Glenmark
A new way for a new world

Harnessing Potential

Moving up the Value Chain

Integrated Annual Report
2022-23

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You can also find this report online:

https://glenmarkpharma.com/investors/reports-presentations/

At **Glenmark,** we are driven by a continuous commitment to create ‘A new way for a new world’. Harnessing the potential of our core strengths of innovation, research and development, and scientific knowledge, we remain determined to consistently challenge established treatment paradigms. It allows us to identify and deliver promising solutions that make a considerable difference to the lives of patients in diverse geographies.

For four and a half decades, we have engaged a talent pool comprising biopharmaceutical experts, scientists and R&D professionals who support our constant quest for unlocking greater value for patients. With significant strides in the fields of dermatology, respiratory and oncology, we have established successful franchises with end-to-end capabilities for fulfilling the unmet needs in patient care.

Our persistent efforts to harness the power of innovation has enabled us to move up the value chain, from a generic Company to an integrated global pharmaceutical Company with a diverse portfolio of advanced drugs. Supported by state-of-the-art manufacturing and R&D facilities, our complex drug development methodology ensures precision and compliance with stringent regulatory standards. It is these qualities that continue to increase the demand for our product portfolio in different parts of the world.

Above all, our actions are guided by a strong determination to uphold our environmental, social and ethical responsibility. It keeps us on track to accelerate profitability while paving the path for sustainable value creation for a wide spectrum of stakeholders. As we move up the value chain, our relentless pursuit of excellence enables us to harness the potential of scientific achievements and create a differentiated position for Glenmark.

ABOUT
this Report

We measure our success not only through financial, and research achievements but also by the lives we touch, the stories we reinvigorate, and the futures we restore. The story of every one of our patients becomes part of our narrative and makes us the Company we are today.

Our Strategy: Moving up the value chain by developing more complex and specialty medicines.

Through our patient-centric lens, we are constantly innovating as a Company, monitoring our operations, our strategies, and our research priorities to identify ways in which we can do better, be more agile and stronger as a Company. Innovation continues to remain at the heart of our strategy.

With our global presence, the robust research infrastructure that we have established over the years, and the deep engagements we have developed with the health care community, we believe the long-term needs of our patients can be best served by finding solutions to their evolving needs. Our strategic focus of moving up the value chain – from generics and simple dosage forms to more complex and branded medicines – enables us to unlock the maximum potential of our resources and better align them.

Moving up the value chain involves the following investments of the Company's various capitals.

- Investments of financial capital into R&D, building our intellectual capital reserves by filing for patents and developing innovative products.
- Developing human capital across research, sales teams as well as various support functions.
- Investing into manufacturing capital in building and maintaining state-of-art manufacturing facilities with specialized skill sets at each plant.
- Building internal capacity to engage with key stakeholders such as regulators for approvals and licensing.
- Developing our social and relationship capital through synergies with the healthcare communities, regulators, and investors.
- Building out our value chain by identifying specific partners that can support the manufacturing and delivery of specialty medicines, greater collaboration with hospitals and research centers.

Integrated Reporting

In this report, we aim to elucidate Glenmark's strategic priorities and goals through the lens of the six capitals. We also reflect on the past year and evaluate the Company's performance and impact across economic, social, and environmental dimensions. By integrating financial and non-financial information, we offer a holistic perspective on how we create value, both for our stakeholders and society at large.

- Reporting Period: Financial Year beginning in April 2022 and ending in March 2023 (FY 2022-23/FY 2023/FY23).
- Reporting Boundary: Unless otherwise stated by way of notes in the report, this report is prepared for Glenmark Pharmaceuticals (Glenmark / GPL) including all its Indian (Glenmark Life Sciences/GLS) and overseas (such as Glenmark Specialty S.A./GSSA; Ichnos Sciences Inc./Ichnos) subsidiaries, at the Group level.
- Reporting Standards and Frameworks: The content of our Integrated Report is in reference to the Integrated Reporting Framework and the Global Reporting Initiative (GRI) standards 2021. We have also drawn reference to and United Nations Sustainable Development Goals (UN SDGs) and referred to the National Guidelines for Responsible Business Conduct (NGRBC).

This report's financial and statutory information complies with the Companies Act, 2013, Indian Accounting Standards, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable regulations.

External Assurance

Our statutory auditor, Suresh Surana & Associates LLP, has provided assurance on our financial statements, which can be found on page 265 and 335 of this report. DNV Business Assurance India Private Limited has independently assured the non-financial information. The statement of assurance for non-financial information can be found on page 176 of this report.

Feedback

We encourage our stakeholders to share their feedback on this report as it would help strengthen our future reporting efforts. Please contact complianceofficer@glenmarkpharma.com for further information.

Responsibility Statement

The Board collectively acknowledges the content of this integrated report and believes that this report is a fair representation of the holistic financial, operational and sustainability performance of Glenmark for the reporting year FY 2023.

Forward-looking Statements

Forward-looking statements might be included in some parts of this report. 'believes', 'expects', 'may', 'will', 'could', 'should', 'intends', 'estimates', 'plans', 'assumes', and 'anticipates', as well as negative versions, can be used to identify these. These forward-looking statements are subject to certain risks and opportunities that are either beyond the Company's control or dependent on the Company's current opinions and assumptions about future events. There is a chance that the Company's performance will differ from the predicted results and performance suggested in this report. Given the Company's diverse set of risks and possibilities, no guarantee can be given that future results will be attained, since actual outcomes for the Company and its subsidiaries may differ substantially.

LED BY RESEARCH
and scientific expertise

Carrying forward a rich legacy of scientific innovation for over four decades, Glenmark aspires to be a leading, integrated, research-led global pharmaceutical Company. With consistent improvements in our Branded Generics, Generics, Specialty and OTC business, we are expanding our offerings across dermatology, respiratory and oncology medications to successfully move up the pharma value chain.

Harnessing the potential of our research expertise, we are engaging in robust clinical trials and pushing the boundaries of innovation. It has not only strengthened our presence in different countries around the world, but has also empowered us to address unmet medical needs and bridge the gaps in existing markets. With 14[1] world-class manufacturing facilities, 4 R&D centres, a vast geographical presence in over 80 countries, and a dedicated team of scientists, researchers, and medical experts, we aspire for scientific excellence, consistently adding a new dimension to pharmaceutical innovation and development.

At Glenmark, we are dedicated to delivering affordable, accessible, and high-quality health care solutions by adhering to our Environment, Social and Governance (ESG) commitments at every stage of our business, in line with the UN Sustainable Development Goals (SDGs) – thereby empowering individuals and communities to lead healthier and happier lives.

Vision

To emerge as a leading, integrated, research-led global pharmaceutical Company.

[1]Includes Glenmark Pharmaceuticals Ltd., Glenmark Life Sciences Ltd. and Ichnos Sciences Inc.

GLENMARK AT A GLANCE

₹ 1,29,901 million

Revenue from operations

5.6%
YoY increase

₹ 3,774* million

PAT

₹ 22,784 million

EBITDA

17.5%
margin

US$ 250 million+

worth out-licensing deals signed till date

1300+

patents granted till date

1400+

inventions till date

Values

Achievement

We value the achievement of objectives and consistently strive towards our vision with perseverance.

Respect

We respect all our stakeholders.

Knowledge

We place an importance on knowledge such that it empowers our people to find innovative solutions to manage change.

*Lower due to one time exceptional item
Note: Data as of 31st March 2023

AN EXCITING
and rewarding journey

Scaling the Value Chain **Company Level Milestones**

1977-1979

1977
Mr. Gracias Saldanha (Founder Emeritus) **lays the foundation stone of Glenmark.**

1979
Makes its foray into the Dermatology therapy area with the launch of 'Candid Cream'; a top selling brand even today.

1980-1989

1980
Commences operations in **Russia and CIS.**

1983
Commissions its first manufacturing unit in Nashik.

1987
Enters the Respiratory segment with the launch of Ascoril®, a cough expectorant, which has emerged as one of its most successful brands.

1990-1999

1999
Sets up its **first Research and Development (R&D) center** at Sinnar.

2000-2009

2000
Goes public; commands a market capitalization of US$ 40 million on the Indian bourses, BSE and NSE.

2001
Commences production of APIs at the Kurkumbh API manufacturing facility in Maharashtra.

2002
Acquires API manufacturing plants at Ankleshwar, Gujarat.

2003
Establishes North American subsidiary, Glenmark Pharmaceuticals, Inc.

2004
Enters the European market by incorporating its subsidiary, Glenmark Pharmaceuticals Europe Limited.

2005
Launches front-end commercial sales along with its first generic product in the U.S.

Sets up its first manufacturing facility built to U.S. FDA specifications in Goa, India.

2006
Makes debut in the Oncology segment with the launch of Aprecap (aprepitant capsules) in India.

2007
Enters the Central Eastern Europe market with the acquisition of Medicamenta, a Czech-based pharmaceutical Company.

2010- 2019

2014
Commissions new manufacturing facility for injectables and oral solids in Monroe, North Carolina, U.S.

2015
Grows respiratory portfolio: enters into an agreement with Celon, Poland for generic Seretide Accuhaler in Europe and receives approval for its generic version in Russia.

2016
Launches differentiated generics: introduces Ezetimibe, generic version of Zetia in the U.S.

2018
Advances respiratory portfolio: The U.S. FDA **approves RYALTRIS®**, formerly known as GSP 301 nasal spray, **Glenmark's top respiratory pipeline candidate for review as a therapy** for seasonal allergic rhinitis.

2019
Spins out its API arm, Glenmark Life Sciences (GLS)

2020 - 2023

2020
Launches FabiFlu® (favipiravir) for mild to moderate COVID-19; exported to 24 countries by June 2021.

2021
GLS gets listed on the Indian bourses, BSE and NSE.

Gets qualified for the production linked incentive (PLI) scheme for the pharmaceutical sector, an initiative by the Government of India.

2022
U.S. FDA grants approval for RYALTRIS®, the Company's first global branded specialty drug for the treatment of symptoms of seasonal allergic rhinitis in adults and paediatric patients 12 years of age and older. Marketed by Hikma in the U.S. and Bausch Health in Canada.

Continues to expand its Over-The-Counter (OTC) Portfolio in the U.S. with the acquisition of approved ANDAs from Wockhardt Limited.

Becomes the first Indian pharmaceutical Company to raise a Sustainability-Linked Loan (SLL).

2023
Becomes the second Indian pharmaceutical Company to have its Green House Gas (GHG) emission reduction targets approved by the Science Based Target initiative (SBTi).

Our Innovation Journey

2000-2009

2000
Second R&D center set up at Mahape, Navi Mumbai **to drive innovation in Novel Chemical Entities (NCE).**

2004
Signs its first out-licensing agreement for GRC 3886 with Forest Laboratories for US$ 35 million (upfront and milestone payments).

2005
Strikes its second out-licensing deal for Oglemilast with Teijin Pharma, Japan for US$ 6 million (upfront payment).

2006
Establishes its first R&D Centre for New Biological Entities (NBE) research in Switzerland.

2006
Out-licenses its third molecule, Melogliptin, to Merck KGaA for US$ 31 million (total payment).

2007
Out-licenses first portfolio, TRPV1 antagonist molecules, to Eli Lilly for US$ 45 million.

2009
Commisions **third R&D center** in Taloja, Maharashtra, India.

2010- 2019

2010
Out-licenses GRC 15300, its first-in-class TRPV3 antagonist, to Sanofi-Aventis for US$ 25 million (upfront payment).

2011
Out-licenses its first New Biological Entity (NBE), GBR 500, to Sanofi-Aventis for US$ 55 million (upfront and milestone payments).

2012
Out-licenses mPEGS-1 Inhibitor to Forest Laboratories for US$ 15 million (upfront payment).

2014
Establishes new antibody manufacturing facility to provide clinical GMP-grade biologics for clinical trials in La Chaux-de-Fonds, Switzerland.

2016
Adds GBR 1302, GBR 1342 and GBR 1372 from the BEAT® platform to **expand the Oncology portfolio.**

2018
Signs an exclusive licensing agreement with Harbour Biomed in Greater China to develop, manufacture and commercialize GBR 1302.

2019
Spins out an innovation subsidiary focusing on immuno-oncology, Ichnos Sciences Inc. (Ichnos).

2020 - 2023

2021
Ichnos out-licenses its IL-1RAP antagonist, ISB 880, **to Almirall SA** for the for an upfront payment of EUR 20.8 million.

2021
Ichnos **makes an oral presentation at the 63rd American Society of Hematology (ASH) Annual Meeting** for ISB 1442, as the First-in-Class CD38 x CD47 2+1 Biparatopic BEAT® bispecific antibody for the treatment of relapsed/refractory Multiple Myeloma. ASH is the **world's premier event in malignant and non-malignant hematology.**

2022
Subsidiary, Glenmark Specialty S.A. (GSSA), **receives approval from the Indian drug regulator, Drug Controller General of India, to conduct a Phase 1 clinical trial** of GRC 54276, a hematopoietic progenitor kinase 1 (HPK1) inhibitor.

2023
GSSA **receives acceptance from U.S. FDA** on its IND application for **GRC 54276** to proceed with a Phase 1/2, **first-in-human clinical study** of the molecule for the treatment of patients with advanced solid tumors and lymphomas.

Partnered asset of Ichnos in immunology, **ISB 880, progresses to Phase 1 studies** initiated by our partner Almirall.

Ichnos **receives 'orphan drug designation' (ODD) from the U.S. FDA for ISB 1442,** a first-in-class biparatopic 2+1 BEAT® bispecific antibody targeting CD38 and CD47, for the treatment of relapsed/refractory multiple myeloma.

Ichnos makes an **oral presentation at the 64th ASH Annual Meeting for ISB 2001,** its first TREAT™ trispecific (BCMAxCD38xCD3) antibody.

OUR PERFORMANCE SCORECARD

5 year financial overview

(In ₹ million, unless otherwise stated)

CONSOLIDATED FINANCIAL HIGHLIGHTS (IND AS)	2022-23	2021-22	2020-21	2019-20	2018-19
Total Income	1,33,068.96	1,24,715.77	1,09,941.45	1,08,005.71	1,00,736.05
Earning before Depreciation.Finance Cost and Tax expenses (EBDITA)	22,783.70	23,202.98	20,843.82	18,576.84	17,939.37
Depreciation and Amortisation	6,112.68	4,867.15	4,435.54	4,171.66	3,259.05
Profit for the year	3,774.00*	9,936.49	9,700.88	7,759.70	9,249.93
Equity Dividend	2.50	2.50	2.50	2.50	2.00
Equity Share Capital	282.17	282.17	282.17	282.17	282.17
Reserves and Surplus	94,457.06	90,584.30	70,364.10	60,422.88	55,769.67
Net Worth	98,392.58	94,381.20	70,642.73	60,701.13	56,048.07
Net Debt	29,046.94	22,598.22	35,493.33	37,583.59	35,123.90
Gross PPE & Intangible Assets	1,19,115.33	1,06,749.11	96,284.71	90,618.37	78,714.71
Net PPE & Intangible Assets	71,431.91	65,880.33	61,873.32	59,020.87	50,144.57
Key Indicators					
Basic Earnings Per Share (INR)	10.53*	33.37	34.38	27.50	32.78
Return on Capital employed (EBIT^/ Capital Employed **)	14.05%	16.80%	17.27%	15.17%	16.14%
Return on Equity^^	11.86%*	12.04%	14.77%	13.29%	17.18%

EBIDTA = PBT + Depreciation + Finance Cost - Other Income
Net Worth = Equity + Reserves + Non-controlling interests
*FY 2023 profit and EPS lower due to one-time exceptional item.
^EBIT = Profit before exceptional items & tax + Finance Cost - Other Income
** Capital Employed = Equity Share Capital + Other Equity - Intangible Assets + Current & Non-Current Borrowing + Deferred Tax liability
^^Return on Equity = Net Profit / Average Equity

HARNESSING NOVEL DRUGS

pipeline for unmet medical needs

With a constant focus on introducing novel drugs, we continue to harness the potential of innovation to move up the value chain. We are conducting clinical trials for various drug molecules that will be beneficial for the treatment of oncology and immunology. It allows us to build a solid pipeline of drugs that are more effective and at the same time, in tune with changes in treatment paradigms.

Glenmark Pharmaceuticals

Molecule	Therapy	Description/Target	Phase
GRC 54276	Oncology	HPK1 Inhibitor for Solid Tumors	
GRC 39815	Respiratory	RORyt Inverse Against for COPD	

Ichnos Sciences

Molecule	Therapy	Description/Target	Phase
ISB 1342	Oncology	CD38 x CD3 BEAT® bispecific antibody	
ISB 1442	Oncology	CD38 x CD47 BEAT® bispecific antibody	
ISB 2001	Oncology	BCMA x CD38 x CD3 TREAT™ trispecific antibody	
ISB 830	Auto-immune	OX40 antagonist monoclonal antibody for Atopic dermatitis	
ISB 880/ ALM27134	Auto-immune	IL-1RAP antagonist monoclonal antibody for Autoimmune diseases	

Phase 1 Phase 2 Phase 3

MESSAGE FROM
the Chairman and Managing Director

> Our quest, to be among the few Indian pharmaceutical companies to develop an innovative drug for the world, has driven us to tread two parallel paths. One pursues the discovery of a novel chemical or biological entity. The second has led us to scale the value chain by creating specialty products, like RYALTRIS®, that address gaps in treatment.

Glenn Saldanha
Chairman and Managing Director, Glenmark

Dear Shareholders,

Reflecting upon FY 2023, it is important to recognize the various challenges stemming from macroeconomic headwinds in our operating environment. Despite the hurdles, I am delighted to share that we have delivered a praiseworthy performance yet again. It is through passion backed by perseverance that has enabled our teams to prevail.

Inflation which reached multi-decadal highs caused a decline in real incomes and a global cost-of-living crisis. This also prompted several developed and developing economies to implement aggressive monetary tightening policies. The Federal Reserve in the United States resorted to interest rate hikes, which had global ramifications. These consequences resulted in capital outflows and currency devaluation in emerging countries, causing balance-of-payment challenges and heightening risks related to debt sustainability.

The impact of the pandemic and the geopolitical scenario in Europe continued to exert pressure on economies and businesses worldwide. Escalating raw material prices and logistics costs further compounded the operational complexities faced by businesses. While there was a macroeconomic slowdown in Europe and the U.S. owing to the war, we emerged stronger in both these markets. Our India business recorded double-digit growth in secondary sales, while the Rest of the World (RoW) markets performed phenomenally well.

Building on our rich legacy spanning four-and-a-half decades, we now stand at an inflection point in our journey as a leading, integrated, research-based, global pharmaceutical Company. Over the years, we have consistently engaged in groundbreaking research and developed specialty products that address unmet patient needs.

Business and operational performance

Our performance in the last fiscal year reflects a resilient growth trajectory. In FY 2023, our consolidated revenue from operations stood at ₹1,29,901 million; up from ₹1,23,049 million, recording an overall growth of 5.6% over the previous year. We reported EBITDA of ₹ 22,784 million during the fiscal year, with margins of 17.5%. Our performance, yet again, stood out as a resolute testament to our unwavering determination to not just deliver but also flourish.

We continued to expand our branded formulations business, with it contributing 55% to our revenues in FY 2023. We now have the cardiac franchise contributing more than US$ 100 million, and our brands Ascoril® and Candid having more than US$ 50 million in revenues. We expect our first global branded specialty product, RYALTRIS®, to soon enter the US$ 50 million club.

During the reporting year, our India business continued to significantly outperform industry growth rates – we were ranked 14th in India with a market share of 2.12%. Glenmark's products continued to feature among the Top 300 Brands in the Indian Pharmaceutical Market; with nine brands making it to the marquee in FY 2023.

Glenmark gained market share across segments with 35 launches in the last fiscal; these also included eight first-to-market launches. Five of these launches were in the Diabetes therapy areas, and one each in Dermatology, Respiratory and Oncology. Some of the notable introductions were Indamet (Indacaterol Mometazone) for the treatment of Asthma; MINYM®, topical Minocycline 4% Gel for the treatment of moderate to severe acne; and AKYNZEO® I.V., for the prevention of chemotherapy-induced nausea and vomiting, under an exclusive licensing agreement with Helsinn.

17%
Growth in Candid Powder™

73%
Growth in La Shield™

13%
Growth in Scalpe+™

> We launched 35 products in the India market, including eight first-to-market launches. These include five in diabetes, and one each in dermatology, respiratory and oncology therapy areas.

We enhanced our offering for the treatment of type 2 Diabetes with SITAZIT® (Sitagliptin), LOBG® (Lobeglitazone), and the ZITA® range (Teneligliptin FDCs).

Our consumer care business clocked a revenue of ₹ 2,330 million, marking a year-on-year growth of 30%. This growth can be attributed to the expansion of the product range across the three flagship brands, namely, Candid Powder™, La Shield™, and Scalpe+™.

We performed exceedingly well in our global operations with successful product launches across key markets. In **North America**, we filed a total of eight Abbreviated New Drug Applications (ANDAs) applications, received approval for eight ANDAs, and successfully launched eight new products, comprising a mix of immediate-release oral solids and an injectable. As of March 31, 2023, Glenmark's marketing portfolio includes 183 generic products authorized for distribution in the U.S. market. During the year, we reached a settlement agreement with Pfizer for Axitinib Tablets, 1mg and 5mg (generic version of Inlyta®).

In **Europe**, after reaching the major milestone of exceeding annual sales of US$ 200 million in FY 2022, operations' revenue sustained its growth momentum in FY 2023. Notably, during the year under review, we entered the Italian market and are looking forward to expanding across the country in the upcoming quarters.

Our RoW business recorded strong growth across all sub-regions, driven by key product launches in Respiratory and Dermatology. In the **Russia-CIS** region, our expansion was driven by key brands, including RYALTRIS®, Ascoril® and Montlezir™. In the Expectorants market in Russia, we continued to maintain our 2nd ranking as revealed by IQVIA MAT March 2023. In the **LATAM** region, we recorded the highest growth rate amongst the Top 20 companies in the covered market in Brazil. Our **Middle East and Africa** region recorded a strong double-digit growth in secondary sales. While the Kenya market was hit by macroeconomic instability and currency devaluation in FY 2023, our business remained resilient. We also ranked 3rd in the overall Kenya Pharmaceutical Market. Moreover, we recorded double-digit growth in base business despite external challenges in key countries in the **Asia Pacific** region.

Our manufacturing plants received multiple sustainability and EHS awards this year:

- Grow Care Award (Environment) in Gold Category – Indore
- Platinum Apex India Green Leaf Award – Nalagarh
- National Level Occupation Health & Safety Award – Goa
- Gold Award at the Grow Care India Fire Safety Awards – Taloja R&D center.

FY 2023 was also a robust year for our manufacturing units in India – we witnessed strong growth in production volumes across our Goa, Baddi, Indore, Aurangabad, Nashik, Nalagarh, and Sikkim sites. Our overseas manufacturing facilities, Pilar and Vysoké Mýto, sustained with their strong support.

Moving up the value chain

Since inception, we have remained committed to making a difference in the lives of patients worldwide. Over the years, we have progressed from developing generics to becoming a global pharmaceutical powerhouse also focused on new drug discovery. To sustain our growth trajectory, we have leveraged our core capabilities in generics, while proactively exploring the field of drug discovery.

We are further diversifying our portfolio and building global brands as we move up the value chain. In 2020, we launched our first global brand of specialty medicine, RYALTRIS®, an intranasal spray with a unique fixed-dose-combination for the treatment of seasonal allergic rhinitis (SAR). During this fiscal, we continued to make headway in launching RYALTRIS® across numerous markets.

In a significant development, RYALTRIS® was approved by the U.S. Food and Drug Administration (FDA) for the treatment of SAR in not just adults, but also children up to 12 years of age. Launches in North America were through commercial partnerships with Hikma Pharmaceuticals PLC. (for the U.S.) and Bausch Health, Canada (for Canada). This has been a major milestone and demonstrates our focus on strengthening our leadership in the global respiratory segment. Notably, RYALTRIS® has also been gaining ground in Australia and South Korea; ably driven by our partners, Seqirus Pty. Ltd. and Yuhan Corporation, respectively.

We launched RYALTRIS® in

12 markets

on our own/through a partner.

RYALTRIS® has also been successfully commercialized in

27 markets

across the globe thus far.

Innovation pipeline

We firmly believe that an innovative pipeline serves as a key lever to drive our progress up the value chain. To this end, Glenmark has divided its efforts for discovering and developing an innovative molecule. Ichnos Sciences Inc., Glenmark's wholly owned subsidiary, is an innovation biotech Company focused on the development of novel biological molecules as potential treatment options for oncology. The Innovative Medicines Group, on the other hand, is a Division within Glenmark Pharmaceuticals. Through this Division, we carry out the development of innovative therapies to address critical unmet medical needs and to improve the lives of patients and their families with serious diseases. Our current specialty pipeline consists of two molecules in various stages of clinical development; a molecule each in the therapy areas of respiratory and oncology.

Glenmark Pharmaceuticals

Glenmark has been developing **GRC 54276 (HPK1 Inhibitor)** as a novel, orally administered immunotherapeutic agent for patients with solid tumors. In pre-clinical studies, when administered alone, GRC 54276 has demonstrated substantial anti-tumor effects, which are further enhanced when combined with already available immunotherapy. The U.S. FDA approved our IND application for GRC 54276 to proceed with a Phase 1/2, first-in-human clinical study of the molecule for the treatment of patients with advanced solid tumors and lymphomas. This marks a major step as we continue to expand our oncology pipeline. We are excited about the prospects of this new class of immuno-oncology medicines for patients in need.

> We initiated the Phase 1 studies for four of our clinical oncology assets (including those developed in Ichnos); inflection points (POC) for all four molecules are expected in FY 2024.

Our respiratory pipeline asset, **GRC 39815 (a RORyt inhibitor),** is being developed as an inhaled therapy for treating mild-to-moderate Chronic Obstructive Pulmonary Disorder (COPD). It is currently in Phase 1 clinical development in the U.S.

Ichnos Sciences

Ichnos is developing a differentiated pipeline with potential first-in-class and best-in-class assets. Committed to raising the bar for biotechnology, Ichnos has been making significant contributions to the fight against cancer. Its pipeline of bi- and multi-specific antibody therapeutics for oncology includes:

- **ISB 1342,** a CD38 x CD3 BEAT® bispecific antibody for oncology. This molecule is currently in Phase 1, but, it shows promise in the treatment of certain cancers and has also received an orphan drug designation.
- **ISB 1442,** a CD38 x CD47 BEAT® bispecific antibody in the field of oncology. Like ISB 1342, it is in Phase 1 and has been recognized as an orphan drug.
- **ISB 2001,** a BCMA x CD38 x CD3 TREAT™ trispecific antibody for oncology. It is in the Phase 1 and has received an orphan drug designation.
- **ISB 830,** an OX40 antagonist monoclonal antibody, is designed for atopic dermatitis in the field of autoimmune diseases. This molecule has completed Phase 2B, signifying considerable progress in its development.
- **ISB 880/ALM27134,** an IL-1RAP antagonist monoclonal antibody for autoimmune diseases, was licensed out to Almiral. It is in Phase 1 of clinical trials and holds promise for addressing various autoimmune conditions; reflecting Glenmark's commitment to finding innovative treatments for patients in need.

Glenmark Life Sciences

To establish a notable presence in the highly competitive U.S. generics market, the Company's strategy included securing access to affordable active pharmaceutical ingredients (APIs), leading to its foray into the API business. Over the years, the API business acquired external customers and established itself as one of the leading API players out of India.

After this business achieved significant scale, Glenmark decided to hive it off into a separate subsidiary (Glenmark Life Sciences) to unlock its full potential value. In 2019, Glenmark Life Sciences (GLS) was launched as a separate entity with a focus on developing and manufacturing high-quality API for pharmaceutical companies worldwide. Today, Glenmark Life Sciences independently drives 70% of its business by catering to the needs of other pharmaceutical players.

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DMFs and CEPs filed by GLS across major markets

In its second year of being successfully listed on the stock exchanges, GLS has recorded a robust financial performance. Its revenue from operations, including captive sales, stood at ₹ 21,612 million compared to ₹ 21,232 million, recording a growth of over 1.8%; while its profit after tax stood at ₹ 4,670 million compared to ₹ 4,187 million, recording a growth of over 11.5%. The growth was driven by strong momentum in the Generic API business as well as a significant recovery in demand in the CDMO business. Glenmark had originally entered the API manufacturing space to ensure an uninterrupted and captive supply for its U.S. business. While both, Glenmark Pharmaceuticals and Glenmark Life Sciences are part of the same Group, over the years, they have been operating independently with different growth strategies and objectives. We are currently engaged in a stake sale that is a procedural requirement as per the listing guidelines, which necessitates Glenmark Pharmaceutical's shareholding in GLS to be brought down to 75% no later than August 2024.

> Through our project **'Jal Kavach',** we aim to alleviate water scarcity and enhance the lives of the communities we serve

Putting our people first

Our people have been the driving force behind our remarkable performance. The sheer will and can-do spirit of our dedicated team have made these achievements possible. At Glenmark, we aim to create a value-driven, innovative and high-trust organization, while also identifying and developing high-potential talent. To this end, we foster a positive work environment for our talent pool and prioritize their well-being. The Great Place to Work™ (GPTW) Institute certified us as a Great Place to Work in India for FY 2024. It is a testament to our values and the culture foster, which we hope inspires our employees to bring their best selves, feel empowered to contribute, and take immense pride in being a part of Glenmark.

Building a responsible business

Promoting sustainability in all that we do is an integral aspect of our operations. It aligns with our core values and our commitment to our planet. Through the year under review, we diligently worked towards achieving our goals of becoming

2.9 million

Lives touched through CSR interventions.

2.2+ million

Lives enriched through child health interventions

water neutral by 2025, achieving zero waste to landfill across all our plants by 2027, and carbon neutral by 2030.

To achieve water neutrality, we have initiated the 'Jal Kavach' project in Maharashtra, India. The project is being carried out in over 19 villages in Maharashtra and is aligned with the UN Sustainable Development Goals. Accessibility and availability of clean water are essential for community well-being and empowerment. Recognizing this, we aim to alleviate water scarcity and enhance the lives of the communities we serve through this program.

As part of our efforts to become carbon neutral, we are striving to raise the proportion of renewable energy in our energy mix. Our initiatives extend across multiple operational areas, including manufacturing and supply chain management. **We are honored to be the second Indian pharmaceutical Company to have our targets certified by the Science Based Targets initiative (SBTi).** We are working to reduce our absolute scope 1 and 2 GHG emissions by 35% by FY 2035, along with a 28% reduction in scope 3 GHG emissions from various activities related to pharmaceutical products. Focused on enhancing carbon efficiency in our operations, we have reduced our carbon emission intensity by around 10% through our efforts over the last three years.

Through the Glenmark Foundation, we have touched millions of lives over the past decade. Our 'Impact@45' CSR employee volunteering campaign, launched on occasion of Glenmark's 45th anniversary, has gained steady momentum and the participation it has elicited from across the world is on the rise. These achievements have brought us closer to our objective of positively impacting the lives of 3 million people by 2025 through community development projects.

During the fiscal, we continued to be recognized for our efforts in CSR. Our 'mMitra' project received 'The Best Innovative CSR Project' award at the 5th Edition of the Corporate Social Responsibility Summit. We were also honored as the 'Foundation of the Year' at the 7th Edition of the Corporate Social Responsibility Summit & Awards 2023 for our efforts on improving mother and child health in tribal regions of Sikkim and Madhya Pradesh earned us this recognition. Moreover, we were recognized for our all-round sustainability efforts by Businessworld (#3 in the pharmaceutical and healthcare sector) and the Economic Times.

Strategic objectives and outlook

For the new financial year, we aim to grow by 10-11% in revenues, expand our EBITDA margin to 19-20%, and continue to focus on enhancing free cash generation for further debt reduction.

As we move up the value chain, we will identify potential candidates for building global scale. Simultaneously, we are working towards enhancing our Dermatology, Oncology, and Respiratory portfolios to establish a formidable presence in these core therapy areas through timely launches. Differentiated products, will be at the forefront of our new launches in FY 2024 to gain a competitive edge. These will help us expand our presence in the branded/specialty/complex segments.

Goa, Baddi, and Monroe will continue their remediation efforts at the same momentum, and be inspection-ready this financial year. We are mindful of the fact that as our scale of operations continue to increase, it becomes even more imperative to be Quality-Focused and Compliant.

We persevere in our commitment to excellence and remain focused on delivering differentiated products and services, harnessing best-in-class technologies and innovations. However, our journey is not solely fueled by our aspirations and is anchored in an unwavering dedication to upholding our environmental, social and ethical responsibilities. We integrate these principles into every aspect of our business, creating a virtuous cycle that benefits not only our shareholders, but also society at large.

In conclusion, I would like to extend my heartfelt gratitude to all our stakeholders. We look forward to your support and encouragement as we strive to enrich lives and make a difference in the lives of patients all across the world.

Regards,

Glenn Saldanha

BOARD OF DIRECTORS

Mr. Glenn Saldanha
Chairman & Managing Director

Mr. Saldanha joined Glenmark in 1998, and subsequently became the Managing Director & CEO in 2000. He transformed Glenmark into a truly multinational Company with revenues of over US$ 1.5 billion. Mr. Saldanha envisions discovering, developing and introducing India's first innovative drug for the world. Under his leadership, Glenmark has evolved from an Indian branded generics business into a research-driven and innovation-led global organization. Glenmark also won for two consecutive years the 'Indian Pharma Innovation of the Year' award, conferred by the Government of India.

Mr. V. S. Mani
Executive Director & Global Chief Financial Officer

Mr. Mani leads the organization's worldwide Finance operations, as well as Legal and Secretarial functions. He has over thirty years of rich industry experience across treasury, taxation, accounting, financial planning and analysis, secretarial, legal, risk management, and investor relations. Mr. Mani has also played a key role in mergers, acquisitions and spinouts of various companies in emerging and mature markets. Prior to joining Glenmark in 2017, he was the President-Finance at the Bhartiya Group. He has also held the position of the Chief Financial Officer at Cipla.

Mrs. Cherylann Pinto
Executive Director – Corporate Services

Mrs. Pinto is Director of Corporate Services at Glenmark since October 1999 and is an Executive Member of the Board. With over three decades of experience in the pharmaceutical field, she currently heads the Company's Corporate Services that comprise the Human Resources (HR), Administration, Insurance, Information Technology (IT), Corporate Communications, and Corporate Social Responsibility (CSR) functions. Prior to Glenmark, she was an entrepreneur, establishing a pharmaceutical Company where she served as Managing Director for ten years.

Dr. Brian W. Tempest
Non-Executive Independent Director

Dr. Tempest is a Non-Executive Independent Director at Glenmark Pharmaceuticals Limited. He has been working in the pharmaceutical industry for the last five decades, and has managed healthcare businesses in North America, South America, Europe, Africa, the Middle East, Australia, China, Japan and India. Dr. Tempest is the editor of the Journal of Generic Medicines. He is non-executive chairman of Touch Medical Holdings Ltd. and MMC Laboratories Ltd., UK.

Mr. Bernard Munos
Non-Executive Independent Director

Mr. Munos is a Non-Executive Independent Director at Glenmark Pharmaceuticals Limited. He advises organizations on being better innovators. Mr. Munos is a former member of the Advisory Council of the National Center for Advancing Translational Sciences (NCATS); and of the National Academy of Medicine's Forum on Drug R&D and Translation. He also serves as an Advisor to the journal Science Translational Medicine. His research on pharmaceutical innovation has been published in Nature and Science magazines, and profiled by Forbes magazine.

Mr. Rajesh V. Desai
Non-Executive Independent Director

Mr. Desai is a Non-Executive Independent Director at Glenmark Pharmaceuticals Limited. He has 37 years of rich experience, and has been the Executive Director and Chief Financial Officer of Glenmark until 2016. Mr. Desai led the Finance, Legal and IT functions at Glenmark, and has contributed significantly to its growth story.

Mr. Sridhar Gorthi

Non-Executive Independent Director

Mr. Gorthi is a Non-Executive Independent Director at Glenmark Pharmaceuticals Limited. He is partner at Trilegal, and is part of the corporate practise Group along with being on the firm's management committee. Mr. Gorthi is considered a leading authority on corporate law, M&A and private equity in the country. In addition to representing several international clients on inbound M&A in India, he has also advised Indian companies about outbound M&A transactions in jurisdictions, such as the UK, the U.S., South Africa, Argentina, Indonesia and Sri Lanka.

Mrs. B. E. Saldanha

Non-Executive Director

Mrs. Saldanha is a Non-Executive Director and a member of the promoter Group of Glenmark Pharmaceuticals Limited. Prior to this, she was the Director for Exports and managed Glenmark's international operations from 1982 to 2005. During her 23-year tenure with the organization, she was responsible for developing and growing the Company's export business.

Mr. D. R. Mehta

Non-Executive Independent Director

Mr. Mehta is a Non-Executive Independent Director at Glenmark Pharmaceuticals Limited. He has almost four decades of experience in civil administration and management of public affairs. Mr. Mehta joined the IAS in 1961 and has held positions in the Government of Rajasthan and the Government of India. He has served as the Chairman of SEBI, the Deputy Governor of the RBI and the Director General of Foreign Trade, Ministry of Commerce, Government of India.

Ms. Saira Ramasastry

Non-Executive Independent Director

Ms. Ramasastry is a Non-Executive Independent Director at Glenmark Pharmaceuticals Limited. She has over two decades of experience in the Life Sciences industry, successfully building companies as an advisor, Board member and operational executive. Ms. Ramasastry is the Founder and Managing Partner of Life Sciences Advisory, LLC. She serves on the Board of directors of several public biopharmaceutical companies, on the industry advisory Board of the Michael J.Fox foundation, and formerly as a special advisor for the G8 health initiatives. Ms. Ramasastry is also a health innovator fellow of the Aspen Institute and a member of the Aspen Global Leadership Network.

Mrs. Vijayalakshmi Iyer

Non-Executive Independent Director

Mrs. Iyer is a Non-Executive Independent Director at Glenmark Pharmaceuticals Limited. She has nearly four decades of experience in the banking and finance sector in India. She retired as the chairman and managing director of Bank of India in May 2015 where she played an instrumental role in structuring it as an umbrella institution offering all kinds of banking and financial services. She also served as member (finance and investment) at IRDAI from 2015 to 2017 where she played a significant role in the introduction and amendment of various regulations related to, inter alia, finance and accounts, corporate governance, mergers and acquisition, registration of new insurance companies and exposure of management.

Mr. Dipankar Bhattacharjee

Non-Executive Independent Director

Mr. Bhattacharjee is a Non-Executive Independent Director at Glenmark Pharmaceuticals Limited. He has over three decades of global experience leading healthcare businesses across North America, Europe, APAC and MEA. Mr. Bhattacharjee was President & CEO – Global Generics Medicines at Teva Pharmaceutical Industries, and earlier held senior leadership roles at Bausch & Lomb, Bank of America and Nestlé. He currently advises investors on mergers and acquisitions in the European Generics space.

GEOGRAPHICAL
Footprint

4
Continents where our facilities are present

80+
Countries have our commercial presence

50+
Offices

14
State-of-the-art manufacturing facilities

8
Manufacturing facilities approved by U.S. FDA

4
R&D centres

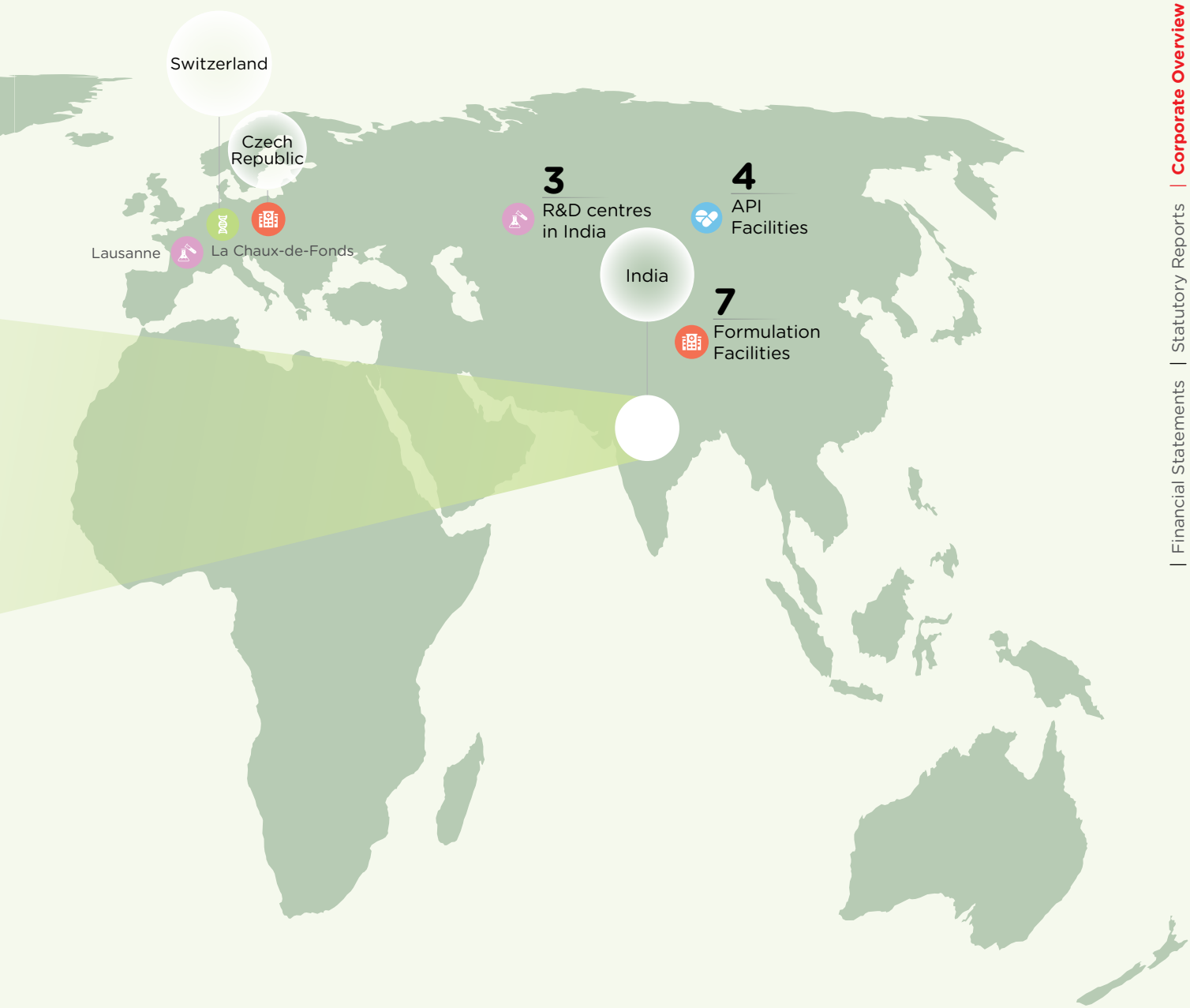
~66%
Turnover from international markets

Revenue distribution by geographies

India	32%
North America	24%
Europe	14%
Rest of the World[1]	19%
API	11%

Map is for representational purpose only.
Depiction of boundaries is not authoritative.

[1] RoW: Asia, Middle East and Africa, Russia and CIS, Latin America



Formulation Facility

- Goa
- Indore
- Baddi
- Nalagarh
- Nashik
- Sikkim
- Aurangabad
- Monroe
- Pilar
- Vysoké Mýto

NBE Facility

- La Chaux-de-Fonds

API Facility

- Ankleshwar
- Dahej
- Kurkumbh
- Mohol

R&D Centre

- Sinnar
- Mahape
- Taloja
- Lausanne

U.S. FDA Approved

glenmark
A new way for a new world

Glenmark Pharmaceuticals Limited

Driving innovation to maximize potential

Glenmark Pharmaceuticals Ltd. is a globally recognized Company, renowned for its innovation-driven portfolio of branded generics, generics, specialty, and over-the-counter (OTC) products. Our dedication to offering specialized and affordable generics enables us to maintain a focus on key therapeutic areas such as oncology, respiratory and dermatology, thereby enabling us to capitalize on our true potential to confidently move up the pharma value chain.

Our product portfolio

Complex Injectables and Biologics

Oral Solids

Liquids

Topical Products

Respiratory MDI#/DPI##

Amongst the Top 3* fastest growing companies in Indian Pharmaceutical Market (IPM).

Amongst the Top 5* fastest growing companies in IPM from 2019 to 2022 (CAGR of 12.3% vis-a-vis IPM CAGR of 10.3%).

Top Brands of Glenmark in Top 300 of IPM

Brands	Value (INR in crore)
TELMA®	383.4
TELMA®-H	265.7
TELMA®-AM	233.0
ASCORIL®-LS	224.9
CANDID®	152.5
CANDID®-B	134.6
ASCORIL®+	130.3
ALEX®	120.9
ASCORIL® D PLUS	101.2

Note: Data according to IQVIA™ MAT March 2023
* Within top 15 players of IPM
#MDI - Metered-Dose Inhaler, ##DPI - Dry Powder Inhaler

INDIA

2nd
In respiratory segment

2nd
In dermatology segment

5th
In cardiac segment

35
Products launched

14th[1]
Rank in oncology segment

15th
Rank in oral anti-diabetes segment

12.3%[2]
Recorded growth compared to industry growth of 9.5%

30% YoY
Growth of OTC business

[1] IPSOS MAT December 2022
[2] Excluding COVID portfolio

NORTH AMERICA

8
Products launched

8
ANDA approvals

8
Filings

Top 3
Rank in ~75% of marketed portfolio

15th
Rank* in terms of volume (units)

15th
Rank* in terms of total prescriptions

183
Products authorized for distribution in the U.S. market

*Among U.S. Generic Pharmaceutical Companies [includes Generics & Branded Generics]; Rx Only

Source: IQVIA™ MAT March 2023
Note: Data as of 31st March 2023

EUROPE

US$ 225+ million
Revenue in FY 2023

35
Products launched

4
Additional respiratory products filed

Top 15
Rank in the generics market of Germany

Entered the
Italian
Market

20%+
Growth across the region

REST OF THE WORLD (RoW)

(Asia, MEA, LATAM and RCIS regions)

20%+
Growth across all sub-regions

21
Products launched

11th
Rank in Dermatology in Russia

2nd
In expectorants in Russia

18%+
Market share by RYALTRIS® in Australia^

Among
top 20
highest growth rate in Brazil

Among
top 3
in Kenya

^Top 10 products within 'R1A1 – Nasal Corticosteroids without Anti Infectives' category as per IQVIA™ + RYALTRIS®

Source: IQVIA™ MAT March 2023
Note: Data as of 31st March 2023 and excluding COVID portfolio.

Respiratory

At Glenmark, our primary focus is on developing a comprehensive global portfolio of respiratory products, including specialized medicines. During FY 2023, we introduced several new products in different regions around the world. One of our notable achievements during this period was the growing acceptance for RYALTRIS®; thereby strengthening Glenmark's position as the formidable player in the respiratory therapy.

During FY 2023, we introduced **Indamet™ DPI**, a new fixed-dose combination (FDC) for patients in India suffering from uncontrolled asthma. Indamet - DPI is available in three different strengths, combining a fixed dose of Indacaterol (150 mcg) with variable doses of Mometasone (80 mcg, 160 mcg, and 320 mcg). This novel medicine provides an affordable treatment for adults as well as adolescents aged 12 years and above, suffering from uncontrolled asthma.

COPD occurs due to inflammation and narrowing of the airways that carry air to and from the lungs. **Airz®FB** Capsule, launched in the Indian market, helps to relax the muscles around the airways, thereby facilitating easier breathing and provides relief from symptoms of chest tightness, shortness of breath, wheezing, and coughing.

During FY 2023, we also launched a number of nasal sprays, tablets and inhalation medicines across our ROW markets. **VirX™ Nasal Spray**; a revolutionary disinfectant nasal spray that effectively prevents various respiratory infections. With every spray into the nostril, VirX™ Nasal Spray releases a small dose of nitric oxide that blocks viruses, reduces risk and kills 99.9% of airborne viruses.

INDAMET™ DPI

VirX™ Nasal Spray

Airz®FB

Key highlights

Glenmark became the **2nd** largest player in Respiratory Therapy in India.

Asoril®-LS has become the **No. 1 brand** in Acute Respiratory Therapy in India. (Valued at ₹ 225 crore as per IQVIA™ MAT March'23)

We launched **Pirfenidone** in the European and U.S. markets. Belonging to the pyridone class of medications, it is utilized to treat idiopathic pulmonary fibrosis.

Ipratropium, launched in the European market, is a medication that helps to widen the airways in the lungs.

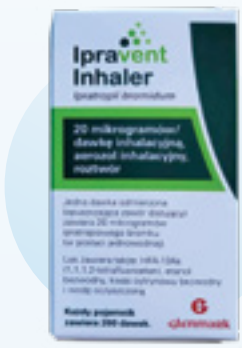
We also launched **Ascoril® expectorant** in the Caribbean, and Kazakhstan for the treatment of cough with mucus.

We launched **Beclometasone** inhalers in Brazil for the treatment of asthma and chronic obstructive pulmonary disease (COPD). It helps treat inflammation, severe allergies, flare-ups of ongoing illnesses, and many other medical problems that require either reduction of inflammation or suppression of the immune system.

The launch of **Aerogold®** has helped patients treat and prevent bronchospasm associated with asthma, bronchitis, emphysema, and other lung diseases.

Glemont® tablet was launched in the RoW market. It provides relief and control the symptoms of asthma and allergies. Our newly launched **Ascoril® expectorant** in the ROW markets is used in the treatment of cough. It thins the mucus in the nose, windpipe and lungs, making it easier to cough. It also has a cooling sensation that relieves minor throat irritation.

