in a chronological sequence including the page numbers of documents submitted].
3. That nothing has been concealed in the information submitted as mentioned above.
4. All documents submitted as a part of Expression of Interest (EoI) have been executed as per applicable laws and procedures and specifications in the PIM.
5. All the facts and documents submitted as a part of the EoI are true and accurate.

Solemnly affirmed and verified on this [day] day of [month][year] at [place].

(Signature of the Authorized Signatory)

Name, Designation & Address

VERIFICATION

I, [name], [the [designation of the deponent] of] the Interested Bidder above named, having my office at [address], do hereby solemnly declare that what is stated above is on the basis of the books and records of the Interested Bidder, and verify that the contents of the above affidavit are true and correct, no part of it is false and nothing material has been concealed therefrom.

Verified at [day] day of [month] [year] at [place].

[particulars of notarization]

Deponent

(Signature)

Name, Designation & Address

Important Instructions:

- 1) For an Affidavit executed and issued overseas, instead of notarization, the document should either carry a conforming Apostille certificate or it should be legalized by applicable procedure in respective jurisdiction, before submission. Also, the document shall be stamped by the local authority in India with appropriate stamp duty paid, before submission, in any event within the specified timeframe as per applicable laws.
- 2) The date of execution of Affidavit shall be on or after the date of execution of the EoI documents.

Annexure 10: Guidelines for management-employee bids in strategic sale

As per the Circular No. 4/38/2002/DD-II dated April 25, 2003 (“**Employee Guidelines**”) which is annexed, employees of HLL Lifecare Limited (“**Employees**”) are permitted to participate in the Transaction as Interested Bidders either (a) directly and independently (“**Direct Employee Participation**”) or (b) by forming of a consortium (“**Employee Consortium**”) and subject to the following:

1. Employees participating either through Direct Employee Participation or by forming an Employee Consortium shall necessarily comply with each of the applicable conditions and provisions of the Employee Guidelines.
2. Employees participating either through Direct Employee Participation or by forming an Employee Consortium shall be subject to the same terms and conditions, process, instructions, criteria’s, disqualifications, etc. which are applicable to other Interested Bidders in this PIM / EoI and shall ensure compliance of the same. In case of any conflict between the terms and conditions, process, instructions, criteria’s, disqualifications, etc. and the Employee Guidelines, the Employee Guidelines shall apply.
3. Employees participating either through Direct Employee Participation or by forming an Employee Consortium shall be required to provide such additional documents, confirmation, undertakings, and information as the TA may require so as to evaluate the EoI (including eligibility criteria) submitted by such Employees or Employee Consortium.
4. The GoI and TA may provide for such further clarifications, conditions, criteria’s as it may deem necessary for the purposes of Employees to participate.
5. Subject to paragraph 7, the forms and format to be submitted by the Employees, in case of Direct Employee Participation shall be the same as that of a sole / individual bidder mentioned in this document.
6. Subject to paragraph 7, the forms and format to be submitted by the Employees and consortium members of Employee Consortium, in case of employees participating through an Employee Consortium, shall be the same as that of a consortium bidder.
7. In the forms and format, the details of the Interested Bidder (IB) shall be provided in the following format:
[In case of permanent employees participating as single IB :-

Sr. no.	Name of the employee	designation	Employee code if any	Residential address	Identity proof PAN and TAN (Aadhar No / Passport No)
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OR

- In case the permanent employees forming a Consortium with [●] [insert name of bank / FI / VC Fund]
- a. Employees holding [●]% shareholding in the Consortium; and

- b. [●] holding [●]% shareholding in the Consortium;

Sr. no.	Name of the employee	Designation	Employee code if any	Residential address	Identity proof PAN and TAN (Aadhar No / Passport No)
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8. Each form and EoI submitted by Employees (whether as Direct Employee Participation or Employee Consortium) shall be accompanied by a duly executed Power of Attorney where Employees forming part of such participation shall appoint one participating Employee to be their lawful attorney for submission of EoI and connected documents and be the lawful attorney of the other participating Employee. The format of the Power of Attorney is annexed.

Power of Attorney for Employee Participation

[TO BE STAMPED ON INR 1000 STAMP PAPER AND NOTARIZED]

Special Power of Attorney

To all to whom these presents shall come, I son / daughter / wife of and presently residing at being presently employed with [●], having employee code [●] do hereby exclusively, unconditionally, and irrevocably constitute, nominate, appoint, and authorize Mr. / Ms. (name),.....son / daughter / wife of and presently residing at _____, who is presently employed with [●]

NOW KNOW YE MEN ALL AND THESE PRESENTS WITNESSETH I, [●] , do hereby irrevocably nominate, constitute and appoint ----- as my true and lawful attorney (hereinafter referred to as the "Attorney") to do in my name and on my behalf, to do, execute, and perform all such acts, agreements, deeds, matters and things as are necessary or required in connection with or incidental to submission of our application for qualification for the proposed Strategic Disinvestment of shares held by the Government of India in HLL Lifecare Limited including but not limited to signing and submission of all applications, participate in conferences, if any and providing information / responses to GoI / Advisor and generally dealing with GoI / Advisor / Company in all matters in connection with or relating to or arising out of our application for qualification for the Transaction (as defined in the Preliminary Information Memorandum dated 14th December 2021 issued by the Transaction Advisor.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by the Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by the Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us concerning or touching these presents as fully and effectually as if we were present and had done, performed or executed the same itself.

All the terms used herein but not defined shall have the meaning ascribed to such terms in the Preliminary Information Memorandum and EoI.