Pirfenidone



Ipratropium

Ascroil® Expectorant

Aerogold®

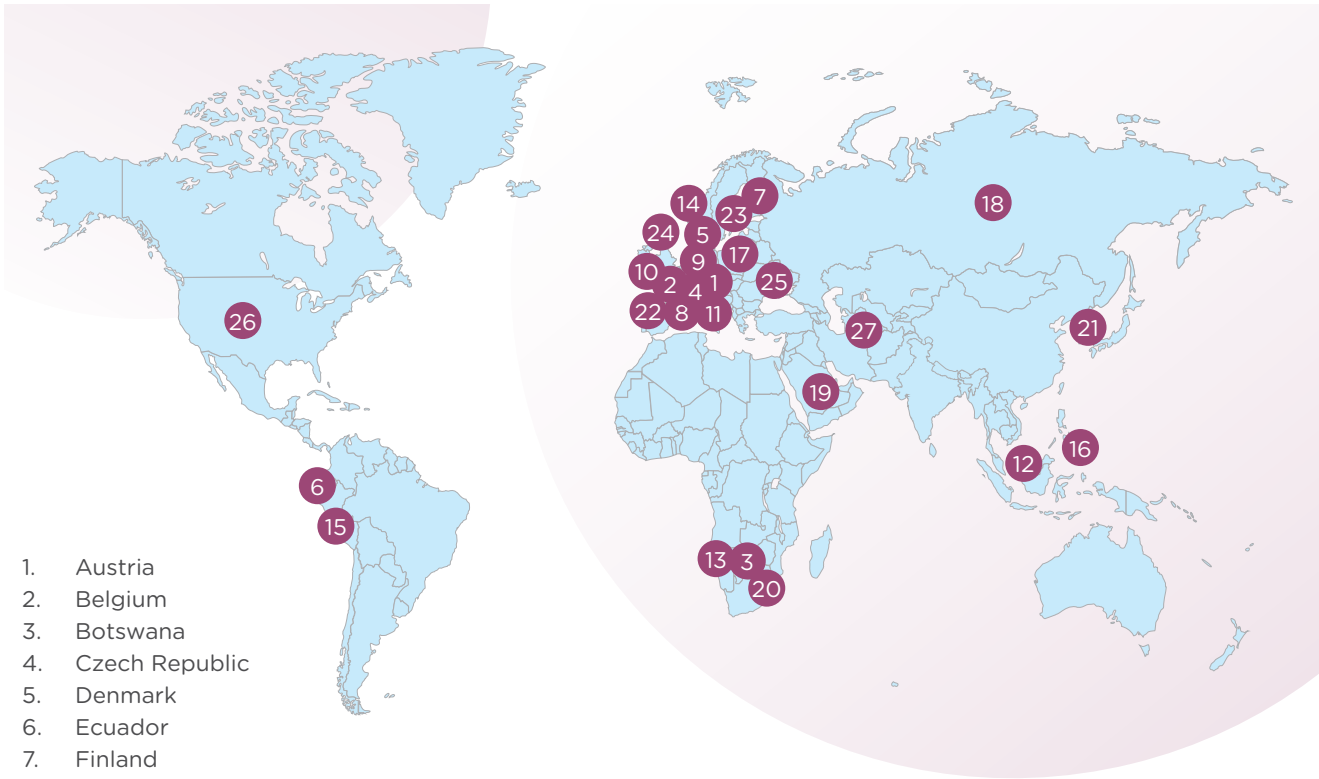
Glemont® tablet

RYALTRIS®

An effective solution for allergic rhinitis

Allergic rhinitis, a condition that affects over 400 million individuals globally, is prevalent among 10-30% of adults and up to 40% of children, making it the fifth most common chronic disease. It not only gives rise to nasal and ocular symptoms but, also disrupts work, physical activity and sleep patterns. To alleviate this condition, Glenmark introduced RYALTRIS®, which has proved to be extremely successful in the treatment of allergic rhinitis.

RYALTRIS® is being marketed in different parts of the world. Additionally, Glenmark is focusing on strengthening partnerships with key collaborators such as Bausch, Hikma, and Menarini to commercialize the product in new geographies. RYALTRIS® has strengthened Glenmark's specialty medicine portfolio and we strive to launch it across more markets in Africa, Asia, Europe and the Middle East by the next fiscal year.



1. Austria
2. Belgium
3. Botswana
4. Czech Republic
5. Denmark
6. Ecuador
7. Finland
8. France
9. Germany
10. Ireland
11. Italy
12. Malaysia
13. Namibia
14. Norway
15. Peru
16. Poland
17. Russia
18. Saudi Arabia
19. South Africa
20. South Korea
21. Spain
22. Sweden
23. The Philippines
24. UK
25. Ukraine
26. USA
27. Uzbekistan

Map is for representational purpose only.
Depiction of boundaries is not authoritative.

Launched in
12 markets globally in FY 2023

Presence across
27 countries

Launched across

Australia, Europe, North America and in several countries in Africa, the Middle East and Latin America.

Partnerships in key markets

United States

Hikma Pharmaceuticals PLC.

Canada

Bausch Health, Canada

South Korea

Yuhan Corporation.

Europe

Menarini Group

Australia

Seqirus Pty Ltd.

China

Grand Pharmaceutical (China) Co. Ltd.

Ryaltris

Innovative and unique fixed-dose combination nasal spray for allergic rhinitis

RYALTRIS®, a nasal spray with a fixed-dose combination of Mometasone Furoate (25 mcg), a steroid, and Olopatadine Hydrochloride (665 mcg), an antihistamine, was successfully launched in FY 2021. This marked a major milestone for us, as our first branded specialty medicine that was widely accepted by patients as well as doctors across the world. The success of RYALTRIS® showcases our ability to develop and promote unique specialty pharmaceuticals on a global scale.

Commercialized

1st

specialty product

Marketing applications submitted in

70+

markets

Received

U.S. FDA

approval in January 2022, for the treatment of symptoms of seasonal allergic rhinitis in adults and pediatric patients of 12 years of age and older

MALAYSIA

In February 2023, we introduced RYALTRIS® to the Malaysian market. The launch event, a significant milestone, drew an impressive attendance from various stakeholders.

Since its launch, both doctors and patients have spoken highly of Ryaltris® and its benefits. Some patients have even reported experiencing instant relief from runny noses and ocular symptoms due to allergic rhinitis, which has been a source of immense solace for them. The introduction of Ryaltris® has brought excitement among doctors, as it provides them with a second fixed-dose combination for the treatment of allergic rhinitis in their patients. The doctors find Ryaltris® to be an attractive option and are enthusiastic about utilizing it in their practise.

SOUTH AFRICA

In September 2020, RYALTRIS® was introduced to the South African market and was eagerly embraced by physicians as it promised to eliminate the need for multiple therapies to address the bothersome symptoms associated with allergic rhinitis. This unique FDC quickly gained popularity among doctors, pharmacists, and patients, due to its effectiveness in offering relief to patients.

Over the past three years, RYALTRIS® has made significant progress. By making registration amendments, we have expanded the bandwidth for the patient population eligible for treatment, including those aged twelve and older, patients with allergic rhino conjunctivitis, and those in need of an effective long-term treatment. **This year, RYALTRIS® will achieve another milestone by becoming more readily available to patients as an over-the-counter brand.**

Patient satisfaction is of utmost importance and the feedback we have received from clinicians, key opinion leaders (KOLs), medical societies and patients themselves serves as evidence that RYALTRIS® is clinically effective, as stated in our literature. We are not only revolutionizing the treatment of allergic rhinitis but, also enhancing the quality of life of patients who rely on RYALTRIS® on a daily basis.

Dr. Thulja Trikamjee
Clinical Professor of Pediatrics,

Division of Allergy & Immunology, University of Cape Town Lung Institute, **South Africa**

RYALTRIS® has been a game-changer in the treatment of allergic rhinitis! With its rising prevalence and the resulting increasing awareness; patients now expect better treatment alternatives. Previously, our options were limited, especially within South Africa, to the availability of plain corticosteroid based nasal sprays alone. Having read the data from international studies and trials, I was excited to see the effect RYALTRIS® had on my patients. I have prescribed the spray for daily usage and am quite satisfied with its clinical outcome and positive feedback. A patient generally visits an allergologist after having consulted numerous healthcare professionals. For me, one of the greatest benefits has been our ability to provide that 'extra' efficacy and see beneficial results within a shorter time span.

Ukraine

The Ukrainian government's statistical service has reported that there are approximately 9 million people in Ukraine suffering from allergic rhinitis and in need of medical treatment. RYALTRIS®, our innovative fix dose combination, came into play as a solution. Despite the challenging circumstances in Ukraine, Glenmark remains committed to providing effective and high-quality medication to patients in that region.

In its debut year, RYALTRIS® quickly gained traction, capturing a notable 5% market share. Its immediate relevance and efficacy in alleviating allergic rhinitis symptoms were evident, showcasing its positive impact. Beyond being a symptom-reliever, RYALTRIS® has become a driving force behind our business growth in Ukraine, highlighting its immense value in both improving lives and contributing to our success.

Prof. Oleksandr Semenyuk
PhD, MD Associate Professor
(Department of Otorhinolaryngology, Danylo Halytsky Lviv National Medical University), **Ukraine**

Doctors in Ukraine are required to work at all difficult times. Patients seek salvation from allergies in the hope of regaining the ability to breathe through the nose. At the same time, patients want to avoid polypragmasia, if it is necessary to use numerous drugs several times a day. The intense rhythm of life sometimes does not leave the patients time for themselves. Since the private medicine market is developed in Ukraine, patients are looking for new opportunities to improve their treatment, and seek to receive modern evidence-based treatment.

For them, RYALTRIS® evolved into such a tool. Clinical trials and a solid scientific foundation make it simple to persuade doctors to order the first course of therapy. And later, the obtained positive results confirm all expectations. The rapid elimination of symptoms of allergic rhinitis (rhinorrhea, nasal congestion, allergic conjunctivitis) makes doctors and patients in favor of RYALTRIS® and treatment in general.

Feedback on RYALTRIS®

Dr. January E. Gelera
Secretary, Academy Rhinolo
Philippines

RYALTRIS® Nasal Spray is a phenomenal product that has greatly improved the overall nasal health of my patients. Its unique formulation combines two active ingredients, an antihistamine, and a nasal steroid, making it a comprehensive solution for addressing both allergic rhinitis symptoms and nasal inflammation. The synergistic effect of these components provides efficient and rapid relief from nasal congestion, sneezing, and itching.

Another standout feature of RYALTRIS® is its long-lasting action, which has allowed my patients to enjoy uninterrupted relief from allergy symptoms throughout the day. Lastly, RYALTRIS® does not leave behind any unpleasant aftertaste or a sensation of dryness in the nasal passages.

Overall, RYALTRIS® Nasal Spray has exceeded my expectations, providing effective, efficient and long-lasting relief from rhinitis. Thus, I highly recommend RYALTRIS® to my patients seeking a reliable and gentle solution for their allergic rhinitis and related symptoms.

Dr. Joseph Ray Richard R. Cedeño
Chairman, Department of Otolaryngology
Head & Neck Surgery Makati Medical Center,
Philippines

When RYALTRIS® became available in the Philippines, it was a game changer in the treatment of Allergic Rhinitis. The response was quick and easily abated, if not fully resolved, the symptoms of allergic rhinitis. My patients were satisfied, and all of them responded well. They were able to go back to their usual physical activities, able to concentrate on their work or studies and able to sleep well. It is truly satisfying to see a patient happy. Quality and effectivity is always important, Thank you for giving us RYALTRIS®.

Prof. Shilenkova Victoria V.
Professor of the Department of Otorhinolaryngology of Yaroslavl State Medical University, General Secretary of the **Russia Society of Rhinologists**.
Russia

Current data on the efficacy and safety of medications, depending on the severity of allergic rhinitis (AR), comorbidity, and the patient's adherence to standard treatment regimens, dictate new approaches to the optimal choice of therapy based on combined medications. The emergence of a fixed combination of RYALTRIS® in Russia has expanded the capabilities of healthcare professionals to achieve control of AR symptoms in children and adults. The local positive experience of using RYALTRIS® confirms the results of the high efficacy and safety along with the rapid onset of action obtained in international studies. The combination of mometasone-olopatadine was included in the list of recommended drugs in the Clinical Guidelines on Allergic rhinitis of the Russian Society of Rhinologists in 2022, developed on the basis of ARIA 2020 (Allergic Rhinitis and its Impact on Asthma).

Prof. Smolkin Yuri S.
Professor of the Department of Clinical Immunology and Allergology of Federal Scientific Clinical Center FMBA RF, President of the Association of Pediatric Allergists and Immunologists of **Russia** (APAIR)
Russia

The treatment of allergic rhinitis in children has always been a difficult task for a specialist. Glenmark offered a universal solution – a highly effective medicine, RYALTRIS®, in a convenient form of nasal spray. It is the only fixed doses combination of topical corticosteroid and antihistamine, approved in Russia for children from 6 years old. Combining the properties of the best molecules in their class (mometasone and olopatadine) and the possibility of simultaneous action on various mediators of allergic rhinitis, allows our patients to see a quick result of action and maintain stable control in case long-term use is necessary. Patient safety is a key concern in pediatric practise, however, the data of clinical trials of RYALTRIS® on children over 6 years old allows us to confidently recommend this fixed combination to our patients.

Prof. Dr. hab. n. med. Piotr Kuna
Department of Internal Medicine, Asthma and Allergy
Medical University of Lodz
Poland

RYALTRIS® is a combination of the topical modern steroid, Mometasone, with a topical antihistamine that further stabilizes mast cells. Olopatadine is the newest drug for the treatment of allergic rhinitis and conjunctivitis. My experience so far has been very good. Patients are satisfied with the treatment with RYALTRIS® – the drug helps them reduce the symptoms of rhinitis and conjunctivitis and is well tolerated. Patients willingly continue treatment with RYALTRIS®, while praising its neutral smell and its good tolerability. I am switching more and more patients who have failed with other drugs to RYALTRIS® with great success.

Dr. hab. n. med. Wojciech Feleszko
Medical University of Warsaw
Poland

As a Professor of Pediatrics and Clinical Immunology, I have found RYALTRIS® to be highly effective and well-tolerated in pediatric patients with allergic rhinitis. Its unique combination of active ingredients provides significant relief, particularly in challenging cases where other treatments have failed. The overwhelmingly positive feedback from pediatric patients using RYALTRIS® underscores its preference as a user-friendly nasal spray option, enabling improved compliance and long-term management. I confidently endorse the use of RYALTRIS® in our clinical practise to provide adequate relief and enhance the overall quality of life for our young patients with AR.

Dermatology

We have made noteworthy advancements in our dermatology portfolio with the introduction of several new products. Among these, the enhanced **Candid® Prickly Heat Powder** launched in India, stands out as a powerful antibacterial solution that effectively eliminates germs, prevents itching from rashes due to excessive sweating, and combats body odour.

Another important addition in this lineup is the launch of India's first topical Minocycline 4% Gel under the brand name **Minym®**, a remarkable breakthrough in acne treatment in India. Acne, a common skin condition, often poses challenges due to growing antibiotic resistance. The Minym® Gel, a topical Minocycline 4% Gel, addresses these concerns with potent antibacterial and anti-inflammatory properties. Its unparalleled resistance prevention and efficacy in patients aged nine years and above make it a game-changer in acne care, addressing immediate and long-term treatment needs effectively.

A key highlight of our skincare line in the country is the introduction of **La Shield® Probiotic Moisturizer.** Infused with Probiotics, it promotes healthier skin by revitalising the skin's microbiome and locking in moisture for an impressive 72 hours.

In addition, **Isavuconazole** has been launched to address fungal infections, including invasive aspergillosis and mucormycosis, presenting a crucial treatment option for individuals with compromised immune systems.

Lasderma Cream was , introduced in Mexico, combines three active ingredients to target and inhibit skin pigmentary activity. This versatile cream addresses a range of hyperchromias, such as melasma, lentigines, and post-inflammatory hyperpigmentation, while also enhancing the skin's radiance.

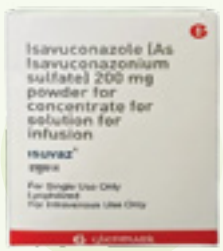
In addition, the introduction of **Tacroz**, the first generic Tacrolimus, in Malaysia is a significant step towards treating moderate to severe atopic eczema that is unresponsive to conventional treatments. This generic version replaces the use of topical steroids and offers a larger package size to facilitate treatment of larger surface areas.

Moreover, our dermatology portfolio has been bolstered by the launch of **Momate ointment**, and Powercort Cream in Myanmar. Momate effectively manages conditions like eczema, psoriasis, dermatitis, and rash, reducing symptoms like swelling, itching, and redness. **Powercort Cream**, adds to the portfolio's strength by offering a potent steroid treatment for Atopic Dermatitis and Psoriasis. **Fenismart gel**, available over-the-counter in Russia, provides relief from itchy skin caused by various factors, apart from cholestasis.

Candid® Prickly Heat Powder

Minym® Gel

La Shield® Probiotic Moisturizer



Isuvaz

Lasderma Cream

Tacroz

Momate Ointment

Powercort Cream

Fenismart

Oncology

Cancer is unyielding, but then, so are we in advancing our understanding of the disease's science to transform treatments. Glenmark's dedicated team of researchers and clinicians shares a common goal: uncovering breakthroughs to improve the lives of cancer patients.

We have introduced a compelling array of oncology products in the past year, demonstrating our commitment to advancing cancer treatment options. Among these advancements, **Abiratone** launched in the European region the U.S. and Argentina stands out as a prominent addition. Abiratone, a targeted therapy, exhibits potential in the treatment of prostate cancer by inhibiting key enzymes involved in hormone production, thereby suppressing cancer growth. Additionally, **Sunitinib** and **Pazopanib**, both launched in the European region are multi-targeted tyrosine kinase inhibitors, and have emerged as noteworthy offerings in the fight against various solid tumors. These medications interfere with signals that drive tumors angiogenesis and cell proliferation, showcasing our dedication to developing solutions that combat cancer at a molecular level. Moreover, our portfolio expansion includes **Capecitabine**, introduced in the European region is a valuable addition. It provides a targeted approach for treating breast and colorectal cancers by converting to an active compound within tumors cells. The introduction of **Azacitidine** reinforces our focus on haematological malignancies, as this medication offers potential benefits for patients with myelodysplastic syndromes and acute myeloid leukaemia. We have also introduced **Lenalidomide**, in the Europe region. It is an immunomodulatory agent offering potential therapeutic options for multiple myeloma and certain types of lymphomas. These introductions collectively underscore our noteworthy contributions to the evolving landscape of oncology treatments.

Pazopanib

Sunitinib

Abiraterone

Lenalidomide

Azacitidine

Akynzeo® I.V.

Palbinas™ 125

Candipoz®GR 300

Chemotherapy, a prevalent cancer treatment method, often brings about debilitating side-effects like nausea and vomiting. We have partnered exclusively with Helsinn, a Swiss biopharma Group Company, to be the first in India to offer the innovative I.V. injection formulation **AKYNZEO®** I.V., designed to counteract chemotherapy-induced nausea and vomiting (CINV). Another key launch in the region was that of Candipoz®GR 300.

Our commitment to advancing treatment paradigms is evident in the introduction of **Palbinas™ 125**, in India. It is an oral CDK4/6 inhibitor that has shown promise in hormone receptor-positive breast cancer.

Continued focus on therapy growth

We are strategically focusing on oncology as a core therapy for substantial growth, aiming to triple our oncology contribution to the overall business within the next five years through the launch of new complex generics. The strategy also includes in-licensing complex generics, with ongoing discussions for launches in the U.S., EU, and RoW regions. With our focus on growth, we have two dedicated manufacturing facilities for oncology products.

Injectables Facility: Pilar, Argentina

Capacity: 1 million vials for both liquid and lyophilized formulations

Key highlights: While legacy injectable products such as Pemetrexed, Paclitaxel, and Irinotecan are being manufactured for RoW markets, the focus on growth is shifting towards differentiated offerings, including 'ready-to-use' forms. The pipeline includes two key products that are currently under filing and at least two more are under development.

Regulatory approvals: SUKL, ANMAT, ANVISA, INVIMA, and COFEPRIS

Oral Solids Facility -
Aurangabad, India

Capacity: 22 million units

Key highlights: Currently, we have more than five oral solid products under development which will be filed in the U.S., EU and RoW markets.

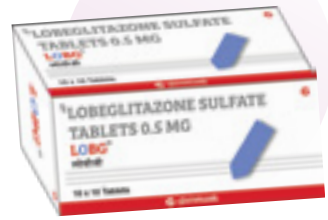
Regulatory approvals: U.S. FDA, SUKL, WHO-GMP, ANMAT, ANVISA, and INVIMA

Diabetes and Other Therapies

Diabetes

Glenmark has a strong legacy of bringing in new, effective and affordable treatment options for diabetic patients, especially the ones with uncontrolled Type 2 diabetes. In 2015, Glenmark was the first to launch the DPP4 inhibitor, Teneligliptin (**ZITA® PLUS** and **Ziten®**), followed by a FDC of Teneligliptin + Metformin (**ZITA®-MET PLUS** and **Ziten-M®**). Glenmark later launched Remogliflozin (**Remo®** and **Remozen™**), a novel SGLT-2 inhibitor in 2019 and subsequently, its combinations with Metformin and Vildagliptin (**Remo-V®**, **Remozen™-V**, **Remo MV®** and **Remozen™ MV**).

FY 2023 marked the launch of five first-to-market products designed to aid in the treatment of type 2 diabetes.



LOBG®

SITAZIT®

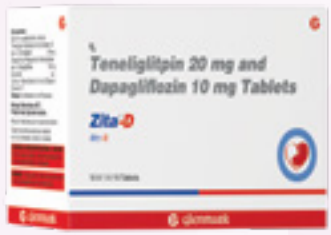
ZITA®-PioMet

A recent Indian Council of Medical Research (ICMR) study found that around 101 million people living with diabetes and another 136 million people in pre-diabetes stages in the country. In response to the escalating diabetes prevalence, we introduced the innovative Fixed-Dose Combination (FDC) of Teneligliptin + Pioglitazone under the brand name **ZITA® PLUS-PIO**. It helps in improving the glycemic control among adult patients with insulin resistance, those whose diabetes is uncontrolled by metformin; and also those who require addition of Teneligliptin and Pioglitazone as separate drugs. We also launched eight different combinations of sitagliptin based drugs under the brand name **SITAZIT®** and its variants. These drugs have low risk of hypoglycemia, provide beta cell protection, offer cardio-renal benefits and are safe for patients with kidney or liver conditions and senior citizens with the aim to improve glycemic levels in uncontrolled diabetics and create a new pathway to treat insulin resistance in India, we introduced LOBG® Thiazolidinedione Lobeglitazone (Lobeglitazone). For the patients in the country with uncontrolled type-2 diabetes, especially the ones with comorbidities, we launched **ZITA® D** (FDC of Teneligliptin + Dapagliflozin).

Later during the financial year, we launched yet another triple FDC of teneligliptin + pioglitazone + metformin under the brand name **ZITA®-PioMet**. The novel triple FDC helps improve glycemic control among adults with High HbA1ci and high insulin resistance, those whose diabetes is uncontrolled by metformin alone; and those who require the addition of Teneligliptin and Pioglitazone as separate drugs; thus improving adherence with single pill.

Sitagliptin and the combination of sitagliptin + metformin were introduced in the Europe markets whereas teneligliptin and the combination of teneligliptin + metformin were launched in Kenya, a key market in the RoW region.

ZITA® PLUS-PIO



ZITA® - D

Sitagliptin

Making Diabetes Management Affordable

Diabetes medication has been financially burdensome for a large number of people in India, leading to poorly managed diabetes and an increased risk of cardiovascular, metabolic, and renal complications in up to 95.7% of patients, as reported by the American College of Cardiology in 2017. To manage this issue, sodium-glucose co-transporter-2 inhibitors (SGLT2i) were introduced in 2015.

We took a pioneering step in 2019 by becoming the first Company to launch the innovator molecule, remogliflozin. Marketed as Remo® and Remo®-Zen, this medication was available at more than 50% discounted rates in comparison to SGLT2 inhibitors available in the Indian Pharmaceutical Market during the time. This move significantly increased access to quality diabetes medication, enabling us to fulfill our commitment to provide affordable medication for the diabetic patients. Earlier, in 2015, we launched a breakthrough DPP4 inhibitor, teneligliptin (ZITA® PLUS and Ziten®), at a price 55% lower than its competing brands.

Continuing our dedication to improving accessibility to SGLT2 and DPP4 inhibitors, we went a step further in 2020 and launched a fixed-dose combination of remogliflozin etabonate + vildagliptin (Remo® V and Remozen® V). This combination therapy merges the benefits of SGLT2i and SPP4i inhibitors, which have proven benefits in the effective management of diabetes. Marketed as Remo®-M and Remo®-Zen M.

To make these innovative molecules available to patients, we initiated 'The Forever Study' to examine the efficacy and safety of the combination of remogliflozin + vildagliptin. The introduction of this combination as Remo®-V and Remo®-Zen V has enabled diabetes management easier for many patients with severe blood sugar levels, empowering them to lead healthier and happier lives.

Our Healthcare Experts Opine

Dr. Sambit Das
Endocrinologist and Diabetologist
MBBS, MD, DM (Endocrinology)
Bhubaneshwar

Good PPG reduction is observed with dual dosing of Remo compared to other OADs available in the market, also it fits right with the Indian T2DM (Type 2 Diabetes Mellitus) meal pattern.

Dr. Jayagopal Pathiyil
MBBS, MD, DM (Cardiology)
Kerala

Remogliflozin has significant improvement in glycaemic parameter and NT-proBNP. It has also shown improved quality of life with no severe side effects.

Cardiac

We have made noteworthy strides in cardiac segment with a range of products, along with our existing flagship brand TELMA®.

TELMA®, our brand of Telmisartan, an Angiotensin Receptor Blocker (ARB), effectively manages essential hypertension as a first-line treatment. Launched in 2003, TELMA® gained momentum after the ONTARGET trial in 2007, showcasing its 24-hour blood pressure control and cardiovascular risk protection benefits. It has achieved impressive milestones: becoming a ₹100 Cr brand in 2013, reaching ₹200 Cr in 2019, and hitting the ₹300 Cr mark in 2021, currently valued at ₹388 Cr*. TELMA®s leadership in the anti-hypertensive and cardiac markets is evidenced by it is rank of 20th among over 53,000 brands in the Indian Pharmaceutical market.

We have also introduced advanced therapies to enhance hypertension treatment options, including double combinations (TELMA®-H, TELMA® AM, TELMA®-CT, TELMA® Beta) and triple combinations (TELMA® AMH, TELMA® ACT), catering to patients who have uncontrolled hypertension and are on multiple drugs. The recent addition, TELMA® BS, an ARB + Beta blocker, addresses hypertensive young patients with coronary artery disease and sympathetic overdrive.

Our Range of TELMA® Products

*IQVIA™ MAT July 2023

Eptus® is another potent brand that has strong presence in the Indian pharma market. Introduced in 2005. **Eptus®** has brought a transformative impact on medical care, benefiting patients across the country. Supported by landmark trials, EPHESUS and EMPHASIS-HF, Eptus®, an Eplerenone-based treatment, has significantly reduced morbidity and mortality in heart failure cases resulting from acute myocardial infarction and left ventricular dysfunction. Despite heart failure guidelines advocating for mineralocorticoid receptor antagonists (MRAs) like Eplerenone, only 25% of Indian patients receive proper therapy, highlighting the underutilization. Eptus®, a frontrunner brand, is instrumental in managing heart failure and resistant hypertension, aligning with global recommendations. Its substantial market share of 49.74%* and 1.58 times growth underscores its leadership and role in fostering high-performance culture within the India formulations business.

SACU V® addresses the growing prevalence of heart failure in India, affecting approximately 8-10 million individuals. As a pioneering solution, SACU V® offers an advanced and cost-effective treatment avenue. Demonstrating its efficacy, it has been proven to significantly lower the risk of cardiovascular-related fatalities and heart failure-related hospitalizations, while also enhancing symptoms associated with heart failure characterized by reduced ejection fraction (HFrEF). It has garnered approval for patients experiencing chronic heart failure (NYHA class II-IV) with reduced ejection fraction, receiving endorsement from leading heart failure treatment guidelines in both Europe and the U.S.

Among our offerings is **Olmesartan Medoxomil** Tablets, which provide effective management of hypertension, contributing to improved cardiovascular health. Another notable product is **DEVENAL**, a solution designed to address specific cardiac concerns with its advanced formulation. Additionally, we provide **APIXABAN TAB**, a crucial medication that aids in preventing blood clots and reducing the risk of stroke in patients with certain cardiac conditions.

Eptus®

SACU V®

Olmesartan Medoxomil Tablets USP

DEVENAL

APIXABAN TAB

*(July '23 IQVIA™)

Women's Health (in the U.S.)

We have a strong focus in the category of Women's Health in the U.S., offering a range of products that cater to women's diverse health requirements from contraception to hormone therapy replacement. These offerings include contraceptive options such as ALYACEN® 1/35 and 7/7/7, BRIELLYN®, CHARLOTTE® 24 Fe, a full line of HAILEY® products, MARLISSA® and VIORELE®, as well as generic equivalents in several other markets. Additionally, our commitment to addressing specific health concerns is evident with more recent introductions of products like Estradiol Vaginal Inserts USP, 10 mcg, and Norethindrone Acetate and Ethinyl Estradiol Tablets USP, 0.5 mg/2.5 mcg and 1 mg/5 mcg, each different types of hormone therapies. This diversified approach emphasizes our mission to empower women with a comprehensive array of choices for their well-being.

Further expanding our reach in this category, we have re-introduced Levonorgestrel Tablet, 1.5 mg on Amazon and Walmart marketplace in FY 2023, a product that was previously approved in 2016, to round out our growing Over-the-Counter (OTC) portfolio and further underscore our commitment to comprehensive women's healthcare, in both the prescription and OTC spaces. Notably, our collaboration with Rite Aid to launch Levonorgestrel Tablet, 1.5 mg, under the tradename SheWise® in the OTC segment demonstrates our dedication to enhancing accessibility and convenience for women seeking reliable healthcare options.

VIORELE® Tablets

ASHLYNA® Tablets

Levonorgestrel Tablet, 1.5 mg and SheWise®

Norethindrone Acetate and Ethinyl Estradiol Tablets USP, 1 mg/5 mcg

Estradiol Vaginal Inserts USP, 10 mcg

HAILEY® 24 Fe Tablets

Glenmark
LIFE SCIENCES

Glenmark Life Sciences Limited

Reiterating the promise of innovation

Glenmark Lifesciences, established in 2019, maintains an intrinsic focus on manufacturing high-quality and affordable APIs. Our commitment to excellence has allowed us to forge strong partnerships with leading generic pharmaceutical companies that mainly operate in the regulated markets of U.S., Canada, Japan, Europe and Latin America. We have also built capacities and enhanced our manufacturing efficiency to meet the diverse demands of a global clientele.

We maintain close ties with the top 20 generic companies worldwide who are our customers and have an extensive portfolio of 139 APIs. Combining innovation with operational efficiency, we continue to serve customers within a complicated regulatory framework. It has helped to earn customer confidence and established the credibility of our services. Besides, our ability to merge science, technology and economics across the product development lifecycle has created a differentiated position for the Company that has now positioned us to successfully move up the value chain.

At the core of our success lies our state-of-the-art manufacturing and research capabilities, which empower us to meet the dynamic demands of the industry. It also enables us to consistently deliver superior quality APIs to over **700** pharmaceutical companies, operating in multiple countries.

6 **Global Markets**

North America, Europe, Japan, Latin America, India and Rest of the World

2

Facilities ISO 14001:2015 and ISO 45001:2018 certified

We work with

20

largest generic pharmaceutical companies globally.

468

DMFs and CEPs across major markets; **77** Patents (owned/co-owned)

4 **Plants**

Ankleshwar and Dahej (Gujarat) Mohol and Kurkumbh (Maharashtra)

750+ MT

Annual Production Capacity

139

High-quality API Products

32

New products under development pipeline including 3 iron complexes and 9 oncology products

~300

R&D Personnel

3

Plants USFDA inspected

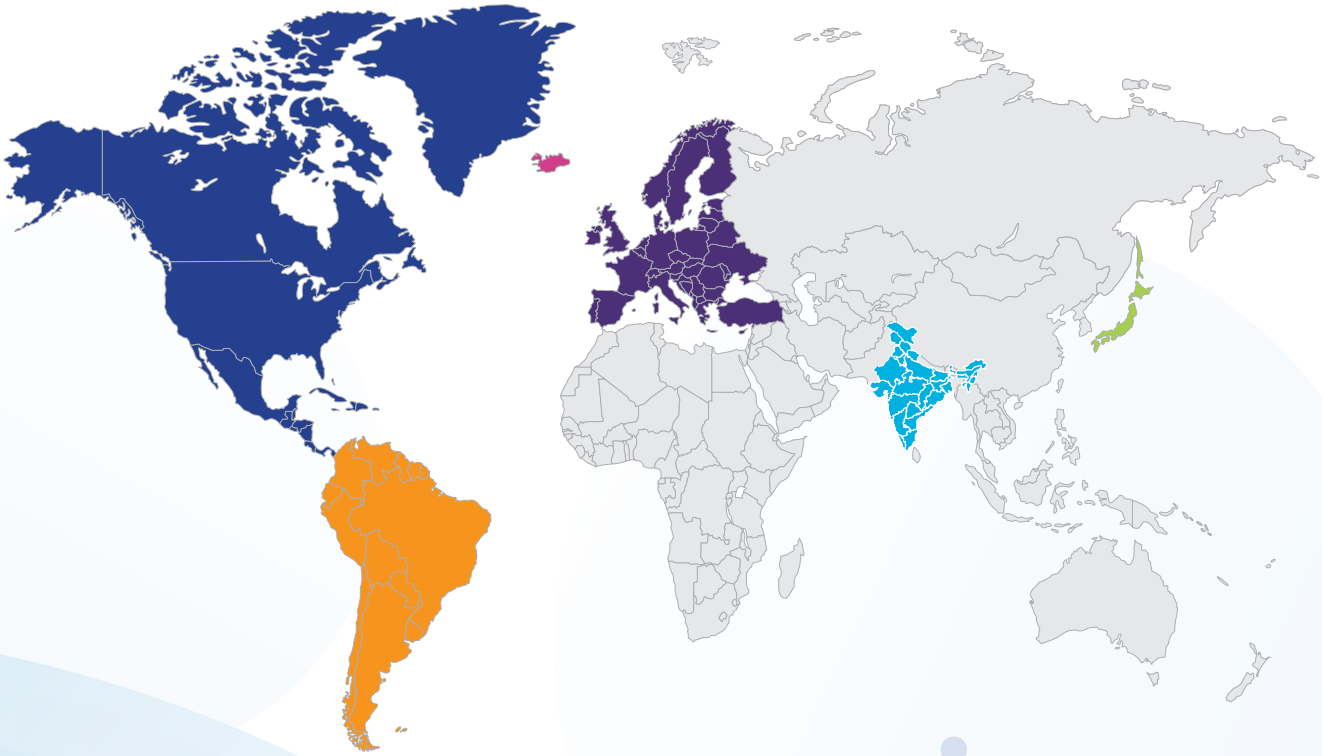
4

Facilities with Zero Liquid Discharge capabilities

3

Locations with R&D centres

Six Global Markets



20

Largest generic pharmaceutical companies globally are our customers

468

DMFs and CEPs across major markets

Map is for representational purpose only.
Depiction of boundaries is not authoritative.

Highlights of FY 2023

₹ 21,612 million
Revenue from Operations
1.8%
YoY increase

₹ 6,712 million
EBITDA
6.4%
YoY increase

₹ 4,670 million
PAT
11.5%
YoY increase

2.8
Fixed Asset Turnover Ratio

29.1%
ROCE

₹ 3,134 million
Cash from Operations

Key therapeutic areas

We continually develop APIs in chronic therapeutic areas as listed below

- Cardiovascular (CVS)
- Central Nervous System (CNS)
- Pain Management (Anti-migrane, Analgesic)
- Diabetes
- Anti-acne
- Urinary anti-spasmodic
- Diuretic
- Anti-hyperlipidemic
- Anti-arhythmic
- Anti-coagulant

We also work on specific opportunities in other therapeutic areas

- Anti-fungal
- Anti-histaminic
- Anti-emetic
- Anti-ulcerative
- Respiratory agent
- Ophthalmologic agent
- Anti-viral

Strategic growth drivers

Expansion of the existing business

- To launch new products.
- Expand into new geographical locations and reduce dependence on specific markets.
- Prioritise regulated markets that offer higher value by providing support to customers throughout their development and commercialisation process.
- Seek opportunities for second sourcing with leading generic players in areas where Glenmark Life Sciences has a cost advantage.
- Expand the CDMO (Contract Development and Manufacturing Organisation) business by utilising a significant portion of the existing portfolio for 505(b)(2) and lifecycle management projects.
- Ventured into complex API platforms such as Iron compounds and oncology molecules.

Operational efficiencies

- Implemented processes to recover and recycle solvents, reduce waste and minimise environmental impact.
- Optimised batch sizes to maximise production efficiency and minimise resource utilisation.
- Incorporated advanced filtration and drying techniques by utilising new downstream equipment, resulting in improved product quality and process efficiency.
- Focused on enhancing manufacturing processes to achieve higher yields, to increase productivity and reduce waste.
- Explored and implemented latest technologies to improve overall operational efficiency.
- Prioritised green chemistry practises to reduce the generation of hazardous waste and minimise the environmental impact of our processes.
- Reduced effluent generation through sustainable practises.
- Backward integration of operations to ensure reliability and efficiency of supply chains for intermediates and key starting raw materials.

Cross-selling opportunities

- Glenmark Life Sciences has implemented a strategic approach of cross-selling its diverse range of products to existing customers in different geographies, to effectively boost the wallet share.

R&D expertise

- Continuously optimising existing processes to enhance productivity.
- Reducing process cycle time to improve efficiency.
- Implementing cost-effective processes for regulated markets.
- Enhancing recovery and recycling methods.
- Implementing backward integration of higher value Key Starting Materials (KSMs).

Effective sourcing policies

- Engaged in continuous negotiations with vendors to ensure competitive pricing and favorable terms. It helped to optimize costs and maintain strong partnerships with suppliers. Expansion of vendor base to enhance flexibility and mitigate risks associated with supply chain disruptions. Developing indigenous suppliers to mitigate dependency on other geographies. These ensure a reliable and diversified supply network for our raw materials and components.

CDMO

As a leading producer of high-quality APIs and our expertise in research and development, process chemistry and innovative intellectual property, we provide CDMO services to a number of multinational and speciality pharmaceutical companies. We offer customized solutions to our clients in the form of support for regulatory filings, research, technological assistance, and manufacturing of specialty APIs. It also enables our partners to easily gain market access.

...ichnos...

ICHNOS SCIENCES INC.

Ichnos, under the leadership of President and CEO, Cyril Konto, MD, is a clinical-stage biotechnology Company that is driving innovation in the field of immuno-oncology. With a team of experienced executives who have a collective industry experience of nearly 150 years, Ichnos is at the forefront of developing new solutions for cancer treatment. The Company's primary strength lies in its proprietary BEAT® protein engineering platform, which enables the creation of highly flexible and manufacturable full-length multi-specific antibodies. By leveraging this platform, Ichnos aims to discover compounds that can target multiple factors simultaneously, thus expanding their pipeline and generating long-term value.

As a wholly owned subsidiary of Glenmark Pharmaceuticals, Ichnos operates with more than 150 skilled employees across three locations in the United States and Switzerland. It functions as a fully integrated biotech business, encompassing key capabilities in biologics discovery, antibody engineering, chemistry, manufacturing, and control (CMC), as well as clinical development. To ensure scientific excellence and strategic guidance, Ichnos has established a scientific advisory Board comprising nine accomplished academics and executives who possess expertise in drug development, immuno-oncology, and protein engineering. This advisory Board was formed in the latter half of fiscal year 2023 and continues to provide valuable insights to guide Ichnos' endeavors.

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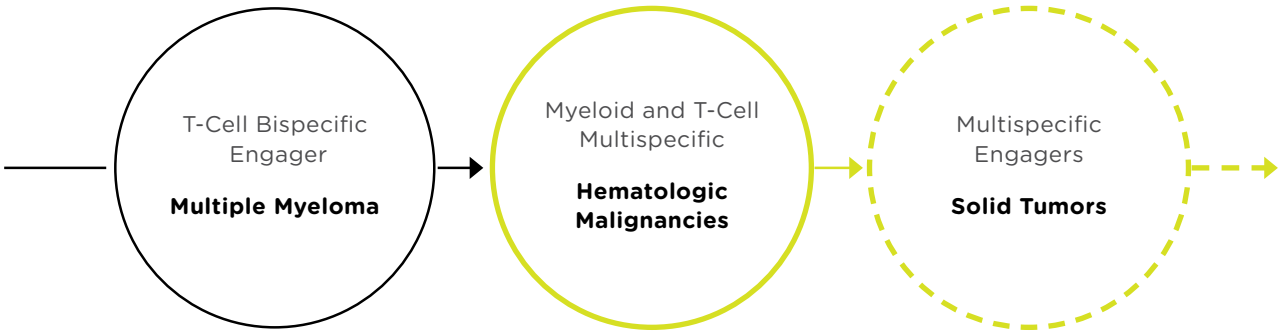
Team members

In research and development

Our strategy starts with a validated target in multiple myeloma and then expands:



ISB 1342, a CD38 x CD3 BEAT® bispecific antibody

ISB 1442, a first-in-class CD38 x CD47 2+1 biparatopic BEAT® bispecific antibody

ISB 2001, BCMA x CD38 x CD3 TREAT™ trispecific antibody

ISB 2001, BEAT® multispecific antibody

Keeping hope alive by harnessing our core capacities

Oncology

With different programmes in oncology engaging different immune cell targets, we have a strong pipeline targeting hematologic malignancies and solid tumors. The advanced products are in different stages of clinical trial.

Asset	Description	Preclinical	Phase 1	Phase 2	Phase 3	Status
Compounds						
ISB 1342	 CD38 x CD3 BEAT® 1.0 bispecific antibody	Multiple Myeloma; T-ALL under consideration*				Phase 1 Orphan Drug
ISB 1442	 CD38 x CD47 BEAT® 2.0 bispecific antibody	Multiple Myeloma; Phase 1 Acute Myeloid Leukemia [AML] Planned				Phase 1 Orphan Drug
ISB 2001	 BCMA x CD38 x CD3 TREAT™ trispecific antibody	Multiple Myeloma				Phase 1 Orphan Drug
Candidates						
ISB 2301	NK-Cell engaging Multispecific platform	Solid Tumors				Discovery

*Will be advanced with partner

BEAT®: **B**ispecific **E**ngagement by **A**ntibodies based on the **T**CR

TREAT™ : **T**rispecific **E**ngagement by **A**ntibodies based on the **T**CR

Pipeline

Our Company's lead assets, namely ISB 1342, ISB 1442, and ISB 2001, make up our pipeline of multi-specific antibodies designed to target various hematologic malignancies and solid tumors, by engaging a wide range of immune cells. We are currently conducting Phase 1 clinical trials for ISB 1342, a potentially first-in-class bispecific antibody that targets CD38 and CD3 for the treatment of relapsed/refractory multiple myeloma. ISB 1442, a biparatopic bispecific antibody targeting CD38 and CD47, is undergoing a Phase 1/2 dose escalation/ expansion study for the same indication. We have also received approvals from the Human Research Ethics Commission (HREC) in Australia and the U.S. Food and Drug Administration (FDA) to initiate the first-in-human clinical study of ISB 2001, our trispecific antibody targeting BCMA, CD38, and CD3, intended for the treatment of relapsed/refractory multiple myeloma. We expect to commence human trials for ISB 2001 later this year.

Streamlining through innovation

We have continually innovated and expanded our product portfolio to meet evolving needs. Initially centred around T-cell bispecific engagers (ISB 1342), we now have included myeloid and multispecific engagers (ISB 1442 and ISB 2001). Now, with the introduction of ISB 2301, we have shifted our focus towards harnessing the potential of NK cell, engaging multi-specific platform, demonstrating our commitment to innovation and staying at the forefront of scientific advancements.

Increasing awareness

In order to enhance awareness in the field of oncology and expand our reach to more patients, we disseminate our latest scientific advancements through publications in peer-reviewed journals and presentations at medical congresses. Through these channels, we aim to highlight our research on potentially transformative biologic treatments in immuno-oncology.

Autoimmune disease

Products	Target	Preclinical	Phase 1	Phase 2	Phase 3	Status
Licensing Discussion Ongoing						
ISB 830 (telazorlimab)	OX40 antagonist Monoclonal antibody		Atopic Dermatitis			Successfully Completed Phase 2B in Atopic Dermatitis*
Licensed to Almirall EUR 20.8 million upfront payment, development and commercial milestone payments, tiered royalties on global sales						
ISB 880 / ALM27134	IL – 1RAP antagonist monoclonal antibody		Autoimmune Disease			Phase 1

Utility patents

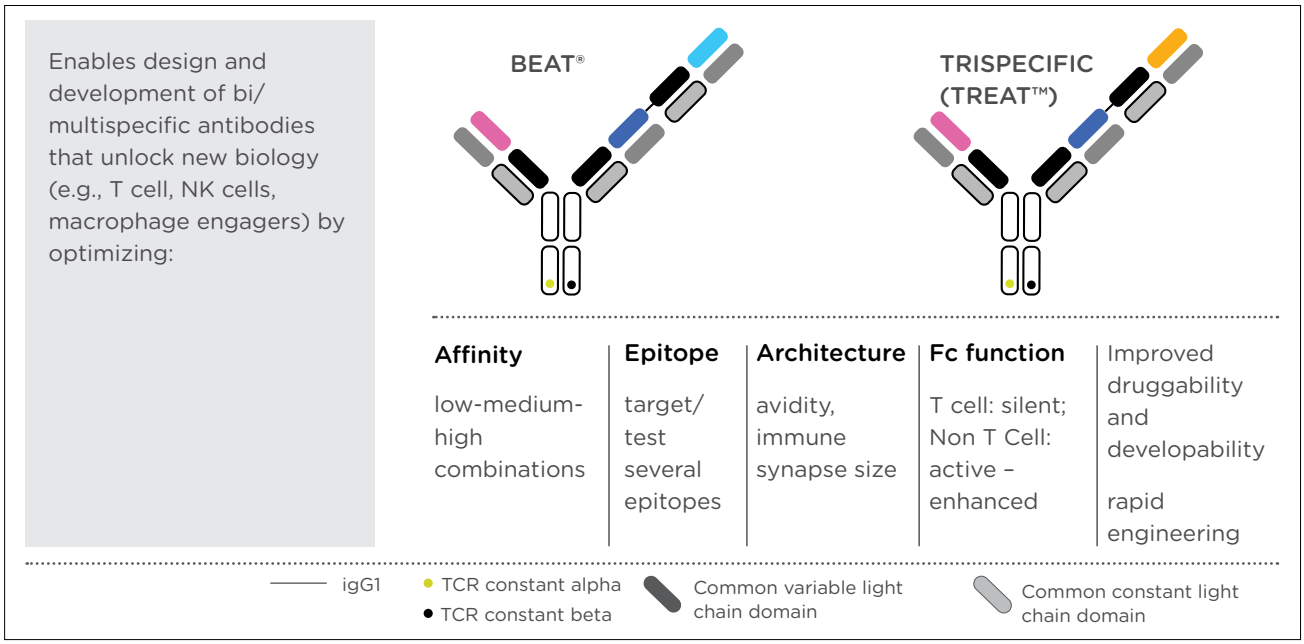
We are developing an extensive collection of utility patents that provide legal protection for prominent assets such as ISB 1342, ISB 1442, and ISB 2001. Additionally, we are also expanding our patent portfolio to encompass the multi-specific platform which engages natural killer (NK) cells. Additionally, we have a range of utility patents to specifically safeguard ISB 880 and ISB 830, our assets focused on autoimmune conditions.

Clinical stage oncology platform

Ichnos is actively enrolling patients with relapsed multiple myeloma to conduct Phase 1 dose escalation/expansion studies for ISB 1342, ISB 1442 and ISB 2001. Despite the incurable nature of multiple myeloma, these drugs have the potential to overcome the resistance offered by existing therapies.

About the BEAT® Platform

The BEAT® platform uses a novel method for engineering bispecific antibodies that may treat cancers—both today and in the future. A next-generation approach to immuno-oncology, BEAT® is designed to enable more efficient production of bispecific and multispecific antibodies that can engage multiple targets simultaneously, enhancing the power of the immune system to fight disease.

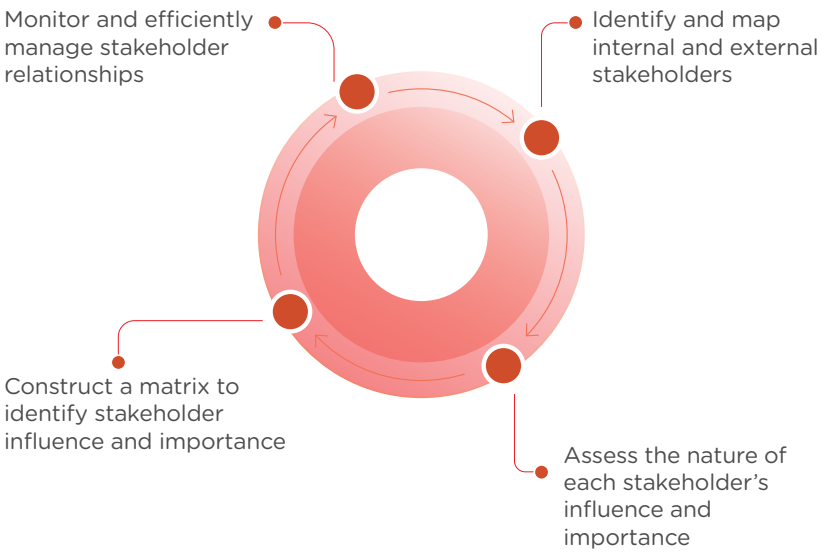


BEAT® and further developments

STAKEHOLDER
Engagement

Stakeholder engagement is a critical aspect of any business transition, but it becomes particularly relevant for us as we move up the value chain. Since we are developing therapeutics to meet specific market needs, it is essential for Glenmark to actively involve and communicate with stakeholders across the Board, including patients, health care professionals, value chain partners, investors, and our own employees and management. Effective stakeholder engagement helps better identify market needs, gather insights, build trust, foster collaboration, pave the way for an effective transition up the value chain.

Methodology



Stakeholder Identification

The first step in stakeholder engagement is identifying relevant factors such as impact, interest, legitimacy, influence, and criticality. Each stakeholder Group has unique concerns, needs, expectations and priorities.

Review Process

The stakeholder identification process is reviewed and updated periodically considering their feedback and significant operational or strategic changes.

Channels of Communication

Most appropriate communication tools are selected based on the stakeholder groups, our level of access to individuals, and number of stakeholders in each Group. This ranges from one-to-one meetings, virtual and physical sessions, site visits, feedback, surveys, and focus Group discussions, among others.

Frequency of Engagement

We design the frequency of interaction with each stakeholder Group based on their specific needs while ensuring regular and relevant communication touchpoints.

Frequency of interaction with the specific stakeholder Group depends on their needs that we identify through review processes.

Approach

- Establishing clear accountability by assigning responsibilities and adequate resources.
- Proactively engaging with and responding to those that are disadvantaged, vulnerable and marginalized.
- Designing appropriate engagement methods and plans that are tailored to meet stakeholders' needs and have well-defined transparent objectives and outcomes.
- Creating awareness among all levels of employees on the importance of listening to stakeholders and appropriately addressing their concerns through training and communication programs.
- Following a robust process to record and track any stakeholder engagement, including meetings, questions, actions and agreements or any other relevant information. Also ensuring that such information is maintained and followed-up, when necessary, in a timely manner.

Stakeholder Groups	Employees	Senior Management	Healthcare Professionals	Government and Regulators	Communities
Purpose and scope of engagement	We value our employees as a key stakeholder Group. We actively seek their feedback and ensure their concerns are addressed. We appraise them of strategic organizational developments. For their professional development, we track their key performance indicators, conduct action planning, recognize merit and provide the best opportunities.	Our senior management helps steer the Company and we ensure that they are empowered to make critical decisions. We ensure regular discussions on day-to-day operations and long-term strategies. We equip them with performance data that facilitates their decision-making.	Healthcare professionals share the patients' reviews and feedback, including adverse event reporting, if any Detailing the Company's product Partnering in various scientific & social initiatives	We maintain an open line of communication with regulatory authorities. We follow all compliances, and contribute to the development of healthcare regulations and policies.	We engage with communities to conduct need assessments, execute community development projects, understand and resolve their concerns on critical incidents, and address community grievances.
Frequency of Engagement	Need basis	Regularly / daily	Need basis	Need basis	Frequent / need basis
Engagement Channels	Town hall meetings Senior management interactions HR communication Employee connects Employee engagement survey Employee engagement activities Reward and recognition Employee focused intranet Learning portal for employees	In-person meetings Email communication Employee engagement survey	In-person meetings Conferences Electronic and print media	In-person meetings Conferences Facility visits Official communication Statutory publication Through industry associations	Interaction with NGO partners for CSR initiatives CSR impact assessment Employee volunteering CSR initiatives Site visits Social media and website
Capital Linkage	Human Capital	Human Capital	Social & Relationship Capital	Social & Relationship Capital	Social & Relationship Capital Natural Capital

Internal External

	 Investors and Shareholders	 Patients	 Customers	 Channel Partners	 Suppliers
	• We maintain regular and transparent communication with our investors. • We update them on Company strategy, any material corporate development, share quarterly financial results, understand their expectations and grievances, and seek feedback. • We present the same to the Board and management.	• We proactively engage with patients, healthcare professionals, and patient advocacy groups to better understand their needs. • We develop innovative healthcare solutions that improve patients' therapy outcomes. • We also engage with them to understand their experience of our products and monitor any adverse events.	• We ensure regular communication with our customers to ensure operational concerns are addressed. • We take feedback on old and new products.	• Channel partners are important to increase product accessibility across different geographies. • They help us with product distribution strategies and monitor operations on a regular basis.	• We engage closely with our suppliers for regular supply of materials. • We communicate operational decisions, understand and address their concerns. • We also work with our suppliers to promote responsible sourcing practices, uphold ethical standards and drive sustainability in supply chain.
	• Frequent / need basis	• Need basis	• Frequent / need basis	• Frequent / need basis	• Frequent / need basis
	• Annual general meetings • Annual report • Financial reports • Investor meetings / conferences • Earnings calls • Issuing specific event-specific press releases • Grievance mechanism	• Website • Awareness campaigns • Various pharmacovigilance touch points	• One-on-one interaction • Customer events • Camps and exhibitions • Feedback surveys • Quality audits • E-mail	• In-person meetings • Field visits • Digital communication	• Vendor meetings • Supplier audit • Facility visits
	• Financial Capital	• Human Capital • Social & Relationship Capital • Manufactured Capital	• Financial Capital • Social & Relationship Capital	• Financial Capital • Manufactured Capital • Intellectual Capital	• Financial Capital • Social and Relationship Capital • Natural Capital

MATERIALITY
Assessment

We recognize the importance of identifying and prioritizing our focus areas based on their significance to our business and stakeholders. Materiality assessment is a vital process that helps us determine the key sustainability issues that require our attention and resources. Through this approach, we ensure that our sustainability efforts are aligned with the most pressing environmental, social, and governance (ESG) concerns.

Approach to Materiality Assessment

Glenmark's materiality assessment involved the following steps:

1. Information Collation: After completing the stakeholder identification process, we conducted a thorough desk research focused on collating relevant information from various sources to understand the ESG issues pertinent to the pharmaceutical industry and which were material in the geographies and locations in where we operate. This research evaluated industry reports, sustainability standards, regulatory requirements, media analysis, competitor analysis, and internal data.

2. Internal Assessment: We, then, surveyed internal stakeholders such as senior management, and department heads to identify and evaluate potential sustainability issues. This involved engagement from all levels across the organization.

3. Engagement with External Stakeholders: In parallel to the internal assessment, we also requested inputs from external stakeholders to gain their perspectives and insights, this included investors, value chain partners, CSR partners and customers.

4. Analysis and Prioritization: The next stage involved an analysis of the information gathered through surveys and identification of the key sustainability issues mapped by stakeholder prioritization and business impact. In assigning weights during data analysis, due consideration was given to the significance of each issue in terms of its potential impact on stakeholders, their relevance, and urgency.

5. Validation of Findings: Subsequently, Glenmark validated the findings of the materiality assessment through internal and external reviews. The post assessment feedback was a critical step to ensure that the assessment captured the perspectives of diverse stakeholders. This is the starting point for discussion when developing a strategic action plan based on the prioritization of issues.

6. Compared to the previous reporting period, innovation and research, talent attraction and retention, corporate governance, policy advocacy and cyber security and data privacy have been added as material topics while digital transformation and intellectual property rights have been covered under innovation and research.

Our prioritized material topics:

Our material topics guide our strategic planning process and operational management.

Environmental

- Climate Change
- Circular Economy

SDG

Social

- Human Rights
- Occupational Health and Safety
- Talent Attraction and Retention
- Human Capital Development
- Promoting Diversity
- Supply Chain Management
- Innovation and Research
- Product Quality and Safety
- Community Development
- Enhancing Accessibility of Medicines

SDG

Governance

- Risk Management
- Corporate Governance
- Business Ethics
- Policy Advocacy
- Cyber Security and Data Privacy

SDG

Impact on Business	Material Topics	ESG Classification	Mapping with the Integrated Report	Importance to Stakeholders	SDG Mapping
Very High	Business Ethics	Governance	Report on Corporate Governance	Very high	
	Corporate Governance	Governance	Governance Framework	Very high	
	Cybersecurity and Data Privacy	Governance	Social and Relationship Capital; Intellectual Capital	Very high	
High	Product Quality and Safety	Social	Manufactured Capital	High	
	Human Capital Development	Social	Human Capital	High	
	Enhancing Accessibility of Medicines	Social	Social and Relationship Capital	High	
	Climate Change	Environment	Natural Capital	High	
	Talent Attraction and Retention	Social	Human Capital	High	
	Human Rights	Social	Human Capital	High	
	Occupational Health and Safety	Social	Human Capital	High	
	Supply Chain Management	Social	Social and Relationship Capital	High	
	Circular Economy	Environment	Natural Capital	High	
	Risk Management	Governance	Risk Management	High	
	Community Development	Social	Social and Relationship Capital	High	
Medium	Innovation and Research	Social	Intellectual Capital	Medium	
	Promoting Diversity	Social	Human Capital	Medium	
	Policy Advocacy	Governance	Social and Relationship Capital	Medium	

ESG AT
Glenmark

Glenmark has recognized the need for purposeful action on ESG issues to achieve our strategic ambitions as well as drive long-term value creation. The materiality assessment was a key step in defining our ESG agenda. Our ESG strategy, prioritises issues identified in the materiality assessment to ensure targeted, impactful, and positive outcomes across all aspects of our business.

Our Sustainability Ambitions and Targets

We have arrived at our sustainability targets through a rigorous and deliberate series of steps. The stakeholder identification and assessments that we undertook played an important role in establishing our materiality matrix. The materiality assessments have helped us determine our overarching strategic priorities, which were then translated into targets that apply across the organization.

Our employees, senior management, Board members and investors participated in and contributed to our materiality surveys, which significantly helped create ownership towards these goals across departments. These goals will be rigorously monitored and updated based on the Company's performance in achieving them.

For our environmental initiatives, we are committed to set emission reduction targets based on climate science through the Science Based Targets initiative (SBTi). These have been approved by SBTi.

Environmental

- Become carbon neutral enterprise by 2030 (covers Scope 1 and 2 emissions only)
- Achieve water neutral operations by the year 2025
- Zero waste to landfill at all our plant locations by the year 2027
- Approved SBTi target to reduce absolute Scope 1 and 2 GHG emissions by 35% till FY 2035

Social

- Successfully launched 16 global safety programs by 2023
- Aspire to impact 3 million lives by 2025
- Continued focus on gender equality and diversification

Governance

- Maintain an ethical business culture to drive robust governance practises beyond compliance
- Maintain product quality and ensure transparency

E

Environmental Consciousness

Strategic focus areas	Strategic actions
1 Climate Action	Monitor usage and conserve energy
2 Water Management	Decarbonize operations and reduce Green House Gas (GHG) emissions
3 Waste Management	Implement the 3R Principle
	Ensure water management
	Promote co-processing of hazardous waste
	Integrate circular economy principles into our operations

S

Socially Inclusive

Strategic focus areas	Strategic actions
1 Employee wellbeing and development	Create learning and development opportunities for employees
2 Product safety, quality, and accessibility	Promote employee health and safety
3 Community development	Promote workforce diversity and commitment to Human Rights
4 Promoting innovation	Ensure availability of quality products
	Expand market penetration and access of affordable medicines
	Enable access to healthcare and community support programs
	Enhance R&D capabilities and undertake development of new products, inventions, and patents

G

Ethical Governance

Strategic focus areas	Strategic actions
1 Responsible Supply Chain Management	Implement Supplier sustainability protocol and optimize supply chain
2 Risk Management	Maintain robust Enterprise Risk Management framework
3 Business ethics	Capacity building on business ethics
4 Digital transformation	Undertake digital transformation

FORWARD LOOKING
Strategy

We have established several key strategic priorities that are critical for our success, and we are dedicated to achieving them as we continue to innovate and grow our business.

1

Focus on creating a global Respiratory player

Glenmark has a strong presence in the Respiratory segment globally and the launch of RYALTRIS® has further cemented our position in the market.

RYALTRIS®

Global innovative branded specialty nasal spray

- As of Q4 FY 2023, marketing applications for RYALTRIS® have been submitted in more than 70 countries; the product has been commercialized in 27 markets.
- North America - Hikma, Glenmark's commercial partner in the U.S., launched the product in the U.S. market in FY 2023. Bausch Health, Glenmark's partner in Canada, launched RYALTRIS® in April 2023.
- Europe – Marketing approval received in all EU markets and the UK. The product is commercialized in multiple markets including the UK, the Czech Republic, Poland, Italy, Ireland, Denmark, Finland, Sweden, Germany, Norway, Austria, Belgium, France, and Spain. Plan to launch in several markets in FY 2024 and FY 2025.
- RoW – The product is commercialized in Australia, Russia, South Africa, Ukraine, Uzbekistan, Philippines, Peru, Ecuador, Namibia, Botswana, South Korea, Malaysia, and Saudi Arabia, among others.
- Grand Pharmaceutical (China) Co. Ltd., Glenmark's partner in Mainland China, aims to complete the ongoing Phase 3 study in the country, and submit the marketing authorization application in the second half of FY 2024.

India

- Glenmark is ranked No. 2 in the respiratory segment as per IQVIA MAT March 2023.
- We have improved our ranking in the respiratory segment from 6th in 2017 to 2nd in 2023 as per IQVIA MAT March 2023.
- Glenmark has 4 respiratory brands in Top 300 brands in IPM as per IQVIA MAT March 2023.

Europe

- We plan to leverage our existing branded portfolio of Soprobec® (Beclamethasone MDI), Salmex (Salmeterol/Fluticasone DPI), Tiogiva®/Tavulus® (Tiotropium DPI) and RYALTRIS® (olopatadine/ mometasone nasal spray) to further expand our presence in respiratory segment.
- We filed 4 respiratory products in Europe in FY 2023. We also expanded our operations to Italy during the year.

USA

- Clinical trial ongoing for Flovent pMDI; expect to file ANDA in FY 2024.
- One more respiratory pMDI under development in FY 2024.
- Additionally, we plan to continue the momentum and file more respiratory products beyond FY 2024.

RoW

- Leverage the launch of RYALTRIS® in multiple markets in Asia, MEA and LATAM to improve Glenmark's position in the respiratory segment.
- Currently, Glenmark is ranked 2nd in the expectorant market in Russia as per IQVIA MAT March 2023.
- The Respiratory portfolio remains the key contributor for Glenmark in the LATAM markets.
- Glenmark Brazil achieved the highest growth rate among the Top 20 Companies in the covered market.
- The Company maintained its rank amongst the top companies in the covered market of the chronic respiratory segment in Brazil as per IQVIA MAT March 2023.
- Glenmark has 2 brands amongst the top 10 products in Mexico's allergic rhinitis market.
- Glenmark is ranked 2nd in the covered market of the respiratory segment in Mexico.

2
Continue to move up the value chain in complex generics and innovative products

- Glenmark has been regularly investing in complex generics and innovative products, and the global launch of RYALTRIS® showcases the ability of the Company to innovate and launch complex products.
- The Company has a rich pipeline of innovative products in oncology, and would be looking to monetize these assets through licensing deals with partners. Company is planning to file multiple complex respiratory products in key markets such as the U.S. and Europe.
- Glenmark has already initiated a clinical trial of pFlovent and expects to file it in CY24.
- Glenmark continues to target Loss of Exclusivity (LOE) opportunities in the U.S. in complex products such as inhalation, injectables and other non-solid oral dosage categories.
- The Company will further focus on advancing the pipeline of innovative products as it considers Specialty and Innovative segments to be the primary growth drivers, going forward.
- Glenmark's wholly owned subsidiary, Ichnos Sciences' current pipeline has 4 clinical stage assets with one out-licensed asset.

3
Continue to gain market share in India business

- Glenmark plans to continue to outperform India's Pharmaceutical Market, while maintaining a leadership position across focused therapy categories.
- Glenmark aims to be in the top 10 players by revenue in the IPM in a few years while maintaining focus on key therapeutic areas such as Dermatology, Respiratory, Cardio-Vascular, Oncology and Diabetes.
- We continue to focus on innovative product launches in India and launched LOBG-M®, Zita®-PioMet, ZITA® Pio, ZITA®-D, Sitazit®, LOBG® and Sacu V™ in Indian market during FY 2023.
- Glenmark is focusing on enhancing a 360-degree stakeholder management approach with improved doctor engagement, direct-to-consumer outreach through microsites and chatbots.
- Geographical expansion within India, which will provide a broader base to continue the momentum.

4
Expand presence in Europe and RoW markets

- Glenmark has a large pipeline of products across therapeutic areas, which can be commercialised in fast growing markets.
- Glenmark has been continuously broadening its base in RoW markets such as Asia, the Middle East, and Africa.
- Glenmark would be leveraging its existing portfolio and new product launches to enter new markets in key regions such as Europe and Asia.

5 Monetise the innovation portfolio through licensing deals

- Glenmark has a strong track record of partnerships, having completed 8 out-licensing deals till now with global pharma companies such as Eli Lilly, Merck, Sanofi, Almirall, among others.
- The Company has a rich pipeline of innovative products in oncology, and would be looking to monetize these assets through licensing deals with partners.

6 Expand API business and leverage new business opportunities

- Glenmark Life Sciences (GLS), the API arm of Glenmark, aims to strengthen its presence in the market through new product launches, geographic expansion, CDMO business, and specialty business. The Company plans to tap new markets and pursue second source opportunities with top generic players.
- GLS is also focusing on expanding into complex API platforms and developing products in the iron compounds and oncology space.
- Focus continues to remain on enhancing operational efficiencies through debottlenecking, second / third generation process adoption, backward integration, adoption of flow chemistry in manufacturing and pursing alternate vendor development (AVD) opportunities.

7 Sharper focus on free cash generation

- We continue to focus on increasing free cash generation through growth in revenue and profitability by keeping a tight lens on capex (both tangible and intangible) and R&D expenses in the coming years.

8 Continuous focus on operational excellence and efficiency

- We plan to improve operational efficiency across our value chain, from raw material and packing material procurement, manufacturing to supply of finished formulations globally.
- Our improved processes will help to mitigate the increasing input cost pressure and sustain competitive margins across markets.
- We plan to maintain best-in-class manufacturing practises across our facilities and ensure industry-leading quality for all our products.

9 Focusing on Sustainability

a. Committed to Sustainability across all our operations globally:

Environment

We are committed to drive Environment, Health and Safety initiatives across all our operations globally:

- The EHS policy puts significant emphasis on meeting and exceeding EHS standards and ensures adherence to statutory requirements.
- We have launched several initiatives for resource efficiency, conservation of non-renewable energy sources, and reduction of green-house gases from our operations.
- We also guide and encourage our contractors and suppliers to follow EHS practises.
- We are committed to reduce 35% of absolute scope 1 and 2 GHG emissions by FY 2035. We also aim to minimise scope 3 GHG emission intensity (per ton of product) by 28% from purchased goods and services, fuel and energy related activities, downstream transportation and distribution, and investments.

Environmental Commitment Roadmap:

Become
carbon neutral
by 2030

Achieve
zero waste
to landfill by 2027

Ensure
water neutral
operations by 2025

b. Employee Upliftment

Learning and development

- Glenmark Learning Academy - our online learning academy provides access to a range of career development, behavioral, micro learning modules, specific to an employee's role.
- Aspire Learning Management System - our cloud-based learning management system provides a one-stop solution for training our employees with various blended solutions.
- Virtual Development Centre for India Formulation - by introducing a development plan for our internal talent, we have reduced hiring cost by filling 69% of our positions internally.

Our commitment to human rights

- We have identified five strategic pillars towards integrating the ethos of human rights protection across our business operations.
- We undertook a human rights assessment conducted by a third-party independent organization with expertise in assessment and management of human rights impact.

c. Corporate Social Responsibility

- Our vision is to enrich lives to create a healthier, happier world. We strive to implement practises and strategies that generate long-lasting positive impact on society and create enduring economic and social value for all our stakeholders. Our commitment to creating sustainable value reflects our dedication to building a resilient and prosperous future for everyone involved.
- Glenmark also strategically designs and monitors CSR activities to create tangible benefits with initiatives in education, employability and community development to ensure inclusive growth..

OUR VALUE CREATION MODEL

Inputs

Financial Capital

Glenmark deploys financial resources to build capacity and capitalize on opportunities for long-term value creation

- Capital Expenditure (cash basis): ₹ **6,078 million**
- R&D Expenditure: ₹ **12,500 million**
- Sustainability Linked Loans: ₹ **18,540 million**
- Equity Share Capital: ₹ **282.17 million**

Manufactured Capital

We have built state-of-the-art manufacturing facilities designed to meet the needs of an evolving market

- **14** Manufacturing Facilities across **4** continents with the latest equipment
- Integration of digitalization interventions to enhance operational efficiency

Intellectual Capital

Innovation is a core strength for Glenmark; we prioritize innovation to enhance our contributions towards healthcare solutions

- Robust R&D Pipeline
- **4** R&D facilities globally
- Investment in R&D at **9.6%** of gross revenue
- **15,556 employees** including 1200+ employees engaged in R&D

Human Capital

Our human resources drive shared organizational objectives of innovation and commitment to safety and quality

- Total number of Employees: 15,556
- R&D team strength: 1200+
- Robust performance management and rewards processes to build a meritorious culture
- Focussed approach on talent management and learning and development to grow talent internally and be a future-ready organization
- Employee-centric policies and well-being initiatives to boost employee engagement
- Hours of training provided: 5,27,421

Social & Relationship Capital

We prioritize building long-standing and mutually beneficial relationships with all our stakeholders to achieve our organizational objectives

- CSR spend: ₹ 452 million
- 96,900+ volunteer hours on CSR activities by 7,200+ employees
- Community and patient outreach initiatives

Natural Capital

We are committed towards efficient utilization of natural resources and reduction of environmental footprint

- Energy Consumption: 13,80,417 GJ
- Total water withdrawal: 7,93,465 KL

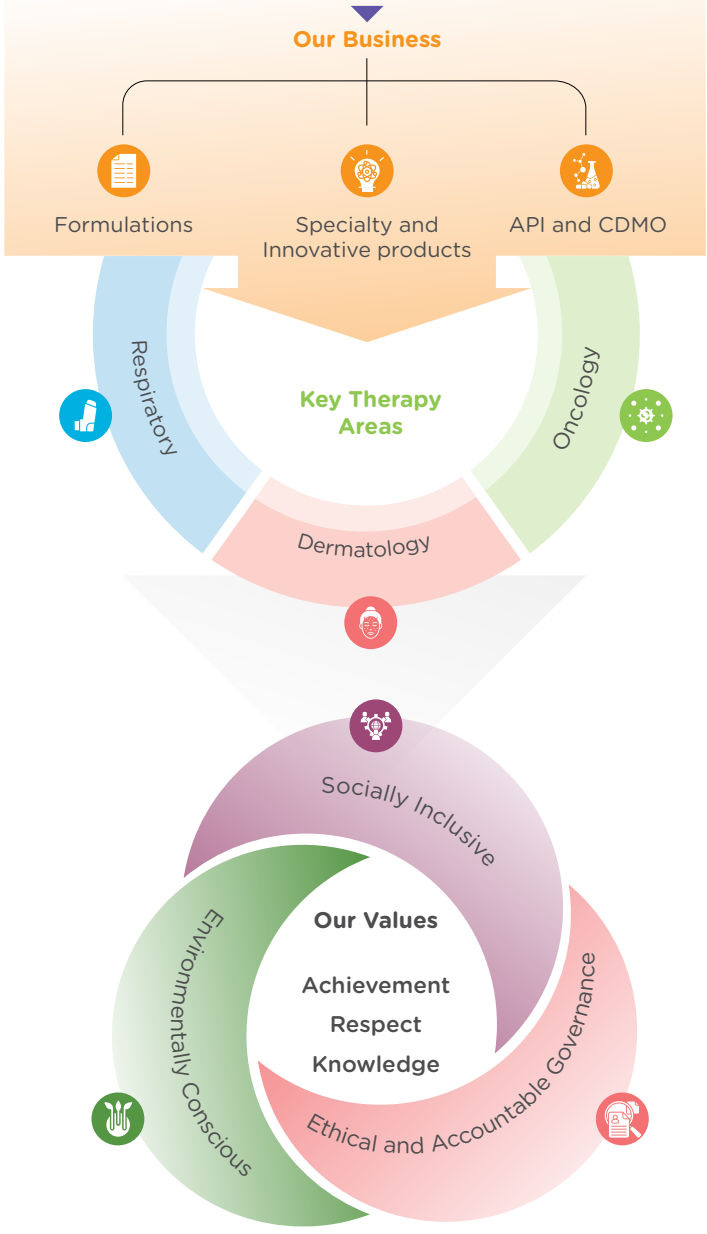
Value Creation Approach

Vision

To emerge as a leading, integrated, research-led global pharmaceutical Company.

Commitment

Our philosophy is to conduct operations in a manner that is ethical, transparent, proactive, environmentally conscious, and sensitive to all its stakeholders.



Outputs	Outcomes and Capital Impacted	SDG Alignment
• Revenue : ₹ **129,901 million** • EBITDA: ₹ **22,784 million** • Return on capital employed: **14%** • Return on equity: **11.9%** (excluding a one-time exceptional item) • **~55%** contribution to revenue coming from branded markets[1]	• Entered new geographies through product launches; among the leading companies in key markets such as India, U.S. and Europe • Expanded state-of-the-art manufacturing capabilities and invested in new technologies • Reinvested profits into research and development to develop our innovative pipeline of products • Greater investment into workforce development • Investment into environmental sustainability and accessing cheaper sources of financing through sustainability linked loan	8
• Quality products across **25+** dosage forms and multiple therapeutic categories • Supply of products to several countries • Reduced EHS incidents due to effective employee safety policies • ₹ **151.7 million** saved due to improved energy efficiency • 11 sites are **ISO 14001** and **ISO 45001** certified globally	• Improved market coverage due to increased capacity and stronger operational efficiencies • Improved workplace safety • Expansion of market reach through strategic partnerships with other companies • Improved operational efficiency and reduced energy consumption • Developed capabilities to convert patents and other intellectual assets into tangible, marketable assets	3, 9, 12
• **1300+** patents and **1400+** inventions till date • **8** ANDA applications approved by U.S. FDA in FY 2023 • New product launches across geographies • **7** molecules in the innovation pipeline • **8** out-licencing deals till date • Multiple **"first in the world"** and **"first in market"** launches across regions such as remogliflozin and RYALTRIS®	• Expanded the frontiers of healthcare research by identifying and catering to unaddressed gaps in the availability of treatment options • Longer exclusivity and patent protection, and limited competition in the specialty and innvovative niche • Enhanced manufacturing processes due to through efficiencies and technology upgrades • Increased institutional knowledge through in-house R&D and research collaborations	9, 12
• **13%** women represented across the workforce • **33%** women represented in the Board of Directors • Glenmark (India) certified as '**Great Place To Work**' • Rich pool of capable and diverse talent within the organization • Highly engaged and productive workforce helping the organization to grow globally	• Enhanced employee capabilities through training and development programs across divisions • Continued thrust on employee engagement by prioritizing holistic employee care • Continuous employee feedback through various forums including employee engagement survey	3, 5, 8, 10
• **2.9 million** lives positively impacted through CSR programs • Several affordable medicines launched, making healthcare more accessible • Collaborations with other companies, enhancing access of our products	• Improved ability to identify critical market gaps through engagement with external stakeholders • Improved employee engagement through volunteering and community outreach initiatives • Increased market penetration through industry collaborations • Improved supplier diversification leading to derisking of the supply chain • Improved sustainability outcomes through stronger engagement with local communities	10, 11, 17
• **6.2%** of total energy consumption is from renewable energy sources • **11,92,996 KL** of water saved till FY 2023[2] • **7,840 MT** of hazardous waste co-processed in FY 2023 • Significant reduction in Scope 1; Glenmarks targets validated by SBTi. • **275,536 KL** of treated wastewater recycled in FY 2023 • **2,671 MT** of plastic waste collected and channelized • **6** of our facilities are having Zero Liquid Discharge facilities	• Improved efficiencies in processes • Cost reduction due to improved efficiencies • Excellence in environmental stewardship • Improved employee engagement through volunteering and community outreach initiatives • Enhanced institutional knowledge on environmental sustainability	6, 7, 11, 12, 13

[1] Includes revenue from India, Rest of the World (RoW) and a part of Europe, as of FY 2023
[2] Against a base year of FY 2013
[3] Data pertaining to Natural Capital is for India locations

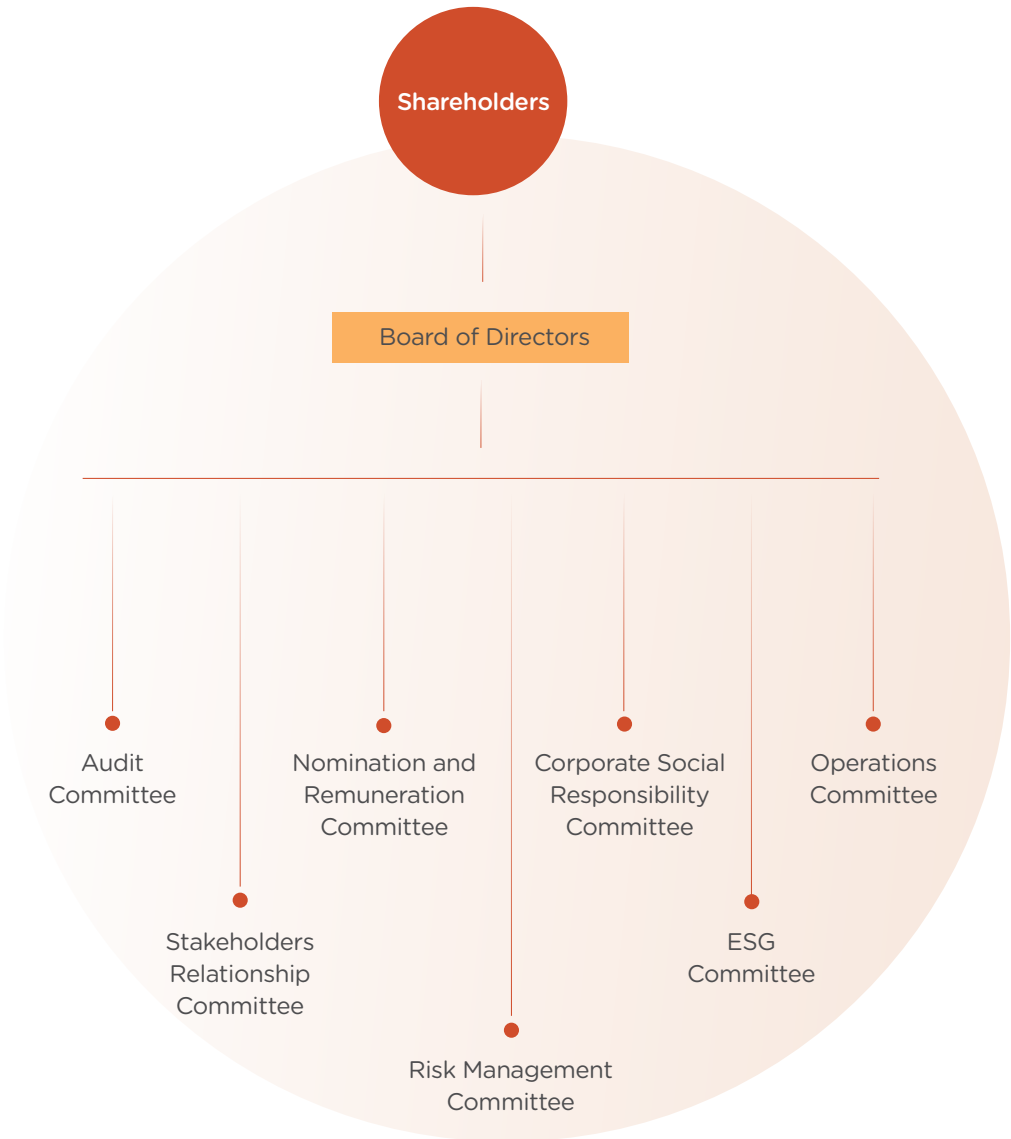
GOVERNANCE
Framework

We recognize that building a strong institution requires a robust governance framework. However, for us this takes on an added significance as we prepare for our strategic realignment of moving up the value chain from generics to branded generics towards having specialty medicine from a larger share of our product mix.

Independent directors comprise 67% of the Board, which has a strong mix of executive and non-executive representation. The Board embraces the importance of diversity for long-term success and ensures we have an optimal mix of skills, gender, industry experience, geographic backgrounds and age, which guarantees that a range of perspectives are incorporated into our decision-making. These considerations help ensure effective oversight, ethical decision-making, and long-term sustainability in an evolving landscape.

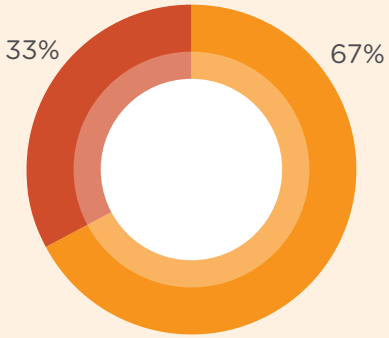
We have 7 Board level committees monitoring key focus areas. These committees provide guidance on strategic decision making, evaluate its effectiveness, review corporate performance, provide guidance on our risk management strategy, and oversee the implementation of other policies.

Governance Overview and Board Committees:

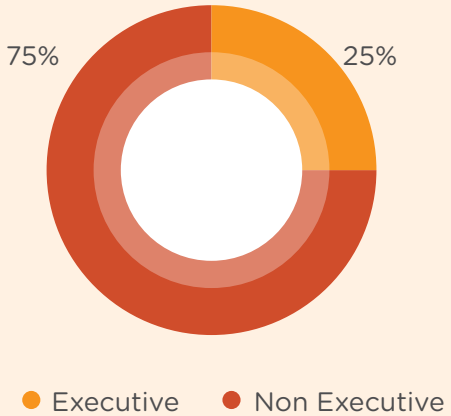


Key Metrics

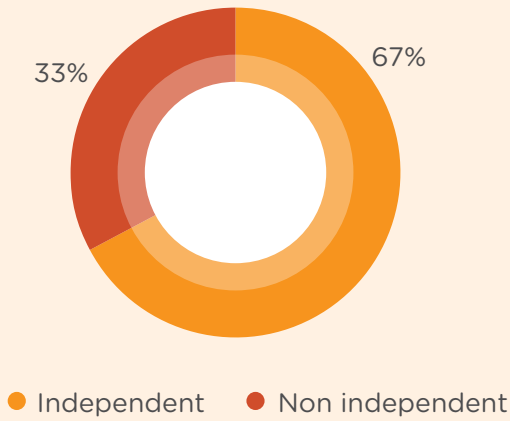
Board Diversity



Executive vs. Non Executive Directors



Independent vs. Non Independent Directors



Board Effectiveness

In alignment with global best practises for ensuring strong internal controls and governance standards, our Board of Directors are also subject to evaluation.

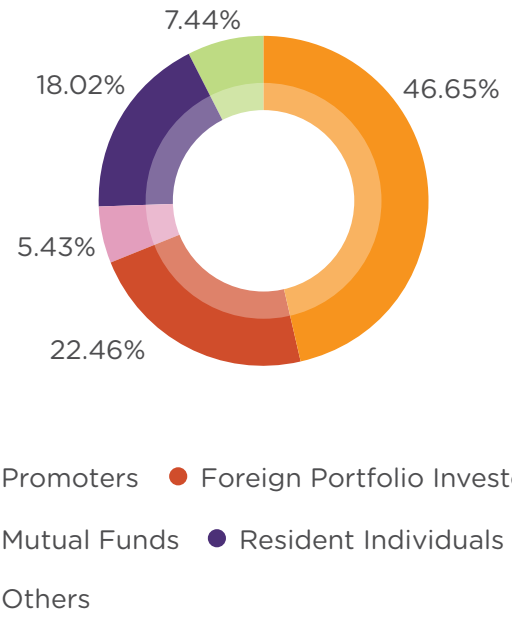
The criteria used to assess their performance are described below:

- Composition and structure
- Effectiveness of Board meetings, processes, information flow and coordination with executive management
- Individually, Directors are evaluated as per their:
  1. Contribution to the Board and Board Committee meetings
  2. Preparation on the issues to be discussed
  3. Number of meetings attended as well as the nature of their contributions.

Shareholding Pattern (as of 31st March 2023)

Our shareholding structure is relatively dispersed with over 53% of public shareholding, allowing increased market depth and enhanced liquidity that enables share price discovery in a fair manner.

Shareholding Pattern (% of Equity)
(as of 31st March 2023)



RISK
Management

At Glenmark, a strong risk management framework helps to identify potential risks, calculate their probability of occurrence, and gauge the impact on our business. It also enables us to formulate action plans that can effectively mitigate the most severe consequences and enable greater agility and efficiency of our businesses and manufacturing operations.

The identification of potential risks, assessing their potential impact, and formulating mitigation strategies is particularly important as we move up the value chain. This transition involves a shift from producing and marketing widely available, low-cost drugs to developing and distributing high-value, niche medications. As we move up the value chain, the change in product focus comes with new challenges and uncertainties that require effective management to ensure the Company's success.

Outlined below are some of the key risks

Risk associated with R&D not always being able to deliver Commercially Successful Products

Risk

Development of a new product has a long gestation period and has an uncertain outcome. There can be potential failures at any stage of the research process such as manufacturing difficulties, efficacy and safety concerns, erosion of patent coverage or its infringement, lack of regulatory approval and/or limited commercial success. Difficulty in gaining regulatory approval, a failure to develop commercially successful products or to develop additional uses for existing products for any of these reasons could materially and adversely affect the Company's revenues.

Impact

Since R&D requires significant financial investments, it can lead to losses impacting profitability and shareholder value. Significant product innovations, technological advancements or the intensification of price competition by competitors may materially and adversely affect the Company's revenues.

Mitigation

Instead of following the traditional hierarchical R&D business model, the Company's R&D business model is based on smaller units in an attempt to encourage greater entrepreneurialism and accountability for its scientists. Moreover, we plan to continue collaborating with other pharmaceutical companies, which enable sharing of risks, availability of technical expertise and decrease in the time taken for developing new products. We also implement a thorough screening and conduct rigorous research to select target products, keeping in mind its scientific relevance,, future demand, and financial risks associated with it.

Risk of Disruptions in the Supply Chain

Risk

Pharmaceutical products require a high degree of compliance with manufacturing practise regulations and our entire supply chain is subject to review and approval from various regulatory agencies. The supply chain is made of multiple links spanning the Company's in-house manufacturing facilities and external suppliers - each link is a potential point of vulnerability in the supply chain.

Impact

Compliance failures could lead to product recalls and seizures, interruption of production, delays in the approval of new products, and revoking of license to operate pending resolution of manufacturing issues.

Mitigation

Although the Company undertakes business continuity planning, single sourcing creates a larger exposure, which is why diversification of the supply chain is the potential mitigation strategy in the event of potential disruptions. The Company closely monitors the delivery of its products. Safety stocks and backup supply arrangements for high revenue and critical products are in place to help mitigate this risk. The standing of manufacturing external suppliers are also routinely monitored in order to identify and manage supply base risks. The Company has set up new manufacturing facilities / upgraded the existing facilities, which can continue the manufacturing operations in case of interruption of operations of a certain facility. The Company while filing for product approvals with various regulatory authorities registers multiple manufacturing sites.

Risk of Revenue Concentration

Risk

Geographic or product-wise revenue concentrations may eventually lead to a decline in the revenue on account of a declining phase in the product life cycle and increasing competition. Failure to have adequate market penetration or early movers' advantage may affect long-term growth and market share.

Impact

Heavy revenue concentration from a limited number of products can make a Company highly vulnerable to the loss of patent protection, competition from generic versions, or regulatory issues. Additionally, factors such as changes in healthcare policies, pricing pressures, or shifts in patient preferences can impact the sale of specific drugs, affecting the Company's overall revenue stream.

Mitigation

Since the need for products of a particular therapeutic segment/category varies across geographies, we have a product development strategy which enables us to deliver the desired product in a timely manner so as to replace the products at the end of the life cycle or enable the Company to penetrate new markets.

External Risks - Natural Disasters, Political Events and Economic Fluctuations

Risk

We operate in a complex environment, which can pose significant business risks. Developed economies are facing a decline in asset prices, liquidity problems and limited availability of credit, while certain geographies in the emerging markets have seen currency devaluations. Some countries have imposed restrictions on imports as well as the remittances outside the country. There is also an increased susceptibility to natural disasters across operating locations, which impacts our value chain.

Impact

These risks could have a significant business impact, including disruptions in the delivery of products, challenges in meeting financial commitments and exposure to currency risks that could erode profits.

Mitigation

The diversity of our portfolio and geographic footprint assists in mitigating the impact of our exposure to specific localized risks. External uncertainties are carefully considered when developing our long-term strategy. The Company leverages market tools to manage its currency risk exposure. We have also conducted Climate Risk Assessment to analyze physical and transition risk across our manufacturing facilities and have taken appropriate mitigation measures by diversifying our supplier base.

Risks associated with Inadequate Cyber Security and Data Privacy Measures

Risk

Disruption to IT systems, due to malicious attacks, non-compliance with data privacy laws is a potential area of vulnerability across the global value chain.

Impact

Depending on the nature of the attack, this compromise of patient or individual privacy, violates intellectual property rights, leads to financial loss, business disruption, or damage to our reputation.

Mitigation

We are focused on building a strong cyber security infrastructure, fostering a risk-aware culture that can anticipate and prevent attacks, and effectively respond to security breaches. We undertake compliance with data privacy laws through gap analysis to identify existing weaknesses, policy and procedure roll-outs and create awareness amongst employees on applicable privacy requirements. Other measures include securing suitable insurance cover.

Risk associated with Inferior Product Quality

Risk

As a leading name in the pharmaceutical industry, it is our responsibility to ensure the safety of our people who use our products. The Company has to make sure that all stakeholders - contractors and suppliers - comply with quality standards to retain the trust of our customers. With the emergence of new products and foray into different markets, the Company has to set up checks across the manufacturing, labeling and supply of products.

Impact

Failure to ensure product quality could have far reaching implications in terms of the health of our patients and customers, reputation, regulatory, legal, and financial consequences for the Company. Beyond this there could be reputation damage, as well as regulatory, legal and financial implications.

Mitigation

The Company has adopted a central Quality Management System (having the relevant ISO accreditation) to define the quality standards across all business units from research and manufacturing to supply and distribution. This end-to-end applicability of quality management throughout the lifecycle of the product helps ensure quality performance and operational compliance. The Head of Quality Assurance maintains oversight of the activities through Quality Council meetings, which serve as a forum to escalate emerging risks. The Company has implemented strict audit mechanisms for third-party suppliers that provide materials for our products.

Risk of Sub-Optimal Product Pricing

Risk

The Company may fail to secure adequate pricing for its products and/or existing pricing laws and regulations may become more unfavorable. Due to changes in the market regime. To maintain a sustainably profitable demand-supply equilibrium, the Company has to keep up with latest pricing laws and regulations. Since pharmaceutical products are directly subject to differing price control pressures and government restrictions, it is important to establish a Company-specific model that serves to maintain harmony across geographic locations.

Impact

Pricing mechanisms differ across locations. As the market for products expand, current and upcoming price control measures and restrictions impact the product differently in various geographies. Hence, the Company has to assess the impact to keep the product pipeline profitable.

Mitigation

The Company has to optimize product costs to ensure the optimum margins and explore growth opportunities in new markets. Strategy-led capacity development is expected to maximize the value of our portfolio. The Company makes conscious efforts to launch new value added products and improvises products which can fetch better pricing.

Risk of Product Liability Litigation

Risk

Notwithstanding the efforts we take to determine the safety of our products through regulated clinical trials, unanticipated side effects may become evident only when drugs are widely introduced into the marketplace.

Impact

Product liability litigation can result in reputational damage, eroding consumer trust, and confidence in the brand. It can significantly impact the balance sheet considering the legal expenses, settlements, and recalls. Furthermore, the Company can face regulatory scrutiny and increased compliance requirements, leading to additional costs and potential penalties.

Mitigation

Besides rigorous testing and quality control, clear and comprehensive warnings, instructions, and labels with the product can help reduce the likelihood of accidents and misuse.

Risk associated with Non-Compliance in Financial Reporting and Disclosure, and Changes to Accounting Standards

Risk

The financial performance of the Company is consolidated and disclosed publicly, based on the accounting standards and rules laid down by official bodies like the Indian Accounting Standards and IFRS.

Impact

The Company has to abide by the accounting standards and disclosure standards to avoid non-compliance with regulatory requirements. Changes brought in the accounting system could result in changes to the recognition of income and expense that may materially and adversely affect the Company's financial results.

Mitigation

The Company abides by latest financial reporting requirements and collaborates with the external auditors and advisors to ensure adherence to relevant reporting requirements.

Risk of Non-Compliance with International Laws and Regulations

Risk

The Company is liable to comply with laws and regulations in different countries owing to its global operations. Regulatory controls across different stages of product development affect the pricing, growth and success of the product and in turn, the Company. The Company must keep up with the trans-boundary legal and regulatory requirements to ensure the sustainability of its business operations.

Impact

The conduct and reputation of the Company rests on its ability to maneuver complex and differing interpretations of government mandates in different geographic locations. Stringent requirements, like those of the U.S. and EU standards, pose a heightened risk to product approvals by regulators and can lead to changes in product portfolios and increase the incidence of product recalls and liability lawsuits. Hence, the impact on revenue generation is high and needs to be contained. Marketing practises also have to be kept in check due to increasing regulatory scrutiny associated with product advertising and promotion.

Mitigation

The Company's internal control framework has implemented several mechanisms to monitor and support compliance with legal and regulatory requirements. The Company's Head of Regulatory Affairs ensures adherence to internal standards to avoid any regulatory infringements. The senior management is responsible for ensuring adherence to best practises, policies, and principles of medical science. Additionally, the Company abides by changing regulatory requirements across various geographies.

Risk of Anti-Bribery and Corruption Legislation

Risk

Glenmark operates in markets perceived as high risk, according to the Global Corruption Barometer, a survey conducted by Transparency International. The enforcement of anti-corruption laws and regulations remains a priority in many countries. The inability of Glenmark or our Business Partners to comply with applicable Anti-Bribery & Anti-Corruption (ABAC) laws, and any consequent regulatory actions, fines or significant litigation, could impact our business.

Impact

Failure to prevent bribery and corruption may compromise Glenmark's ability to supply its products under certain government contracts. It may also cause reputation damage for the Company and its senior leaders and might erode investor confidence.

Mitigation

In 2022, we launched our new Code of Conduct and ABAC policy to reiterate our commitment to zero tolerance of bribery and corruption. We expect our employees and Business Partners to meet ABAC standards and to comply with the ABAC policy. We have also improved mandatory ABAC training for all employees, and provide role and risk-tailored ABAC training on an ongoing basis to those in high-risk roles or geographic regions.

Risk of Potential Litigation

Risk

Government investigations and litigations may have an adverse impact on the Company's business activities. The Company must comply with all applicable region-specific laws and rules within the jurisdictional boundaries of its business. The Company has to conduct business in a manner that does not raise any questions about current and past business developments.

Impact

A gap in regulatory adherence due to different geographic jurisdictions or even plain oversight may harm the product's quality and safety. The Company has to account for unanticipated risks even after clinical trials to ensure the safety of the product and avoid the risk of litigation after the product is sold in the market.

Mitigation

The Company strives to minimise disputes and reduce the number of incidents that may proceed to litigation.

The Company has formalized processes for proactive risk/dispute management. It aims to drive a more standardized practise for the early resolution of disputes and the legal team also routinely trains the Company's employees on strategies to attempt to minimize the Company's litigation exposure.

Risk of Non-Compliance with Tax Laws

Risk

The Company's business model must stay viable amidst the changing tax laws and practises. The tax rates of the Company are influenced and determined by tax rates in other jurisdictions as well. Deductions and concessions vary across geographies and the Company's transfer pricing mechanism becomes an inherent tax risk.

Impact

While conducting international business, the Company must pay special attention to tax laws governing mechanisms like transfer pricing, foreign dividends, controlled companies, R&D tax credits, taxation of intellectual property or a restriction in tax relief allowed on the interest on intra-company debt to keep their tax rate in check and avoid any adverse impact on the business. The Company has to maneuver tax liability arising at the time of financial disclosure and can only be resolved when audited by tax authorities. Hence, the Company has to meet the uncertainty of tax liabilities by adhering to statutory timelines and requirements. Resolving disputes through formal appeals and other legal proceedings, as is done in the worst-case scenario, is a burden on the Company.

Mitigation

The Company has a policy to submit the tax returns within a stipulated time frame and engage with tax authorities to resolve issues quickly. The Company has advisors and legal counsel to review tax legislation and applicability to avoid legal action. The Company continuously monitors changes in tax policies in the key jurisdictions to deal proactively with any potential changes in tax law.

Risk of Non-Compliance with EHS and Sustainability Laws

Risk

The applicable environmental laws have to be adhered to minimize the resultant risk of paying remediation costs.

Impact

The impact of violating environmental laws extends far beyond the business onto the people and the natural environment. Such an infringement is a violation of stakeholder expectation and regulatory requirements.

Mitigation

The Company has embedded its EHS risk management framework across its operations and employment practises to create a work culture suitable and equal for all people. The Company operates rigorous procedures to eliminate hazards where practicable and protect employees' health and well-being. The Company actively manages its environmental remediation obligations to ensure practises are environmentally sustainable and compliant.

Financial Capital

We believe that financial capital forms the foundation of our operations, enabling us to invest in research and development, manufacturing capabilities, and the commercialization of innovative healthcare solutions.

This section provides an overview of how our organization's financial capital interacts and intertwines with other forms of capital to drive sustainable value creation. It covers our financial performance, highlighting key financial indicators, revenue growth, profitability, and our commitment to delivering long-term value for our shareholders. We strive to invest in business lines that generate healthy returns and create long-term economic value, in accordance with various stakeholder expectations, including a proportionate allocation of funds to other capitals for ensuring effective and efficient use of both financial and non-financial resources.

Contribution to SDGs

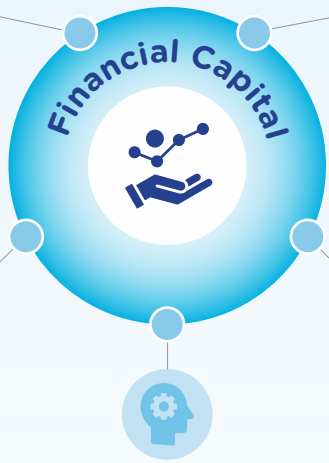
Focus Areas

- Stakeholder value creation
- Economic performance
- Sustainable profitability
- Enhanced free cash flow generation

Material Topics

- Innovation and research
- Risk management
- Enhancing accessibility of medicines

Interlinkages with other capitals



Social & Relationship Capital

Invested ₹ 452 million for CSR activities

Human Capital

Investment in employee trainings and skill upgradation

Natural Capital

Investment in environmentally sustainable solutions

Manufactured Capital

₹ 6,078 million of capital expenditure (cash basis)

Intellectual Capital

₹ 12,500 million invested in R&D

Highlights for FY 2023

₹ 1,29,901 million

Revenue from operations up 5.6% YoY

₹ 22,784 million

EBITDA

Mapping with NGRBC Principles:

- **Principle 1:** Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.
- **Principle 8:** Businesses should promote inclusive growth and equitable development.

We firmly believe that creating economic value for our stakeholders goes beyond simply generating wealth. It involves transparent distribution of the wealth to serve the larger interest of socio-economic growth and development, not only for Glenmark but collectively for all our stakeholders including our employees, customers, vendors and suppliers, and society at large. We are committed to conducting our business ethically and in accordance with regulatory requirements.

The distribution of wealth takes various forms and involves different stakeholder groups. We fulfill our obligations by paying taxes to governments, which contribute to the overall development of society and the countries in which we operate. Financial returns are also provided to our investors, acknowledging their trust and support for our business.

We also recognize the importance of investing in employee well-being initiatives and development programs that empower and support our workforce. Furthermore, we actively engage with our suppliers and ensure fair payments for their goods and services, recognizing their contribution to our business operations.

We aim to create economic value that is transparently distributed to benefit a wide range of stakeholders and contribute to the overall growth and development of society.

Economic Value Creation (In ₹ million)

Particulars	FY 2023	FY 2022
Direct economic Value generated (a)	**133,069**	**124,716**
Revenues	129,901	123,049
Other Income	3,168	1,667
Economic Value distributed (b)	**116,891**	**108,229**
Operating costs [1]	78,856	74,948
Employee benefits	27,810	24,474
Payment to providers of capital [2]	4,863	3,907
Payment to Government [3]	4,911	4,476
Community Investments [4]	452	423
Economic Value retained (a-b)	**16,178**	**16,487**

1. Excluding one-time exceptional item, depreciation, CSR expenses
2. Finance cost and dividend
3. Current tax and deferred tax
4. CSR spend

Revenue from operations and Other income

We are a globally diversified and organically built business with a commercial presence in 80+ countries. We are pleased to report that as of March 2023, we are the 14th largest[1] pharmaceutical Company and the fastest growing in the Indian Pharmaceutical Market. We are the 15th largest[2] generic Company by prescriptions filed in the U.S. Our strong performance during the reporting period is a direct consequence of our end-to-end capabilities across R&D and manufacturing.