¹⁹ Strike out whichever is not applicable
Preliminary Information Memorandum
PwC

IN WITNESS WHEREOF WE,..... THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS DAY OF

.....
(Signature, name, designation, and address)

In the presence of:

- 1.
- 2.

Accepted

Name, Title and Address of the Attorney)

(To be duly notarized)

Important Instructions

- 1) The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure. The power of attorney shall be appropriately stamped and notarized.
- 2) Wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution / power of attorney in favor of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.
- 3) For a Power of Attorney executed and issued overseas, instead of notarization, the document should either carry a conforming Apostle certificate or it should be legalized by applicable procedure in respective jurisdiction, before submission. Also, the document shall be stamped by the local authority in India with appropriate stamp duty paid, before submission, in any event within the specified timeframe as per applicable laws.
- 4) The date of execution of Power of Attorney shall be before the date of execution of other documents as part of EoI.

DIPAM guidelines for employees bids

No. 4/38/2002/DD-II
Government of India
Ministry of Disinvestment

Block No.14, CGO Complex,
Lodi Road, New Delhi.
Dated: 25th April, 2003

OFFICE MEMORANDUM

Subject: - Guidelines for management-employee bids in strategic sale.

Employee participation and protection of employee interests is a key concern of the disinvestment process. The practice of reserving a portion of the equity to be disinvested for allocation to employees, at concessional prices, has been adopted in a number of cases. It is necessary and expedient to evolve and lay down guidelines to encourage and facilitate management-employee participation in the strategic sales and thus to acquire controlling stakes and manage disinvested public sector undertakings. The undersigned is directed to state that Government has, therefore, decided to lay down the following guidelines for evaluating employee / management bids: -

- i. The term 'employee' will include all permanent employees of a PSU and the whole-time directors on the board of the PSU. A bid submitted by employees or a body of employees will be called an "employee bid".
- ii. At least 15% of the total number of the employees in a PSU or 200 employees, whichever is lower, should participate in the bid.
- iii. An employee bid would be exempted from any minimum turn over criterion but will be required to qualify in terms of the prescribed net worth criterion. They will be required to follow the procedures prescribed for participation by Interested Parties in the process of strategic sale including, but not limited to, filing the expression of interest along with all details, as applicable to other investors, furnishing of bank guarantee for payment of the purchase price etc.
- iv. Employees can either bid directly and independently or, for the purpose of meeting the financial criteria like net worth, can form a consortium or bid through a JV or a SPV, along with a bank, venture capitalist or a financial institution. However, employees will not be permitted to form consortia with other companies.
- v. If the bidding entity of the employees is a consortium, JV or SPV, employees must have a controlling stake and be in control of the bidding entity.
- vi. If the bid is submitted through a consortium, JV or SPV, employees must contribute at least 10% of the financial bid.
- vii. If the employees form a consortium, the consortium partners would be prohibited from submitting individual bids independently.
- viii. If it is not the highest bid, the employee bid shall be considered only if the said bid is within 10% of the highest bid.
- ix. The employee bid shall, subject to fulfilling the conditions above, have the first option for acquiring the shares under offer provided they match the highest bid and the highest bid being equal to or more than the reserve price.
- x. If the employee bid is not the highest bid and there are more than one employee bids within the 10% band, the highest of the employee bids will have precedence for purchase at the highest bid. If such employee bidder is unwilling or unable to match the highest bid, the option will pass on to the next highest employee bid and so on till all the employee bids, within the 10% band, are exhausted.
- xi. In the event of no employee bidder, within the 10% band, being willing or able to match the highest bid, the shares under offer will be sold to the highest bidding entity.

xii. There will be a lock-in period of three years for the shares disinvested by the Government.

All the bidders for the management-employee buy-outs will also have to satisfy the provisions of the 'Guidelines for qualification of bidders seeking to acquire stakes in Public sector Enterprise through the process of disinvestment' issued vide the then Department of Disinvestment's Office Memorandum No.6/4/2001-DD-II dated 13th July 2001 or as amended subsequently along with other qualification criterion as generally applicable and not specifically excluded herein.

(T.S. Krishnamachari)
Deputy Secretary to the Government of India
Tel. No. 24368038

Annexure 11: Undertaking for Sole IB (Lock-in period)

(To be forwarded on the letterhead of the sole IB)

1. We solemnly declare and undertake to lock-in our entire shareholding in the Company that we may acquire pursuant to the Transaction for such period as envisaged in the RFP.
2. We further declare and undertake that we shall continue the business of the Company in its entirety as being conducted as on the completion of the Transaction on a going concern basis.
3. We further declare that we shall not dispose off any land and building appurtenant thereto, that is owned by the Company, for such period as envisaged in the RFP.

(Name and signature of Authorised Signatory)

(IBs' name)

(IBs' Address)

Annexure 12: Undertaking for Consortium (Lock-in period)

(To be forwarded on the letterhead of each Consortium Member)

1. We undertake to lock-in entire shareholding in the Company that Investment Vehicle, duly incorporated by the Consortium, may acquire pursuant to the Transaction for such period as envisaged in the RFP.
2. We undertake that we shall not sell our stake in the Investment Vehicle, duly incorporated by the Consortium, for such period as envisaged in the RFP.
3. We further declare and undertake that we shall continue the business of the Company in its entirety as being conducted as on the completion of the Transaction on a going concern basis.
4. We further declare that we shall not dispose off any land and building appurtenant thereto, that is owned by the Company, for such period as envisaged in the RFP.

(Name and signature of Authorised Signatory)

(IBs' name)

(IBs' Address)