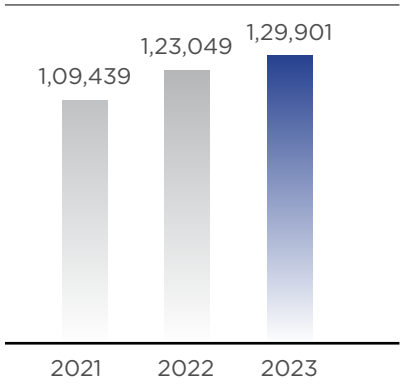
Glenmark's consolidated revenue from operations for the year ended 31st March 2023 was ₹ 129,901 million compared to ₹ 123,049 million for the previous reporting year, indicating an overall YoY growth of 5.6%. Approximately 55% contribution[3] to revenue was recorded from branded markets.

Our revenues have experienced steady growth, driven by successful product launches, expanded market presence, and strategic partnerships. The growth during the year was driven by Europe and RoW markets. In FY 2023, we also experienced a strong recovery in our North American business.

Going ahead, we remain focused on optimizing our cost structure and improving operational efficiency to ensure sustainable profitability.

RYALTRIS®, our first global specialty brand, has continued to be a revenue driver over the course of the reporting period. With its launch in 27 new markets, the drug has contributed to our overall margin profile. While RYALTRIS® marks our foray into specialty markets, it has strengthened our conviction for increasing the share of branded products in our overall product mix in order to further improve our profitability and financial position. Accordingly, we are directing our efforts towards developing and launching new drugs and formulations as candidates for global brands in line with our evolving strategic focus.

Revenue from operations (in ₹ million)



Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

The Company reported Earnings Before Interest Tax Depreciation and Amortization (EBITDA) of ₹ 22,784 million. Rising costs across the value chain were the leading reason for a lower EBITDA in the reporting year. To counteract the effects of escalating costs in the coming years, the Company continues to focus on cost reduction initiatives, boost the topline through new launches, and improve efficiency. We are proactively working towards building robust growth in sales across various markets and increasing global specialty revenues. The Company has committed to deepening its global presence and delivering quality affordable products in new markets.

Profit After Tax (PAT)

Profit after tax (PAT) for the year was ₹ 3,774 million (FY 2022: ₹ 9,936 million). This decline can be attributed primarily to an exceptional item during the year, details of which are elaborated in the notes to the financial statements for the year. Despite the lower profits, we maintained our commitment to financial stability, strategic investments, and delivering long-term value to our shareholders. We have implemented cost management measures and taken steps to mitigate future risks. Our focus remains on optimizing operational efficiency, exploring growth opportunities, and driving sustainable profitability. Through disciplined financial management and a proactive approach to risk mitigation, we strive to restore and enhance profitability, delivering sustainable returns for our shareholders.

[1]As per IQVIA MAT March 2023

[2]As per IQVIA MAT March 2023; includes generics and branded generics, Rx only (excludes OTC)

[3]Includes revenue from India, Rest of the World (RoW) and a part of Europe, as of FY 2023

Debt Utilization and Servicing

We carefully consider and selectively utilize debt to support our growth and operational requirements. We recognize that prudent debt management plays a significant role in maintaining a healthy capital structure and facilitating investments in research and development, manufacturing capabilities, and market expansion. We maintain strong relationships with reputable financial institutions and diligently manage our debt portfolio to optimize interest rates and repayment terms. In the reporting year, our net debt amounted to ₹ 29,047 million. One of our key objectives for the upcoming year is to enhance free cash generation for debt reduction.

By effectively managing our debt, we aim to strike a balance between leveraging financial resources for strategic initiatives and maintaining financial stability, ultimately supporting our ability to deliver innovative healthcare solutions and create sustainable value for our stakeholders.

Credit ratings of Glenmark Pharmaceuticals Limited

- S&P Global has affirmed long-term Rating as 'BB', Outlook 'Stable'.
- Fitch Ratings has affirmed long-term Issuer Default Rating (IDR) as 'BB', Outlook 'Stable'
- CRISIL has affirmed long-term Rating as 'AA-' and revised Outlook to 'Stable' from 'Positive'. short-term Rating reaffirmed as A1+.
- India Ratings and Research (Ind-Ra) has affirmed long-term Rating as 'AA-' and revised Outlook to 'Stable' from 'Positive'. short-term Rating affirmed at A1+.

Sustainable Finance

We recognize that integrating ESG objectives into our business practises not only aligns with our values but also generates long-term cost benefits. We have made strategic investments in sustainable initiatives that contribute to our ESG goals while driving operational efficiency and cost savings. For instance, by implementing energy-efficient technologies and optimizing our manufacturing processes, we reduce our environmental footprint while lowering energy consumption and associated costs. Similarly, our commitment to responsible waste management and recycling initiatives not only promotes environmental stewardship but also reduces waste disposal expenses. Furthermore, investments in employee well-being and development programs foster a motivated workforce, leading to increased productivity and reduced employee turnover. These ESG investments not only contribute to a more sustainable and responsible business model but also generate tangible cost benefits, enhancing our financial performance and ensuring long-term value creation for our shareholders.

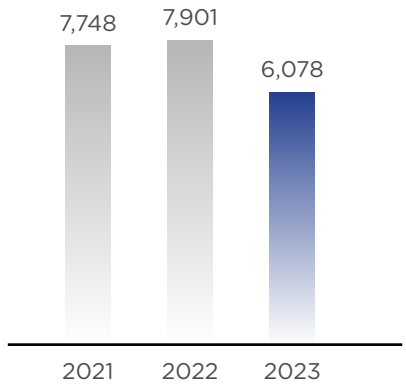
In the past year, we successfully secured a sustainability linked loan (SLL) totaling US$ 228 million, a first for an Indian pharmaceutical Company. This serves as a testament to our unwavering dedication towards promoting sustainable business practises and aligning with our overarching objective.

Capital expenditure

Capital expenditure plays a vital role in our commitment to innovation, operational excellence, and sustainable growth. We strategically allocate financial resources to invest in our manufacturing infrastructure, research and development capabilities, and technological advancements. These capital investments are aimed at enhancing our production capacity, improving efficiency, and ensuring the highest standards of safety, health, and quality across our operations. Through continuous maintenance and upgrading of our facilities, we position ourselves to meet the evolving needs of the pharmaceutical industry and the demands of our customers. Our capital expenditure initiatives are guided by a comprehensive assessment of market trends, regulatory requirements, and the long-term strategic objectives of the Company.

In FY 2023, our capital expenditure (cash basis) amounted to ₹ 6,078 million. These investments play a vital role in reinforcing our strategic objectives of, expanding into untapped markets, leveraging growth opportunities in emerging markets, ensuring uninterrupted business operations, and fostering the development of pioneering and innovative products.

Capex (Cash basis) (in ₹ million)



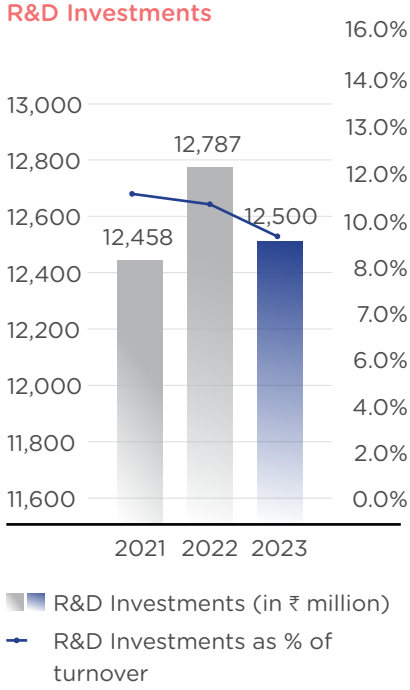
R&D Investments

We recognize that continued investment in R&D is crucial for innovation and the development of new therapies. We have allocated a significant portion of our financial resources to R&D activities, supporting our pipeline of promising drug candidates and breakthrough technologies. These investments underscore our commitment to advancing medical science and addressing unmet medical needs while also furthering our ambitions of growing in branded markets.

In FY 2023, our total R&D expenditure stood at ₹ 12,500 million of which, we invested ₹ 6,833 million in our innovation driven Company, Ichnos.

This spending is directed at developing complex products, specialty products, generic products, and APIs. Over the last few years, we have been focusing on right-sizing and optimizing our spending on R&D for both innovation and core business operations. Furthermore, we prioritize enhancing the efficiency and productivity of our R&D operations to ensure the swift introduction of new products, to position us ahead of our competitors.

R&D Investments



Dividends

We are pleased to inform our shareholders that our Board of Directors has recommended a dividend for the reporting period, reflecting our commitment to delivering value to our shareholders. In line with our Dividend Distribution Policy, the Board has recommended a Dividend of 250% (₹ 2.5 per equity share of ₹ 1 each) to be appropriated from the profits of the year 2022-23 subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM). The dividend, if approved, will result in an outflow of ₹ 705.42 million. Despite the challenges faced, we have diligently managed our financial resources and maintained a strong financial position. The proposed dividend is a testament to our confidence in the Company's long-term prospects and the resilience of our business model. We recognize the importance of providing returns to our shareholders and appreciate their continued support. By striking a balance between reinvesting in growth initiatives and returning capital to shareholders, we aim to ensure sustainable value creation and reward our shareholders for their trust and investment in our Company.

Tax Strategy

The Company recognizes the importance of tax in society and national development and sees tax responsibility as an important part of its contribution to national resources and its long-term sustainability.

Our tax approach has been conservative and cautious with our tax policy designed to ensure that we comply with tax laws and regulations applicable to our business. The Company aims to engage with tax authorities in to resolve tax disputes, if any. Applicable details on income tax, deferred tax, custom, excise tax, Goods and Services Tax, etc. are provided in the financial statements and the notes thereon.

Our Tax policy, uploaded on the Company website, further explains our approach to tax, tax governance and relationship with tax authorities.

Financial Outlook

Looking ahead, we are optimistic about our financial prospects and continue to pursue growth opportunities, both organically and through strategic partnerships. We are committed to maintaining financial discipline, optimizing operational efficiency, and delivering sustainable value to our shareholders while addressing the evolving needs of patients and the healthcare industry.

Our strong financial performance, investments in R&D and manufacturing capabilities, effective risk management, and commitment to shareholder value position Glenmark for continued growth and success in a dynamic pharmaceutical landscape.

Manufactured Capital

We are committed to manufacturing high-quality pharmaceutical products, including APIs and formulations, that meet global regulatory standards and contribute to improving patient health outcomes. Our state-of-the-art facilities spread across 4 continents enable us to maintain a reliable supply of safe and effective medicines for patients in over 80 countries.

As we continue to move up the value chain and increase the proportion of specialty, complex, branded medicines in our product mix, we are enhancing our manufacturing capabilities. These include the development of infrastructure, for strengthening processes, quality control, regulatory compliance, supply chain management, packaging, and expertise.

Contribution to SDGs

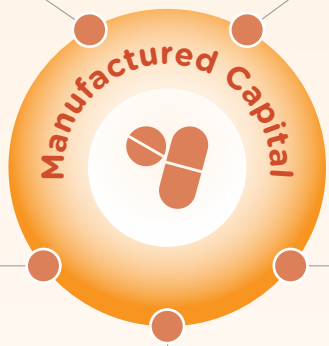
Focus Areas

- Customer centricity
- Digitization of operations
- Ensure customers get high quality products on time

Material Topics

- Product quality and safety
- Supply chain management

Interlinkages with other capitals



Social & Relationship Capital

Delivery of high quality products ensuring patient satisfaction

Human Capital

Improved safety performance and reduced EHS incidents due to effective employee safety policies

Natural Capital

Improved operational efficiency, leading to reduced emissions and energy consumption

Financial Capital

Increased revenues and market coverage from increased operational efficiencies across 25+ dosage forms and multiple therapeutic categories

Intellectual Capital

Digitalization of Quality Management Systems and implementation of eBMR and eBPR

Highlights for FY 2023

79%

of sites certified with ISO 14001 - Environmental Management System and ISO 45001 - Occupational Health and Safety Management System

₹ 6,078 million

cash capex

Mapping with NGRBC Principles

- **Principle 2:** Businesses should provide goods and services in a manner that is sustainable and safe.
- **Principle 9:** Businesses should engage with and provide value to their consumers in a responsible manner.

State-of-the-art manufacturing facilities

14
manufacturing facilities

4
continents

8
U.S. FDA approved facilities

Our manufacturing capabilities serve as the cornerstone of our operations at Glenmark. With state-of-the-art facilities, advanced technologies, a strong focus on quality and efficiency, and an integrated value chain, we are able to consistently deliver high-quality pharmaceutical products to meet the evolving needs of patients worldwide. This section provides an overview of our manufacturing capabilities, highlighting our commitment to excellence in production processes, our dedication to technological advancements, and our unwavering focus on adhering to stringent regulatory standards. Through our manufacturing prowess, we strive to ensure the availability and accessibility of safe and effective medications that contribute to the well-being and quality of life of patients across the globe.

Expansion of capacities

We have invested in expanding our manufacturing capacity to meet the growing demand for our products as well as to enter new and emerging markets.

Through ongoing capacity enhancements and process optimizations, and targeted investments, we endeavor to improve our manufacturing capacity, launch new products in the domestic and international markets, and ensure an uninterrupted supply of medicines.

In the reporting year, we undertook some key projects in our formulations business, including the following:

- Expansion of the OSD line at our Indore plant to accommodate new products. The SSD area expansion has enabled us to deliver the critical market requirements.
- Commissioning of a new nasal spray line to increase capacity at our Baddi plant.
- Installation of a new MDI line and OSD capsule area at our Aurangabad plant. Additionally, we completed the qualification of a new propellant ISO tank.
- Implementation of several initiatives to support the production capacity increase at our Pilar plant.

API Plant, Ankleshwar, India

Our API business in GLS has also undertaken several strategic initiatives towards capacity expansion.

- GLS plans to begin work on a new manufacturing facility in Solapur, India with a capacity of 1,000 KL for the manufacture of generic APIs from FY 2024. The new facility will also provide a platform for the growth of the CDMO business and add capacity for the generic API business.
- API manufacturing capabilities were enhanced at GLS by adding new blocks at the existing facilities at Ankleshwar and Dahej during FY 2023 by an aggregate annual total installed capacity of 640 KL. This additional production capacity will help further expand the generic API production and grow the oncology product pipeline.

Operational Efficiency

We continuously strive to optimize our processes, enhance resource utilization, and drive productivity improvements across our operations by improving overall efficiency.

By implementing lean manufacturing principles, advanced process controls, and continuous improvement initiatives, we aim to maximize efficiency while maintaining the highest quality standards. Our focus on operational efficiency enables us to streamline workflows, minimize waste, and reduce lead times, resulting in cost savings and enhanced responsiveness to market demands. This involves directing our focus towards implementing capacity improvement initiatives, increasing batch sizes wherever necessary.

Through the adoption of innovative technologies, automation, and data-driven decision-making, we continually seek opportunities to drive operational excellence and exceed the expectations of our stakeholders. By prioritizing operational efficiency, we are committed to delivering pharmaceutical products in a timely and cost-effective manner, ultimately benefiting patients, health care providers, and the health care system as a whole.

Initiatives undertaken to enhance operational efficiency in the reporting year

- Focus on enhancing productivity KPIs such as productivity per person, cost per unit, energy index.
- Upgrading manufacturing equipment as per 21 CFR part 11 requirements.
- Utility and machine performance evaluation system at the Nashik plant involving online data generation and evaluation of statistics to enhance machine uptimes.
- Implementation of a program with focus on identification of high-impact projects, cross-functional team formation and Green Belt Training and certification for project champions. The plants also continued to focus on enhancing batch sizes and yield and implementing technological and machinery upgrades.

Operational efficiency initiatives undertaken by GLS include

Solvent recovery and recycling

Optimization of batch size

Current technology for better exercise

Green chemistry and effluent reduction

Utilization of new downstream equipment for filtration or drying techniques

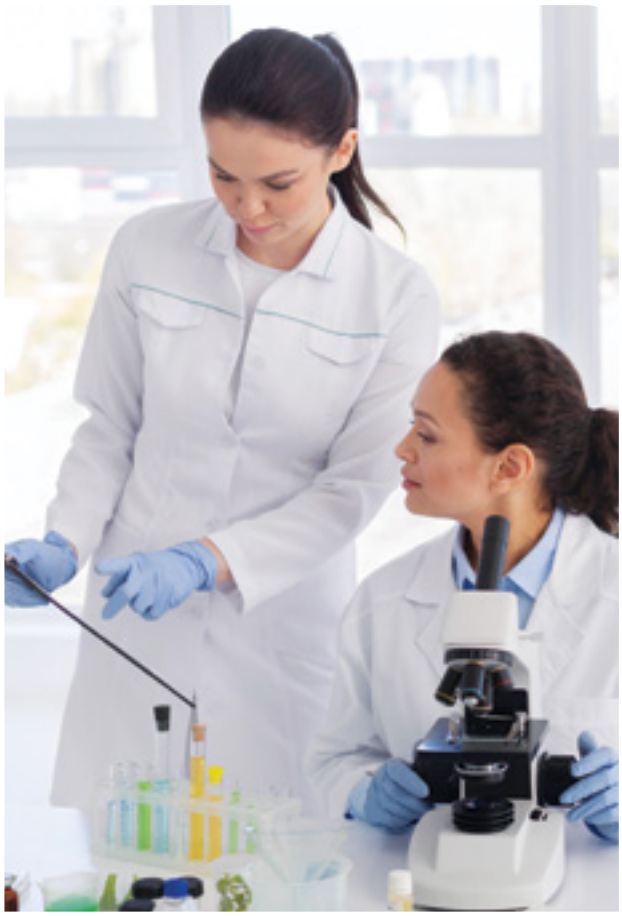
Yield improvement

Backward integration into Intermediates and Key Starting Materials

Training for Operational Efficiency

In order to ensure a continuous improvement of our operational efficiency we provide comprehensive and targeted training programs that enhance the skills, knowledge, and capabilities of our workforce. Through ongoing training initiatives, we foster a culture of continuous improvement, innovation, and professional development, positioning our employees and our organization for long-term success.

- Training conducted on Lean and Six Sigma Principles, Green Belt Certification, Kaizen, GEMBA, and Continuous Improvements approaches.
- Training conducted about general pharmaceutical awareness, production process, and utilities involved in production.
- Digital learning system implementation for internal training launched at our Pilar site.
- Employee development training for managing time and change.



Inventory management

Efficient inventory management is a crucial aspect of our manufactured capital at Glenmark. We understand the importance of maintaining optimal inventory levels to meet customer demand while minimizing holding costs and the risk of stockouts. Our comprehensive inventory management practises enable us to strike the right balance between ensuring product availability and controlling inventory carrying costs. Through the use of advanced forecasting techniques, demand planning, and supply chain analytics, we strive to accurately anticipate market needs and align our inventory levels accordingly.
We also employ state-of-the-art inventory tracking systems that provide visibility into stock levels, expiration dates, and product rotation, ensuring the integrity and quality of our pharmaceutical inventory. By continuously optimizing our inventory management processes, we can enhance operational efficiency, reduce waste, and ultimately deliver timely and reliable pharmaceutical products to our customers and patients in need.

Sustainability adopted in our manufacturing processes

We recognize the importance of environmental sustainability in our manufacturing operations. Our facilities adhere to environmentally responsible practises, such as energy-efficient operations, waste reduction, and recycling initiatives. We continuously monitor and optimize our resource consumption to minimize our ecological footprint and contribute to a sustainable future.

The following Indian and international sites of Glenmark are certified with ISO 14001- Environmental Management System and ISO 45001- Occupational Health and Safety Management System.

GPL India sites with certifications

- Nashik
- Nalagarh
- Baddi
- Sikkim
- Goa
- Indore
- Aurangabad

GPL international sites with individual certification

- Vysoké Mýto
- Pilar

GLS sites

- Dahej
- Ankleshwar

The Natural Capital section covers further details on initiatives undertaken at manufacturing plants to fulfill sustainability objectives.

Digitization and Automation

We recognize the transformative power of automation and digitization in revolutionizing the manufacturing landscape. This section highlights our efforts to leverage cutting-edge technologies and digital solutions to optimize our manufacturing processes, enhance operational efficiency, and deliver high-quality pharmaceutical products to patients worldwide. By embracing automation and digitization, we aim to streamline workflows, reduce human error, and improve the speed and accuracy of our operations.

Through our investments in data analytics, software solutions and training programs, we have been able to achieve greater precision, scalability, and agility in meeting the evolving demands of the healthcare industry. By harnessing the potential of automation and digitization, we are paving the way for a future where innovation and efficiency intersect, ultimately benefitting patients and improving global healthcare outcomes.

Key Digitalization projects initiated at Glenmark

- Laboratory Information Management System (LIMS), TrackWise: Electronic system for maintaining Quality Management System (QMS) modules namely, change control, deviation, incidents, Out Of Specification (OOS), Out Of Trend (OOT), Corrective Action and Preventive Action (CAPA), market complaints, audit management, supplier management and risk assessment.
- Electronic Batch Record System (eBMR) and Warehouse Automation: Electronic Log books for Instrument usage, Column Usage and Chemical / Reagent in Quality Control Lab.
- Quality Dashboard in Tableau: A digital platform to enable an effective and focused view about all the quality events of the organization
- eBMR for Batch Manufacturing Record (BMR) and Batch Packaging Record (BPR), Logbooks, and Checklist.
- Upgrading of Programmable Logic Controller (PLC) / Supervisory Control And Data Acquisition (SCADA) systems.

Product Quality and Safety

Our commitment to product quality and safety lies at the heart of everything we do. We understand the profound impact that our pharmaceutical products have on patients' lives, and are attentive in ensuring that each product consistently meets the highest standards of quality, efficacy, and safety. We employ a multi-faceted approach that combines cutting-edge technology, stringent regulatory compliance, and a culture of continuous improvement to safeguard the well-being of patients and uphold the trust placed in our products. By prioritizing product quality and safety, we endeavor to make a meaningful difference in the lives of patients and healthcare providers worldwide.

Quality Management Systems

Our robust Quality Management System (QMS) serves as the cornerstone of our commitment to excellence, ensuring that every single product meets the strictest regulatory requirements and exceeds the expectations of patients and health care professionals. Through our QMS, we foster a culture of continuous improvement, proactive risk management, and adherence to industry best practises, underscoring our unwavering dedication to patient safety, and the delivery of exceptional health care solutions.

Our quality management support operations for pre-clinical, clinical, and pharmacovigilance are governed as per regulations and quality standards for Good Clinical Practises, Good Laboratory Practises and Good Pharmacovigilance Practises.

The quality systems at our sites are based on local drug regulations and regulatory requirements, and employ systems and processes like change management systems, documentation and investigation of deviations, incidences, OOS, OOT, implementing corrective and preventive actions, investigating market complaints, analysis of trends of results of testing, create and implement standard operating procedures, perform validations and qualifications, continued process verification, release of materials (raw material, packaging material, finished products), conduct internal audits to ensure all time readiness for external audits, risk assessment and risk management.

In the reporting year, we implemented our Compliance Sustainability Plan which focuses on

- Enhancing Leadership Capability
- Global Harmonization and Simplification of Procedures
- Strengthening of Internal Audit Program
- Strengthening of Quality Management Review and Escalation Process
- Implementation of Global Investigation Framework
- Comprehensive Product Review
- Digitalization
- Enhancing of Data Integrity and Reliability Procedures

We believe that quality is everyone's responsibility. Quality is ingrained in our systems, services, employees, and products through the implementation of a comprehensive quality management system.

The Company's quality organization structure and functions are designed to ensure that the crucial elements of patient centricity, management oversight, innovation and continuous improvement, and adherence to regulation are upheld throughout the Company.

Audit Readiness

We recognize the importance of maintaining strong audit readiness within our manufacturing operations. Our efforts are consistently aligned with ensuring transparency, accountability, and regulatory compliance throughout our processes. By proactively establishing robust internal controls, rigorous documentation practises, and comprehensive quality assurance measures, to meet regulatory requirements and demonstrate our commitment to earning the trust of regulatory authorities, stakeholders, and the patients who rely on our products.

During the reporting year, a total of 21 internal audits and 43 regulatory Inspections by various regulatory bodies across geographies were conducted in the facilities of GPL. Five regulatory audits were completed in GLS.

Pharmacovigilance (PV)

Patient safety is at the core of Glenmark's mission, and our robust pharmacovigilance practises play a pivotal role in ensuring the ongoing evaluation and management of the safety profile of our pharmaceutical products. Through proactive surveillance, timely reporting, and collaboration with health care professionals and regulatory authorities, we uphold the highest standards in drug safety. Our pharmacovigilance efforts provide reliable information to health care providers and empower patients to make informed treatment decisions. We are dedicated to ensuring the well-being and upholding the trust of patients who rely on our medications.

In FY 2023, Glenmark was inspected by 2 Drug regulatory authorities namely MHRA and INVIMA. The inspection concluded with no critical findings. The Company completed 2 PV surveys for the Dutch authority and ANMAT Argentina. Glenmark operates in multiple geographies and abides by local PV regulations and global PV regulations like EMEA, MHRA, USFDA, Health Canada, TGA, etc.

Initiatives to strengthen PV undertaken in FY 2023

- A mandatory annual PV refresher training was rolled out in 9 local languages (including new additions of Slovakia and Ukraine) in addition to English with a training completion rate of over 92% globally.
- For adverse events reported during the year, the Company has ensured that they are processed and reported in a timely manner to respective regulatory authorities. The consolidated data is used to evaluate the risk and benefit profile of products through various PV activities such as signal detection, aggregate report, and risk management plans (RMPs) with relevant risk minimization measures as appropriate.
- To ensure compliance with regulatory authority requirements and Glenmark's compliance with PV policy and internal standards, the PV department undergoes various types of internal audits such as global system, local affiliate, partner, and vendor audits. In FY 2023, there were a total of 25 PV audits covering various geographical regions, partners, services providers, internal PV functions, and Glenmark departments. Glenmark PV systems were also audited by 2 business partners to evaluate PV performance as committed in the Safety Data Exchange agreement. All the audits had a successful outcome and relevant CAPAs implemented with a timely CAPA closure rate of 100%.

Glenmark has PV SOPs in place to monitor adverse effects and follows global and country-specific PV regulations to report the adverse effect as per defined timelines to drug regulatory authorities. Audits: Country offices and global PV departments are periodically audited based on risk assessment by the independent auditing department at Glenmark. PV department also undergoes audits from partners collaborating with Glenmark in reference to the PV agreement or safety data exchange agreements.

Glenmark has a common mailbox as well as country-specific phone numbers / mailboxes for local consumers and patients that can be used as a communication mechanism for reporting product concerns. There is a dedicated team that monitors the call center number and common mailboxes. The well-defined process for receiving safety information, databasing, analyzing, and communicating ensures the timely resolution of all relevant safety concerns around the world.

Additionally, Glenmark's PV Corporate Governance System provides consistent, transparent, and timely, decision-making and escalation platforms for operational, product safety, product quality, and compliance issues.

By leveraging our strong manufactured capital, Glenmark aims to meet the health care needs of patients worldwide, while ensuring the highest standards of quality, sustainability, and compliance throughout our manufacturing operations.

Our Awards

Social & Relationship Capital

At Glenmark, we believe our success is measured not only by our financial performance but also by our impact on society and our relationships with key stakeholders. This section highlights our commitment to social and relationship capital, focusing on the ways in which we contribute to the well-being of patients, collaborate with healthcare professionals and industry partners, and engage with communities.

As part of our strategic effort to move up the value chain we are cognizant of the importance of nurturing deep and synergistic relationships with the healthcare industry and our communities. Over the years, we believe we have developed crucial partnerships and support mechanisms for the manufacturing and delivery of specialty medicines and will continue to strengthen these relationships in the coming years.

Contribution to SDGs

Focus Areas

- Empowering communities through CSR initiatives
- Responsible supply chain

Material Topics

- Enhancing Accessibility of Medicines
- Innovation and Research
- Community Development
- Supply Chain Management
- Policy Advocacy

Interlinkages with other capitals

Human Capital

96,900+ volunteering hours by 7,200+ employees

Financial Capital

Increased market penetration through industry collaborations

Manufactured Capital

Procurement from domestic suppliers

Intellectual Capital

Identification of critical market gaps through engagement with patients and health care professionals

Natural Capital

Key suppliers evaluated through self-assessment against Glenmark's ESG Supplier protocol

Highlights for FY 2023

2.9 million

lives impacted through CSR initiatives

Improved accessibility of medicines through the launch of affordable drugs such as **Sacu V™** **SITAZIT® and its variants**

International collaborations to launch **RYALTRIS®** in new markets

Mapping with NGRBC Principles

- **Principle 2:** Businesses should provide goods and services in a manner that is sustainable and safe.
- **Principle 4:** Businesses should respect the interests of and be responsive to all their stakeholders.
- **Principle 8:** Businesses should promote inclusive growth and equitable development.
- **Principle 9:** Businesses should engage with and provide value to their consumers in a responsible manner.

Stakeholder Dialogue and Engagement

We value the perspectives and inputs of our stakeholders and maintain an ongoing dialogue through various channels, including regular communication, surveys, and stakeholder consultations. By actively seeking and integrating stakeholder feedback, we ensure that our decisions and strategies align with their expectations and contribute to long-term sustainable development. This is particularly relevant for our Company, in light of our strategic priorities going forward.

Our relationships with stakeholders, including investors, employees, and suppliers are characterized by open dialogue, collaboration, and shared values. By fostering these strong relationships, we create an environment of trust, accountability, and shared responsibility.

Our key stakeholders

- Patients
- Customers
- Healthcare professionals
- Shareholders and investors
- Channel partners
- Governments and regulators
- Suppliers and vendors
- Communities
- Employees
- Senior management

Read more about our Stakeholder Engagement practises in the Stakeholder Engagement section of this report. Details on the Grievance Mechanism for stakeholder complaints are covered in entry 23 of the Business Responsibility & Sustainability Report (BRSR).

Relationship with Customers

Patient Engagement

We recognize that patients are at the heart of everything we do. Our patient-centric approach is demonstrated through our initiatives to improve patient outcomes, enhance access to healthcare, and empower individuals to take control of their health. By engaging with patients through disease awareness campaigns, educational programs, and support initiatives, we aim to create a positive impact on their lives and ensure that our products address their specific needs.

Our customer feedback mechanisms enable us to listen to their needs and continually improve our products and services. By prioritizing patient centricity, we make every effort to empower individuals to take charge of their health and make informed decisions regarding their treatment.

Accessibility and availability of medicines

Ensuring the accessibility and availability of medicines is of utmost importance to Glenmark. We work diligently to minimize barriers that hinder access, including affordability and geographical constraints. By undertaking pricing strategies that consider affordability, support generic competition, and encourage investments in research and development for unmet needs, we aim to improve the availability and accessibility of life-saving medications, to ensure better health outcomes for all.

- **Launched India's first Indacaterol + Mometasone Fixed-Dose Combination (FDC) Drug for Asthma**

  Respiratory is a key focus area for Glenmark and the Company is an industry leader in providing access to the latest treatment options to patients. The novel fixed-dose combination Indamet®, is the first-of-its-kind in India and offers a world-class, affordable treatment option to both adults and adolescents over the age of 12 years, suffering from uncontrolled asthma.

- **Launch of India's first triple Fixed-Dose Combination of Teneligliptin + Pioglitazone + Metformin for adults with Type 2 diabetes and high insulin resistance**

  Glenmark has a strong legacy of bringing in new, effective, and affordable treatment options for diabetic patients, particularly for patients with uncontrolled Type 2 diabetes. The launch of this FDC in India is significant considering the prevalence of high insulin resistance in India, which is 38% compared to the global incidence of 15%. Zita® PioMet is novel triple FDC that will help improve glycemic control among adults with High HbA1ci and high insulin resistance.

Launched Sitagliptin and its Fixed-Dose Combinations at an affordable price for adults with Type 2 diabetes in India

The launch of Glenmark's SITAZIT® and its variants will play an instrumental role in improving the accessibility of sitagliptin to type-2 diabetic patients. The Company has launched 8 different combinations of sitagliptin based drugs under the brand name SITAZIT® and its variants at an affordable price. The molecule is considered the gold standard in DPP4 inhibitor therapy. These medicines have a low risk of hypoglycemia, provide beta cell protection, offer cardio-renal benefits, and are safe for patients with kidney or liver conditions as well as senior citizens.

Furthermore, since Type 2 diabetes is chronic in nature, and patients in India are often required to bear the cost of therapy on their own, the affordable price of the drug is a major factor that impacts treatment adherence. Glenmark's sitagliptin and its FDCs are priced at around one-third of cost of its innovator brand in India.

Launch of Sacu V™, a Fixed-Dose Combination of Sacubitril + Valsartan, making heart failure treatment more affordable in India

Heart failure is growing in India at an alarming rate with its prevalence at around 1% and affecting around 8-10 million individuals. With the launch of Sacu V™, Glenmark is proud to offer an advanced and affordable treatment option that has reduced the risk of cardiovascular-related deaths and hospitalizations for patients with chronic heart failure. It has also improved symptoms associated with heart failure with reduced ejection fraction (HFrEF).

Patient Outreach Campaigns

As a responsible pharmaceutical Company, we recognize the importance of outreach campaigns in ensuring the widespread awareness of our products. Our knowledge-sharing initiatives are designed to reach healthcare professionals, patients, and the broader public; enabling them to make informed decisions about their healthcare needs. Through targeted strategies, educational campaigns, and partnerships with healthcare organizations, we aim to promote the benefits and appropriate use of our medications. Our outreach efforts extend to digital platforms, conferences, and community events, allowing us to engage with stakeholders and provide valuable resources and information. By leveraging innovative marketing techniques and fostering meaningful relationships, we strive to enhance access to our products, empower patients, and contribute to better health outcomes for all.

- **Coughology-** A dedicated website and an awareness drive on the art and science of navigating through the cough quagmire was launched for patients and healthcare professionals. The initiative won Ascoril®LS the Pharmarack Awacs Marketing excellence Award and Pronto Consult Silver Impact Award Based on Market Insights.
- **Hypertension Awareness Month in India-** Conducted in partnership with more than 8,000 hospitals and clinics in 50 cities across the country, the drive facilitated 110 hypertension public awareness rallies and 8,000+ hypertension screening camps. We were able to reach out to over 1.2 million adults through multiple channels including our digital platform: www.bpincontrol.in.
- **Take Charge at 18-** The initiative aimed to increase awareness on Blood Pressure ailments and was able to reach over 120 million Indians and screened over 3.5 million Indians. The initiative won the Best innovation in Marketing Economic Times award and the Best Patient Support Integrated Health Council award.
- **Public Hypertension Awareness Campaigns-** As part of the World Heart Month, we conducted campaigns aimed at increasing patient awareness about heart disease. Around 300 rallies and over 8,000 screening camps for hypertension were conducted. We partnered with more than 8,000 doctors and 10,000 healthcare professionals from 42 cities across the country; with the target of reaching more than 10 crore Indians.

Product labeling

Labeling is one of the most visible components of a healthcare product It allows users to check relevant information and also aids treatment decisions. Glenmark thus ensures the highest level of compliance with labeling regulations, which are quintessential for the safe use of pharmaceutical products. All labeling regulations are diligently followed and comply with the applicable statutory and regulatory requirements.

There were no cases of non-compliance concerning the health and safety impact of the products or product information and labeling.

Client Relationship Management

Glenmark is a global Company, with clients across diverse geographies and cultures. To keep pace with our global client base, we are implementing CRM systems in our business operations. This enables employees to leverage digital solutions for better integration of customer engagement, technology tools, and business models, among others.

Relationship with Health Care Professionals

Our relationship with health care professionals are built on trust, transparency, and mutual respect. We value the expertise of medical professionals and work with them to develop safe and effective healthcare solutions. Through scientific partnerships, continuous medical education programs, and in adherence to compliance guidelines, we promote the highest standards of ethical conduct and responsible health care practises.

Industry Collaborations

At Glenmark, we believe in the power of collaboration to drive innovation and create a positive impact on the industry. We consistently seek opportunities to collaborate with industry partners, research institutions, and industry associations to advance scientific knowledge, develop breakthrough therapies, and improve patient care. These collaborations enable us to leverage diverse expertise, share best practises, and collectively tackle complex healthcare challenges. By fostering an ecosystem of collaboration, we strive to contribute to the advancement of healthcare, the enhancement of patient outcomes, and to shaping the future of the pharmaceutical industry. Through these collaborative efforts, we aim to drive meaningful change and create value for all stakeholders involved.

Partnerships during the year

RYALTRIS® signaled a new era for Glenmark Pharmaceuticals, bringing the first innovative specialty pharmaceutical to the global marketplace. We are developing our robust relationships with key partners such as Bausch, Hikma, and Menarini, to name a few, while supporting their commercialization efforts and success with RYALTRIS®.

1

Launch of RYALTRIS® in the U.S. in partnership with Hikma

In August 2022, Hikma Pharmaceuticals PLC, the multinational pharmaceutical Company and Glenmark Specialty S.A., a subsidiary of Glenmark Pharmaceuticals Ltd. announced the launch of Glenmark's novel drug RYALTRIS® in the United States, making it our first globally branded specialty product marketed in the U.S..

2

Launch of RYALTRIS® in Canada in partnership with Bausch Health

With the approval received from Health Canada, Bausch Health Companies Inc. and Glenmark Specialty S.A., a subsidiary of Glenmark Pharmaceuticals Ltd. have made RYALTRIS® available to Canadians, providing an innovative therapy option for seasonal allergic rhinitis (SAR). RYALTRIS® is a fixed-dose combination therapy that provides relief from the symptoms of SAR, both nasal and ocular, in one easy-to-use nasal spray.

3

Exclusive Distribution Agreement with Cediprof in the United States for U.S. FDA Approved Dextroamphetamine Saccharate, Amphetamine Aspartate, Dextroamphetamine Sulfate, and Amphetamine Sulfate Tablets

In March 2023, Glenmark entered into an exclusive supply and distribution agreement with Cediprof, Inc. (a part of the Neolpharma Pharmaceutical Group family of companies) for Cediprof's FDA-approved Dextroamphetamine Saccharate, Amphetamine Aspartate, Dextroamphetamine Sulfate and Amphetamine Sulfate Tablets (Mixed Salts of a Single Entity Amphetamine Product), 5 mg, 10 mg, 15 mg, 20 mg, and 30 mg, the generic version of Adderall®1 Tablets, 5 mg, 10 mg, 15 mg, 20 mg, and 30 mg, of Teva Women's Health, Inc.

The tablets are prescribed in large numbers in the United States and the partnership with Cediprof and Neol will help alleviate its shortage in the U.S..

Industry Associations

As an active member of industry associations, Glenmark plays a vital role in advocating for public interest and promoting the advancement of the pharmaceutical sector. We regularly engage in collaborative efforts with these associations, participating in discussions, sharing expertise, and contributing to the development of policies and initiatives that benefit the industry and society as a whole.

1. Federation of Indian Chambers of Commerce and Industry (FICCI)
2. Indian Pharmaceutical Alliance (IPA)
3. Indian Drug Manufacturers' Association (IDMA)
4. Pharmaceuticals Export Promotion Council (PHARMEXCIL)
5. Federation of Pharma Entrepreneurs (FOPE)
6. Bombay Chamber of Commerce and Industry (BCCI)

National **Regional**

Engagement with Regulators

Within the social and relationship capital framework, Glenmark places significant emphasis on maintaining an ongoing dialogue with regulatory authorities to ensure compliance, prioritize patient safety, and uphold the highest standards of quality in our products. We proactively communicate with regulatory bodies, such as the U.S FDA, European Medicines Agency (EMA), and local health authorities, to stay updated on evolving regulations, seek guidance, and participate in regulatory discussions. This collaborative approach allows us to align our operations with regulatory requirements, streamline approval processes, and contribute to the development of robust regulatory frameworks. By fostering transparent and constructive relationships with regulators, we demonstrate our commitment to patient safety, regulatory compliance, and the responsible development and commercialization of innovative healthcare solutions.

Supply Chain Excellence

Our strong supply chain management ensures the timely delivery of products to patients worldwide. We have established reliable relationships with suppliers, contract manufacturers, and logistics partners to maintain a seamless flow of materials and finished products. We prioritize supply chain resilience, risk mitigation, and ethical sourcing practises to guarantee the integrity of our supply chain. Given the scale and geographical spread of our operations, our supply chain network traverses over 50 countries. A dedicated governance structure, including the supply chain and demand planning teams, ensure the smooth functioning of related activities.

Additionally, we have made concerted efforts at streamlining our procurement processes and diversifying our supply chain to mitigate risks of disruption and

ensure business continuity. We are actively working towards ensuring alternate vendor development to reduce supply chain concentration and promote local sourcing channels. In FY 2023, Glenmark (standalone) procured approximately 75-80% of its raw material from local/domestic suppliers.

We follow a comprehensive supplier assessment while selecting and monitoring our suppliers. The criteria used in these assessments include the environmental impact of supplier operations, health and safety practises, human rights requirements, and ethical responsibilities. Our supplier sustainability protocol adheres to the principles of the Pharmaceutical Supply Chain Initiative (PSCI) and helps us capture crucial information pertaining to the performance and operations of our suppliers.

Furthermore, our Supplier Code of Conduct sets out our expectations from vendors and suppliers with regard to regulatory and ESG requirements. These are frequently communicated through awareness programs conducted onsite for specific topics or updates such as the plastic waste management rule, conditions of contractor EHS agreements, etc.

As part of our ongoing engagement with suppliers, we also request all our GPL India suppliers i.e. 100% suppliers to participate in a self-assessment and ensure that our critical suppliers are further evaluated through third-party appraisals conducted virtually or onsite.

As of the reporting period, we have completed the third party ESG assessment of fourteen suppliers and are targeting to undertake a third-party ESG assessment of our top 50 suppliers by FY 2026. Based on their results, suppliers are categorized as follows-

- **Steward**
  Suppliers that showcase best practises by going beyond systems and compliance
- **Implementer**
  Suppliers have adequate systems in place
- **Beginner**
  Suppliers require establishment of robust systems to enable effective ESG management

In FY 2023, 23 new raw material suppliers and 27 new packaging material suppliers were assessed. There were zero observed cases of significant actual and potential negative environmental and social impacts with our suppliers during FY 2023

Data Protection and Privacy

We place great emphasis on the protection of stakeholder data and privacy. Our commitment to data privacy is unwavering, as we understand the importance of maintaining the trust placed in us by patients and other stakeholders. In the reporting year, we undertook targeted efforts to strengthen our data governance structure by appointing a Chief Data Privacy Officer, Deputy Data Privacy Officer and formed a dedicated Data Privacy Advisory Committee. Meetings of the Committee are held quarterly. We have a Data Privacy Policy and Data Privacy Charter in place to ensure data security. Additionally, as part of our Information Security Incident Management systems, our 24x7 IT Security team monitors, analyzes, investigates, and remediates any IT security events as per SOP recommendations.

At Glenmark, we constantly strive to safeguard our business assets, including our employee data. Our Code of Conduct and Information Security Policy clearly spells out employee responsibilities and any violation thereof would lead to disciplinary action. Employees are also provided with periodic IT Security Awareness training programs. During the year, there were no reported cases of breach of customer privacy or loss of customer data.

We comply with applicable data protection regulations, viz. General Data Protection Regulation (GDPR) and the California Consumer Protection Act (CCPA) to ensure robust data protection measures are in place. In order to comply with GDPR for cross border data transfer, we have Standard Contractual Clauses (SCC) between Data Controller, Data Processor and Data Sub-Processor.

Technological solutions to improve our security posture and support data privacy norms are being implemented on a continual basis. We are also in the process of working towards ISO 27001 certification in the upcoming year.

Community Engagement

Strengthening Community Resilience: Building a Foundation for Sustainable Growth

At Glenmark, our vision is to create a healthier, happier world. We strive to implement practises and strategies that create a lasting impact on society and create enduring economic and social value for all our stakeholders. Our commitment to create sustainable value reflects our dedication to building a resilient and prosperous future for everyone involved. To achieve this, we rely on strong partnerships with stakeholders and implementation agencies, including the 'Glenmark Foundation,' 'Glenmark Aquatic Foundation,' various NGOs, government bodies, academia, and multi-lateral organizations. Our community-focused initiatives are driven by a robust CSR governance system. This system is guided by our well-defined CSR philosophy, policy, vision, mission, and key focus areas. We evaluate and document the progress of our initiatives through a digital dashboard, which enhances the value-driven outcomes we deliver to communities. To ensure accountability and transparency, we submit progress reports to the CSR Committee of the Board on a quarterly basis. This dedicated committee undertakes stringent reviews and ensures the effective implementation of all our CSR programs, thus amplifying the positive impact we strive to make. In FY 2023, we did not identify any actual or potential negative impact on local communities.

Our Vision

Enriching lives to create a healthier and happier world.

Our Mission

- To focus on child health and reduce infant and child mortality
- To empower the marginalized by generating sustainable livelihood
- To promote aquatic sports and place India on the global map
- To provide access to healthcare through medicine donation and other health initiatives/projects for the less privileged
- To support the advancement of education
- To encourage employee volunteering across all our locations
- To provide disaster relief to affected areas

Fostering Social Transformation: Glenmark's Commitment to Sustainable Community Development

At Glenmark, we are driven by our commitment to generate a positive impact on the communities we serve. We firmly believe in conducting our operations ethically and sustainably, while ensuring the well-being of all stakeholders and prioritizing the upliftment of the underprivileged segments of society. To bring about this positive change, we have implemented a range of CSR initiatives in alignment with our key focus areas. These focus areas encompass crucial aspects such as health and sanitation, livelihood and skill building, education, promotion of sports, disaster relief, and access to healthcare and water. These initiatives are guided by our comprehensive CSR Policy, which provides a strategic framework for our activities. Through our commitment to ethical practises, sustainable operations, and targeted CSR initiatives, we are determined to make a positive and lasting difference in the lives of individuals and communities, to foster a more inclusive society for all.

2.9 million

lives impacted through our CSR initiatives

22,00,000+

lives impacted through child health interventions over the years

2,49,000+

pregnant & lactating women served through various interventions

Outreach to **3,30,000+**

children through nutrition, immunization, and sanitation interventions

Provided sustenance to **42,000+**

malnourished children

55+

Glenmark locations across 33 countries participated

7,200+

employee volunteers

96,900+

hours of voluntary service offered by our employees over the years

7,000+

youth trained to improve their employment prospects

25,600+

differently abled individuals provided rehabilitation support

78,000+

individuals assisted through disaster relief interventions

4,200+

swimmers trained and 326+ medals accrued through Glenmark Aquatic Foundation

Child and Maternal Health

Glenmark Foundation, the CSR arm of Glenmark Pharmaceuticals and Glenmark Life Sciences, is committed to improving child health and reducing infant and child mortality. With our overarching theme of 'Healthier Children, Healthier World', we have developed a comprehensive 360° child health strategy. Through our flagship initiative, Project Kavach, we are making tangible progress towards realizing our vision. Project Kavach focuses on maternal and child health interventions in several states of India, including Himachal Pradesh, Sikkim, Madhya Pradesh, Gujarat, and Maharashtra. Our initiatives focus on promoting positive health-seeking behaviors among pregnant and lactating women, raising awareness about proper nutrition and hygiene practises, and ensuring access to essential healthcare services.

In **Himachal Pradesh**, our project is designed to enhance access to primary healthcare and promote the uptake of curative and preventive health services. Through our Mobile Medical Units (MMUs), we extend immunization, general OPD services, antenatal and postnatal care. We also engage in institutionalized awareness-building activities to strengthen the community's positive health-seeking behavior. The Reproductive and Child Health (RCH) center at Baddi in partnership with the Health Department of Solan district and our NGO partner, further bolsters the healthcare infrastructure to better serve the community. Our interventions have resulted in 92% of mothers confirming antenatal care (ANC) registration at government hospitals/sub-centers, with the remaining 8% registering at RCH centers. Additionally, we distributed over 1000 hygiene kits to children in 10 schools through this intervention.

In **Sikkim**, we have been providing healthcare facilities in the East Sikkim district through 'Health on Wheels' (HoW), a mobile healthcare unit. HoW conducts regular health checkups, camps, and awareness programs for children to ensure their well-being. Furthermore, we distribute free medicines and collaborate with government officials to enhance on-ground coverage of our initiatives. We provide complete immunization for children under six years of age and transport facilities for serious pediatric patients and emergency cases to nearby hospitals. This year we have also renovated and upgraded 3 Anganwadi centers making them child friendly. Our initiatives are currently active in 12 remote villages of East Sikkim.

In **Madhya Pradesh**, we have implemented ambulatory care services in remote forest-based villages that have limited access to healthcare facilities. These services are specifically designed to cater to children suffering from Severe Acute Malnutrition (SAM). We also focus on facilitating the recovery of malnourished children in non-facility-based care, encouraging the direct intake of essential micronutrients. To further support nutrition efforts, we promote the establishment of backyard nutrition gardens, which serve as an additional source of income for the community. This year, we distributed eight different types of vegetable seeds to all 1682 Anganwadi centers in the Khandwa district, empowering them to locally grow nutritious vegetables. Through these initiatives, we aim to address the challenges of malnutrition, improve healthcare accessibility, and promote sustainable nutrition practises in the remote areas of Madhya Pradesh.

In **Gujarat**, we focus on cultivating positive health-seeking behavior and delivering primary healthcare services through our Reproductive Child Health center. We have expanded our reach to an additional 12 villages through the RCH initiative, leveraging strengthened infrastructural capabilities.

In **Maharashtra**, we collaborate with our NGO partner to run the mMitra project, a unique initiative that harnesses modern technology to provide accurate medical information and relevant preventive messages on antenatal and neonatal care. Pregnant women and new mothers receive these messages via mobile-based voice calls, free of charge. Each enrolled woman receives these informative messages in their preferred language. This year, we have enrolled over 26,000 women in Mumbai, Nashik, and Aurangabad through this intervention.

Through these efforts, we strive to empower communities with the knowledge and resources necessary to make informed healthcare decisions. By investing in child and maternal health, we not only contribute to the immediate well-being of individuals but also pave the way for a healthier and more resilient future for generations to come. We remain committed to advancing these goals, partnering with local communities, governments, and organizations to implement effective strategies and drive sustainable change. Together, we can create a world where every child and mother receives the care and support they need to thrive and reach their full potential.

Combating Household Air Pollution

The utilization of traditional cooking techniques expose people to various health hazards, especially for women and children. The fumes produced from cooking with wood or coal could lead to ischemic heart disease, child pneumonia, chronic obstructive pulmonary disease (COPD), or even lung cancer. Globally, about 50% of child mortality from pneumonia is attributed to exposure to particulate matter (soot) present in indoor air pollution.

Recognizing the urgent need for innovative and affordable solutions, Glenmark partnered with the CSIR-National Environmental Engineering Research Institute (NEERI), to promote cost-effective and energy-efficient cook stoves. Through this collaboration with NEERI, we are upgrading traditional mud stoves to enhance thermal efficiency and limit emissions. Currently, we are piloting this project in villages of Maharashtra and Madhya Pradesh.

Other Pioneering Collaborations

In addition to our core initiatives, we actively engage in pioneering collaborations to promote child and maternal health and raise awareness on crucial issues. These collaborations involve multiple stakeholders and aim to develop innovative solutions that make a tangible impact in our communities.

The Meri Poushtik Rasoi Contest

Glenmark Foundation, in collaboration with Idobro Impact Solutions, conducted the fifth season of the 'Meri Poushtik Rasoi' cooking contest. This nationwide contest aims at creating a repository of indigenous recipes from Indian kitchens. It addresses the issue of malnutrition by promoting nutrition-rich native recipes that will help the meal planning of people in urban as well as rural areas.

The contest received around 900 applications from 25 states and union territories, representing over 250 towns and cities. After a rigorous selection process, 25 finalists were shortlisted and they competed in a grand cook-off organized at the Ramnath Institute of Hospitality Sciences in Mumbai. Winning recipes highlighted the significance of preserving and promoting indigenous, nutrition-rich dishes to combat the ill-effects of malnutrition.

Glenmark Nutrition Awards

In collaboration with the United Nations Global Compact Network India (UNGCNI) and Idobro Impact Solutions, Glenmark Foundation organized the Glenmark Nutrition Awards 2023. These awards recognize and support NGOs and other institutions that make exceptional efforts to address the issue of malnutrition. Over 500 NGOs and institutions from across the country participated in the awards, which were divided into three categories: Urban, Rural, and Open.

The Cuddles Foundation won in the Urban category, the Healing Fields Foundation topped the Rural category, while the Nutrition Rehabilitation Research and Training Centre prevailed in the Open category. Each winner received a grant from Glenmark Foundation to support their projects. Additionally, the event featured the unveiling of the 'Meri Poushtik Rasoi' recipe booklet, featuring 54 nutritious and indigenous recipes from various regions of the country.

Water Conservation and Management

In line with our commitment to achieving our ESG goals and becoming water neutral by 2025, we have initiated the 'Jal Kavach' project in partnership with Yuva Mitra in Maharashtra, India. The project is being implemented in more than 19 villages in the Nashik and Aurangabad districts of Maharashtra. Its primary objective is to create additional water storage capacity by rejuvenating water bodies in the region. Access

to clean and sufficient water is essential for the well-being and empowerment of communities.

This initiative aligns with the United Nations Sustainable Development Goals, which emphasize the importance of sustainable water resource management for the well-being of communities and the environment. It also reflects our ESG strategy, which prioritizes responsible and sustainable practises. By actively working on the 'Jal Kavach' project, we are taking a significant step towards achieving a more sustainable future through water conservation.

Sustainable Livelihood and Skill Development

At Glenmark, we are committed to empowering the younger generation and improving the employment rate in India through skill development programs. In FY 2023, we successfully trained over 600 individuals through our skill development program. Moreover, we believe in promoting sustainable livelihoods and have contributed to the rehabilitation of over 1,100 differently abled individuals through the Jaipur Foot Program. Our support has facilitated the distribution of artificial limbs, fitments, and calipers, empowering individuals to lead more independent lives.

Promoting Education and Community Relief

Recognizing the vital role of education in fostering inclusive and sustainable development, Glenmark supports rural communities in addressing challenges in overcoming barriers to access quality education. We collaborate with educational institutes to enhance their infrastructure and provide necessary resources that elevate the learning experience for students. By focusing on education, we aim to uplift communities and create a brighter future for the next generation. Additionally, we extend our support to community relief efforts, standing alongside communities in times of need.

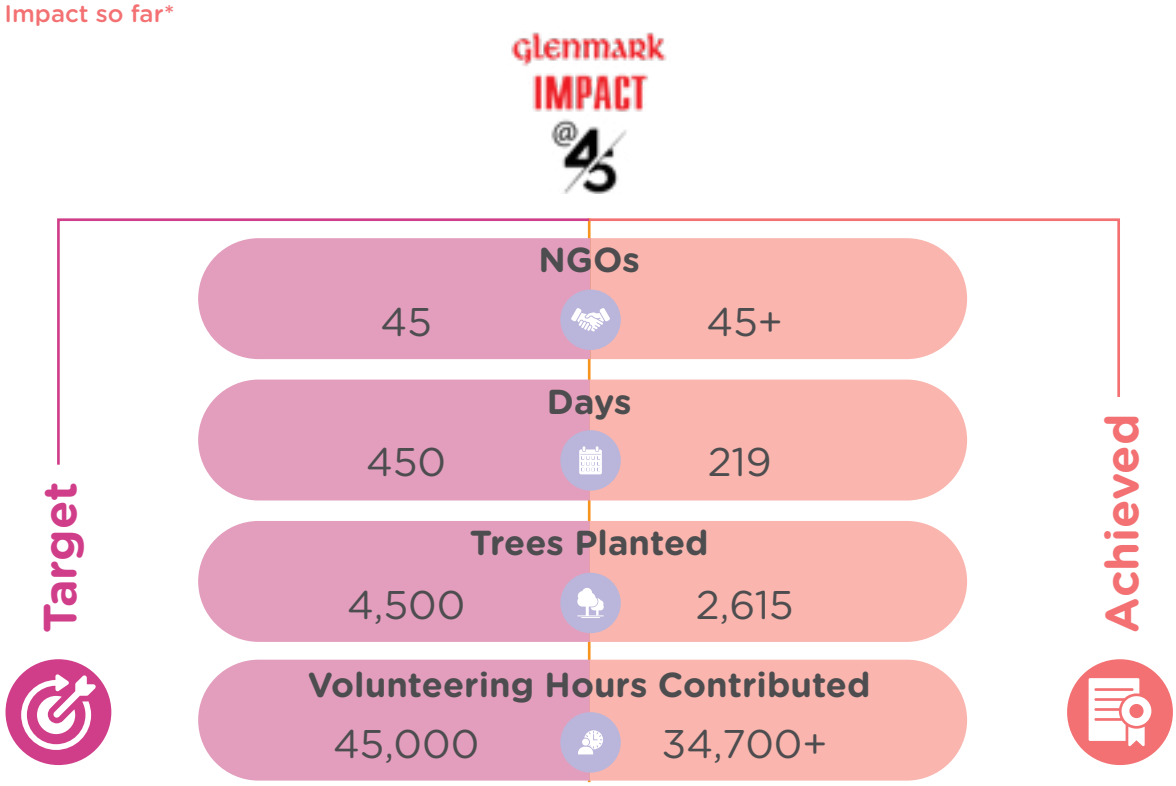
Promoting sports - Swimming

The Glenmark Aquatic Foundation (GAF) encourages swimmers from different parts of India to participate in international events. In FY 2023, as a joint effort with Kalinga Institute of Social Sciences (KISS), GAF introduced swimming at KISS. It intended to find talented swimmers from 30,000 tribal kids and hone their talent. GAF runs two high performance swimming centers at Delhi and Thiruvananthapuram, in partnership with Sports Authority of India (SAI). GAF had also introduced swim.clinic, a multilingual online coach education program. With this, GAF aims to help coaches across India learn about the best practises associated with this sport. The site currently has over 1100 registered members. Swimmers from GAF won 18 Gold, 22 Silver and 25 Bronze medals from National and International meets during the year.

Glenmark Joy of Giving and Impact@45

We encourage our employees to make a positive difference to communities around our operations. Over the years, our employees have volunteered for various causes. 'Joy of Giving', our annual CSR initiative that is carried out over a period of 4 months every year, empowers Glenmark employees to contribute meaningfully, through financial support as well as volunteering time. As part of our 45-year celebrations, we launched Impact@45 as part of our Glenmark Joy of Giving initiative. The 450-day-long project aims to collaborate with 45 NGOs worldwide, plant 4,500 trees, and dedicate 45,000 employee volunteer hours. With Impact@45, we seek to make a lasting impact on society.

Our Impact so far*



*Data as on 31st March 2023

Employee volunteering

Our employees from various countries have shown immense dedication and compassion by actively engaging in meaningful activities to support different communities. Colleagues in Germany, Poland, Russia, Slovakia, Tanzania, Ukraine, and Uganda have actively supported orphaned and abandoned children, sharing knowledge, providing motivation, ensuring basic necessities, and extending financial aid for critical medical needs. Meanwhile, our team in the UK raised awareness about homelessness by spending a night in the cold and participating in a charitable coast-to-coast ride to support the homeless. In the U.S., our team collected canned soup for the local Center for Food Action during the Super Bowl event. In Brazil, employees donated food to a Home for Mothers; and in Spain, they spread the Joy of amongst to the elderly. Our South African and Myanmar teams supported residential homes providing care for individuals with disabilities. In the Czech Republic, workshops were conducted and Christmas trees were decorated while financially supporting an organization working with senior citizens and people with disabilities.

In Sikkim, our plant team visited an orphanage and an old age home, engaging with the beneficiaries. In Nashik, a school beautification drive was undertaken, and as part of our disaster relief campaign, employees in India donated over 1100 kgs of clothes to help the flood-affected people of Assam in India. As part of our Joy of Giving program, colleagues at the Head Office and from the India Formulations team also contributed to building two wells and water harvesting structures in Maharashtra, India. These projects address acute water shortages in the area and aim to alleviate water scarcity and empower the villagers.

Maintaining bio-diversity

Our employees have also contributed significantly to improving the environment by augmenting our effort to plant 4500 trees. We have planted over 2,500 trees across 13 locations in Himachal Pradesh, Maharashtra, Goa, Gujarat, Delhi, and Sikkim in India and in 45 locations across the Philippines. One notable initiative is our partnership with Grow-Trees.com, where we planted 1,500 trees in Ramtek, Maharashtra (India). This project not only creates jobs for the Gond tribal population but also protects the habitat of tigers and other wildlife around the Pench Tiger Reserve. The involvement of the tribal community in planting diverse trees will provide them with valuable forest assets like fruits, fuelwood, leaves, and fodder; thereby improving their livelihoods. Moreover, these trees serve as carbon sinks, help raise the groundwater table, provide shade, enhance microclimates, and maintain the ecological balance in the region.

Our employees at the Head Office and India Formulations celebrated 'Swachh Bharat Diwas' (Clean India Day) by participating in a beach cleanup drive, while our team in Goa marked International Coastal Cleanup Day by cleaning up a stretch of Morjim Beach.

In addition, as part of our Impact@45 initiative, we launched an eco-bag campaign in India to reduce plastic usage and promote the reuse of paper and encourage recycling. Glenmark employees in 23 cities across 11 Indian states actively participated in this campaign, resulting in the creation of a remarkable number of 100,000+ eco-bags. This campaign not only contributed to reducing plastic waste but also raised awareness among employees about the importance of sustainable living.

These initiatives highlight our commitment to environmental conservation and sustainable practises, making a positive impact on the world around us. These efforts showcase the generosity and commitment of our employees to make a positive impact and support communities in need. We are committed to making a positive difference in the lives of communities and are proud to contribute towards the betterment through our Joy of Giving program.

CSR initiatives by Glenmark Life Sciences

Glenmark Life Sciences also strives to contribute to the community and environment in which we operate. Our aim is to ensure sustained growth and well-being of the communities.

CSR focus areas of GLS

- Access to Healthcare
- Access to Education
- Water Stewardship
- Community Development
- Employee Volunteering Programmes

₹ 9.74 million

CSR investment

Project Sampurna

We have launched a comprehensive healthcare initiative targeting the well-being of women and children. This program caters to their healthcare needs throughout various stages of growth and development.

270,570+

Women impacted

12,090+

Children benefited

Water Stewardship Projects

GLS has taken steps to conserve water in drought-prone regions around our facilities in Gujarat and Maharashtra. Our efforts include identifying vulnerable areas and adopting nearby lakes to replenish water sources.

2,500

Community members benefited

7,84,870+ m^3

Water harvested

Holistic Community Development Project

The project's goal is to uplift economically disadvantaged areas by addressing critical needs such as education, women empowerment, skill development, disability support, and infrastructure improvement. It also focuses on promoting tree plantation for carbon neutrality and provides support to senior citizens and differently-abled individuals near its manufacturing facilities.

18,084+

Community members benefited

Project ViGyasa

Our aim is to nurture young scientific minds in government and municipal schools. To achieve this, we supply scientific kits and set up integrated and mini science labs to facilitate hands-on learning experiences. Additionally, the project provides specialized training and workshops for both students and teachers, enhancing their understanding and proficiency in various scientific disciplines.

6,000+

Children benefited

Employee Volunteering Programs

During FY 2023, our employees collaborated with community members for a tree plantation drive, aiming to expand the green cover around our operations.

10,800

Trees planted

16,200 tonnes

CO_2 absorption

Our Awards

Best Supporting Pharma Company
South East Asia Award

India Pharma CSR of the Year Award,
Runner-up

Gold Award –
CSR Health Impact Awards

Silver Award –
CSR Health Impact Awards

Best Innovative
CSR Project award
at the 5th Edition of the CSR Summit by UBS

CSR Times Award Bronze
for Community Development Program

Foundation of the Year Award -
7th Edition Corporate Social Responsibility Summit & Awards (Glenmark Foundation)

IHW Award –
Silver Award for Health Awareness Campaign of the Year (Diabetes Cluster)

Intellectual Capital

In an industry characterized by rapid advancements and evolving patient needs, intellectual capital plays a pivotal role in our growth strategy.

As we expand our specialty and complex products portfolio, our ability to create, manage, and leverage intellectual capital becomes increasingly critical.

Contribution to SDGs

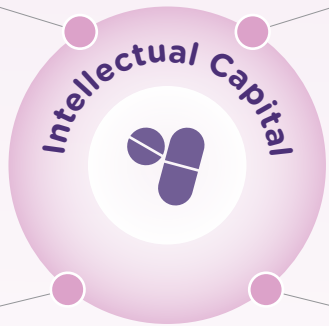
Focus Areas

- Product safety, quality, and accessibility
- Developing and launching affordable medicines
- Promoting innovation to cater to unmet medical needs

Material Topics

- Innovation & Research
- Enhancing Accessibility of Medicines

Interlinkages with other capitals



Human Capital

Increase in institutional knowledge through in-house R&D and research collaborations

Financial Capital

5.6% growth in revenues during the year aided by new product launches

Manufactured Capital

Innovation in production processes for improved efficiencies

Social & Relationship

Expanded health care accessibility through strategic partnerships and out-licensing deals

Highlights for FY 2023

₹ 12,500 million
invested in R&D

1,300+
patents granted till date

1,400+
inventions till date

RYALTRIS® launched in
12 new markets
during the year

8
ANDAs filled during FY 2023

468
DMFs and CEPs across major markets (GLS)

Mapping with NGRBC Principles

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Approach to Research & Development

Glenmark has developed a depth of expertise in key focus areas covering

Our research and development (R&D) approach is focused on innovation within these primary focus areas. As a result, we are able to build on our existing knowledge, while creating inventive treatment.

Our commitment to excellence in our entire value chain from R&D to manufacturing is unwavering, as we adhere to the highest standards of process innovation and quality. This dedication yields a specialized pipeline of products that caters to medical needs across various market segments, while remaining affordable. In the fiscal year, our investments in R&D amounted to ₹ 12,500 million. During the year we invested ₹ 6,833 million in our U.S.-based innovation subsidiary, Ichnos Sciences.

As we sharpen our focus on responsible business practises, enhance our current product lineup, and expand our reach into new regions, we persistently propel advancements throughout the value chain in complex generics and innovative medications. We leverage the varied capabilities within our subsidiaries to foster innovation across our range of products.

Focus Areas

Generics, Branded generics, Specialty, OTC, Innovative NCE Molecules

Key Therapy Areas

Delivery of therapeutics across

- Respiratory
- Dermatology
- Oncology

Strategic actions

1. Expand our core therapies and specialty products
2. Expand our presence in branded products portfolio across the world

Business Segments

Active Pharmaceutical Ingredients & CDMO

Focus Areas

Non-commoditized APIs with high-end chemistry

Strategic actions

Expand our key offerings and continue to integrate new technological interventions across our operations

Business segments

Innovation in biologics

Focus Areas

Immuno-oncology

Strategic actions

Continue to develop our product pipeline and selective partnering to accelerate the drug development

Innovative Assets

For us at Glenmark, intellectual capital encompasses the range of tangible and intangible resources that we've acquired over time, across process efficiencies, digital infrastructure, and best-in-class innovations in manufacturing. But the bedrock of our intellectual capital is our R&D and our innovative assets, which are two of our key levers for moving up the value chain. Our innovative assets are developed across GPL and Ichnos; innovation across both these entities have their own unique strategic focus.

Glenmark Pharmaceuticals Limited

Moving Up the Value Chain: Towards more complex products and specialty medication

Innovative Medicines Group

With long-term focus on moving up the value chain, in 2022 Glenmark Pharmaceuticals created a distinct sub-Group called the 'Innovative Medicines Group'. From its inception, this Division prioritized the in-house discovery and development of novel molecules and innovative therapies to address critical gaps in the spectrum of therapeutics available to patients. The objective was to focus on immuno-oncology and respiratory segments to develop innovative clinical assets. The Innovative Medicines Group focuses on both in-house research as well as in-licensing late-stage innovative assets for global/ regional development.

Specialty products - RYALTRIS®

RYALTRIS® is Glenmark's first global branded specialty product. In 2018, the U.S. FDA approved RYALTRIS®, for review as a therapy for seasonal allergic rhinitis and in 2022, U.S. FDA approved RYALTRIS® for treatment for adults and pediatric patients who are 12 years old and older.

This approval was a significant step in achieving our strategic objectives of reorienting our product mix from generics to specialty medications. Our learnings from the product journey of RYALTRIS®: from a respiratory pipeline candidate (GSP 301) to our flagship specialty therapeutic product, have greatly informed our strategic decisioning in moving up the value chain.

RYALTRIS® has been commercialized in 27 markets by the Company or through its partners.

Generics and Branded Generics

Generics play a pivotal role in making health care more accessible by providing cost-effective alternatives to patients across the developed and developing world. As part of our commitment to make healthcare more affordable, launching the generic version of innovative molecules continues to be a key component of our business strategy. Currently, Glenmark's generics and branded generics offerings cater to the requirements of over 80 countries.

Our current focus area is generic product development covering diabetes, dermatology, respiratory, oncology, cardiology, critical care, and other therapy categories, strengthening the Over-The-Counter (OTC) portfolio of oral solid, dermatology and respiratory products for the U.S. market.

Focus has increased towards value-driven complex products, where less competition is expected due to entry barriers.

We are developing multiple double and triple combination products for anti-diabetic, respiratory and cardiac portfolio, value-driven and next-gen products in the dermatology segment and new oncology products in the oral and injectables categories.

Updates on GPL's Innovative Assets Pipeline.

The current innovative pipeline consists of two molecules in clinical development. Each of these molecules has the potential to improve patient outcomes by proving to be safer and more effective than currently available therapies.

Molecule	Therapy	Indication	Pre-Clinical	Phase 1	Phase 2	Phase 3	Approval	Remarks
GRC 54276	Oncology	Solid Tumors						Phase 1 ongoing in India, received U.S. IND approval
GRC 39815	Respiratory	Chronic Obstructive Pulmonary Disorder (COPD)						Phase 1 Clinical Development in the U.S.

1 GRC 54276

GRC 54276 is a novel, orally active Hematopoietic progenitor kinase 1 (HPK1) inhibitor that is being developed as an orally administered treatment for patients with solid tumors. Despite recent advances especially in the advent of immunotherapies, cancer is still the second-most common cause of death globally.

HPK1 Inhibitor GRC 54276 is a negative regulator of T and B cell receptor signalling. In pre-clinical studies, it has demonstrated tumor inhibition in multiple immunogenic syngeneic tumor models as a monotherapy or in combination with checkpoint inhibitors. Thus, GRC 54276 by inhibiting HPK1, presents an attractive therapeutic strategy for immuno-oncology-based treatment in a variety of cancers.

GRC 54276 is currently being evaluated in the First in Human (FIH) Phase 1 clinical study (GRC 54276-101). Part 1a monotherapy phase of the study is ongoing in India since June 2022 and no dose limiting toxicities have been observed till date. An IND submission to DCGI and U.S. FDA was successfully made in Q4 FY 2023. Respective approvals have been received, basis which the phase 1 part1b combination study of GRC 54276 with pembrolizumab or atezolizumab has been initiated in India and initiation in the U.S. is planned in Q1 FY 2024.

2 GRC 39815

GRC 39815 is a potent and selective retinoid-related orphan receptor gamma t (RORγt) inverse agonist that suppresses T helper type 17 (Th17) cell differentiation and interleukin 17 (IL-17) production. GRC 39815 is being developed as an inhaled treatment for patients with Chronic Obstructive Pulmonary Disease (COPD). COPD is the third leading cause of death worldwide. Increased IL-17 expression has been observed in multiple cell types in animal models of COPD and in COPD patients. An IL-17 gene signature has been reported in approximately 30% of patients with COPD and associated with a distinct biologically, radiographically, and clinically distinct COPD subgroup that may benefit from personalized, targeted therapy with a drug such as GRC 39815.

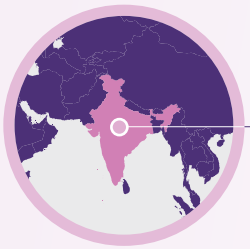
GRC 39815 is currently in Phase 1 clinical development program in the U.S. The Part 1 of a Phase 1 single ascending dose (SAD) study was completed in Q3 FY 2022 and Part 2 (GRC 39815 estimation in BAL fluid) is currently ongoing. A Phase 1 multiple ascending dose (MAD) study is currently being planned as well.

Product Launches

The R&D phase of product development is long and sometimes uncertain. It involves extensive laboratory research, preclinical studies, and rigorous clinical trials to evaluate the safety, efficacy, and optimal dosage regimens. However, for a pharmaceutical Company, there is nothing more rewarding that the culmination of successful R&D efforts, which leads to the launch of new products in the market, addressing unmet medical needs, and providing novel therapeutic options.

Our ongoing commitment to innovation and investments in R&D over the years have resulted in the launch of the following key products across different geographies during FY 2023:

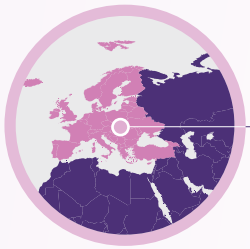
India



35 New Launches

- Indamet® (Indacaterol + Mometasone)
- Lobeglitazone + Metformin (LOBG-M®)
- Zita®-PioMet (Teneligliptin + Pioglitazone + Metformin)
- Zita®Pio (Teneligliptin+Pioglitazone)
- Zita®-D (Teneligliptin+ Dapagliflozin)
- Sitazit® (Teneligliptin+ Sitagliptin)
- LOBG® (Lobeglitazone)
- Sacu V™ (Sacubitril + Valsartan)
- AKYNZEO® I.V (fosnetupitant and palonosetron)
- La Shield® Probiotic Moisturizer

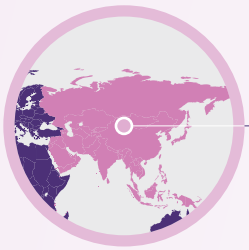
Europe



35 New Launches

- RYALTRIS®
- Deferasirox tablets
- Fingilimod capsules
- Tranylcypromine tablets
- Nitrofurantoin tablets
- Abiraterone tablets
- Lacosamide tablets
- Nitrofurantoin tablets
- Sitagliptin tablets
- Sitagliptin + Metformin tablets
- Colesevelam tablets
- Apixaban tablets

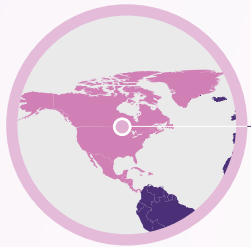
Asia, MEA, LATAM and RCIS Region (RoW)



21
New Launches

- Fenismart™ (dimetindene) gel
- Phelisans™ (phenasone + lidocaine) ear drops
- RYALTRIS®
- Tacroz Ointment
- Beclometasone 50cg and 200mcg MDI
- Aerogold 100mcg 200 MDI
- Ziten-M

North America



8
New Launches

- Ezetimibe Tablets USP
- Abiraterone Acetate Tablets USP, 500 mg
- Fingolimod Capsules, 0.5 mg
- Sodium Phenylbutyrate Tablets USP
- Olmesartan Medoxomil Tablets USP, 5 mg - 90's
- Nicardipine Hydrochloride Capsules
- Bumetanide Injection, 1 mg-4 mL and 2.5 mg-10 mL
- Teriflunomide Tablets
- Clindamycin Hydrochloride Capsules USP

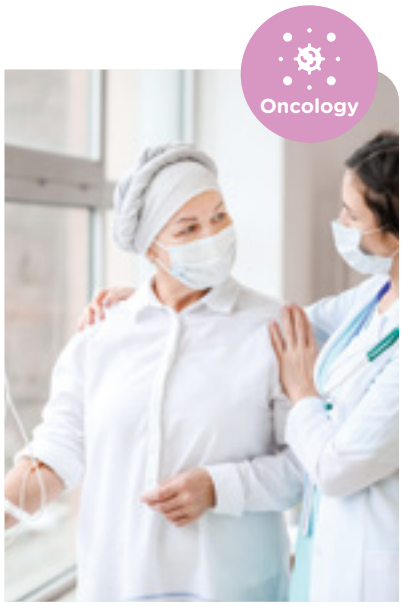
In the reporting year, we received the approval of 10 Abbreviated New Drug Applications (ANDA), comprising six final approvals, two prior approvals, supplement approvals (for a new strength or formulation) and two tentative approvals. As of 31 March 2023, we have 45 applications pending in various stages of the approval process with the U.S. FDA, of which 21 are Paragraph IV applications.

Some Key Launches

Lobeglitazone tablets

Lead Indication: Diabetes

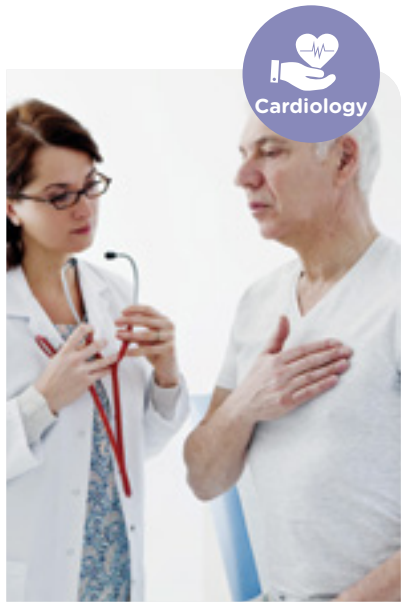
- Glenmark is the first Company in India to launch Thiazolidinedione Lobeglitazone (0.5 mg).
- This anti-diabetic medication is marketed under the brand name LOBG®
- With this launch, the Company aims to improve glycemic levels in uncontrolled diabetics and create a new pathway to treat insulin resistance in India.
- Glenmark's LOBG® is priced at approximately ₹ 10 per tablet, per day.



AKYNZEO® I.V.

Lead Indication: Oncology

- AKYNZEO® I.V., a fixed dose combination of fosnetupitant (235mg) and palonosetron (0.25mg), is available as a single-dose, ready-to-dilute I.V. injection.
- It offers prevention from both acute and delayed phases of chemotherapy-induced nausea and vomiting.
- AKYNZEO® I.V. has been developed by Helsinn and under an exclusive licensing agreement with Helsinn, Glenmark has exclusive marketing rights for this product in India.



Sacubitril + Valsartan tablets

Lead Indication: Cardiology

- The launch of Sacubitril + Valsartan – under the brand name, 'Sacu V™' – brings down the cost of treatment for heart failure.
- This drug helps reduce the risk of cardiovascular related deaths and hospitalizations.

R&D Infrastructure

The development of R&D infrastructure is a critical component of our strategy in moving up the value chain. Our R&D units are critical to building our intellectual assets. The R&D units work across the spectrum from research to developing cost-effective manufacturing techniques so we can deliver high-quality therapeutics at an affordable cost.

Taloja (Navi Mumbai)

Our Taloja R&D center is well-equipped for research on a variety of dosage forms such as oral solid dosages, semi-solids, foams, parenteral (complex injectable), drug device and aerosols formulations for various indications. We also have a small scale GMP area for oral solids, which is approved by the Drugs Controller General of India (DCGI). Capacity at this center was enhanced to handle high potent oncology molecules. In-Vitro release testing (IVRT) / In-Vitro Permeation Test (IVPT) Labs as well as Nitrosamine testing labs with Liquid chromatography-mass spectrometry (LC-MS) and Atomic absorption spectrometry (AAS) instruments have also been established.

The Analytical Division is equipped with advanced instruments like High Performance Liquid Chromatography (HPLC), LC-MS, and Next-Generation Impactor (NGI), among others to support formulation development activities. It also has state-of-art clinical research & pharmacokinetics facility with 60 clinical beds, 2 bedded ICUs and an advanced bioanalytical laboratory to support bio-availability (BA) and bio-equivalence (BE) studies.

We also have a clinical research unit, which conducts BE studies on healthy human subjects for formulations, which are developed for all markets. These are based at Taloja and Mahape and are approved by all major regulatory agencies like DCGI, U.S. FDA, MHRA, EMA, Anvisa. This center has been audited by the agencies on multiple occasions.

Mahape (Navi Mumbai)

Activities related to In-Vitro Release Test (IVRT) studies for topical formulation are conducted by the analytical team, and pharmacokinetic studies for various dosage forms are undertaken by clinical team.

Sinnar (Nashik)

This site is focused on formulations development and analytical research of specialty and branded formulations for global markets across dosage forms for therapeutic areas like respiratory, dermatology, oncology, cardiovascular and anti-diabetics and so on.

Process Innovation

For us at Glenmark, innovation is central to all aspects of our processes. It is a salient feature of all our operations from research and development to the manufacturing and delivery process.

The innovation in the delivery of generics is in the execution stage. This includes the development and utilization of technologies such as fluid bed processing, hot melt extrusion, hot melt spray, solid dispersion, osmotic drug delivery, Multiple Unit Pellet Systems (MUPS), nasal sprays, dry powder inhalers, and metered dose inhalers.

In the long term, the focus is on specialty products, complex technologies, involving respiratory devices, rectal devices, iron complexes, and microsphere technology, to name a few. As part of development, many of these products require the execution of clinical trials to establish equivalence.

Clinical Trials

Developing the ability to drive efficient clinical trials is a critical part of our long-term strategy of moving up the value chain.

In the year, we had a total of five clinical trials during the year. All trials were done in collaboration with hospitals across India, with initiation activities in the he U.S. Clinical sites across India and the U.S. provided geographical distribution and a diverse patient population. We adhere to following all applicable local and global regulations and guidelines across jurisdictions, to ensure compliance with ethical requirements for conducting clinical trials. During the year, we successfully completed the clinical trial and launch of LOBG® (Lobeglitazone) in India for the treatment of type 2 diabetes in adults. In April 2022, Glenmark Specialty S.A. (GSSA), our subsidiary, received approval from DCGI, the Indian drug regulator, to conduct a Phase 1 clinical trial of GRC 54276. In March 2023, GSSA also received acceptance from U.S. FDA on its Investigational New Drug (IND) application for GRC 54276 to proceed with a Phase 1/2, first-in-human, clinical study of GRC 54276 for the treatment of patients with advanced solid tumors and lymphomas.

Digital Innovation

Central to our innovation process is the identification and mainstreaming of digital tools and technologies to accelerate the pace of formulation development.

Our R&D operations are digitized and managed by multiple technology platforms in areas such as personnel management, training and analytical data processing.

- Minitab is used for data interpretation, shelf life prediction, capability analysis and control charts.
- Six sigma tools and Design Expert help with the design and interpretation of multi-factor experiments. It has also been used to optimize the product or process
- Gastroplus is used for few products to establish in vivo and in vitro correlation.

...ichnos...

Ichnos Sciences

At Ichnos Sciences, we aim to shift the way the world thinks about innovation in medicine by developing potentially transformative biologic treatments in immuno-oncology. Headquartered in New York City, Ichnos has discovery and manufacturing operations at two sites in Switzerland - a biologics and early discovery research center in Lausanne, Switzerland and a biologics manufacturing and process sciences center in La Chaux-de-Fonds, Switzerland. Both the Swiss research centers also house a full suite of in-house capabilities necessary for the discovery and development of new investigational biologics, from inception—including cell-line development, bioassay development, and antibody engineering—through preclinical and early clinical studies. As a fully integrated biotechnology Company with more than 152 employees, Ichnos has strong capabilities in research, antibody engineering, CMC and clinical development of biotechnologies.

The proprietary BEAT® technology platform is the basis for Ichnos' clinical-stage oncology pipeline. Using this technology, coupled with the proprietary common light chain library, the Company is developing novel multispecific immune cell engagers and modulators, with the goal of realizing its mission to provide breakthrough, potentially curative therapies that may extend and improve lives, writing a new chapter in health care.

For more information on the Ichnos' pipeline and the BEAT® platform, refer to the Ichnos Sciences section.

For more information please refer to: www.ichnossciences.com

Glenmark Life Sciences

Glenmark Life Sciences is engaged in the manufacturing and marketing of Active Pharmaceutical Ingredients (APIs) across all major markets globally.

Through GLS, we've built a portfolio of high-value, non-commoditized APIs in chronic therapeutic areas, namely, Cardiovascular (CVS) disease, Central Nervous System (CNS) disorders, pain management and diabetes for our customers worldwide.

The API product portfolio spans multiple therapeutic areas such as gastro-intestinal disorders, anti-infectives and other therapeutic areas. We continue to add specialized and profitable products into our portfolio, including niche and technically complex molecules, such as Iron Sucrose, Sucralfate, Ferumoxytol, Ferric Carboxymaltose, Elagolix, Edoxaban, Solriamfetol and Isavuconazonium Sulfate.

The total portfolio of 139 API molecules are marketed in India and exported to multiple countries in Europe, North America, Latin America, Japan and the rest of the world (RoW). GLS has filed 468 Drug Master Files (DMFs) and Certificates of suitability to the monographs of the European Pharmacopoeia (CEPs) across various major markets (i.e. United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia). We work with 16 of the 20 largest generic companies globally.

GLS is also focusing on new product launches, geographical market expansion, pursuing second source opportunities with leading generic players, growing CDMO business and expanding into complex API platforms, such as iron compounds and oncology molecules.

CDMO

In the last five years, GLS has developed business with innovator and specialty pharmaceutical companies in the CDMO space. GLS has the ability to attract innovator pharmaceutical companies to partner for providing unique solutions tailored to their specifications owing to the Company's capabilities in process chemistry research, manufacturing and analytical research capabilities. The Company's continuous focus on quality and sustainability of operations makes it a serious contender to grow this business opportunity.

Our Awards

India Pharma Innovation
of the Year

'Highly Commended'
Award at the Pharmacy MVP Awards in the UK
(Maloff Protect)

'Highly Commended'
Award at the Pharmacy MVP Awards in the UK
(RYALTRIS® nasal spray)

ET best healthcare brand
(Candid® Powder)

ET Ascent Best Innovation
in Marketing Award
(TakeCharge@18 initiative)

IHW Award
Gold Award
(Eptus®)

IHW Gold Award
for Digital Technology for Patient Support
(Hello Skin WhatsApp-based Chatbot)

IHW Digital Health Silver Award
for use of Digital Platforms for Public Awareness
(TakeCharge@18 initiative)

Silver Feather Award
for Emerging Brand (La Shield®)

National Award for Excellence –
Best Use of Social Media and Digital Marketing in Healthcare (Diabetes Under Control)

AWACS Award
for Best New Introduction (Fabiflu)

AWACS Award
for New Brand Introduction (Syntran SB)

AWACS 2nd runner up Award –
Brand of the Year (Acute) (Ascoril®LS)

Pronto Consultant Gold Award
(Remo V)

Pronto Consultant Silver Award
based on Market Insights (Ascoril®LS)

The iconic Platinum Award
for Best Brand Renovation (Lulican)

Human Capital

We firmly believe that the expertise and dedication of our teams are crucial for achieving operational efficiency, innovation, and sustainable growth.

We nurture and harness the intrinsic potential of our people to strengthen our competitive advantage, move up the value chain and foster a culture of excellence. Our numerous teams comprising scientists and researchers, as well as manufacturing, quality and safety teams, and support personnel operate from 50+ countries across the globe, collectively contributing to our mission of making quality healthcare more affordable and accessible in diverse markets.

Through this section, we aim to shed light on these various aspects of our human capital strategy, highlighting our efforts to provide a conducive work environment that encompasses both professional development, as well as the personal well-being of our employees.

Contribution to SDGs

Focus Areas

- Talent Development
- Inclusion and Diversity

Material Topics

- Talent Attraction and Retention
- Human Capital Development
- Promoting Diversity
- Occupational Health & Safety

Interlinkages with other capitals

Natural Capital

Robust EHS policy fostering a safe work environment

Intellectual Capital

Global workforce of 15,556 employees, including 1,200+ personnel in R&D

Social & Relationship Capital

Employee participation across community-development initiatives such as 'Joy of Giving'

Financial Capital

Investments in skill upgradation initiatives for employees

Manufactured Capital

Improved workplace safety through continuous training and development of employees

Highlights for FY 2023

15,556
Employees

1,200+
Employees in R&D

50+
Countries

4
Continents

Diversity Indicators

13%
Women employees

263
Women in science, engineering & research roles.

33%
Women on the Board

34
Average training hours per employee

Mapping with NGRBC Principles:

- **Principle 1:** Businesses should respect and promote the well-being of all employees, including those in their value chains.
- **Principle 5:** Businesses should respect and promote human rights.
- **Principle 8:** Businesses should promote inclusive growth and equitable development.

A snapshot of our global workforce

Particulars	Male	Female	<30 Years	30-50 Years	>50 Years
Core Management & Senior Management	111	11	0	58	64
Middle Management	394	76	0	366	104
Junior Management	1,716	421	81	1,890	166
Non-Management	11,368	1,459	4,464	8,120	243

Differently abled employees - 16 permanent employees

Inclusion and Diversity

At Glenmark, we believe diversity enables us to broaden our talent pool and leads to improved problem solving, better adaptability to customer needs across segments, and enhanced creativity and innovation. We are committed to fostering a culture of inclusion and have a three-year road map outlining our vision and action plan on driving inclusion and diversity in the organization.

We have 15,000+ employees across 4 generations spread across 50+ countries working together at Glenmark.
Women currently represent 13% and 22% of our global workforce and R&D function, respectively. Committed to empowering women in the sciences, we have implemented specialized programs within the R&D unit to support our women employees. We have also launched an engagement program where students from the eastern part of India are offered a platform to build a career in API R&D and API manufacturing. Moreover, women scientists in laboratories undergo specialized training sessions to support career development, covering a range of topics.

In keeping with our commitment to promoting diversity in the workplace, we ensure that our hiring practises are equitable across all organizational levels.

One initiative in this direction was the launch of an interactive, self-paced, scenario-based e-learning module on Unconscious Bias. It focused on raising awareness of different types of biases, their impact on the workplace along with the steps on how to mitigate them.

Women Mentorship – Beacon for HER

Mentorship can offer women employees a secure ecosystem by providing guidance and assistance with their professional development, thereby improving productivity, engagement and growth. Consequently, we prioritize mentorship as a key pillar of our diversity strategy.

Towards this goal, we have launched our women's mentorship program, **Beacon for HER**; a platform for institutionalizing the culture of mentoring women globally. The program aims to leverage the rich expertise that lies within Glenmark through the knowledge and experience of senior women leaders. As part of this platform, several women leaders at senior levels across the organization have volunteered to share their experience to develop the next generation of women leadership.

Parental Leave

Another area of focus for enhancing inclusion and diversity at Glenmark are our parental leave policies. We believe that family-friendly policies play a crucial role in the retention of employees. Our policies are designed to support employees during important life events, enabling us to retain top talent. We have a strong return-to-work ratio for permanent employees, including female employees who have taken parental leaves.

Category	Permanent Employees*	
	Male	Female
Employees entitled for parental leave	9,620	1,067
Employees that took parental leave	452	62
Employees that returned to work in the reporting period after parental leave ended	452	61
Employees that returned to work after parental leave ended that were still employed 12 months after their return to work	345	22
Rate of Return to work that took parental leave	100%	98%
Retention rates of employees that took parental leave	84%	69%

*Data for India employees

Remuneration Ratios

Our remuneration ratios demonstrate our commitment to inclusion. We endeavor to maintain equity in the compensation of men and women, across the Board, vis-à-vis their levels and roles.

Ratio of basic salary and remuneration of women to men

Employee categories	Ratio of basic remuneration of women to men
Core Management & Senior Management	0.95
Middle Management	1
Junior Management	1
Non-Management	1.2

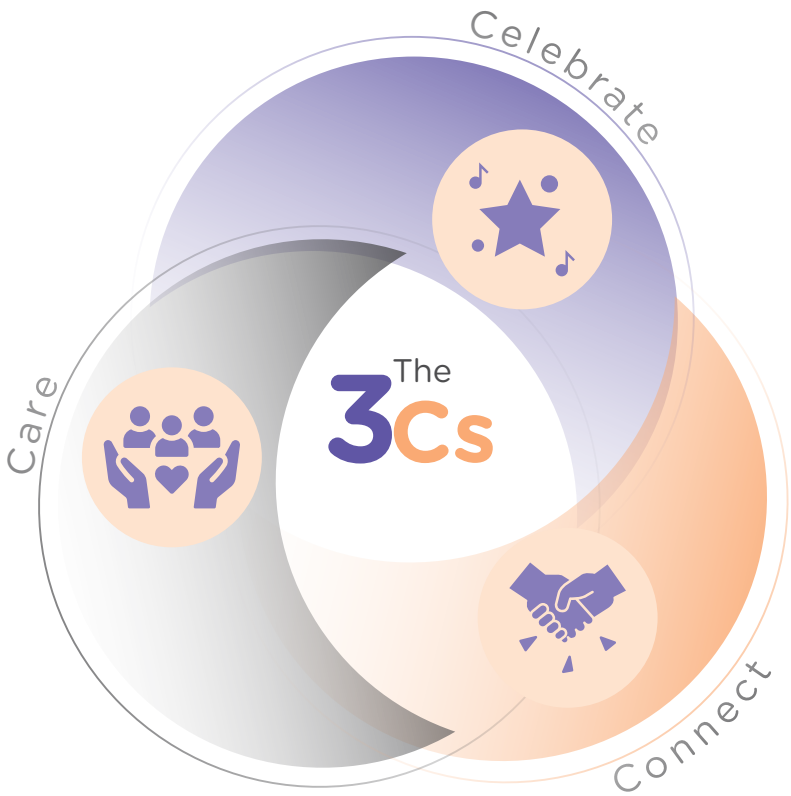
*Scope: India Employees

Employee centricity

At Glenmark, we strive to create an environment that empowers our most critical resource to live up to their potential, enabling them to break ground on innovation, rethink the frontiers of what is possible, and reimagine solutions for some of the most pressing health care issues we face globally. Employee centricity is at the heart of our approach - this goes beyond mere benefits and perks; it involves fostering a culture of open communication with the leadership and providing opportunities for growth.

Our commitment to employee centricity is embodied in our **3Cs framework – Celebrate, Connect, Care** – that takes a 360-degree approach to employee development, ensuring increased productivity, stronger engagement with the leadership and improved retention rates; ultimately driving overall organizational success and creating a workplace where employees thrive.

The 3Cs are a holistic approach to workforce development, integrating professional growth, personal well-being, and employee engagement. It covers training volunteering opportunities, rewards and recognition, mentorship, and opportunities for engagement with senior leadership. It is this 360-degree approach which gives us a competitive edge; ensuring our teams are well equipped, well-adjusted, and well-informed, to work in tandem to achieve their individual and collective potential.



Celebrate

We believe in celebrating wins – big or small; but more importantly, we believe in appreciating those employees who make it happen through their hard work and dedication. Acknowledging the exceptional contributions of our workforce ensures that we build a culture of meritocracy, boost employee morale, and encourage collaboration and collective achievement across the organization.

We have carefully curated our recognition programs to ensure that we acknowledge the wide range of skill sets and diverse job functions in our organization:

- **Chairman's Excellence Awards** – This is Glenmark's flagship annual recognition program which aims to commemorate the outstanding contribution of individuals and teams across our organization. This platform is established in line with our values of knowledge and achievement, to celebrate the extraordinary work done by each employee.

- **Glenmark Thanks Platform –** This is an online platform that enables Glenmarkians across the globe to share gratitude, encourage efforts and reward results through recognition.

- **ACE Individual Award** – This award aims to appreciate and recognize employees for a specific project or event that has been delivered beyond the employee's expected duties and responsibilities.

- **President's Club** – The President's Club is one of our most successful talent identification and recognition tools for our front-line employees in the Operations and Quality groups. Members undergo a rigorous selection process, which measures employee competencies, scientifically and objectively.

- **Star Awards** – Star Awards are Glenmark's annual rewards program that recognize and reward the high performing members of the Sales Team. Each region has its own awards where collectively they celebrate the wins of the year.

Connect

As an organization, we strongly believe that we are more than the sum of our parts. We come together as over 15,000 individuals located across 50+ countries, with diverse job functions to achieve a common purpose and united by a strong vision and mission.

Through **regular town halls** and established platforms such as **Leadership Connect** employees get a first-hand understanding of the organization's vision and strategy from the senior-most leadership of the Company; creating a shared sense of purpose, and a work culture that is conducive to collaboration and teamwork.

With Glenmark Connect, the Company's global intranet; SynerG, our global internal newsletter featuring employee stories and significant events around the Glenmark world; as well as the corporate social media handles on LinkedIn and Instagram; our employees keep themselves abreast of the latest developments within the organization.

Another dimension of 'connect' is knowledge sharing across the organization. We recognize the plethora of perspectives and expertise our employees bring to the table, and we strive to leverage this collective knowledge of the workforce through our people-powered learning and engagement platforms. This takes the form of employee-to-employee connect, alongside the more formalized training sessions conducted by Glenmark. For a global team such as ours, we leverage the power of technology to ensure that our teams across continents can connect on a single platform.

At Glenmark, we are dedicated to cultivating an environment where each and every employee feels genuinely heard, recognized, and appreciated. We firmly believe in the power of creating a workplace where individuals' voices matter, their contributions are acknowledged, and their inherent value is deeply respected.

iSAY has been our platform to listen to the voice of our employees so that we can improve our work environment on a continual basis. This platform provides employees with an opportunity to share their thoughts, opinions, and experiences on various aspects of our workplace, primarily through engagement surveys. This year we partnered with the Great Place to Work® (GPTW Institute), a global authority on workplace culture, to conduct an organization-wide engagement survey. Our engagement score has consistently increased over the years, reflecting our commitment to building a great workplace.

Learning & Development

Our structured learning and development approach ensures employees are equipped to handle current roles and responsibilities as well as have an opportunity to develop themselves to take up larger or more critical roles in line with their aspirations and the organizational needs. This holistic approach ensures that our employees contribute to the organization's vision, grow in their roles, and eventually take on the mantle of leadership.

Our learning interventions are developed through a blended approach, where the classroom as well as technology-enabled platforms are leveraged to ensure seamless learning for employees.

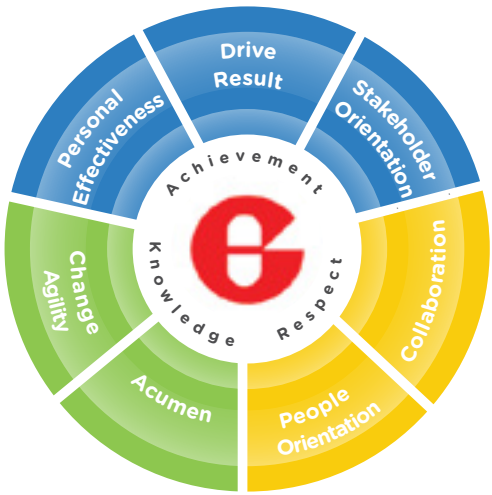
Technology Enablement

Aspire is our Learning Management System (LMS) that is digitally accessible to all employees across the world. It is an innovative, cloud-based and validated LMS designed to improve employee skills, reduce compliance risks, and effectively train all our employees through digital learning. Various quality, compliance and skill building training programs are managed through the LMS for various locations.

Further, we have also launched the **GCL DIGITAL** platform in 2022 with the aim of enabling continuous learning for our employees. This in-house digital learning platform comprises 300 learning assets and is based on three pillars, namely - Choice, Convenience and Curation. The platform offers learning assets in multiple formats to suit different learning styles and provides the opportunity for our employees to learn on-the-go in an interactive format.

We also have platforms tailored for our field force - **Glenmark Learning Academy** caters to the knowledge requirement and **Glenmark Center for Academic Training** leverages the power of technology to drive skill building. These are designed with the goal of adding value and improving customer engagement.

Glenmark Competency Model:



Anchored on the Glenmark Competency Model, **Glenmark Centre for Learning** offers best-in-class learning programs in partnership with reputed global learning experts as a part of the Global Learning Calendar. It delivers high-impact Competency Development Programs across a variety of topics focusing on leadership, professional excellence and transition. These programs are designed with built-in immersive experiences and real-world scenario-based application settings.

Glenmark Competency Model ensures that our workforce is future ready. It encompasses a range of competencies that collectively ensures our talent remains relevant in the face of changing patient and health care requirements, technological advancements, and evolving business needs. Our Values of Achievement, Respect and Knowledge form the core of our competencies. Being an organization that prioritizes value-led knowledge dispersion, we have created a robust learning ecosystem committed to giving our employees the best learning experiences.

Training Hours for Employees

Gender	Total Training Hours	Average Training Hours per employee
Male	4,76,762	35
Female	50,659	26
Overall	5,27,421	34

Specific Learning Interventions

The Operations and Quality functions have a specially designed **AXLE program** for the middle management who act as the bridge between the department head and the operators covering over 120 employees. The program is aimed at helping the participants to:

Sales Development Academy is an integrated platform for the identification and development of high-potential employees across our field force team in Central and Eastern Europe. It offers curated employee learning and development plans through dedicated mentors who also review progress on an ongoing basis.

Research and Development is at the core of the life sciences industry. Recognizing this, we harness the power of innovation to expand our product portfolio towards gradually moving up the value chain and increasing the proportion of specialty medications in our product mix.

While the field of science is constantly evolving, and technologies are supporting the development of a whole new generation of drugs, we think augmenting our R&D efforts will sharpen our competitive advantage and support our purpose of protecting lives. Our initiatives on **Quality by Design** and **Learning on the GO** are specific quality and knowledge improvement efforts focused on our R&D Group.

Career life-cycle specific programs

100% of our eligible employees receive regular performance and career development reviews from the leadership, that ensure continued feedback and support in taking on more responsibilities and advancing their career.

We also have programs curated to specific stages of their career within in the organization:

I. **New joiners:** 'Fly High with Glenmark' is a global onboarding program, designed to induct our recruits into the organization's culture, policies, processes and systems. The program is a one-stop platform to get an employee oriented within the organization; enabling a smooth on-boarding process so they can hit the ground running.

II. **New employee hires** (FY 2023)

	Male	Female	<30 Years	30-50 Years	>50 Years
Core Management & Senior Management	17	2	0	8	11
Middle Management	57	7	0	52	12
Junior Management	257	89	33	305	8
Non-Management	3,419	379	2,557	1,225	16

I. **First-time Managers:** These programs are calibrated to support employees across their major transitions within the organization. These include the 'First Time Manager Program' and the 'Manager of Managers Program' which enable new leaders adapt to their changing roles, swiftly and effectively.

II. **Junior to Mid-management:** LIFT (Let's Ignite, Forge, Transform)' is a flagship leadership intervention, which focuses on identifying and developing high potential talent at junior to mid-management level to take up targeted senior leadership roles. Currently, two leadership journeys are taking place as part of the LIFT initiative. The first one is geared towards the Manufacturing Site Head role, and the second one towards the Country Manager role, collectively covering a total of 20 participants. This high-intensive program is designed to strengthen the participants' leadership and functional capabilities through a mix of cohort-led and personalized interventions, over a period of two to four years. Some of these interventions include planned role movements (within and outside their own functions), high-impact projects, shadowing, trainings programs, mentoring and peer learning.

III. **Mid-Management to Senior Leadership:** One of the key leadership development initiatives at Glenmark is the 'GOLD' program. The GOLD program is a flagship program for mid to senior high-potential leaders to develop leadership skills. Important aspects of the program include a 360-degree assessment, learning workshops, webinars, cross-functional business projects, individual coaching, and mentoring by senior Glenmark leaders.

- Overall, 31 employees were covered in the fourth Cohort of the GOLD program, resulting in about 2,300 hours of learning.
- The last three cohorts saw over 60 high potential leaders successfully completing the GOLD program; with 65% of the participants getting promoted into high-impact job roles.

IV. **Top-tier Leadership Development:** 'GlenEagles' is Glenmark's flagship leadership development program for senior leaders. It is a year-long multi-modal and immersive development journey, which helps participants gain self-awareness and develop Wfuture leadership capabilities. This is a unique program where the participants are working on cross functional high-impact projects identified by the Chairman and Managing Director, and mentored by leaders from the core operating Group.

- In totality, 22 employees were covered with about 2,000 hours of learning.
- Winning in the Marketplace It is a long-duration leadership development program for commercial leaders to enhance and bring about a step change in their business acumen and leadership quotient. Under the mentorship of business leaders, over the period of a year, 24 commercial leaders underwent a rigorous journey comprising multiple assessments, learning labs, leadership workshops, business simulation, SME (subject matter experts) led workshops, and learning application assignments.

Talent Management and Succession Planning

We have initiated a comprehensive, objective Talent Management framework. The process design supports identifying, engaging, developing and deploying talent aligned to the organization's vision and goals. The framework prioritizes proven performance and potential for success in new and varied roles and opens possibilities to build a diverse and enriching career at Glenmark. Managers and leaders, supported by HR partners, identify critical talent which is engaged and developed through regular reviews and feedback. One of the key components of the talent management process is succession planning for critical roles. The process ensures smooth transition for critical roles. A well-defined succession plan safeguards our future by nurturing talent and fostering a culture of growth.

In the years ahead, we look forward to making significant strides towards building a strong leadership pipeline and furthering a culture of meritocracy and continuous learning.

Employee Turnover

Financial Year	% Turnover
FY 2023	19%
FY 2022	19%
FY 2021	15%

Care

At Glenmark, we are invested in the well-being of our employees beyond their professional success. We take a holistic view to employee health and are invested in their all-round growth. Our care program rests on four Pillars of Wellness:

Pillars of Wellness

Physical Wellness

- Create awareness around lifestyle diseases
- Promote self-care
- Encourage a healthy lifestyle

Mental Wellness

- Availability of Employee Assistance Programs
- Regular webinars promoting mental and emotional wellness

Financial Wellness

- Provide access to resources for financial planning
- Provide comprehensive medical and life insurance programs

Social Wellness

- Programs/activities that bring teams together
- Foster inclusivity

We believe that a supportive workplace leads to improved employee engagement, higher job satisfaction, lower attrition rates, enhanced creativity and innovation, and an overall increase in productivity and performance.

Within our organizational boundaries, our Employee Health and Safety (EHS) program ensures their physical well-being. Beyond work, we have initiatives that cater to our employees' mental health and wellness, providing opportunities for volunteering, donating, and coming together for festivals, celebrations, and sporting events.

Employee Wellness, Mental Health and Volunteering Programs

In order to drive engagement at work and an overall sense of well-being, we have implemented a number of initiatives that cater to the holistic development of our employees including mental health programs (yoga sessions), awareness programs (for breast cancer, diabetes, hypertension, and even teratogenic awareness for expectant mothers), volunteering opportunities (through activities such as Joy of Giving, covered further in the Social and Relationship Capital Section), fitness initiatives, and team sporting events (Glenmark Cricket League; a highly anticipated annual event for employees from locations across India).

Every region has a unique approach toward employee well-being.

- 'Employee Assistance Program' is available for all employees in India. The program is free, voluntary and confidential for all our employees. It provides services such as counselling sessions, life coaches and mental well-being programs.
- Employees in North America have the benefit of 24/7 access to certified professionals for mental health support and counseling through their comprehensive benefits package. The promotion of physical well-being is evident through the availability of yoga sessions, fitness boot camps, and a state-of-the-art gymnasium on-site, with additional fitness challenges to engage employees.

Great Place To Work® Certification

This year we partnered with **Great Place to Work® (GPTW) Institute**, a global authority on workplace culture, to conduct an organization-wide engagement survey. Our engagement score has consistently increased over the years, reflecting our commitment to building a great workplace.

We are delighted to report that Glenmark India*, received the prestigious Great Place To Work® Certification for the period 2023-24. This certification was awarded, based on a detailed workplace culture assessment, conducted by the Great Place to Work® Institute, on the foundation of their Trust Index™ and Culture Audit™ Framework. The Trust Index™ Framework captures employee feedback around the five key dimensions of Trust, Respect, Fairness, Pride and Camaraderie, while the Culture Audit Framework captures design of people practises around Maximizing Human Potential, Values, Innovation for All, and Leadership Effectiveness.

Human Rights

As a global organization, Glenmark's operations can have a far-reaching impact on diverse communities and stakeholders. Recognizing this responsibility, we have consistently upheld the fundamental principles of human rights across our business activities and in every location where we operate. Our Human Rights Policy mandates zero tolerance towards discrimination, child labor, and forced labor across our value chain. Through the implementation of our human rights policy, we ensure adherence to global standards in line with the Universal Declaration of Human Rights, International Labor Organization's (ILO) Fundamental Human Rights Conventions, and the UN's Guiding Principle on Business and Human Rights.

Human Rights Due-Diligence

Our deep commitment to safeguarding human rights and ensuring that our operations and business practises align with internationally recognized human rights principles led us to conduct a comprehensive human rights assessment periodically across our facilities. Last year the assessment was conducted by an external, third-party organization with the primary objective of identifying any human rights-related risks in our operations. The identification of risks was followed by the development of a proactive mitigation strategy taking into account industry-specific characteristics and best-case practises. This assessment has helped us strengthen our commitment to protecting the rights of our employees and workers by taking pre-emptive action and providing them a platform to communicate about the issues they are facing. The assessment was conducted across our offices, R&D sites, and manufacturing facilities. The focus areas included health and safety, fair compensation, labor rights, and right to privacy. We have in place policies – Global Grievance Redressal and Human Rights – that provide a mechanism to report such cases.

Employee Rights - We prioritize the rights and well-being of our employees. To this end, we conducted an assessment that

included evaluating working conditions, the presence of a safe and inclusive work environment, and systems for protecting employee data privacy. We are an equal opportunity employer and strictly condemn any kind of discrimination based on caste, religion, disability, gender, sexual orientation, race, color, ancestry, marital status, or affiliation with a political, religious or union organization or majority/minority groups, among others. We continuously engage with our workforce to address concerns and encourage open dialogue. Any breach is reported to our Human Resources team, and can be initiated by any of our employees or contract workers.

Prevention of Child and Forced Labor - We are committed to preventing child labor and forced labor in all aspects of our operations and supply chain. We conducted a comprehensive assessment to identify any risks related to these issues and confirmed the presence of measures to prevent their occurrence.

Key Performance Indicators for FY 2023

Number of reported incidents of discrimination- 0	Number of reported incidents of sexual harassment- 2
Number of reported incidents of child labor within the Company's operations- 0	Number of reported incidents of forced labor within the Company's operations- 0
Number of identified incidents of violations involving the rights of indigenous peoples- 0	Membership of employees and worker in association(s) or Unions recognized by the Company- 6%

By conducting this assessment, we reaffirmed our commitment to ongoing improvement and alignment with the international human rights standards. Our dedication to upholding human rights is an integral part of our mission to provide high-quality healthcare solutions and make a positive impact on society and the communities we serve.

Employee Health and Safety (EHS)

At Glenmark, the safety, health, and well-being of our employees is our foremost priority. We are committed to fostering a safe work environment through the development and implementation of our EHS (Environment, Health, and Safety) policy. This policy ensures the establishment of a robust health and safety management system that adheres to industry best practises. Our focus on health and safety extends to all employees working across all our manufacturing facilities.

EHS Policy

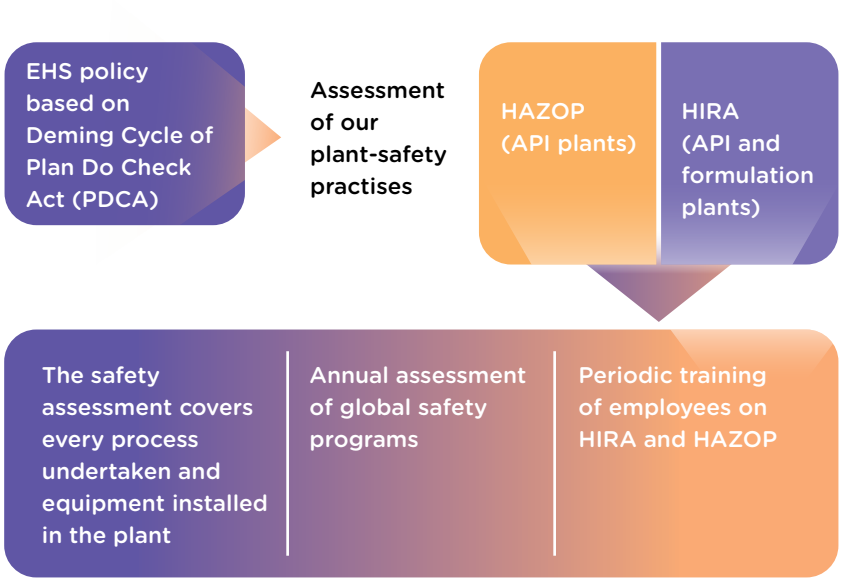
Our EHS policy is designed to ensure the safety of our employees and workers. It is based on the Deming Cycle of **'Plan Do Check Act'** (PDCA) and focuses on the comprehensive assessment of our manufacturing plants' safety practises. We conduct regular training and equipment inspections to ensure the highest level of safety for our employees.

We acknowledge the inherent risks associated with our industrial operations and are committed to enhancing our safety practises and equipment to prioritize safety, reliability, and effectiveness. Our commitment extends to aligning our health and safety management system with global best practises.

Safety Committee

We have established 41 apex and departmental EHS Committees comprising 422 management members, 26 non-management, and 69 contract workers' representatives.

To identify hazards and assess potential risks, we conduct periodic Hazard and Operability Studies (HAZOP) and Hazard Identification and Risk Assessments (HIRA), taking proactive measures to mitigate these risks.



These services encompass a range of programs and initiatives designed to protect and promote the health of employees in the workplace. In the reporting year, we demonstrated a proactive approach by

- Ensuring that the design of buildings and equipment were aligned with the relevant safety standards.
- Establishing administrative controls (SOPs) to direct and monitor our operations.
- Setting up Occupational Health Centers across all our facilities according to applicable legal requirements.

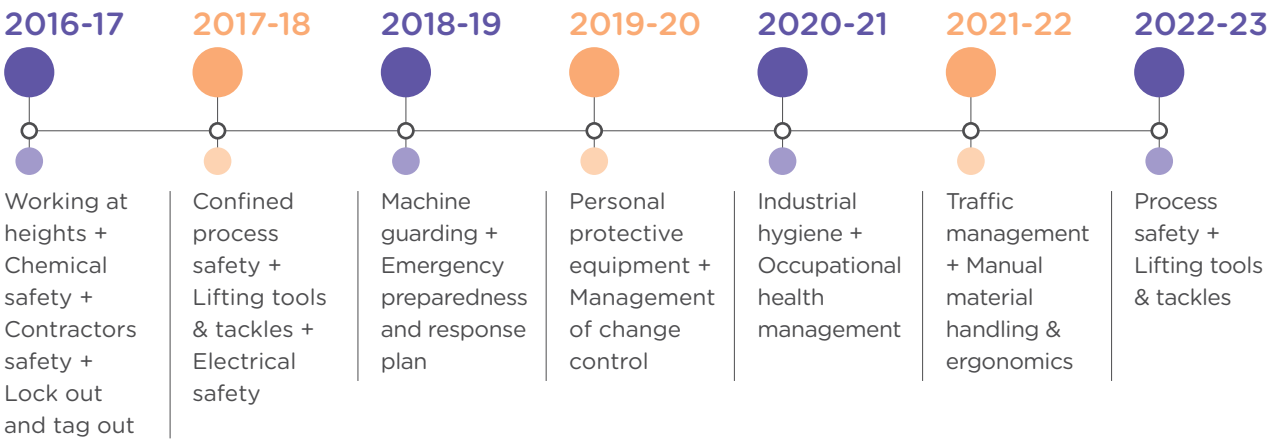
Nearly and Hazard Management Online Portal

An online portal, with an accompanying SOP, was created to facilitate the reporting of near-misses and hazards by all employees. The portal includes a timeframe for the EHS lead and area owner to evaluate OHS risk and implement corrective actions based on the OHS risk level of reported hazards and near-misses.

Occupational Health Services

Occupational health services are vital components of our commitment to employee well-being and safety.

Global Safety Programs Over the Years



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Global Safety Programs implemened by FY 2023

The Global Safety Program is a well-structured program that assisted all functional OHS coordinators at the locations with the implementation of OHS and legislative requirements. The site leadership team's daily, weekly, and monthly OHS inspections have benefited in the identification and quick rectification of identified OHS deficiencies.

Supporting the Global Safety Program initiative, this year we launched safety e-modules on Chemical Safety, Machine Guarding, Confined Space Entry Safety, and the Lock Out & Tag Out program for easy access and effective learning. Accordingly, 16 Global Safety Programs have been launched over the period of six years to improve safety at the sites. While the programs are ongoing in nature, a year-end assessment was made to establish the performance of the facilities. The assessment helped us ascertain the progress of individual plants while also allowing us to benchmark performance across the Company and identify opportunities for learning and future course correction. Each month, a plant's cross-functional team reviews the effectiveness of the implementation of these programs with the corporate EHS team.

Certifications & Audits

ISO Standards

The ISO 14001:2015 helps Glenmark outline the key elements of an Environment Management System (EMS), including the identification of environmental aspects, setting of objectives and targets, implementation of operational controls, and continuous improvement processes. Adherence to this standard, ensures that we systematically address environmental concerns, reduce our carbon footprint, enhance sustainability practises, and demonstrate our commitment to stakeholders and the broader community for responsibly managing the environment.

The ISO 45001:2018 standard provides a comprehensive framework for us to proactively manage occupational health and safety risks and create safer working environment for employees and stakeholders. This certification emphasizes the identification of hazards, assessment of risks, and implementation of effective controls to prevent work-related injuries, illnesses, and fatalities. By adhering to this standard, Glenmark can foster a safety culture, promote employee well-being, and enhance their overall occupational health and safety performance.

11

Global manufacturing facilities certified for **ISO 14001:2015 and ISO 45001:2018 standards.**

IS 14489 Audits

In FY 2023, IS 14489 audits were conducted at Nashik and Indore sites. The IS 14489 audit process reviewed our preparedness to manage Occupational Safety and Health related risks. This code provides instructions for establishing, conducting, planning and documenting of audits on occupational safety and health systems at Glenmark at a defined frequency.

Prioritizing Safety

To minimize the impact of potential incidents or major consequences, our aim is to raise awareness about safety practises throughout our organization. In line with this goal, we provide comprehensive safety training to our employees, recognizing their crucial role as first responders in unforeseen situations. By empowering them with the necessary knowledge and skills, we strengthen our capabilities and enhance the safety culture across our organization.

1,41,114

The total training hours in FY 2023

Bringing Training To The Employees

To ensure that training sessions are logistically easier to implement, our Nashik Plant rolled out an Innovative Mobile Presentation Training System. This is a portable kiosk, which allows trainers to reach all Glenmark employees at their work place without hampering daily operations. This is an important innovation to ensure even the smallest safety related updates are communicated seamlessly, without the need to move employees to a specific venue and organize a major training program. This also reduces time lags in communicating to employees. This training system will be rolled out across other site as well during the following year.

Our Safety Training Programs

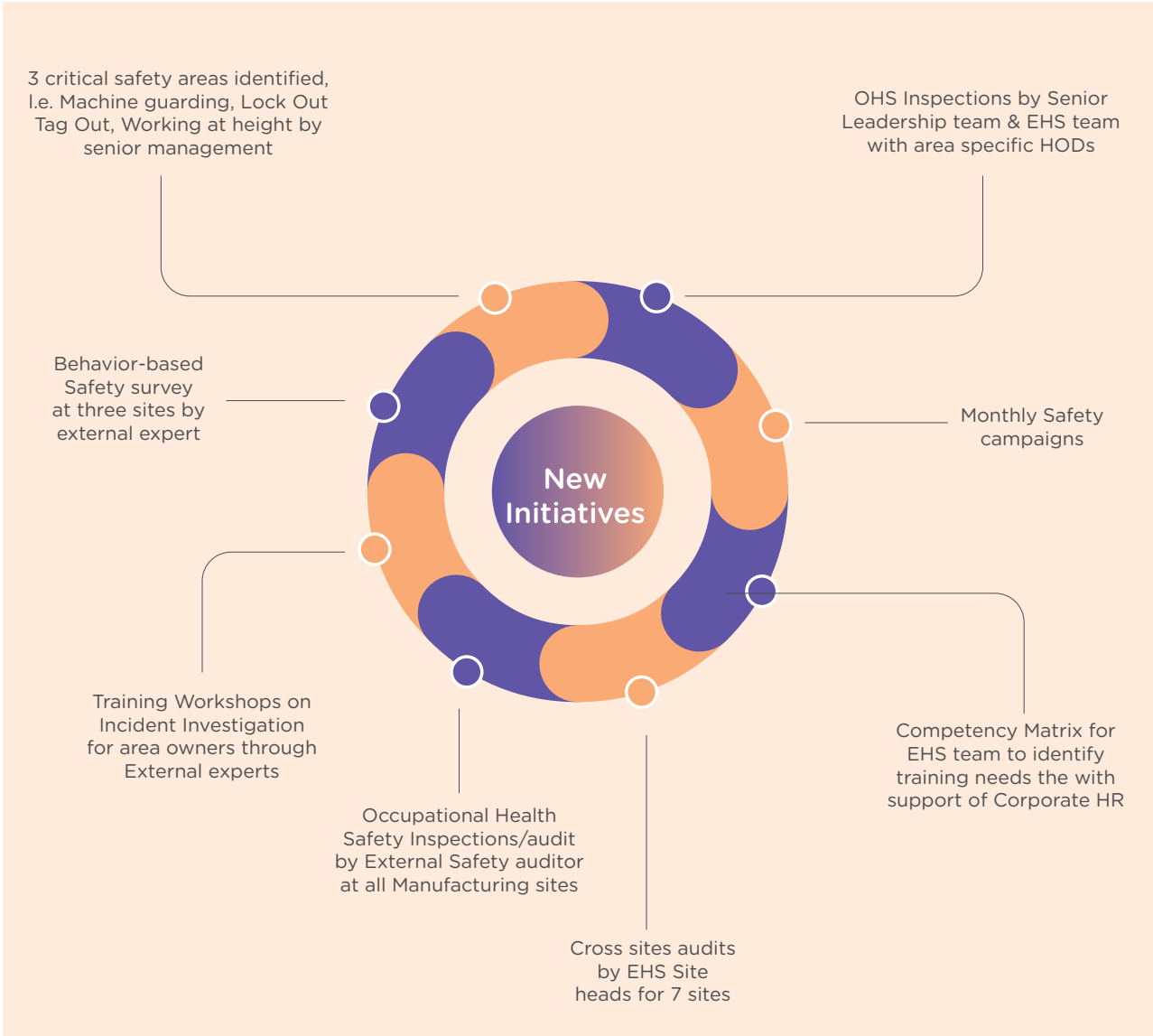
Process safety management	Powder safety	Emergency preparedness	Contractors Safety
Job safety analysis	Safety Data Sheets (SDS)	IS14489 OHS auditing standard	Incident Investigation workshop
Industrial hygiene	ISO 14001 and 45001 internal and lead auditor course	OHS E-Learning modules – LOTO	Hazard Identification and Risk Assessment (HIRA)
First aid	Incident Investigation workshop	Machine Guarding	Hazard Operability Study (HAZOP)

SAFETY PERFORMANCE OVER THE YEARS

	2018-19	2019-20	2020-21	2021-22	2022-23
LTIFR	0.10	0.10	0.03	0.05	0.02
Occupational disease	0	0	0	0	0
OIFR	0	0	0	0	0
Near-miss and Hazards reported	7,027	8,004	8,556	9,421	10,052
Injuries	268	187	105	108	85

We have ensured 100% closure rate in addressing any incident. Whenever an incident takes place, we ensure that corrective and preventive action (CAPA) is taken, and then implemented across all our sites.

New Initiatives implemented in FY 2023



Our Awards

Annual Health Safety Environment Strategy Summit & Awards

Winner of Grow Care India Fire Safety Awards
in Gold category in Pharmaceuticals sector for Outstanding Achievement in Fire Safety Management
(R&D Centre, Taloja)

National Level OHS Award
in Platinum Category
(Goa site)

Natural Capital

As a responsible corporate citizen, we are cognizant of how our operations impact the environment.

Natural capital refers to the Earth's natural resources, ecosystems and biodiversity that provide essential inputs necessary for our business activities. During the year under review, we have implemented several precise measures to minimize our environmental footprint and protect the ecosystems that support our operations.

Contribution to SDGs

Note: This section covers India locations unless otherwise stated.

Focus Areas

- Climate Resilience
- Resource Efficiency
- Energy Management
- Water Stewardship

Material Topics

- Climate Change
- Circular Economy

Interlinkages with other capitals

Social & Relationship Capital

Included community engagement and responsible stakeholder management.

Manufactured Capital

Digitization and automation have been integrated into the manufacturing process to enhance operational efficiency and reduce resource consumption.

Intellectual Capital

Contributed to enhanced institutional knowledge on environmental sustainability.

Financial Capital

₹ 36.9 million capital invested in energy efficiency measures resulting in cost savings of ₹ 151.7 million due to improved efficiencies.

Highlights for the year

SBTi

approved GHG emission reduction targets

Increase

in share of Renewable Energy in energy mix

Reduction

in emissions of GHG/ emission intensity

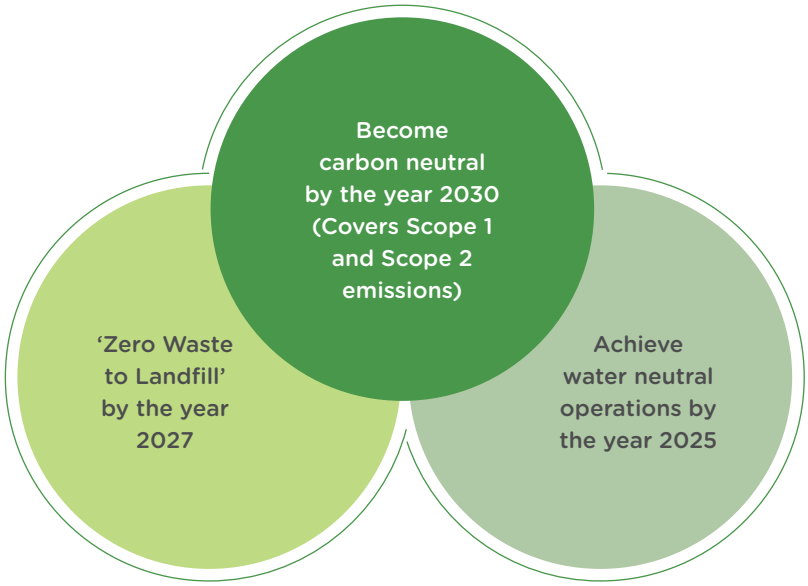
4

manufacturing facilities and **2 R&D facilities** are 'Zero Waste to Landfill'

Mapping with NGRBC Principles

- **Principle 2:** Businesses should provide goods and services in a manner that is sustainable and safe.
- **Principle 6:** Businesses should respect and make efforts to protect and restore the environment.

Ambitions/Commitments



Commitment-wise Initiatives taken in FY 2023

Achieve Water Neutral Operations by 2025

- Our water conservation efforts extend from process improvements for reduction at source, to technology-led solutions for utilities, and CSR activities for replenishment.
- We reuse and recycle our consumed water and treated effluents, we have Zero Liquid Discharge (ZLD) facilities for treating effluents, and have also implemented water replenishment initiatives after identifying water-stressed areas in the vicinity of our plants.
- We have already created 300,000 KL water potential across 15+ sites in Maharashtra and Madhya Pradesh. We have created an additional 784,870 KL water potential across 12 sites in Gujarat and Maharashtra, which will be realized in FY 2024.

Reach 'Zero Waste to Landfill' by 2027

As of FY 2023, four manufacturing facilities and two R&D facilities have achieved our 'Zero Waste to Landfill' objective, which will subsequently cover all Glenmark's sites.

Become Carbon Neutral by 2030

We have taken measures to reduce our carbon footprint, by using cleaner sources of fuel such as LPG, PNG in our operations, adopting bio briquette boilers, energy efficient equipment, and increasing the renewable energy usage in FY 2023 compared to FY 2022.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Reaffirming our commitment towards sustainability

We recently joined the esteemed Science Based Targets initiative (SBTi) business ambition for well below 2°C, and got certified following a rigorous 5-stage review. We became the second Indian pharmaceutical Company to receive this approval.

The SBTi's approved our commitment to reduce its absolute scope 1 and 2 GHG emissions by 35% (from a FY 2021 base year) by FY 2035. The target boundary includes biogenic land-related emissions and removals from bioenergy feedstock. The approval also extends to our pledge to reduce scope 3 Green House Gas (GHG) emissions from purchased goods and services, fuel and energy related activities, downstream transportation and distribution, and investments by 28% per ton of pharmaceutical products within the same timeframe.

The Science Based Targets initiative (SBTi) mobilizes companies to set science-based targets and boost their competitive advantage in the transition to the low-carbon economy. It is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).

Glenn Saldanha
Chairman and
Managing Director

We are pleased to announce that the **Science Based Targets initiative (SBTi)** has validated our **Green House Gas (GHG) emission targets.** This certification gives us an impetus to further pursue our ESG goals, while also benchmarking us at a global scale. We are proud to be the **second Indian Pharmaceutical Company to have our targets certified by the SBTi.**

Natural Resource Management

We are dedicated to efficient and sustainable natural resource management. We strive to minimize our consumption of water, energy, and raw materials through the implementation of conservation measures and the adoption of innovative technologies. Our initiatives include water recycling systems, energy-efficient manufacturing processes, and responsible sourcing practises for raw materials.

Governance Mechanism

We have a robust governance mechanism that includes a Board level ESG committee, which is responsible for framing the sustainability and climate change initiatives at Glenmark. The committee comprises two Independent Directors and is chaired by our Chairman and Managing Director. The President is responsible for taking monthly progress updates of initiatives towards Climate Change. He oversees the implementation and management of the progress made against the targets set by Glenmark.

11 manufacturing sites across the world have been **ISO 14001 and ISO 45001** certified

In FY 2023, there has been no significant regulatory fines or sanctions for non-compliance with environmental laws or voluntary standards.

Energy Management

We recognize the significant role that energy plays in our operations and the potential environmental impact associated with its use. We strive to minimize our energy consumption through efficient practises, technological advancements, and the implementation of energy management systems. Our approach includes regular energy audits, the identification of energy-saving opportunities, and the integration of renewable energy sources where feasible. We prioritize energy efficiency measures in our manufacturing facilities, office spaces, and logistics operations to reduce greenhouse gas emissions and lower our carbon footprint. By continuously improving our energy management practises, we not only contribute to mitigating climate change but also achieve cost savings, enhance operational efficiency, and promote a sustainable future.

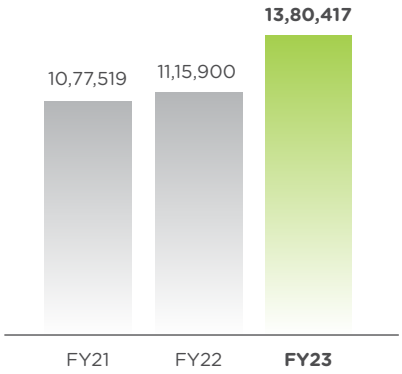
Key Performance Indicators (FY 2023)

13,80,417
Total Energy Consumed (GJ)

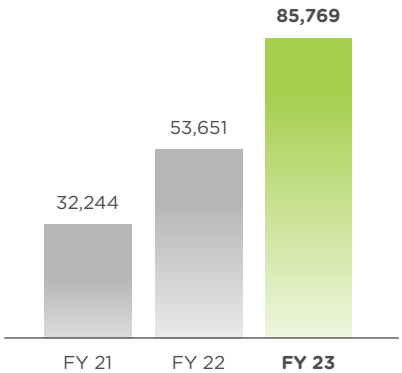
85,769
Total energy consumption from renewable energy sources (GJ)

6.2%
Total energy consumption from renewable energy sources (%)

Total Energy Consumed (GJ)



Total energy consumption from Renewable resources(GJ)



₹ 36.9 million

Capital Investment in Energy Efficiency measures

₹ 151.7 million

Cost Savings

380 KL

Biofuel and biodiesel consumption

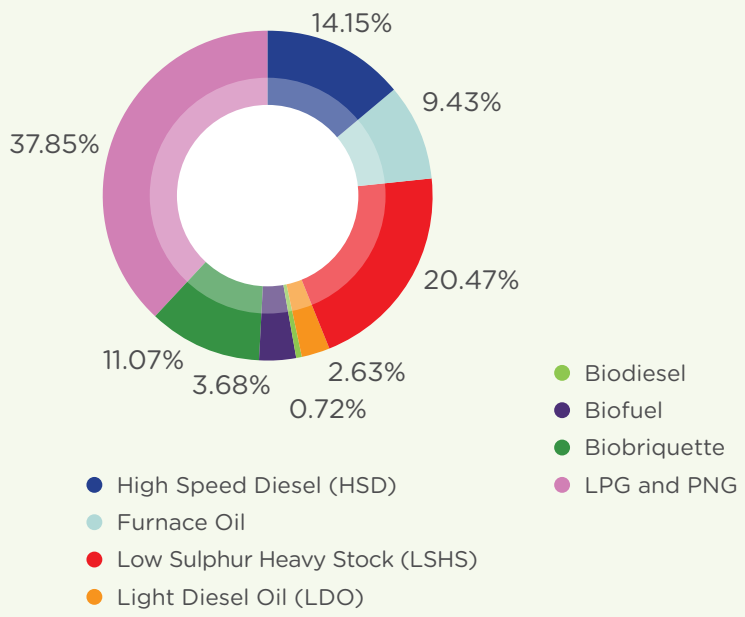
61%

Energy consumption at Taloja and Mahape R&D centers from renewable energy sources

0.080 GJ/KG

Energy intensity

Fuel Mix (%GJ)



During the year, we invested ₹ 37 million in energy-saving initiatives to fulfill our goal of becoming carbon neutral by 2030. Our most significant investments have been made in boiler fuel conversion, heat pump Installations, digitization, lighting, automation and fuel-saving initiatives. Our attempts are focused on enabling our current operations to become viable for carbon neutrality and release limited emissions. Along with continuous investments, we have also tracked the savings generated from these interventions. Tracking the economic gains from our energy-saving initiatives helps us improve our strategies and divert more resources towards energy conservation initiatives. Our most notable cost-saving initiatives are focused on fuel optimization, and transitioning of our Heating, Ventilation, and Air Conditioning (HVAC) reactivation to electric heating to increase heating efficiency and reduce condensate losses.

Initiatives

Investing in alternate sources of energy

During the reporting year, we initiated the pursuit for a third-party captive solar power plant for our Nashik and Aurangabad plants. We have also signed Power Purchase Agreements for the establishment of hydro-power open access as a renewable source of energy at Taloja and Mahape R&D sites. Approximately, 61% of the energy requirements at the R&D sites are met by this renewable energy source.

Conservation of Energy

To improve our lighting system, we have replaced 400 36W Compact fluorescent lamps (CFL) tube rod lights with 18W LED Phillips Lighting Lamp (PLL) rod lights. We also replaced 710 36W conventional lamps with 15/18/20W LED lamps. Light motion sensors have also been installed across the sites to minimize wastage.

We have optimized operation of pumps used for motors and blowers by measures such as installing Variable Frequency Drive (VFD), new bearings for motors, to mention a few. The installation of heat pumps at the Aurangabad and Nasik plant have helped us save about 1,74,849 KWH of energy in FY 2023.

Optimization

- **Automation** - Initiatives such as the digitization of HVAC systems help maintain precise air quality and achieve energy savings. At our regulated site in Goa, we have initiated HVAC digitization, due to which the projected energy savings are about 54,77,728 KWH in FY 2023.
- **Refrigeration, Heating and Compress Air Systems -** Implementation of solutions to reduce steam utilization, such as installing heat pumps, as well as installing newer, more energy-efficient refrigerant air dryers have resulted in significant reductions in power consumption in manufacturing processes.
- **Fuel Optimization -** Measures such as converting boiler fuel from High-Speed Diesel (HSD) to piped natural gas (PNG), installing a new lotion manufacturing tank to match batch size, and redesigning HVAC piping to recover, collect and feed condensate back to the boiler using gravity have helped optimize and reduce fuel consumption across various sites. We have also started using cleaner fuels, such as biofuels, in our operations at Nashik and Aurangabad, and Liquefied Petroleum Gas (LPG) for hot water generation at Baddi and steam generation at Nalagarh and PNG in boiler operations at Goa.
- **Process Optimization -** The plants undertook various measures during the course of the year to optimize their processes. Across the various plant locations, measures were undertaken during the year to improve processes. For instance, the Sikkim plant automated its steam supply to optimize the Fluid Bed Processor; the Nalagarh plant modified its packing lines colwrap machines by reducing thickness of heater plates to reduce heating time, which in turn led to power savings.

Case Study – Nashik Plant

Energy Savings in HVAC Reactivation Heating

Previous Scenario

Reactivation heating in HVAC System Dehumidifiers was previously conducted using Steam generation in non-IBR (Indian Boiler Regulation certified) boilers.

Steam heating is expensive since wet steam generation results in relatively low heating value and more condensate losses.

Action Taken

We have now switched over from steam heating to electrical heating, which has resulted in cost benefits.

Energy Savings

1,12,335 Ltr

(~₹ 10.2 million)

Annual Diesel Saving

Heat Pump Installation

Previous Scenario

Fins-type Electrical air heaters were installed in each Air handling unit (AHU) for maintaining relative humidity in the respective processing areas.

A total load of **452 KW** heaters was connected in **34 AHUs**.

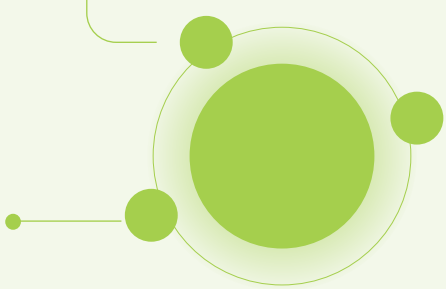
Action Taken

i. The heat pump has been installed for the generation of hot water. Hot water and cold water circulation loops are installed for all 34 AHUs.

ii. This system absorbs heat during dehumidification and converts the same into hot water. Since it also generates chilled water, the load on the chiller has also been reduced.

Energy Savings

After installation of heat pump existing chillers load decreased by Avg. **6,557 Tonnes of refrigeration (TRH)** per month.



Average per month energy savings achieved by installation of heat pump is **44390 KWH** (kilowatt hour) achieved during high ambient humidity season (July to November) due to installation of heat pump.

₹ 0.498 million saved every month, at a rate of 11.5 per KWH in four months (August to November).

Emission Management

We are dedicated to efficiently managing emissions to minimize our environmental impact and contribute to global efforts to combat climate change. We recognize that greenhouse gas emissions from our operations have the potential to contribute to climate change, and we work towards mitigating the same. We employ comprehensive emissions management strategies that include the measurement, monitoring, and reduction of our carbon footprint. Through continuous improvement initiatives, we strive to enhance energy efficiency, optimize processes, and invest in cleaner technologies. We set ambitious emissions reduction targets and regularly assess our progress to ensure we meet or exceed regulatory requirements and industry best practises. By reducing our emissions, we aim to protect the environment, support the transition to a low-carbon economy, and promote sustainable development in line with our commitment to corporate responsibility.

Automation initiatives such as digitization of HVAC systems have helped maintain pure air quality and led to emission reductions, for instance in our regulated site in Goa, we have achieved projected emission reductions of 4,686 TCO2e.

Additionally, the installation of heat pumps at the Aurangabad and Nasik plants has helped reduce emissions by about 2,026 TCO2e (metric tonnes of carbon dioxide equivalent).

Through our efforts we have managed to achieve reduction in Scope 1 emission by 42% as compared to the FY 2021 base year.

Key Performance Indicators

	FY 2023	FY 2022	FY 2021
Scope 1 (TCO2e)[1]	**26,141**	41,554	45,376
Scope 2 (TCO2e)	**1,61,105**	1,15,407	1,10,140
Scope 3 (TCO2e)*	**1,75,069**	1,19,426	1,76,551

*data reported for GPL India only

GHG Emission intensity (Scope 1 & 2) - 0.010 TCO2e/KG

[1]Categories covered under Scope 1

Category	Sub-category
1. Purchased goods and services	Purchased Goods & Materials
2. Capital goods	Capital Goods & Materials - Projects
3. Fuel and energy related activities	Energy Related Emissions
4. Upstream transportation and distribution	Domestic and International Inbound
5. Waste generated in operations	Waste Generation & Disposal
6. Business travel	Air Travel + Rail travel
7. Employee commute	Employee Commute
8. Downstream transportation and distribution	Domestic and International outbound

Water Management

We recognize the importance of responsible water management in preserving this vital resource and minimizing our environmental impact. We are committed to efficient water usage throughout our operations, from manufacturing processes to office spaces. We implement water conservation measures, such as installing water-efficient equipment, optimizing water consumption in our production facilities, and promoting awareness among employees to encourage responsible water use. Additionally, we regularly monitor water usage, conduct assessments to identify areas for improvement and implement innovative technologies to minimize water consumption. By integrating water management practises into our operations, we not only reduce our environmental impact but also contribute to the long-term availability of clean water for communities and ecosystems.

We remain committed to achieving water neutrality by 2025. Our water conservation efforts extend from process improvements for reduction at source, technology-led for utilities/ domestic to CSR activities for replenishment.

- Under the first criterion, water conservation techniques for washing and so on, through process improvements (cleaning operations, uniform washing operations) – batch size changes, changes in cleaning frequency, sprinkler systems for cleaning have been implemented.
- Improvements to sites have also been made, which are beneficial for our water consumption reduction efforts as well. We reuse the purified, used water in our washing cycle times. We have also reduced the washing cycle time to decrease water consumption intensity at our Aurangabad site.
- We reuse and recycle used water and treated effluents, respectively. Reject water from RO treatment plants is primarily reused in toilet flushing and in the cooling tower. We have also started using high-pressure jet pumps for equipment cleaning to reduce water consumption.
- Under the second criterion, we have Zero Liquid Discharge facilities built for treating effluents at our Aurangabad, Sikkim, Ankleshwar, Dahej, Kurkumbh and Mohol sites. These have helped achieve 100% recycling of treated effluents leading to a reduction in freshwater consumption. Treated effluents are used in utilities like cooling towers, boilers, and so on. Other sites also recycle 100% treated effluents, which are then used for toilet flushing and gardening activities.
- We have also implemented water replenishment initiatives after identifying water-stressed areas in the vicinity of our plants.

Key Performance Indicators

7,93,465
Water withdrawal by source (KL)

92,122
Water withdrawal from water-stressed sites (KL)[2]

7,68,395
Total Water consumed (KL)

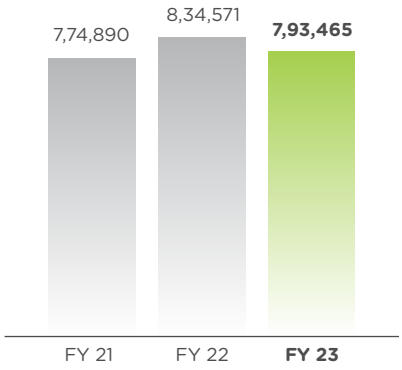
0.0463
Water Intensity (per unit Production in Kgs)

11,92,996
Water saved in FY 2023 with base year FY 2013 (KL)

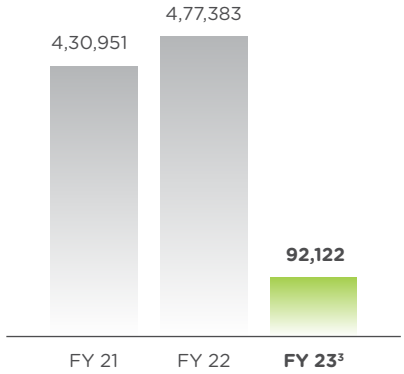
2,75,536
Wastewater recycled (KL)

25,070
Water discharge (KL)

Water Withdrawn (KL)



Water Withdrawn From Stressed Sites (KL)



We also have rainwater harvesting and recharging facilities at eight out of our 14 sites. We have implemented a rainwater harvesting project at Achana village in Indore (water stress site). The project was implemented in the year 2019 to recharge ground water at the village through the repair and reconstruction of the dam and the development of a dam overflow management system. The initiative helped successfully recharge the groundwater table as well as supported 200 tube wells and bore wells in the surrounding areas of the village.

Our aim is to replenish the water levels in nearby areas through our CSR activities. We have already created 300,000 KL water potential across 15+ sites in Maharashtra and Madhya Pradesh through our CSR initiatives. This also includes water conservation initiatives in our manufacturing facilities. Additionally, we have created 7,84,870 KL water potential across 12 sites in Gujarat and Maharashtra through CSR in FY 2023 as part of our drive to be water neutral by 2025. These projects were completed by March 2023; with the realization taking place in FY 2024.

FY 2023	KL
Surface water + rain water	**7,426**
Ground water	**2,82,180**
Third-party water*	**5,03,859**
Sea water	**0**
Produced water	**0**
Total Water Withdrawn	**7,93,465**

[2]Water stressed areas consider as per CGWB (Central Ground Water Board) India water tool
[3]Water Risk Filter was used for the assessment in FY 2021 and FY 2022; CGWB India water tool was used for the assessment in FY 2023.

Water Management

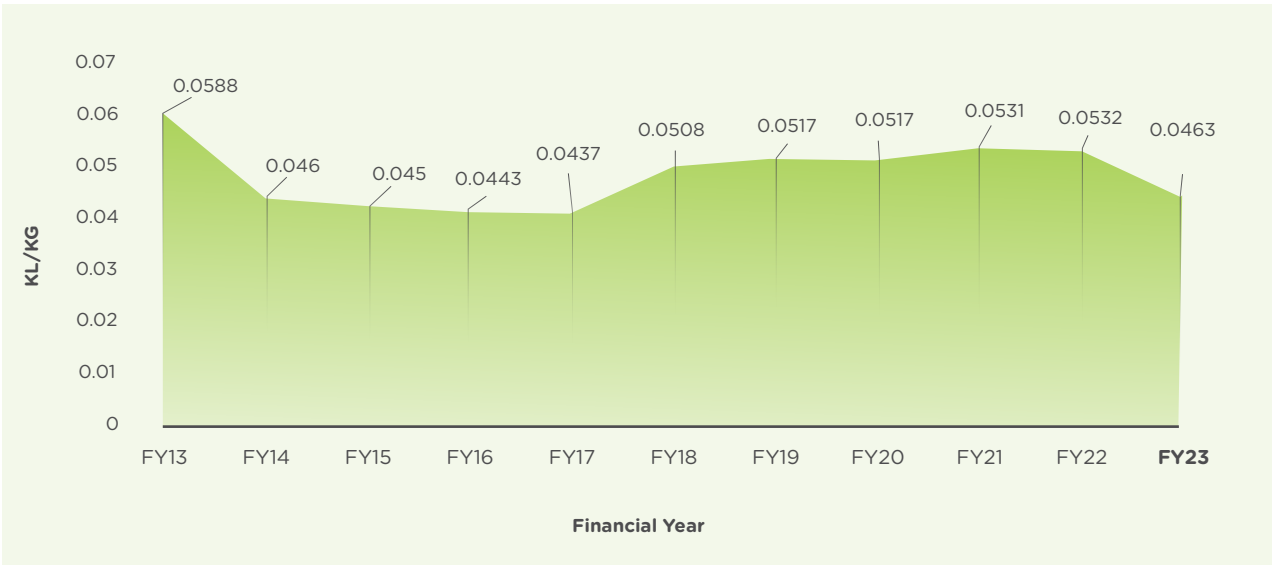
- Rainfall probability assessments
- Identification of drainage confluence points
- Rainfall return period calculations
- Rainfall risk assessments
- Identification of dependable rainfall
- Catchment runoff estimations
- Defining catchment boundaries
- Water holding capacity estimation

The estimation of the potential for water recharge has also been assessed. We engaged an external assurance provider to conduct scientific assessments on the following parameters.

- Soil conditions
- Evaporation rates,
- Subsurface geological conditions
- Rainfall estimations
- Infiltration factors
- Dependable users of harvested water

Field visits were also conducted to validate the existing structures and the potential for project implementation. On the basis of these assessments, site-specific structures have been recommended. They include desilting of ponds, check dams, nala (canal) widening, percolation tanks, contour bunds, and deepening of farm ponds.

Specific water consumption trend



Waste Management

Responsible waste management is an integral part of our commitment to environmental sustainability. We recognize the importance of minimizing waste generation, promoting recycling and reuse, and ensuring the safe disposal of hazardous materials. We have implemented a robust waste management strategy across our operations to reduce the environmental impact of our operations. That includes segregating waste streams and partnering with reliable waste management service providers. We adhere to relevant regulations and industry guidelines to ensure compliance and promote circular economy principles.

By prioritizing waste management, we aim to minimize pollution, conserve resources, and contribute to a healthier and more sustainable future for our organization and the communities we serve.

Key Performance Indicators

2,557 MT
Total Non-Hazardous Waste generated and disposed

13,046 MT
Total Hazardous Waste generated and disposed

7.4 MT
Battery Waste Generated

7,840 MT
Hazardous waste co-processed in FY 2023

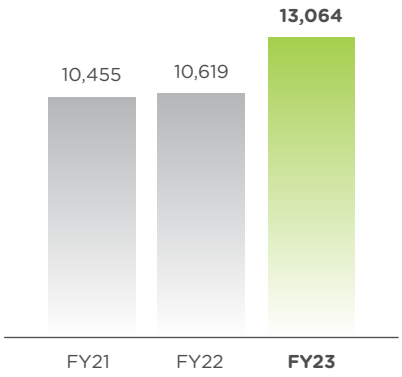
2,671 MT
Plastic waste collected & channelized

4 MT
E-waste generated and disposed

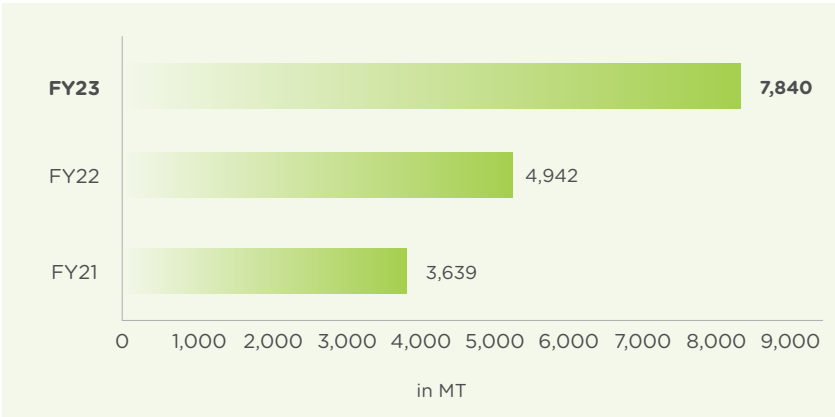
25.78 MT
Bio-Medical Waste generated and disposed

18,329.18 MT
Waste directed to disposal

Total Hazardous Waste Disposed (MT)



Hazardous Waste Co-Processed (MT)



Pharmaceutical waste management measures

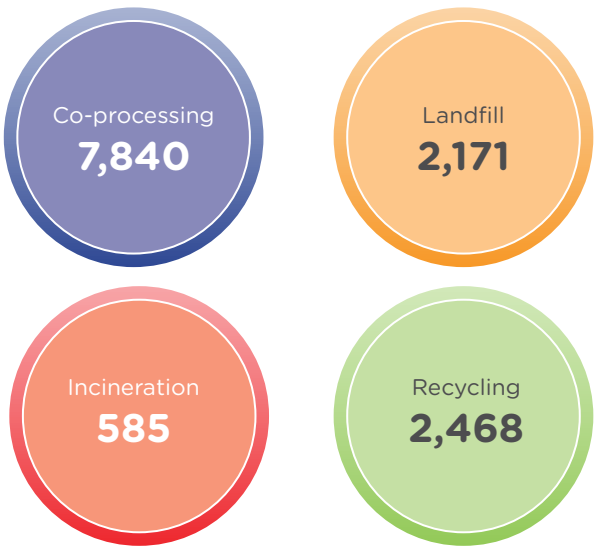
We also emphasize waste disposal through co-processing techniques as they have a dual benefit. The co-processing methodology is the use of waste materials generated as alternative fuels and raw materials (AFR) to recover energy and material from them. Over the years, we have increased the percentage of co-processing / pre-processing the hazardous waste that we generate. It accounts for 60% of the total hazardous waste disposed as of FY 2023. At present, 7 sites send their hazardous waste for Co and Preprocessing whereas 4 manufacturing sites and 2 R&D centers have achieved our objective of 'Zero Waste to Landfill'.

Extended Producer Responsibility

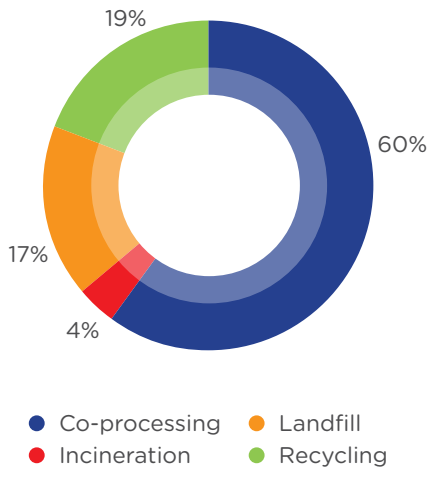
Achieved 100%

of Extended Producer Responsibility target for post consumed plastic packaging.

Hazardous waste by disposal FY 2023 in MT



Hazardous waste disposed by disposal mechanism (MT)



Climate Change Resilience

Acting on Climate Change

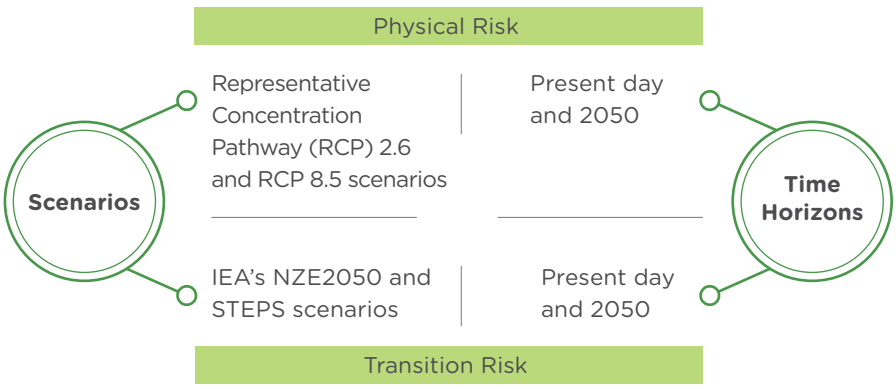
The danger that climate change poses on business operations has amplified in recent decades. Climate change has a severe impact on human health, communities, and economic activities. We operate across four continents with different levels of exposure to climate change-related risks and are aware of our environmental impact. Consequently, we engaged a third-party consultant to conduct a comprehensive Climate Risk Assessment (CRA), which is a forward-looking exercise for identifying the potential impact of likely climate change-related situations on current and future business activities. The assessment was conducted through scenario analysis to identify the physical and transition risks critical to our business. This dual-lensed approach helps clearly outline cross-functional factors that affect our business across all operations.

Climate risk assessment process

1. Selected the appropriate climate change analysis scenario
2. Conducted a thorough analysis of potential physical risks for all our warehouse and manufacturing locations globally
3. Identified transition risks pivotal to our business
4. Appraised the risks and evaluated their potential impact on our business, including categorization of risks as per urgency to business
5. Developed mitigation strategies

1 Scenario Analysis

The scenario selection consisted of drawing from leading reference scenarios promulgated by the Intergovernmental Panel on Climate Change (IPCC) and International Energy Agency (IEA). We carried out the CRA based on two IPCC scenarios for physical risks and two IEA scenarios for transition risks.



Climate Risk Identification

2 Physical Risks / Opportunities

Risk- Rise in global temperatures will lead to lower productivity due to thermal discomfort, heat strokes and even deaths. Increased demand for air-conditioning will lead to high energy demand at all the sites.

Risk- Water has become a scarce resource worldwide. For us at Glenmark, lack of water for site operations implies a high cost of purchasing water from other areas and stakeholder conflict leading to reputational risks.

Other acute risks include cyclonic activities, flooding and extreme weather conditions that can cause damage to critical infrastructure in the way of harming electrical circuits, transportation of raw materials, packing materials and goods and in the worst case, the employees and labor situated in the vicinity.

Opportunity- Increase in temperature will make more regions suitable for vector borne diseases. Warmer temperatures could lead to higher survival rates of ticks or mosquitoes which will cause an increase in demand for immunology products in regions like Europe and the U.S. that earlier experienced much cooler climates.

3 Transitional Risks

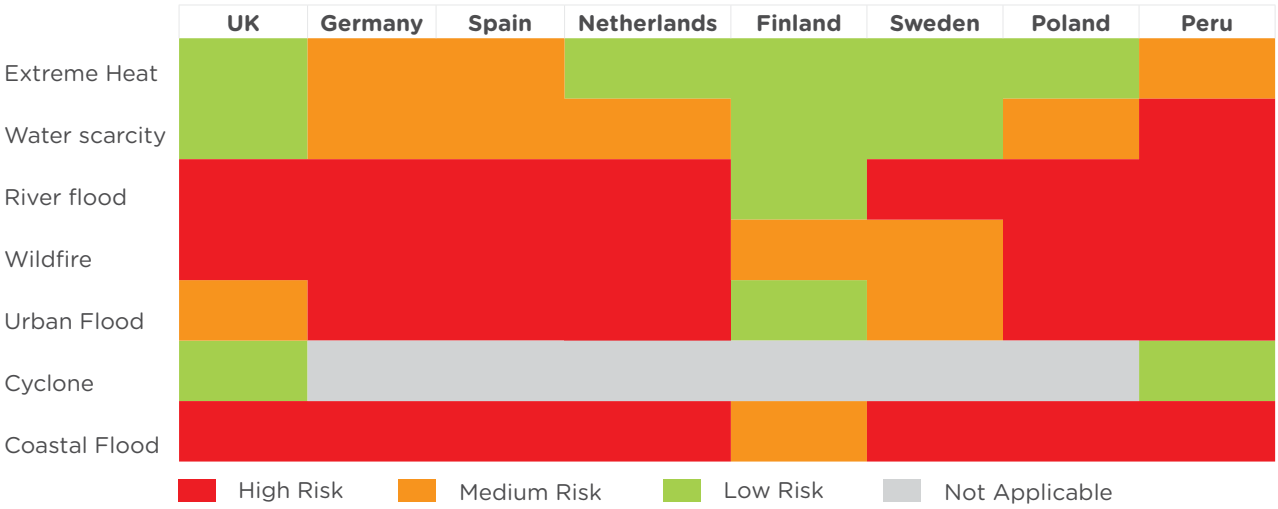
Growing prevalence of **carbon taxes,** coupled with increased demand for low-carbon emitting products, and regulations related to waste, water and resource management project an increase in our operational costs and decrease in revenue from sales due to changing customer preferences.

Risk of competitors gaining cost advantages during our transition period.

Disruption in upstream and downstream supply chains can also affect our operations by causing an increase in capital expenditure and reduced production capacity. It can also lead to loss of capital and strained stakeholder partnerships that can harm the reputation of the Company.

4 Risk Impact and Evaluation

The CRA helped us identify and map out physical climate risks across the locations of our operations. The overall climate risks for the countries where our warehouses are located were identified.



5 Climate Change Strategy

By conducting a scenario-based CRA we were able to develop a climate change strategy with a targeted approach to help our business grow amid a dynamic operating environment.

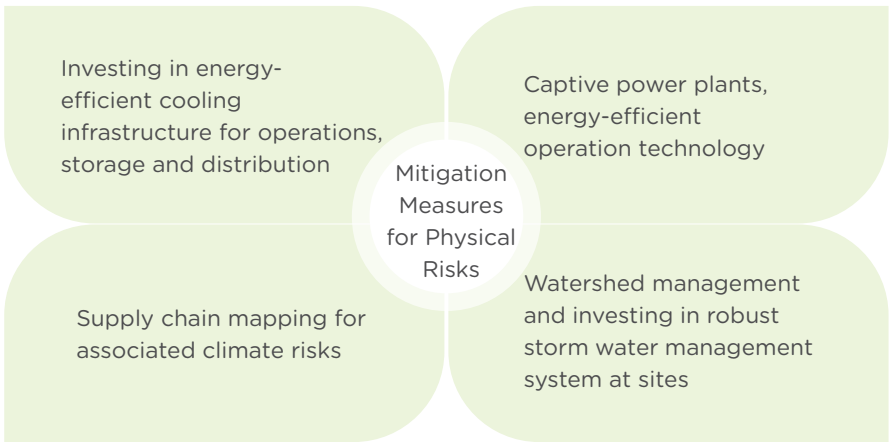
The scenario analysis elucidated the multi-pronged effects of climate change on our business strategy and financial planning. In this context, our climate mitigation strategy is designed to incorporate short- and long-term action points so that we are equipped with accurate response mechanisms.

Glenmark's Next Steps – Mitigation Measures

Once we identified these risks to our business after conducting the climate risk assessment, we have shifted our focus towards increasing capital investments in low carbon and energy-efficient technologies and equipment, refining supply chain compliances to ensure transparency, and encouraging investments in R&D for the development of low Global Warming Potential products. We are also working towards diversifying our supply chain to cope with distribution and availability-based factors that are under the threat of climate change. We have developed a Glenmark Supplier Protocol to conduct supplier assessments on ESG parameters.

Long-term strategy planning

We intend to undertake a proactive approach towards creating an agile business model that can respond to climate change-induced disruptions



Mitigation Measures for Transition Risks

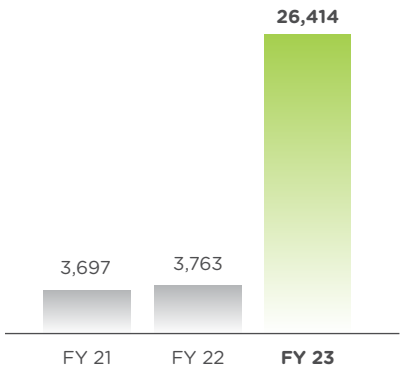
- Carbon Neutral Target
- Resource Management Plan
- Circular Economy and Waste Reduction Initiatives
- Include Renewable Energy in Glenmark's portfolio.
- Energy efficiency initiatives in all operational locations
- Investment in low-carbon technology for manufacturing
- Strategic partnerships to accelerate decarbonization
- Supply chain assessment for reputational risks

Biodiversity Conservation

Acting on Climate Change

We value biodiversity and recognize its importance for a better tomorrow. We promote biodiversity conservation by engaging in sustainable land use practises, supporting habitat restoration initiatives, and implementing measures to protect endangered species. By integrating biodiversity considerations into our decision-making processes, we aim to preserve ecological balance and contribute to the conservation of biodiversity hotspots. We were able to increase the number of trees planted this year by undertaking many plantation drives at our sites.

Saplings Planted



26,414

Number of trees planted in FY 2023

Future Outlook

Looking ahead, we remain committed to continually improving our natural capital management practises. We will invest in research and development to develop sustainable alternatives, explore innovative technologies to further reduce our carbon and water footprint, and collaborate with stakeholders to drive positive change. By aligning our operations with the principles of sustainable development and responsible natural capital management, we aim to create long-term value for our business, society, and the environment.

Our Awards

BW Businessworld's India's Most Sustainable Companies Top 30 List

Ranked 3rd in Pharmaceutical and Healthcare Sector

Ranked 15th Overall

Sustainable Organization Award by Economic Times

Apex India Green Leaf Environment Award – Platinum category (Nalagarh site)

Apex India Green Leaf Environment Award – Gold category in Pharmaceuticals sector (Aurangabad site)

Winner of Grow Care India Environment Awards – Gold category in Pharmaceuticals sector for Outstanding Achievement in Environment Management (R&D Centre, Mahape)

CORPORATE INFORMATION

Registered Office

B/2, Mahalaxmi Chambers,
22, Bhulabhai Desai Road,
Mumbai - 400026, Maharashtra,
India

Corporate Office

Glenmark House

B.D. Sawant Marg, Chakala,
Off Western Express Highway,
Andheri (East),
Mumbai - 400099, Maharashtra,
India
Tel.: +91 22 40189999
Site: www.glenmarkpharma.com
Email: complianceofficer@glenmarkpharma.com
CIN No: L24299MH1977PLC019982

Auditors

Suresh Surana & Associates LLP
Chartered Accountants, Mumbai

Internal Auditors

Aneja Associates
Chartered Accountants, Mumbai

Cost Auditors

Sevekari, Khare and Associates,
Cost Accountants, Mumbai

Solicitor

Trilegal, Mumbai

Registrar and Transfer Agents

KFin Technologies Limited
Selenium Tower B, Plot No 31 & 32,
Financial District,
Nanakramguda, Serilingampally
Mandal, Hyderabad - 500032

Banker

Bank of India

Company Secretary

Mr. Harish Kuber

GLENMARK PHARMACEUTICALS Ltd.

Manufacturing Facilities

Formulations

- E-37-39, MIDC Industrial Area, D Road, Satpur, Nashik - 422007, Maharashtra
- Plot No. S-7 and S-9, Colvale, Industrial Estate Colvale, Bardez - 403513, Goa
- Unit - I, Village Kishanpura, Baddi-Nalagarh Road, The Baddi, Dist. - Solan, HP – 174101
- Unit - II, Village Bhattanwala, PO Rajpura, Teh Nalagarh, Dist.- Solan, HP – 174101
- Unit - III, Village Kishanpura, Baddi - Nalagarh Road, Dist. - Solan, HP – 174101
- Plot No 2, Phase -II, Pharma Zone, Special Economic Zone Area, Pithampur, Indore 454775, Madhya Pradesh
- Plot No. B-25, Five Star MIDC, Shendra, Dist. - Aurangabad, Maharashtra
- Samlik-Marchak, Industrial Growth Centre, Near Ranipool, Dist. - Gangtok, Sikkim 737135
- Fibichova 143, 566 17, Vysoke Myto, Czech Republic
- Calle 9 Ing Meyer Oks N 593, Parque Industrial Pilar, B1629MX Buenos Aires, Argentina
- 4147 Goldmine Road, Monroe, NC 28110, U.S.

R&D Centres

- Plot No. A 607, Mahape Industrial Area, MIDC Mahape, Navi Mumbai - 400709, Maharashtra
- Plot No. C 152, MIDC Malegaon Industrial Area, Sinnar, Dist. Nashik - 422113, Maharashtra
- Plot No. M4, Taloja Industrial area, MIDC, Taluka Panvel, Dist. Raigad - 410208, Maharashtra

Clinical Research Centre

- Plot No. M4, Taloja Industrial Area, MIDC, Taluka Panvel, Dist. Raigad - 410208, Maharashtra

ICHNOS SCIENCES Inc.

Global Headquarters

- 1 World Trade Center, 76th Floor, Suite D, New York, NY 10007

R&D Centre

- Route de La Corniche 5A, 1066 Epalinges, Switzerland

Development and Manufacturing

- Chemin de la Combeta 5, 2300 La Chaux-de-Fonds, Switzerland

GLENMARK LIFE SCIENCES

Manufacturing Facilities

- Plot Number 3102 to 3109, 3103, GIDC Industrial Estate, Ankleshwar - 393 002, Gujarat.
- Plot Number Z-103/I, SEZ, Phase II, Dist. Bharuch, Gujarat, Dahej - 392130
- Plot Number 141-143, 160-165, 170-172, Chandramouli Sahakari Audyogik Vasahat, Pune - Hyderabad Highway, Mohol, Solapur – 413213.
- Plot Number A80, MIDC Area, Kurkumbh, Daund, Pune - 413802, Maharashtra

R & D Centre

- Plot No. A-607, TTC Industrial Area, MIDC, Mahape, Navi Mumbai, Dist. Thane - 400 709, Maharashtra.
- Plot No. 3102 to 3109, 3103, GIDC Industrial Estate, Ankleshwar – 393002, Gujarat.
- Z-103/I, SEZ, Phase II, District Bharuch, Dahej - 392 130, Gujarat.

INDEPENDENT NON-FINANCIAL ASSURANCE STATEMENT

DNV

INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV Business Assurance India Private Limited has been commissioned by the Management of Glenmark Pharmaceuticals Limited (Corporate Identity Number L24299MH1977PLC019982, hereafter referred as 'Glenmark' or 'the Company') to carry out an independent assurance of its non-financial/sustainability performance (qualitative and quantitative data) disclosed in Glenmark's Integrated Report 2022-23 ('the Report') in its printed and online formats. The sustainability performance in this Report covers disclosures corresponding to the reporting period 1st April 2022 – 31st March 2023 and related to material topics identified by Glenmark.

The sustainability disclosures have been prepared by Glenmark based on the Guiding Principles and Content Elements of the International <IR> Framework (January 2021, the '<IR> Framework') of the International Integrated Reporting Council ('IIRC'), the Global Reporting Initiative's (GRI's) Sustainability Reporting Standards ('GRI Standards') and other frameworks to which Glenmark subscribes, to bring out the various Content Elements of the <IR> Framework as well as performance trends related to identified material topics.

We performed a limited level of assurance based on DNV's assurance methodology VeriSustain™[1]. In doing so, we evaluated the quantitative and qualitative sustainability performance disclosures presented in the Report for the activities undertaken by the Company. Our assurance engagement was planned and carried out during May 2023 – August 2023.

The reporting topic boundaries of non-financial performance are based on the internal and external materiality assessment covering Glenmark's pharmaceutical operations as set out in the Report in the section "About this Report".

Responsibilities of the Management of Glenmark and of the Assurance Provider

The Management of the Company has the sole responsibility for preparation of the Report as well as the processes for collecting, analysing and reporting the information presented in the Report. The Management is also responsible for ensuring the maintenance and integrity of its referenced disclosures on sustainability performance and management approach in the Company's website. In performing this assurance work, DNV's responsibility is to the Management of Glenmark; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

DNV's assurance engagements are based on the assumption that the data and information provided by Glenmark to us as part of our review have been provided in good faith and are free from material misstatements or errors. We were not involved in the preparation of any statements or data included in the Report except for this Assurance Statement.

During the assurance process, we did not come across any limitations to the scope and boundary of the agreed assurance engagement. We understand that the reported disclosures on economic performance, including Corporate Social Responsibility (CSR) expenses incurred by the Company, and contributions to the Glenmark Foundation and Glenmark Aquatic Foundation are based on audited financial statements presented in the Annual Report and audited financial statements, which is subject to a separate independent statutory audit process and was not included in our scope of work. As part of our assurance process, we did not engage with any external stakeholders.

Basis of our Opinion

We planned and performed our work to obtain the evidence considered necessary to provide a basis for our assurance opinion, and as part of the assurance engagement, a multi-disciplinary team of sustainability and assurance specialists conducted assessments and interactions with key internal stakeholders at Glenmark's Corporate Office in Mumbai, India and sample operations based on DNV's sampling plan. We adopted a risk-based approach, that is, we concentrated our verification efforts on the issues of high material relevance to Glenmark and its key stakeholders. We undertook the following activities:

[1]The VeriSustain protocol is based on the principles of various assurance standards including International Standard on Assurance Engagements 3000 (ISAE 3000) Revised (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the GRI Principles for Defining Report Content and Quality, international best practices in verification and our professional experience; and is available on request from www.dnv.com

- Reviewed Glenmark's approach towards addressing the Guiding Principles and Content Elements of the <IR> Framework, including stakeholder engagement and materiality determination processes;
- Carried out virtual verification of sample operations of Formulations sites in India ie. Manufacturing units located at Nalagarh (Himachal Pradesh), Indore (Madhya Pradesh) Goa and Onsite verification of operations of API site in India i.e. Manufacturing unit at Ankleshwar (Gujarat) to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy. DNV was free to choose sites for conducting assessments;
- Conducted interviews with senior management teams and other representatives including data owners and decision-makers responsible for implementation of the Company's policies and management of sustainability issues as disclosed within the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver Glenmark's sustainability objectives;
- Assessed the robustness of the data management systems, data accuracy, information flow and controls for the reported disclosures and specific performance data related to identified material topics, as well as the processes for data consolidation in context to the principle of Completeness as per DNV's VeriSustain;
- Examined and reviewed selected supporting evidence including documents, data and other information made available by Glenmark related to sustainability disclosures presented within the Report;
- Performed an independent assessment of Glenmark's reporting against the reporting requirements related to the Content Elements of the <IR> Framework and the value creation disclosures related to the capitals identified by Glenmark.

Opinion and Observations

On the basis of the verification undertaken, nothing has come to our attention that causes us to believe that the Report does not properly describe Glenmark's adherence to the Guiding Principles and Content Elements of the <IR> Framework including representation of the material topics, business model, disclosures on value creation through six (6) capitals, related strategies and management approach, and GRI Standards: Core option of reporting including the GRI 2: General Disclosures 2021, GRI 3: Management Approach 2021 and disclosures related to the following GRI topic-specific Standards which have been identified by the Company to bring out its performance against its prioritised material topics.

- GRI 201: Economic Performance 2016- 201-1; 201-2; 201-3
- GRI 204: Procurement Practices 2016- 204-1;
- GRI 205: Anti-Corruption 2016- 205-1, 205-2
- GRI 206: Anti-competitive behavior 2016 - 206-1
- GRI 207: Tax – 207-1, 207-2, 207-3
- GRI 302: Energy 2016 – 302-1, 302-3, 302-4; 304-5
- GRI 303: Water and Effluents 2018 – 303-1, 303-2, 303-3, 303-4, 303-5;
- GRI 304: Biodiversity - 304-3
- GRI 305: Emissions 2016 – 305-1, 305-2, 305-3, 305-4, 305-5
- GRI 306: Waste 2020 - 306-1; 306-2; 306-3; 306-4; 306-5;
- GRI 308: Supplier Environmental Assessment 2016- 308-1; 308-2;
- GRI 401: Employment 2016- 401-1, 401-3 ;
- GRI 403: Occupational Health and Safety 2018– 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7; 403-8 ; 403-9 ; 403-10
- GRI 404: Training and Education 2016 – 404-1, 404-2; 404-3
- GRI 405: Diversity and Equal Opportunity 2016 – 405-1, 405-2;
- GRI 406: Non discrimination 2016- 406-1;
- GRI 407: Freedom of Association and Collective Bargaining 2016- 407-1;
- GRI 408 : Child Labor 2016 – 408-1
- GRI 409: Forced or Compulsory Labor 2016- 409-1;
- GRI 411: Rights of Indigeneous People 2016- 411-1;
- GRI 413: Local Communities 2016- 413-1;413-2
- GRI 414: Supplier Social Assessment 2016- 414-1, 414-2;
- GRI 416: Customer Health and Safety 2016– 416-1, 416-2;
- GRI 417 : Marketing and Labelling 2016 – 417-1, 417-2
- GRI 418 : Customer Privacy 2016 – 418-1

Note: Scope 3 emissions reported as part of GRI 305-3 include emissions due to purchased goods and services, employee commute, business travel, Upstream transportation and distribution, Downstream transportation and distribution and Waste generated in operations.

Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain:

Stakeholder Inclusiveness
The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.
The Report brings out the formal and informal mechanisms through which Glenmark's engages with the internal and external stakeholder groups it has identified across its business lifecycle, that is, employees, investors, patients, contractors, suppliers and service providers, local communities, government bodies and regulatory bodies and non-governmental agencies. The modes and frequencies of engagement with these stakeholder groups as well as key topics that have come out from these channels are explained within the Report.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

Materiality
The process of determining the issues that is most relevant to an organization and its stakeholders.
The Report describes the materiality assessment carried out by Glenmark covering its key business segments aimed at identifying significant environmental, social and governance topics which are important to its stakeholders and relevant to the Company's long-term value creation. The identified material topics and matters are prioritized based on impacts and relative importance, to form the overall report content. Glenmark confirms that material topics considered for disclosures within the Report were reviewed and validated by the Board and senior management personnel, and that there are no significant changes in material topics from the previous reporting period.
In our opinion, nothing has come to our attention that Glenmark has missed out any known material issues, nor that the Report does not meet the requirements related to the Principle of Materiality.

Responsiveness
The extent to which an organization responds to stakeholder issues.
The Company has responded to key material topics through descriptions of its value creation process including evaluation of its business strategies through descriptions of the Company's policies, management approach, targets, performance indicators and governance mechanisms related to identified material topics such as key outcomes.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Responsiveness.

Reliability
The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.
The Report brings out Glenmark's sustainability performance related to its identified material topics using selected GRI topic-specific Standards. The sustainability performance data is captured on a monthly basis from across its businesses through its data management system, and subjected to internal audits. The majority of the data and information verified through our assessments at sampled manufacturing units and aggregated at the corporate level were found to be fairly accurate and reliable. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and these errors have been identified, communicated and corrected.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability.

Completeness
How much of all the information that has been identified as material to the organisation and its stakeholders is reported
The Report articulates disclosures related to the Company's sustainability performance for the identified material topics and reporting boundaries during the reporting period through appropriate GRI topic-specific Standards and Company-specific metrics, and the key requirements of the <IR> Framework related to Content and Quality, including value creation through six (6) capitals, business model, strategy, management approach and descriptions of monitoring systems.

Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

Neutrality

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone

The Report has disclosed the key sustainability issues, challenges and performance faced by Glenmark during the reporting period in a neutral tone, in terms of content and presentation, and had also considered the overall sustainability context and external environment in bringing out its value creation disclosures across six (6) capitals.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct[2] during the assurance engagement and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement and GHG verification statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

For DNV Business Assurance India Private Limited

Lankalapalli, Bhargav Digitally signed by Lankalapalli, Bhargav Date: 2023.08.25 16:37:17 +05'30'	Karthik Ramaswamy Digitally signed by Karthik Ramaswamy Date: 2023.08.25 16:56:02 +05'30'
Bhargav Lankalapalli Lead Verifier DNV Business Assurance India Private Limited, India.	Karthik Ramaswamy Assurance Reviewer DNV Business Assurance India Private Limited, India.

25th August 2023, Mumbai, India.

DNV Business Assurance India Private Limited is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

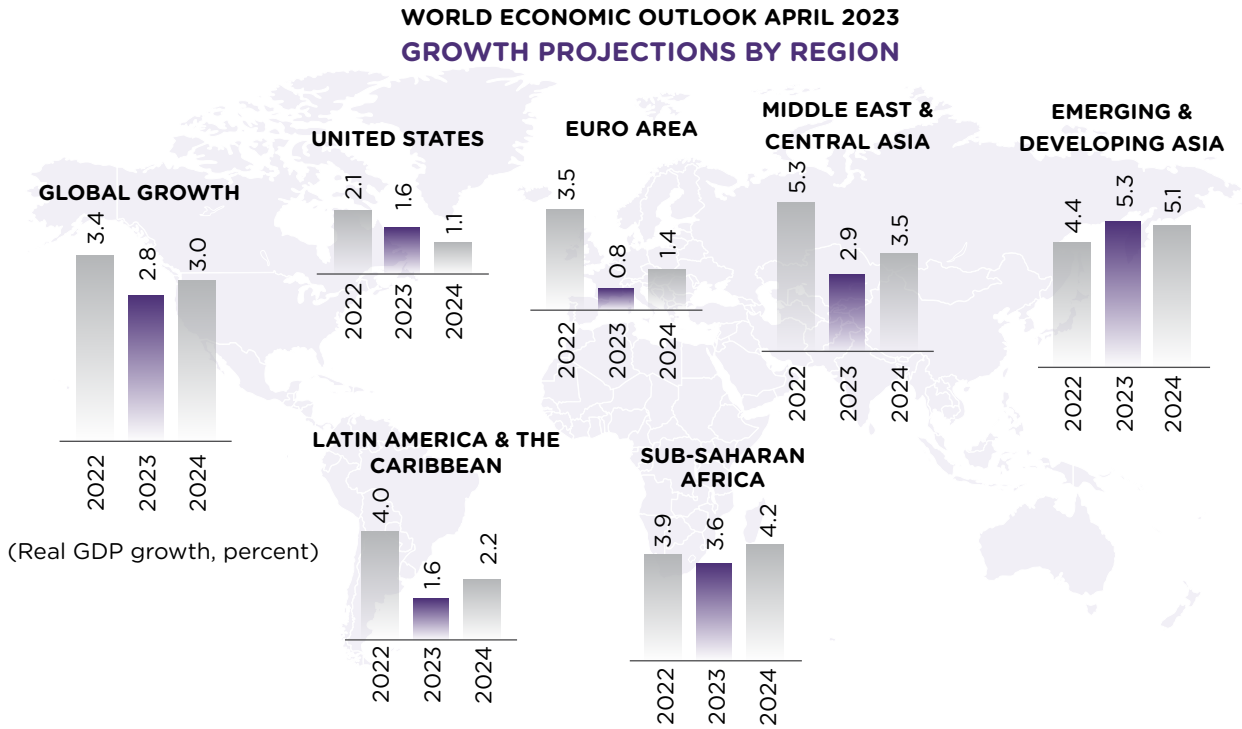
[2] *The DNV Code of Conduct is available on request from www.dnv.com*

MANAGEMENT DISCUSSION & ANALYSIS

Macroeconomic Outlook

The global economic outlook remains highly uncertain due to the cumulative effects of the two major shocks in the last three years – the COVID-19 pandemic and the war in Ukraine. Early in 2023, there were signs of recovery that the world economy could finally stabilize, but sticky inflation and recent volatility in the global financial sector have dampened some of these prospects. Stubborn inflationary trends in the economy and the consequent rise in interest rates by Central Banks across the world have prolonged the overall global economic recovery.

However, it is anticipated that the global economy will gradually overcome these challenges as the year goes by. Strong growth in emerging markets and developing economies, the unwinding of supply chain disruptions, as well as the normalization of food and energy prices, will facilitate this resurgence. According to the latest forecasts, global growth is projected to be 2.8% in 2023 and 3.0% in 2024. Global inflation is expected to reach approximately 7.0% in 2023 and around 5.0% in 2024.



Source: IMF, World Economic Outlook: April 2023

Note: Order of bars for each group indicates (left to right) 2022 2023 projections, and 2024 projections

Indian Economy

Notwithstanding the prevailing macroeconomic headwinds, many market analysts continue to have confidence in India's growth prospects. Recently published data suggests that the Indian economy has outperformed global markets amid various uncertainties.

The Government of India has provided a strong impetus to enhance public and private capital investments across sectors. Additionally, the growing upper middle-income population is expected to drive high consumption and play a crucial role in fueling Indian economic growth over the next five years. Inflation may peak as the global economy moderates and crude oil prices as well as raw material prices stabilize next year. The International Monetary Fund (IMF) expects India to grow by 5.9% in FY 2024 and by an average rate of 6.1% over the next five years.

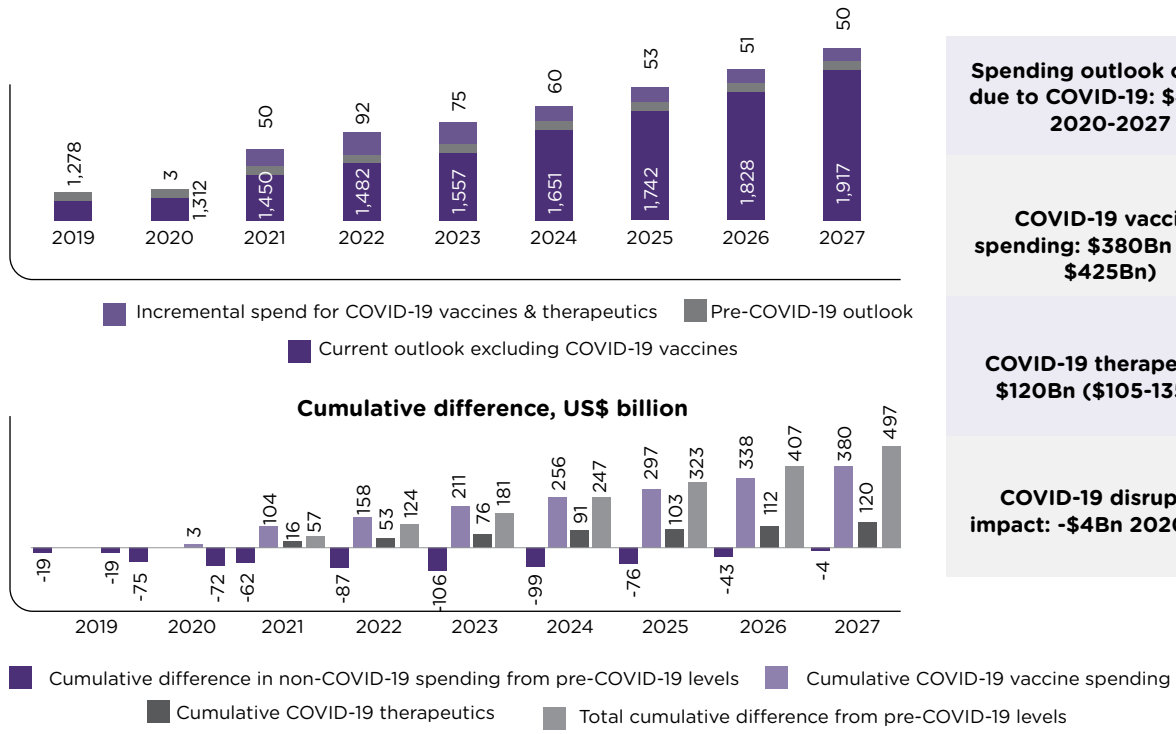
Source: International Monetary Fund, World economic outlook—A rocky recovery, April 2023; Deloitte, India Economic Outlook, April 2023

Global Pharmaceutical Sector

As the world learns to cope with the lingering effects of the COVID-19 pandemic, the forecast for global expenditure on medicines has evolved in the post-pandemic era. Predictable challenges emerge as policymakers across the globe shift their focus to longer-term healthcare issues. Global spending on medicine continues to be driven by innovation and offset by the loss of exclusivity, leading to the launch of lower-cost generics and biosimilars.

From 2020 to 2027, it is anticipated that global spending on medicines will total US$ 497 Bn, exceeding pre-pandemic levels. This is largely due to the increased investment on COVID-19 vaccines and novel therapeutics, as well as the impact on other therapeutic areas. Global market growth will return to pre-pandemic projected rates by 2024, despite year-to-year fluctuations and regional variations. The global medicine market, using invoice price levels, is expected to grow at a 3–6% CAGR through 2027, reaching a total market value of US$ 1.9 Tn.

Exhibit 1: Changes in the historical and projected global medicine spending model due to COVID-19, 2019-2027, US$Bn



Spending outlook change due to COVID-19: $497Bn, 2020-2027

COVID-19 vaccine spending: $380Bn ($315-$425Bn)

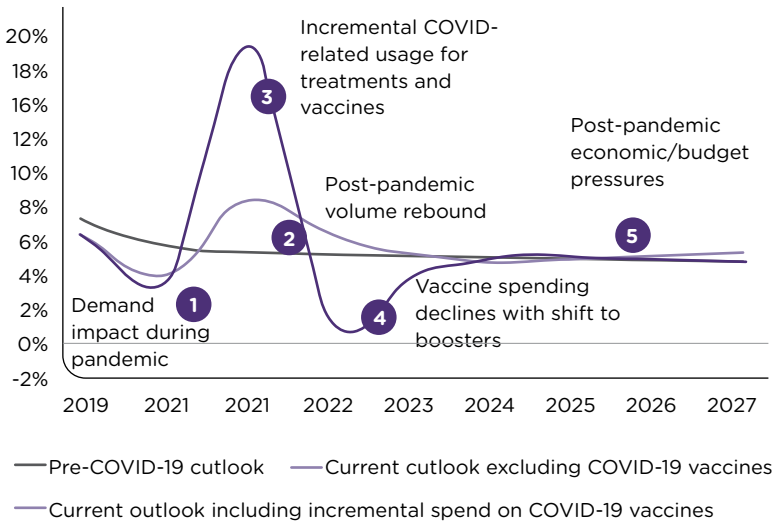
COVID-19 therapeutics: $120Bn ($105-135Bn)

COVID-19 disruption impact: -$4Bn 2020-2027

Source: IQVIA Market Prognosis, Sep 2022; IQVIA Institute, Nov 2022.

With established markets expanding more slowly and emerging markets in Eastern Europe, Asia, and Latin America growing in both volume and spending, expenditure and volume growth will follow different trajectories across regions. The near-term impact of the COVID-19 pandemic on medicine spending has been the notable short-term disruptions in 2020. Short-term disruptions in 2020, due to the COVID-19 pandemic, was followed by a rebound in 2021 and an expected return to pre-pandemic growth rates is expected by 2024. Considering predictions of higher expenditure growth from COVID-19 vaccines and lower spending growth from existing treatments due to disruptions from the pandemic, the five-year CAGR to 2027 is expected to be 4.6%, compared to 4.5% if the pandemic had not occurred.

Exhibit 2: Comparison of current outlook to pre-COVID-19 outlook Constant dollar growth forecast (invoice)



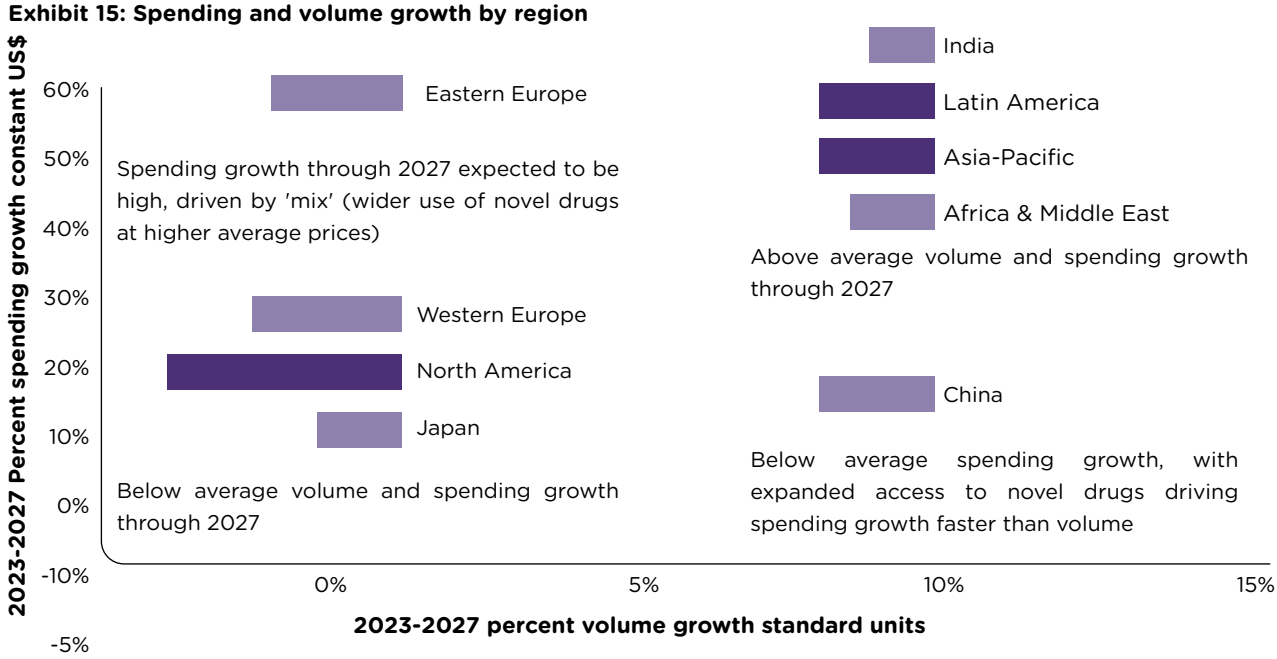
Key events in the outlook

1. 2020: Growth-2.0% slower than pre-pandemic projection [~$268)
2. 2021:+3.4% above pre-COVID-19 growth; +5,1% above 2020 growth excluding vaccine and therapeutics
3. 2021: 10.6% higher growth including vaccines and therapeutics compared to spending without them
4. 2022: Significant decline in required spending for COVID-19 vaccines as much of the world is Inoculated to some degree
5. Expected budget pressures will emerge from longer-term pressures of sustained pandemic

Source: IQVIA Market Prognosis, Sep 2022; IQVIA Institute, Nov 2022.

Several regions across the globe are witnessing diverging growth trends, with some being more volume-driven and others having a greater contribution by leveraging innovation. Countries in Latin America, Asia-Pacific, Africa and the Middle East are expected to record volume growth of more than 10% by 2027. Additionally, their spending growth is anticipated to increase by over 30%, indicating both population-driven volume growth and a shift towards expensive products. On the other hand, North America and Western Europe are expected to have minimal volume growth or remain flat over the next five years, while spending is predicted to increase by over 20%, excluding the impact of off-invoice discounts and rebates.

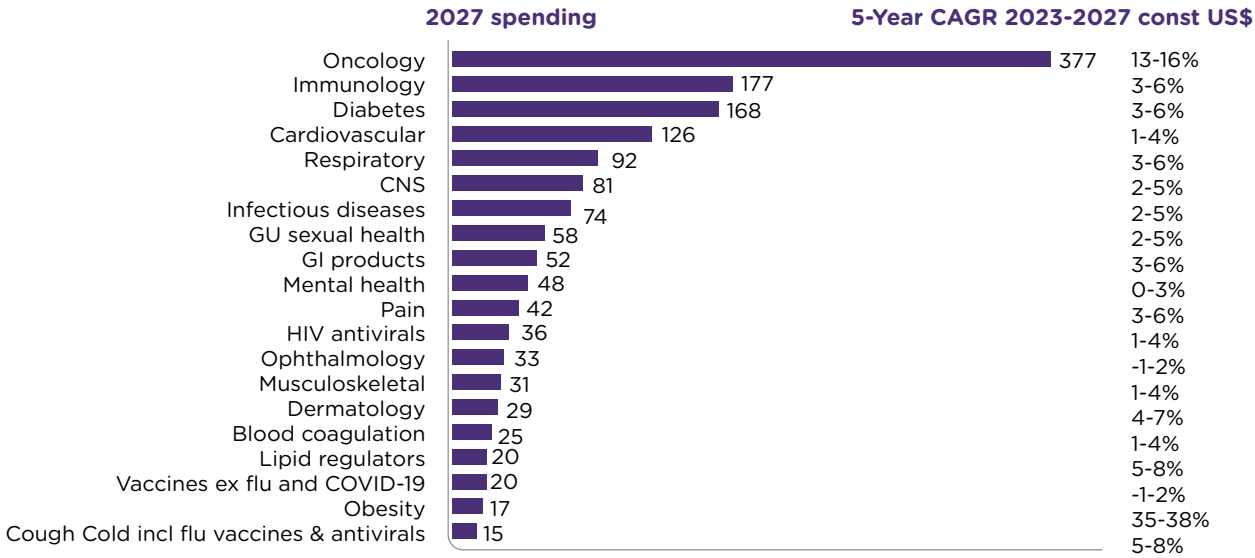
Exhibit 15: Spending and volume growth by region



Source: IQVIA Market Prognosis, Sep 2022: 1QVIA Institute, Nov 2022.

As per IQVIA Market Prognosis, the therapy areas with the highest forecast spending in 2027 are oncology, immunology and anti-diabetics, followed by cardiovascular. Oncology is expected to grow at a 13–16% CAGR till 2027 as novel treatments continue to be launched for the treatment of cancer. Immunology is expected to grow slowly at a rate of 3-6% due to the launch of biosimilars. While several biosimilars have already been launched in Europe, leading to slow growth in the immunology segment, the launch of an adalimumab biosimilar in 2023 in the U.S. is further expected to impact growth. With nearly US$ 168 Bn by 2027, diabetes is expected to be the third largest therapy area globally, with growth estimated to be 3–6% over the next five years.

Exhibit 34: Top 20 therapy areas in 2027 in terms of global spending with forecast 5-year CAGRS, const US$



Source: IQVIA Forecast Link, IQVIA Institute, Nov 2022,

As per IQVIA forecasts, the types of medicines driving expenditure and growth vary considerably across countries and are broadly correlated with a degree of economic development. Generally, wealthier countries have higher levels of spending on original branded products, especially earlier in the patented periods of these products. Lower-income countries have a greater reliance on generic drugs and sometimes prefer non-original branded versions called branded generics. Developed countries typically have higher shares of original branded products but vary in the degree to which they shift usage to generics or non-original products after patent expiry, contributing to differences in spending share for originators, including those that are off-patent.

Exhibit 30: Global medicine spending and growth by product type

		ORIGINAL BRANDS	NON-ORIGINAL BRANDS	UNBRANDED GENERICS	OTHER	TOTAL
Spending 2022 US$	Global	902.1	244.5	150.2	185.5	1,482.3
	Developed	788.8	109.3	101.0	89.3	1,088.3
	10 Developed	722.4	83.9	90.8	71.9	968.9
	Other developed	66.4	25.4	10.2	17.4	119.4
	Pharmerging	105.7	124.4	47.8	93.0	370.8
	Lower-income countries	7.7	10.8	1.5	3.2	23.2
Constant dollar CAGR 2018-2022	Global	6.8%	6.1%	3.0%	5.2%	6.1%
	Developed	6.6%	7.69%	0.4%	3.6%	5.7%
	10 Developed	6.6%	7.7%	-0.1%	3.1%	5.7%
	Other developed	6.2%	7.2%	6.2%	5.8%	6.4%
	Pharmerging	9.2%	5.0%	10.0%	6.8%	7.2%
	Lower-income countries	4.4%	5.8%	9.7%	9.296	6.0%
Spending 2027 USS	Global	$1,155-1,185	$325-355	$160-190	$215-245	$1,900-1,930
	Developed	$1,000-1,030	$150-165	$105-115	$98-108	$1,370-1,400
	10 Developed	$910-940	$117-127	$92-102	$75-85	$1,207-1,237
	Other developed	$83-103	$34-38	$12-16	$21-25	$156-176
	Pharmerging	$133-153	$157-177	$62-64	$114-134	$487-518
	Lower-income countries	$9-11	$12-16	$2-3	$2.5-5.5	$29-33
Constant dollar CAGR 2023-2027	Global	3-6%	5-8%	1-4%	3-6%	3-6%
	Developed	3-6%	5-8%	-1-29%	0.5-3.5%	2.5-5.5%
	10 Developed	3-6%	5-8%	-1-29%	-0.5-2.5%	2.5-5.5%
	Other developed	4-7%	5-8%	3.5-6.5%	3.5-6.5%	4-7%
	Pharmerging	5-89%	5-8%	4.5-7.5%	5-8%	5-8%
	Lower-income countries	4-7%	4-7%	6.5-9.5%	6-9%	4.5-7.5%

Source: IQVIA Market Prognosis, Sep 2022: IQVIA Institute, Nov 2022.

Review of the Business Operations

	For the twelve months ended March 31		
	FY 2022-23	FY 2021-22	Growth (%)
India	40,298	40,855	-1.4%
North America	31,041	30,366	2.2%
Europe	18,094	15,218	18.9%
Rest of the World[1]	23,777	21,672	9.7%
API	14,582	12,709	14.7%
Total	**127,791**	**120,820**	**5.8%**
Other Revenue	2,110	2,229	-5.3%
Consolidated Revenue	**129,901**	**123,049**	**5.6%**

1. Covers Asia, Middle East and Africa, Russia, CIS, and Latin America

Average conversion rate in 12M FY 2022-23 considered as ₹ 80.22 / USD 1.00

Average conversion rate in 12M FY 2021-22 considered as ₹ 74.38 / USD 1.00

Key Highlights for FY23:

1. According to IQVIA MAT March 2023, Glenmark was ranked 2nd in the Respiratory segment of the Indian Pharmaceutical Market, with 1.5x higher value growth compared to the overall Respiratory market. Glenmark is now ranked 2nd across Dermatology and Respiratory segments in India.
2. Glenmark's Europe business recorded revenues worth USD 225+ Mn, continuing the strong growth momentum of the last two years.
3. Glenmark's ROW business recorded 20%+ growth across all sub-regions, driven by key product launches in the Respiratory and Dermatology segments.
4. RYALTRIS® was approved in the USA and was launched by Hikma, Glenmark's commercial partner.
5. In FY23, RYALTRIS® was launched in 12 markets by the Company / through a partner; in total, RYALTRIS® has now been commercialized in 27 markets across the globe.
6. Proof-of-Concept (PoC) studies were initiated for four clinical oncology assets that are part of the Glenmark / Ichnos development pipeline; study read-outs expected to be completed in FY24 for all four molecules.
7. Ichnos' partnered asset in immunology, ISB 880, progressed to Phase 1 studies, which were initiated by Ichnos' development partner, Almirall.

GLENMARK PHARMACEUTICALS LTD. (GPL)

GPL is primarily focused on building a global formulation business with Branded, Generics and OTC segments in the therapy areas of Dermatology, Respiratory and Oncology. It also has a strong regional/country-specific presence in other therapeutic areas like Diabetes, Cardiovascular and Oral Contraceptives.

INDIA FORMULATIONS

During the year under review, the India Formulations business recorded revenue of ₹ 40,298 Mn as against ₹ 40,855 Mn in the previous financial year, registering a decline of -1.4%. The growth was muted due to a high base in FY22 due to sales of COVID-19-related products, as well as certain other one-time impacts during FY23. The contribution of the India formulations business to the total revenues in FY23 was 31%, compared to 33% in FY22.

Glenmark's India business continued to significantly outperform industry growth rates. Based on IQVIA MAT March 2023, excluding the Covid portfolio, Glenmark's India business grew by 12.3% compared to the overall industry growth of 9.5%. Glenmark's India Formulation business is ranked 14th with a market share of 2.12%.

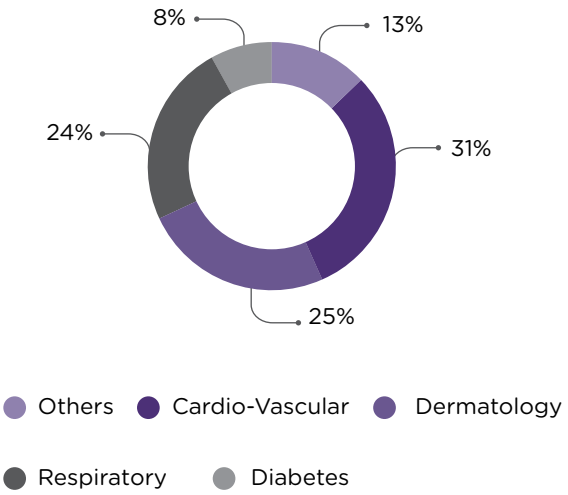
In terms of key therapeutic areas, Glenmark is now ranked 2nd in the Respiratory segment, continues to be ranked 2nd in the Dermatology segment, 5th in the Cardiac segment and 14th in the Diabetes segment. Glenmark's Dermatology segment market share increased to 7.35% from 7.12% last year; the Company's share in the Respiratory market increased to 5.59% from 5.44% last year; and the Cardiac segment market share increased to 5.17% from 4.66% last year. Glenmark's share in the Diabetes market was 2.31%.

(Source- IQVIA MAT March 2023)

Glenmark's performance and revenue contribution across the key therapy areas based on IQVIA MAT March 2023:

Therapy Area	Market Share as of March 2023	Rank as of March 2023	Rank as of March 2022
Dermatology	7.4%	2nd	2nd
Respiratory	5.6%	2nd	4th
Cardio-Vascular	5.2%	5th	6th
Diabetes	2.3%	15th	16th

Revenue Contribution across Key Therapy Areas - IQVIA MAT March 2023



The Company launched multiple new products during the year and continued to gain market share in some of the key launches across segments. In the Respiratory segment, Glenmark became the first company in India to market Indamet® - an innovative fixed drug combination of Indaceterol, a long-acting beta-agonist and mometasone, an inhaled corticosteroid, for the treatment of uncontrolled asthma. In the Diabetes segment, Glenmark launched multiple products over the course of FY23. Some of the notable launches included sitagliptin under the brand name SITAZIT® and its fixed dose combinations with metformin and dapagliflozin respectively; teneligliptin + pioglitazone Fixed-Dose Combination drug for Type 2 Diabetes under the brand name Zita Plus Pio®; lobeglitazone 0.5mg, under the brand name LOBG®; Fixed-Dose Combination (FDC) of Teneligliptin (20 mg) + Pioglitazone (15 mg) + Metformin (500mg/1000mg) SR under the brand name Zita-PioMet™; Lobeglitazone + Metformin under the brand name LOBG-M®. In the Cardio-Vascular segment, Glenmark launched Sacubitril + Valsartan under the brand name, Sacu V™ for the treatment of heart failure. The sacubitril-valsartan combination belongs to the class ARNI (Angiotensin receptor neprilysin inhibitor). This drug helps reduce the risk of cardiovascular related deaths and hospitalization.

India Formulations Top Brands in the IPM 300 Brands League According to IQVIA MAT March 2023, Glenmark has the following nine brands among the top 300 brands in the Indian Pharmaceutical market:

MAT rank	Brand	MAT Val (in crore)	MAT growth
23	Telma®	383.4	17.7
49	Telma®-H	265.7	17.2
59	Telma®-AM	233.0	29.4
62	Ascoril®-LS	224.9	32.8
133	Candid®	152.5	4.8
161	Candid®-B	134.6	6.1
172	Ascoril®+	130.3	-8.2
192	Alex®	120.9	4.3
260	Ascoril® D Plus	101.2	-2.1

Going forward, the India Formulation business will continue to keep a focused approach and strengthen the key therapy categories to continuously outperform the broader market. To bolster the Company's performance further, higher digital adoption will be a key lever in the current market scenario. Glenmark will continue to invest in new launches and will target expanding market share in its existing product categories.

INDIA – GLENMARK CONSUMER CARE (GCC)

GCC business clocked a revenue of ₹2,330 Mn, marking a year-on-year growth of 30%. This growth can be attributed to the expansion of the product range across the three flagship brands. Candid® Powder maintained its market leadership and showed a sharp recovery in sales during the first half of FY23. Candid® Prickly Heat Powder also had a strong year, having been launched in the latter half of FY22. New products such as La Shield® Pollution Protect, La Shield® Probiotic Moisturizer and Scalpe® Pro Shampoo also contributed to business growth in FY23. Candid Powder™ delivered revenue growth of 17% for FY23. The La Shield™ portfolio delivered 73% growth in FY23. Finally, the Scalpe+™ portfolio recorded 13% growth in FY23.

NORTH AMERICA FORMULATIONS

The North America business registered revenues from the sale of finished dosage formulations of ₹ 31,041 Mn (USD 387 Mn) in FY23 as against revenue of ₹ 30,366 Mn (USD 408 Mn) for FY22, recording a growth of 2.2%. In FY23, the North America business accounted for 24% of the total revenue, compared to 25% in FY22.

In FY23, Glenmark was granted approval of 10 Abbreviated New Drug Applications (ANDAs), comprised of 6 final approvals, 2 Prior Approval Supplement approvals (for a new strength or formulation) and 2 tentative approvals. Notable approvals include Sodium Phenylbutyrate Tablets USP, 500 mg; Nicardipine Hydrochloride Capsules; and Clindamycin Hydrochloride Capsules. The Company filed a total of 8 ANDA applications throughout the fiscal year 2023. In FY24, the Company plans to file additional 10-12 ANDAs.

Glenmark successfully launched 8 new products during the fiscal year 2022-23, consisting of a mix of immediate-release oral solids and an injectable. Notable launches include Ezetimibe Tablets USP; Abiraterone Acetate Tablets USP, 500 mg; Fingolimod Capsules, 0.5 mg; Sodium Phenylbutyrate Tablets USP, 500 mg; Nicardipine Hydrochloride Capsules; Bumetanide Injection, 1 mg/4 mL (0.25 mg/mL) Single-Dose Vials; and 2.5 mg/10 mL (0.25 mg/mL) Multi-Dose Vials, and Teriflunomide Tablets. Glenmark launched one of the first generics, Teriflunomide (Aubagio®) Tablets. The Company also announced an exclusive distribution agreement with Cediprof for U.S. FDA-approved Mixed Amphetamines Immediate-Release Tablets.

The Company continues to develop a strong portfolio of complex generics filings, especially in injectables, and the respiratory segment. Glenmark is currently developing a generic Flovent pressurized metered dose inhaler (pMDI); a clinical trial is currently ongoing and Glenmark expects to file the ANDA in FY24. The Company intends to file at least one more generic respiratory pMDI in the U.S. in FY24 and to maintain its filing momentum thereafter.

As of March 31, 2023, Glenmark's marketing portfolio includes 183 generic products authorized for distribution in the U.S. market. The Company currently has 45 ongoing applications in various stages of the approval process with the U.S. FDA; 21 of which are Paragraph IV applications.

The Company and its US subsidiary (Glenmark Pharmaceuticals Inc., USA) have, subject to final documentation and approval of the Court, after the end of the accounting year, arrived at a settlement with Three Plaintiff Groups collectively representing all the claims against the Company and Merck in relation to multiple antitrust and consumer protection lawsuits, including a class action, consolidated in the Eastern District of Virginia, U.S. (the 'Court'), for a total amount of US$ 87.5 million, payable over two financial years. The final settlements will be in accordance with the separate agreements entered into with each of the plaintiff groups and will be subject to final approval by the Court. The settlements will make it clear that the Company denies each and every one of the allegation against it, and the settlements are not on the basis of the Company having conceded or admitted any liability, offence, wrongdoing or illegality.

EUROPE FORMULATIONS

After achieving the major milestone of exceeding annual sales of USD 200 Mn in FY22, Glenmark Europe operations' revenue sustained its strong growth in fiscal year 2023. The revenues of the European formulations business totaled ₹ 18,094 Mn in FY23, as against ₹ 15,218 Mn in FY22, recording 18.9% YoY growth. During FY23, the Europe business' contribution to the total revenues was 14%, compared to 12% in FY22. The growth was led by healthy performance in both markets of Western Europe (WEU) and Central and Eastern Europe (CEE), with most markets recording robust double-digit growth.

Key markets in the CEE, such as the Czech, achieved strong secondary sales growth of over 20% for the fiscal year 2023. This growth was an outcome of an uptick in the base business as well as new product launches during the year. The Western European business clocked high double-digit growth with markets like the United Kingdom and Spain growing substantially. Among the key markets, the UK recorded remarkable growth on the back of key launches in the generics business. Glenmark ranks among the top 15 companies in the generics market of Germany. The

Company continued to launch multiple new products across various markets in the European region.

Glenmark's respiratory portfolio in Europe continues to do well. The Company has launched RYALTRIS® in 15 markets in Europe, either directly or via its commercial partner, Menarini. The product has received strong coverage and acceptance within the first few months of launch across most markets. Over the next 18 months, RYALTRIS® will be launched in another 15 markets, covering the entire European region. Apart from RYALTRIS®, Glenmark is marketing three other branded respiratory products, namely Salmex® / Asthmex®, Tiogiva and Soprobec. All these brands continue to sustain their market shares, both, in terms of volume and value, particularly in the CEE markets.

Glenmark has a comprehensive strategy to grow its European business going forward. This entails leveraging key drivers such as sustained growth in base business, continued market share gains, new launches in the Respiratory segment and venturing into untapped markets. In the Respiratory segment, the Company has filed four additional respiratory products in the EU markets during FY23, which will be launched over the course of the next two to three years. With a view to driving further market expansion, Glenmark has recently established a presence in the Italian market and will be widening its reach across the country in the upcoming quarters.

ROW REGION (RUSSIA+CIS COUNTRIES, ASIA, MIDDLE EAST-AFRICA, LATIN AMERICA)

In FY23, revenues from the ROW region stood at ₹ 23,777 Mn, as against ₹ 21,672 Mn in FY22, representing a growth of 9.7%. Excluding the one-time sales of COVID-19-related portfolio in FY22, the YoY growth in the ROW markets was ~13% in FY23. The ROW business contribution remained 18% in FY2023, similar to that in FY22. The Company witnessed healthy growth in the base business across all the sub-regions of ROW.

Russia + CIS region

According to IQVIA YTD March 2023 and MAT March 2023 data, Glenmark's Russia business clocked a growth of 10.3% in value versus the overall retail market growth of 1.8%. This expansion has been driven by all key brands, including RYALTRIS®, Ascoril® and Montlezir™. RYALTRIS® continued to gain traction and achieve further market share during the year. Throughout the year under review, four new products were introduced in the market, including Fenismart™ (dimetindene) gel and Phelisans™ (phenasone + lidocaine) ear drops. In terms of key therapeutic areas, Glenmark recorded growth of 12% in value in the Dermatology segment versus the overall Dermatology market growth of 6.7% based on IQVIA™ MAT March 2023. Among the Dermatology companies in Russia, Glenmark ranks 11th, according to IQVIA™ MAT March 2023. In the Expectorants market in Russia, Glenmark continues to maintain a leading position, ranking 2nd as revealed by IQVIA™ MAT March 2023.

Asia region

The overall environment remained challenging in some of the Asian markets, such as Sri Lanka, Myanmar, Vietnam and Cambodia. Among the key markets in the Asia region, the Philippines has maintained double-digit secondary growth. Glenmark's' major therapy areas in Asia are Dermatology and Respiratory, which contribute significantly to overall sales. The Company launched RYALTRIS® in the Malaysian market in the fourth quarter of FY23. It continues to gain market share in Australia, with 18.1% of the top allergic rhinitis products. Launched in South Korea in the third quarter of FY23 by Glenmark's partner, Yuhan, RYALTRIS® has witnessed rapid acceptance, with a double-digit share of the allergic rhinitis combination market.

Middle East-Africa region

During FY 2023, the Middle East and Africa region recorded over 20% surge in secondary sales (excluding the one-time sales of COVID-19-related portfolio in FY22). The Kenya market was hit by macroeconomic instability and currency devaluation in FY23. However, Glenmark's business remained resilient, and the Company continued to be ranked 3rd in the overall

Kenya Pharmaceutical Market. Additionally, the Company continued to achieve impressive secondary sales growth in South Africa and Saudi Arabia. Respiratory and Dermatology together accounted for ~60% of the overall sales in the MEA region. RYALTRIS® is expected to further drive growth in the Respiratory segment as the product gets launched across multiple MEA markets in the first half of FY24.

Latin America region

LATAM witnessed strong growth throughout FY23. The Respiratory portfolio remains the primary contributor for Glenmark in the LATAM markets. Glenmark Brazil achieved the highest growth rate among the top 20 companies in the covered market. The Company retained its leading position among the top companies in the covered market of the chronic respiratory segment in Brazil, according to IQVIA MAT March 2023. Secondary sales growth remained strong in Mexico, with Glenmark's business growing by over 60% in value and 50% in units (IQVIA MAT March 2023), while the overall Mexican Pharmaceutical Market grew at ~7% and the growth in the covered market was ~17%.

GPL Innovative R&D Pipeline

RYALTRIS®

- As of FY23, marketing applications for RYALTRIS® have been submitted to over 70 countries worldwide. The product has been commercialized in 27 markets, including major markets like the USA, Europe (the UK and multiple markets across the EU), Australia, Russia, South Africa, and South Korea.
- Menarini, Glenmark's partner in the EU, initiated the commercial launch in Austria, Belgium, France, and Spain in the fourth quarter, and intends to launch the product in additional EU markets in FY24.
- Hikma, Glenmark's commercial partner in the USA, launched RYALTRIS® in the second quarter of FY23 and continued to see strong new prescriptions and repeat prescription growth as the allergy season progressed in the country. Hikma also recently served on a clinical advisory board and received positive feedback for RYALTRIS® from 14 senior allergy physicians in the USA.
- Grand Pharmaceutical (China) Co. Ltd., Glenmark's partner in Mainland China, has been conducting the Phase 3 clinical study in China and submitting the marketing authorization application in the second half of FY24.
- The value market shares of RYALTRIS® in key geographies as of March 2023 are listed below (Top 10 products within 'R1A1 – Nasal Corticosteroids without Anti-Infectives' category according to IQVIA + RYALTRIS®)

18.1%
Australia

10.3%
South Africa

15.6%
Czech Republic

5.6%
Poland

GRC 54276

GRC 54276 (HPK1 Inhibitor) is being developed as an orally administered immunotherapeutic agent for patients with solid tumors. Hematopoietic progenitor kinase 1 (HPK1) is a negative regulator of T and B cell receptor signaling and an attractive therapeutic strategy for immuno-oncology-based treatment for cancer. GRC 54276 is a novel, orally active HPK1 inhibitor. In pre-clinical studies, when administered alone, GRC 54276 has demonstrated substantial anti-tumor effects, which are further enhanced when combined with currently available immunotherapy.

GRC 54276 is currently being evaluated in the First in Human (FIH) Phase 1 clinical trial (GRC 54276-101). Part 1a of the monotherapy phase of the study has been ongoing in India since July 2022, and no dose-limiting toxicities have been observed during the DLT period so far. Acceptance of IND by the U.S. FDA was received in the fourth quarter of FY23. Initiation of Part 1b of the study for GRC 54276 in combination with pembrolizumab and atezolizumab is scheduled to begin in India and the U.S. in Q1 FY24.

GRC 39815

The Company's respiratory pipeline asset, GRC 39815 (a RORγt inhibitor), is being developed as an inhaled therapy for treating mild-to-moderate Chronic Obstructive Pulmonary Disorder (COPD). It is now in Phase 1 clinical development in the U.S.

Acceptance of IND for GRC 54276 by the U.S. FDA was received in the fourth quarter of FY23.

GLENMARK LIFE SCIENCES LTD. (GLS)

Glenmark Life Sciences is focused on the manufacturing and marketing of Active Pharmaceutical Ingredients (API) products across all major global markets. It also includes captive sales (i.e., the use of API by GPL for its own formulations).

For the fiscal year 2023, Glenmark Life Sciences registered external sales of ₹ 14,582 Mn, as against ₹ 12,709 Mn in FY22, recording a YoY growth of 14.7%.

ICHNOS SCIENCES Inc.

For the fiscal year FY23, Glenmark invested ₹ 6,833 Mn (USD 85.2 Mn) compared to ₹ 6,627 Mn (USD 89.1 Mn) invested in the previous financial year.

Key Objectives for FY24

- Consolidated Revenue Growth: 10-11%
- Consolidated R&D Investment: 8-8.5% of total sales
- Consolidated EBITDA Margin: 19-20%+
- Consolidated Capex: ₹ 6-7 Bn
- Priority to enhance free cash generation for further debt reduction
- Close at least 1 out-licensing deal in the innovation pipeline

Overview of the Financial performance

STATEMENT OF PROFIT AND LOSS

1. Growth in Revenue

- Revenue for the period under review was ₹ 129,901 Mn, registering a growth of 5.6% over the previous year. The growth was slightly lower due to the high base in FY22 (as a result of one-time sales of COVID-19-related portfolio). The Europe and ROW regions recorded strong double-digit growth and the API business also registered external sales growth of ~15%.

2. Growth in EBITDA and EBITDA margin

- The company reported EBITDA of ₹ 22,784 Mn, registering a marginal decline of -1.8% over the previous year. The EBITDA margin was 17.5% as against 18.9% reported in the previous year. The reduction in EBITDA margin was due to the increase in employee benefit expenses and other expenses (particularly sales and marketing costs), which was partially offset by an improvement in gross margins during FY23.

3. Research and Development expenditure

- R&D costs in the period under review were ₹ 12,500 Mn, representing 9.5% of total revenues. Of this, expenditure related to Ichnos was ₹ 6,833 Mn.

BALANCE SHEET

1. Movement in debt and debt to equity

- Gross debt for the company stood at ₹ 43,477 Mn at the end of FY 23, as against ₹ 36,703 Mn at the end of the previous year. Net debt (after adjusting for cash in hand) stood at ₹ 29,047 Mn at the end of the period under review, as against ₹ 22,598 Mn last year. The increase in net debt was mainly due to the movement in currencies (rupee vs. dollar) as well as an increase in working capital during the year.

2. Capex and its impact on Fixed assets

- Capital expenditure during the year was ₹ 6,327 Mn as against ₹ 7,895 Mn during the last financial year. Of this, Capital expenditure related to Tangibles was ₹ 5,310 Mn as against ₹ 6,121 Mn in the last financial year. Expenditure on Intangibles (including computer software) was ₹ 1,017 Mn, representing a decline of 42.7% as compared to the previous financial year.

3. Working capital management – Receivables / Inventory and working capital cycle.

- The Company had debtors of ₹ 40,986 Mn at the end of the period under review, representing 115 debtor days as compared to ₹ 31,011 Mn and 92 debtor days in the previous year. Similarly, the Company had ₹ 29,778 Mn of inventory, representing 84 inventory days, as compared to ₹ 24,998 Mn and 74 inventory days in the previous year. Net working capital days were 132 days as compared to 98 days in the previous year.

Board's Report 2022-23

Your Directors have pleasure in presenting the 45th Annual Report on business and operations of the Company together with the Audited Financial Statements of the Company for the Financial Year (F.Y.) ended 31 March 2023.

FINANCIAL RESULTS:

(₹ in million)

Year ended 31 March 2022		Particulars	Year ended 31 March 2023	
Standalone	Consolidated		Standalone	Consolidated
81,415.81	123,049.03	Gross Total Revenue	82,206.62	129,901.10
19,071.13	17,021.59	Profit before tax and exceptional item	20,677.42	16,343.05
19,977.89	9,936.49	Profit for the year (after tax and attributable to shareholders)	12,087.69	3,774.00
16.05	266.49	Other Comprehensive Income for the year (not to be reclassified to P&L)	6.32	138.99
-	500.62	Other Comprehensive Income for the year (to be reclassified to P&L)	-	1398.28
129,218.59	72,336.18	Surplus brought forward from last balance sheet	148,639.58	92,109.07
149,345.00	92,814.49	Profit available for appropriation	160,733.59	95,275.81
		Appropriations:		
705.42	926.15	Dividend	705.42	1367.62

The Company has not transferred any amount out of the profit of the year to the General Reserves.

DIVIDEND

The Dividend Distribution Policy of the Company has been formulated to ensure compliance with the provisions of Regulation 43A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The policy is uploaded on the Company's website at the link: https://glenmark.b-cdn.net/gpl_pdfs/about_us/Dividend-Distribution-Policy.pdf.

In line with the said Policy, the Board has recommended a Dividend of 250% (₹ 2.50/- per equity share of ₹ 1 each) to be appropriated from the profits of the F.Y. 2022-23 subject to the approval of the Shareholders at the ensuing Annual General Meeting ('AGM'). The dividend will be paid in compliance with applicable Section of the Companies Act, 2013 ('Act') & Listing Regulations. The dividend, if approved, will result in an outflow of ₹ 705.42 million.

RESULTS OF OPERATIONS

INDIAN ACCOUNTING STANDARDS (IND AS)

Financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

On Standalone basis the Company achieved gross revenue of ₹ 82,206.62 million as compared to ₹ 81,415.81 million in the previous year and the Standalone operating profit before tax and exceptional item was ₹ 20,677.42 million as compared to ₹ 19,071.13 million in the previous year.

On Consolidated basis the Company achieved a gross revenue of ₹ 129,901.10 million as compared to ₹ 123,049.03 million in the previous year and the Consolidated operating profit before tax and exceptional item was ₹ 16,343.05 million as compared to ₹ 17,021.59 million in the previous year.

INTEGRATED REPORT

The Company has voluntarily provided the Integrated Report, which includes both financial and non-financial information. The Integrated Report also covers aspects such as materiality assessment, forward looking strategy, value creation model, corporate governance, risk management, performance and prospects of value creation based on the six forms of capitals viz. financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital and natural capital.

CORPORATE GOVERNANCE

The Company believes Corporate Governance is at the core of stakeholder satisfaction. As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditor confirming compliance with the aforesaid Regulations forms an integral part of this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mrs. Blanche Saldanha (DIN-00007671), retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. The Board has recommended her re-appointment for consideration of the Shareholders.

Relevant details including profile of Mrs. Saldanha seeking the re-appointment are included separately in the Notice of AGM.

- **Appointment of Mrs. Vijayalakshmi Rajaram Iyer (DIN-05242960) as Non-Executive-Independent Director:** On the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held on 10 February 2023, subject to the approval of Shareholders had appointed Mrs. Vijayalakshmi Rajaram Iyer as an Additional Director (Non - Executive Independent Director) for a term of 5 (Five) consecutive years effective from 10 February 2023 to 9 February 2028.

  Pursuant to Regulation 17(1C) of Listing Regulations, the appointment of Mrs. Vijayalakshmi Rajaram Iyer as Non - Executive Independent Director was proposed for the approval of the shareholders within a period of 3 months from the date of her appointment by the Board. The special resolution proposed for the appointment of Mrs. Vijayalakshmi Rajaram Iyer was approved by the Shareholders on 14 April 2023, with requisite majority through Postal Ballot.

- **Re-appointment of Mr. V. S. Mani as an Executive Director & Global Chief Financial Officer :** On the recommendation of the Nomination & Remuneration Committee, and the Audit Committee the Board at its meeting held on 19 May 2023, subject to the approval of shareholders had re-appointed, Mr. V.S. Mani as an Executive Director & Global Chief Financial Officer for a term of 3 (Three) consecutive years with effect from 29 May 2023. Pursuant to Regulation 17(1C) of Listing Regulations, the re-appointment of Mr. V.S. Mani as an Executive Director & Global Chief Financial Officer will be proposed for the approval of the shareholders within a period of 3 months from the date of his appointment by the Board.

INDEPENDENT DIRECTORS:

All Independent Directors have declared that they meet the criteria of Independence as laid down under Section 149(6) of the Act and Regulation 16(b) of the Listing Regulations.

In terms of Regulation 25(8) of the Listing Regulations, all the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended. Mr. Dipankar Bhattacharjee has successfully cleared the online proficiency self-assessment test conducted by IICA within the time limit prescribed under the Act, whereas all the other directors are exempted from passing the online proficiency test.

All the Independent Directors have affirmed compliance with the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Act.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings.

KEY MANAGERIAL PERSONNEL:

In terms of Section 203 of the Act the following are the Key Managerial Personnel (KMP) of the Company:

- Mr. Glenn Saldanha - Chairman & Managing Director
- Mrs. Cherylann Pinto – Whole Time Director - Corporate Services
- Mr. V. S. Mani–Executive Director & Global Chief Financial Officer
- Mr. Harish Kuber - Company Secretary & Compliance Officer

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As per Section 129(3) of the Act, and Listing Regulations, the Consolidated Financial Statements of the Company and all its subsidiaries for the F.Y. ended 31 March 2023 prepared in accordance with Ind AS forms part of the Annual Report. Further, in terms of the first proviso of Section 129(3) of the Act and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014 a statement containing the salient features, performance and financial position of the subsidiaries in the prescribed Form AOC-1 is appended herewith as Annexure I to the Report.

Further, a wholly owned subsidiary of the Company in the name of "Glenmark Healthcare Limited" was incorporated on 12 May 2023.

The Audited Accounts of the subsidiaries together with its Board's Report and Auditors' Report are available for inspection of members on any working day at the Corporate Office of the Company between 11:00 a.m. to 1:00 p.m. The Company will also make available these documents upon request by any member of the Company interested in obtaining the same.

The policy for determining material subsidiaries may be accessed on the Company's website at the link: https://glenmarkpharma.com/about-us/governance/

DIVESTMENTS OF BRANDS AND SUB-BRANDS

During the year :

- The Company entered into an agreement with J.B. Chemicals & Pharmaceuticals Limited to divest its cardiac brand, Razel (Rousvastatin and combinations), in India and Nepal. Razel and its combinations are indicated for the management of dyslipidemia.
- The Company entered into an agreement with Eris Oaknet Healthcare Private Limited, a wholly owned subsidiary of Eris Lifesciences Limited to divest the Tail Brands such as Onabet, Halovate, Sorvate, Luligee, Demelan, Aceret, Dosteil, Revize, and Powercort and their sub-brands from its dermatology segment for India and Nepal territories.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations of the Company, as required under Schedule V of Listing Regulations is provided in a separate section and forms an integral part of this report.

RELATED PARTY TRANSACTIONS

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act in the prescribed Form AOC-2 is appended as Annexure II to this report.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Company avails professional advisory services from Trilegal, a firm in which one of the Directors of the Company is a partner.

In terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, the Company has formulated Policy on Related Party Transactions and its Materiality. The policy on Related Party Transactions and its Materiality in line with the SEBI (LODR) (Sixth Amendment) Regulations, 2021 is available on the Company's website at the link: https://glenmarkpharma.com/about-us/governance/.

In terms of Regulation 23 of the Listing Regulations, the Company submits details of related party transactions as per the format specified in the relevant accounting standards/ SEBI notification to the stock exchanges on a half-yearly basis.

AUDITORS AND AUDITORS' REPORT

- **STATUTORY AUDITORS:**

  At the 42nd Annual General Meeting held on 29 September 2020, the members approved the appointment of M/s. Suresh Surana & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 121750W/W-100010) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of 47th Annual General Meeting.

  The report given by the Statutory Auditor on the financial statements of the Company forms part of the Annual Report. There is no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditor in their report.

- **COST AUDITORS:**

  The Board, on the recommendation of the Audit Committee, has re-appointed M/s. Sevekari, Khare & Associates (Registration No. 000084) as Cost Auditors to audit the cost records of the Company for the F.Y. 2023-24 at a remuneration of ₹ 2.31 million.

  The Company has received consent from M/s. Sevekari, Khare & Associates to act as Cost Auditor for conducting the cost audit of the Company for F.Y. ending 31 March 2024.

  Pursuant to Section 148 of the Act, read with The Companies (Cost Records and Audit) Rules 2014, as amended from time to time, the cost audit records maintained by the Company are required to be audited. In terms of the provisions of the Act, the remuneration payable to Cost Auditors is required to be ratified by the Shareholders at the ensuing Annual General Meeting and accordingly, a resolution seeking ratification has been included in the Notice convening the AGM.

  INTERNAL AUDITORS:

  Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, the Board, on the recommendation of Audit Committee has appointed Aneja Associates, Chartered Accountant as the Internal Auditor of the Company. The internal audit was also carried out by other audit firms having requisite expertise and resources.

- **SECRETARIAL AUDITORS:**

  In terms of Section 204 of the Act, the Board of the Company at its meeting held on 19 May 2023 has appointed Mr. Surjan Singh Rauthan, proprietor of M/s. S. S. Rauthan & Associates, Company Secretaries, to conduct an audit of the secretarial records for the F.Y. 2023-24.

  The Company has received consent from Mr. Surjan Singh Rauthan, proprietor of M/s. S. S. Rauthan & Associates, Company Secretaries to act as the auditor for conducting audit of the Secretarial records for the F.Y. ending 31 March 2024.

  The Secretarial Audit Report for the F.Y. ended 31 March 2023 is appended herewith as Annexure III to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

The Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

CHANGES IN CAPITAL STRUCTURE

There was no change in paid-up share capital in the F.Y. 2022-23.

EMPLOYEE STOCK OPTIONS SCHEME 2016

At the Annual General Meeting of the Company held on 12 August 2016, the Shareholders had approved a Scheme 'Glenmark Pharmaceuticals Limited - Employee Stock Options Scheme 2016' ("ESOS 2016") under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and other applicable laws, Regulations, etc. for the purpose of granting options to the permanent employees of the Company and its subsidiaries, as applicable.

At the Annual General Meeting of the Company held on 29 September 2017 the Shareholders approved the amendment to the Scheme in relation to re- pricing of the options granted from ₹ 800 to ₹ 600 and maximum number of options that would be granted would be upto 1% of the paid up share capital of the Company as at 31 March 2017 i.e. ₹ 282,168,156/- (282,168,156 Equity Shares of ₹ 1/- each) i.e. 2,821,682 options which upon exercise would result in the issue of 2,821,682 shares of ₹ 1/- each.

During the F.Y. 2022-23, no options were issued, exercised, or cancelled. As of 31 March 2023, 78,717 options were outstanding.

On exercising the convertible options so granted, the paid-up equity share capital of the Company will increase by a like number of shares.

The information in compliance with Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended is appended herewith as Annexure IV to this Report.

FINANCE

U.S. $ 200,000,000, 2.00 % Resettable Onward starting equity-linked securities (Bonds):

The Company had issued Bonds on 28 June 2016. The Bonds become convertible at the option of the holders' of the Bonds (the "Bondholders") after 1 December 2017 and upto the close of business on 18 June 2022 into equity shares. Each Bond will be convertible at the option of the holder thereof into fully paid equity shares at the initial conversion price determined on 30 November 2017.

On 30 November 2017, the Company set the initial conversion price (i.e. the price at which the ordinary shares of the Company will be issued upon conversion of Bonds subject to any further adjustments according to conditions) at ₹861.84 as determined in accordance with condition 6.1.3 of the Trust deed. As of 31 March 2022, none of the Bondholders have opted for the conversion option.

On 30 November 2017, the Company confirmed the fixed exchange rate as ₹64.5238 in accordance with the condition 6.1.1 (b) of the Trust Deed dated 28 June 2016 which provides that the fixed exchange rate shall be the FX rate (INR per U.S. $ 1) based on Bloomberg's "BFIX" USD/INR spot mid-price rate 12.00 (Hongkong time) on 30 November 2017.

Unless previously converted, redeemed or purchased and cancelled, the Bonds were to be redeemed on 28 June 2022 (Maturity Date) at 126.42% of their principal amount, together with accrued interest (if any), calculated up to but excluding the Maturity Date. The Company may, at its own discretion, redeem the Bonds in whole, but not in part, subject to satisfaction of certain conditions.

As per the original Trust Deed, each Bondholder has the right to require the Company to redeem in whole or in part, such Bondholder's Bonds, on 28 July 2021 (Put Option Date), at a price equal to 121.78% of its outstanding principal amount of Bonds, together with interest (if any) accrued but unpaid on 28 July 2021. This is amended in April, 2021(see note below on Tender Offer and Consent Solicitation).

The FCC Bonds were partially bought back in October 2018 (see note below on Buyback). In addition to that, the Company approved for tender and consent solicitation for amendment of FCC Bonds in February, 2021 (see note below on Tender Offer and Consent Solicitation). Further, the FCC Bonds were partially bought back in September, 2021 and April 2022 (see note below on Buyback). The balance outstanding FCC Bonds were redeemed in May, 2022 (see note below on Buyback).

The FCC Bonds were delisted from the Singapore stock exchange in May, 2022.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – October, 2018:

In September 2018, the Company approved the launch of buyback of FCC Bonds ("Buyback FCCBs") from existing holders of FCC Bonds ("Buyback Bondholders"). MUFG Securities Asia Limited and J.P. Morgan Securities Limited were appointed as dealer managers, on behalf of the Company to buyback FCC Bonds at a buyback price of 105% of the principal amount outstanding (being U.S. $ 262,500 for each U.S. $ 250,000 of FCC Bonds), up to an aggregate purchase price of U.S. $ 100 million plus accrued and unpaid interest per FCC Bond. In October 2018, the Company agreed to buyback U.S. $ 86.5 million in aggregate principal amount (representing 346 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. These Buyback FCCBs represented 43.25% of the aggregate FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 90,825,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 113.5 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook buyback to monetize the opportunity available and to push maturity of external debt. The Company utilised proceeds from an unsecured External Commercial Borrowing facility of up to U.S.$ 100 million ("ECB Facility") from MUFG Bank, Ltd., Singapore Branch, to refinance these Bonds.

Tender Offer of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 and Consent Solicitation from Bondholders – April, 2021:

In March, 2021, the Company announced a launch of a tender offer of the FCC Bonds. The Hong Kong and Shanghai Banking Corporation Limited was appointed as the Dealer Manger on behalf of the Company to tender an aggregate principal amount of up to U.S. $ 38.5 million at a purchase price of 120.30% of the principal amount of the FCC Bonds **(Tender Offer)** and also invited the holders of the FCC Bonds to approve the amendment of the optional put notice period from not later than 30 days nor more than 60 days prior to the Put Option Date to a minimum of 150 days prior to the Put Option Date by passing an Extraordinary Resolution **(Consent Solicitation).**

Tender Offer: In April, 2021, an aggregate principal amount of U.S. $ 36.75 million (representing 147 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) were validly tendered pursuant to the Offer. These tendered FCC Bonds represented 32.38% of the outstanding FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 44,210,250 plus accrued but unpaid interest. Following settlement, the tendered FCC Bonds were cancelled and U.S. $ 76.75 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook this tender to manage the Company's debt maturity profile by reducing near-term repayable outstanding indebtedness and to reduce interest costs. The Company utilised proceeds from unsecured External Commercial Borrowing facilities from Fifth Third Bank and International Finance Corporation to refinance these Bonds.

Consent Solicitation: An Extraordinary Resolution was duly passed at the Bondholders Meeting held on 12 April 2021, with 99.78 per cent. of votes cast in favour of the amendment to the optional put notice period. The Company also executed the Supplemental Trust Deed to make the amendment effective from 12 April 2021.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – September, 2021:

In September 2021, the Company executed a discrete buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 1 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 120.30% of the principal amount (representing

4 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 15 September, 2021, the Company paid an aggregate purchase price of U.S. $ 1,203,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 75.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – April and May, 2022:

In April 2022, the Company executed a buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 75 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 125.26% of the principal amount (representing 300 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 7th April, 2022, the Company paid an aggregate purchase price of U.S. $ 93,945,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 0.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Following the above buyback in April, 2022, the Company issued a Notice of early redemption to the remaining holders of FCC Bonds for principal value of outstanding U.S. $ 0.75 million for redemption in May, 2022. On 9 May, 2022, the Company paid an aggregate amount of U.S. $ 9,42,860.24 for the Buyback FCCBs, plus accrued but unpaid interest and concluded the redemption of FCC Bonds as per the terms of the Trust Deed.

Subsequently, the FCC Bonds were delisted from the Singapore stock exchange.

U.S. $ 90,825,000, MUFG Bank, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 100 million. In October 2018, the ECB Facility for U.S. $ 90,825,000 was raised and the proceeds were utilized for the purpose of repurchasing the FCC Bonds. The ECB Facility was raised from MUFG Bank, Singapore with an initial maturity of 5 years. The interest rate for the first 3 years is 4.956% p.a. and the interest for the subsequent 2 years is 5.25% p.a.

However, in December, 2021, the loan was extended to bullet maturity of December, 2026. The interest rate was fixed at 4.69% p.a. up to September, 2023 and thereafter at an interest margin of 2.15% p.a. over SOFR.

U.S. $ 40,000,000, International Finance Corporation (IFC), ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 40 million. The ECB Facility for U.S. $ 40 million was executed in February, 2021 and the Company availed U.S. $ 16,574,250 in April, 2021 and the proceeds were utilized for the purpose of refinancing the FCC Bonds. The Company further availed U.S. $ 7,500,000 and U.S. $ 1,203,000 in June, 2021 and September, 2021 respectively. The ECB Facility was raised from International Finance Corporation with a maturity of 5.7 years. The interest margin over U.S. $ LIBOR was 3.08%p.a. up to September, 2021 ; 2.83%p.a. up to June 2023 and 3.26% over SOFR thereafter.

U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 228 million. During March 2022, the Sustainability linked loan for U.S. $ 228 million was raised and the proceeds were utilized for the purpose of refinancing the U.S. $ 200 million Syndication loan and U.S. $ 28 million Fifth Third Bank loan. The ECB Facility was raised from 10 Foreign banks with a maturity of 5 years. The interest margin is 1.75%p.a. over SOFR.

CREDIT RATINGS:

- S&P Global has affirmed Long term Rating as 'BB', Outlook 'Stable'.
- Fitch Ratings has affirmed Long-Term Issuer Default Rating (IDR) as 'BB', Outlook 'Stable'
- CRISIL has affirmed Long- Term Rating as 'AA-' and Outlook 'Stable' Short- Term Rating reaffirmed as A1+.
- India Ratings and Research (Ind-Ra) has affirmed Long-Term Rating as 'AA-' and revised Outlook to 'Stable' from 'Positive'. Short- Term Rating affirmed at A1+.

LISTING AT STOCK EXCHANGES

The Equity shares of the Company continue to be listed on BSE Limited and The National Stock Exchange of India Limited.

FCCB Bonds were listed on Singapore Exchange Limited. They were delisted on 9 May 2022.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Act, read with Rule 8 of The Companies (Accounts) Rules 2014 is appended herewith as Annexure V to this Report.

ANNUAL RETURN

Pursuant to Section 92 read with Section 134(3)(a) of the Act, the Annual Return as on 31 March 2023 is available on the Company's website at https://glenmarkpharma.com/investors/reports-presentations/.

UNCLAIMED DIVIDEND/ SHARES

In pursuance of Regulation 39 read with Schedule VI of the Listing Regulations, the details of underlying shares in unclaimed suspense account and unclaimed shares / dividend transferred to IEPF, are provided in the Report on Corporate Governance.

PARTICULARS OF EMPLOYEES & REMUNERATION

Information as required under the provisions of Section 197(12) of the Act, read together with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended herewith as Annexure VI to this report.

The information required pursuant to Section 197(12) of the Act, read with Rules 5(2) & 5(3) of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is appended herewith and forms part of the Report. Any member interested in obtaining a copy thereof, may write an email to complianceofficer@glenmarkpharma.com.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company believes in giving back to society in some measure that is proportionate to its success in business. CSR aims at balancing the needs of all stakeholders. The Company's CSR initiative goes beyond charity and believes that as a responsible Company it should take into account its impact on society as much as creating business impact.

The report on the CSR activities undertaken by the Company in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 including the composition of the CSR Committee is appended herewith as Annexure VII to this Report.

The CSR Policy of the Company is available on the Company's website at https://glenmarkpharma.com/about-us/governance/.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sections 134(3)(c) and 134(5) of the Act, the Directors confirm that –

i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii. appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2023 and of the profit of the Company for the year ended 31 March 2023;

iii. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the annual accounts have been prepared on a going concern basis;

v. have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively;

vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

BOARD PERFORMANCE EVALUATION

The Company believes that the process of performance evaluation at the Board level is pivotal to its Board engagement and effectiveness. The Nomination and Remuneration Policy of the Company empowers the Board to formulate a process for effective evaluation of the performance of individual directors, Committees of the Board and the Board as a whole pursuant to the provisions of the Act and Regulation 17 and Part D of Schedule II to the Listing Regulations.

The Board has carried out the annual performance evaluation of its own performance, Committees of the Board and each Director individually. The Company has adopted a web based application to carry out annual performance evaluation process. The Director receives evaluation questionnaire through the application which can be accessed through the ipads. The said application is password protected and highly secured. A questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as Diversity of the Board, composition and adequate committees, functional dynamics, Governance, Board Relationships etc.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, strategic vision of director, involvement, professional independence etc.

The Independent Directors of the Company met on 17 March 2023 without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole; review the performance of the Chairman and Managing Director of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the Board of Directors.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibilities as an Independent Director, the working of the Company, changes in the regulatory environment, etc. The Board members are regularly updated regarding key developments and any important regulatory amendments applicable to the Company.

During the F.Y. 2022-23, the Company had conducted exclusive session for Independent Directors on Regulatory and Compliance updates with the help of an external agency.

The familiarization programme may be accessed on the Company's website at https://glenmarkpharma.com/about-us/governance/.

BOARD AND COMMITTEE MEETINGS

A calendar of Board and Committee Meetings to be held during the year was circulated well in advance to the Directors. Five Board Meetings were convened and held during the year. The Board at its meeting held on 10 February 2023, has reconstituted Audit Committee with Mr. Rajesh Desai as the Chairman and Mr. Sridhar Gorthi, Mr. Devendra Raj Mehta and Mrs. Vijayalakshmi Iyer as members. There have been no instances during the year where recommendations of the Audit Committee were not accepted by the Board.

Details of the Composition, attendance of members and other details of the Board and its Committees, are provided in the Corporate Governance Report, which forms an integral part of this Report. The intervening gap between the Meetings was within the period prescribed under the Act and Listing Regulations.

NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178(4) of the Act and Regulation 19(4) of Listing Regulations the policy on the appointment of Directors including Independent Directors, KMP and Senior Management and the policy on remuneration of the Directors, KMP and other employees provides a referendum based on which the Human Resource Management Team plans and strategizes their recruitment plans for the strategic growth of the Company. The Nomination & Remuneration Policy may be accessed on the Company's website at https://glenmark.b-cdn.net/gpl_pdfs/about_us/nomination_and_remuneration_policy.pdf

RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

The Company has put in place an Enterprise Risk Management Policy. The Risk register is updated at regular intervals. In terms of the provision of section 134 of the Act, a detailed note on Risk Management has been provided in the Integrated Report.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, factories and key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

HUMAN RESOURCES

Company's industrial relations continued to be harmonious during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees and investments covered under Section 186 of the Act, form part of the notes to the standalone financial statements forming a part of this Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT ('BRSR')

The Company endeavours to cater to the needs of the communities it operates in thereby creating maximum value for the society along with conducting its business in a way that creates a positive impact and enhances stakeholder value. As per Regulation 34(2)(f) of the Listing Regulations and in line with the SEBI Circulars dated May 5, 2021 and May 10, 2021, the Company has adopted the BRSR disclosing initiatives by the Company taken from an environmental, social and governance perspective. The Company has presented the BRSR, for F.Y. 2022-23 under a Separate section.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
4. No significant or material orders were passed by the regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment of Women at Workplace Act") and Rules framed thereunder and an Internal Complaints Committee has also been set up to redress complaints received regarding sexual harassment.

The Company has ensured wide dissemination of the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act by constituting internal complaint committee and conducting sessions throughout the Company.

Two (2) complaints were received and addressed during the F.Y. 2022-23, under the Sexual Harassment of Women at Workplace Act. No Complaint was pending as on 31 March 2023.

The Company is committed to providing safe and conducive work environment to all of its employees and associates.

WHISTLEBLOWER POLICY AND VIGIL MECHANISM

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism. No personnel of the Company has been denied access to the Chairperson of the Audit Committee. The Whistleblower Policy and Vigil Mechanism ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistleblower. The Company, as a Policy, condemns any kind of discrimination, harassment, victimisation or any other unfair employment practice being adopted against Whistleblowers. The Whistleblower Policy may be accessed on the Company's website at https://glenmarkpharma.com/about-us/governance/.

GREEN INITIATIVE

The MCA had undertaken the Green Initiative in Corporate Governance by allowing paperless compliances by companies through electronic mode. We request all the shareholders to support the 'Green Initiative' of the Ministry of Corporate Affairs and the Company's continuance towards greener environment by enabling the service of the Annual Report, AGM Notice and other documents electronically to your email address registered with your Depository Participant/ Registrar and Share Transfer Agent. The Company appeals to you, its Shareholders, who are yet to register the e-mail addresses that they take necessary steps for registering the same so that you can also become a part of the initiative and contribute towards a greener environment.

APPRECIATION AND ACKNOWLEDGEMENTS

The Directors express their gratitude to the Company's customers, shareholders, business partners' viz. distributors and suppliers, medical profession, Company's bankers, financial institutions including investors for their valuable sustainable support and co-operation.

The Directors commend the continuing commitment and dedication of employees at all levels.

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Place: Mumbai
Date: 19 May 2023

ANNEXURE I

Form No. AOC 1

Statement containing salient features of the Financial Statements of Subsidiaries / Associates / Joint Ventures

₹ in Million

Sr. No.	Name of Company	Glenmark Pharmaceuticals (Kenya) Limited	Glenmark Pharmaceuticals (Australia) Pty Ltd., Australia	Glenmark Impex LLC , Russia	Glenmark Pharmaceuticals Sdn. Bhd.,Malaysia	Glenmark Pharmaceuticals Nigeria Ltd., Nigeria	Glenmark South Africa (Pty) Ltd	Glenmark Philippines Inc., Philippines	Glenmark Pharmaceuticals FZE (UAE)	Glenmark Pharmaceuticals EGYPT (S.A.E.)	Glenmark Pharmaceuticals South Africa (Pty) Ltd.,South Africa	Viso Farmaceutica S.l.U - Spain	Glenmark Therapeutics Inc, USA	Glenmark Uruguay S.A.	Glenmark Pharmaceuticals Mexico, SA DE CV	Glenmark Pharmaceuticals Venezuela, CA	Glenmark Pharmaceuticals Peru SAC	Glenmark Farmaceutica Ltda, Brazil	Ichnos Sciences SA (Formerly known as Glenmark Pharmaceuticals S. A.)	Glenmark Holding S.A., Switzerland (GHSA)
1	Share Capital	97.18	101.72	1,435.61	97.72	208.97	0.77	116.70	12.92	421.73	0.00	0.22	-	517.30	1,695.29	715.13	829.71	12,772.23	25,029.10	85,376.58
2	**Reserves**	**(39.64)**	**(105.00)**	**2,837.87**	**192.53**	**(430.64)**	**509.07**	**234.16**	**576.28**	**(604.34)**	**(145.32)**	**154.46**	**850.43**	**299.55**	**(876.04)**	**(2,368.62)**	**(701.70)**	**(10,549.79)**	**(16,105.62)**	**(36,939.66)**
3	Total Assets	1,861.30	2.26	4,771.20	1,080.23	226.13	509.86	661.10	688.71	117.90	878.44	429.29	977.86	821.41	1,250.50	0.00	162.56	5,402.03	12,372.45	128,837.46
4	Total Liabilities	1,803.76	5.54	497.72	789.98	447.80	0.02	310.24	99.51	300.51	1,023.76	274.61	127.43	4.56	431.25	1,653.49	34.55	3,179.59	3,448.97	80,400.54
5	Investment (except in case of investment in subsidiaries)																			
6	Turnover	1,422.74	-	6,022.18	1,456.25	-	-	734.83	141.37	250.44	1,243.29	646.35	22.90	-	1,500.94	-	182.32	1,628.81	434.52	-
7	Profit/(Loss) before tax	(209.82)	(20.58)	1,095.61	53.28	(49.81)	(0.06)	43.01	90.58	(172.18)	28.83	36.25	(70.95)	(0.99)	112.29	-	12.34	(896.56)	(6,085.33)	767.64
8	Provision for Tax	(55.01)	-	225.47	13.80	(14.94)	-	8.23	-	-	10.88	6.84	(53.51)	0.05	(6.44)	-	15.14	334.80	68.72	3.21
9	**Profit/(Loss) After Tax**	**(154.81)**	**(20.58)**	**870.14**	**39.48**	**(34.78)**	**(0.06)**	**34.78**	**90.58**	**(172.18)**	**17.95**	**29.41**	**(17.44)**	**(1.04)**	**118.73**	**-**	**(2.80)**	**(561.76)**	**(6,154.05)**	**764.43**
10	Proposed Dividend																			
11	% of Shareholding	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
12	Currency	KES	AUD	RUB	RM	NGN	ZAR	PHP	AED	EGP	ZAR	EURO	USD	USD	MXN	VEF	PEN	BRL	USD	USD
13	**Exchange Rate (Rs.)**																			
	Closing Rate	**0.62**	**55.03**	**1.06**	**18.61**	**0.18**	**4.62**	**1.51**	**22.37**	**2.66**	**4.62**	**89.37**	**82.16**	**82.16**	**4.55**	**-**	**21.73**	**16.16**	**82.16**	**82.16**
	Average Rate	**0.66**	**54.89**	**1.23**	**18.03**	**0.18**	**4.73**	**1.45**	**21.84**	**3.66**	**4.73**	**83.53**	**80.22**	**80.22**	**4.09**	**-**	**20.72**	**15.57**	**80.22**	**80.22**

Contd.

Sr. No.	Name of Company	Glenmark Pharmaceuticals Nordic AB	Glenmark Distributors SP.Z.O.O.	Glenmark Pharmaceuticals SK s.r.o	Glenmark Pharmaceuticals S.R.O., Czech Republic	Glenmark Pharmaceuticals coumbia ltda	Glenmark Pharma. (Thailand) Co.Ltd.	Glenmark Dominicana SRL	Glenmark Pharmaceuticals Inc., USA	Glenmark Pharmaceuticals Europe Ltd (GGEL), U.K.	Glenmark Pharmaceuticals B.V.,Netherlands	Glenmark Arzneimittel Gmbh., Germany	Glenmark Generics SA., Argentina	Glenmark Pharmaceuticals Distribution S.r.o, Czech Republic	Glenmark Speciality SA	Glenmark Ukraine LLC	Glenmark-Pharmaceuticals Ecuador S.A.	Glenmark Pharmaceuticals Singapore Pte. Ltd.	Glenmark Life science Ltd	Ichnos Sciences Biotherapeutics SA (Formerly known as Glenmark Biotherapeutics SA)	Ichnos Sciences Inc., USA	Sintesy Pharma S.R.L	Glenmark Pharmaceuticals Canada Inc.
1	Share Capital	0.36	83.87	0.43	143.00	546.27	7.99	0.23	0.00	518.09	1.15	3.19	6,980.54	27.55	2,031.94	46.11	189.46	32.66	245.05	17.67	61.01	0.89	107.21
2	**Reserves**	154.38	(16.99)	167.98	4,778.81	(399.04)	(15.32)	(0.38)	42,150.63	1,180.10	199.90	1,337.94	(5,562.33)	2,906.94	196.51	108.90	(134.63)	31.02	21,137.02	802.86	30,988.26	(2.27)	12.77
3	Total Assets	801.81	1,337.85	768.65	9,458.44	303.19	27.16	-	46,445.81	9,022.31	1,241.50	7,714.06	1,547.25	3,954.11	23,258.00	416.63	276.97	64.79	27,021.47	2,034.65	31,723.06	139.15	416.06
4	Total Liabilities	647.07	1,270.97	600.24	4,536.63	155.96	34.50	0.15	4,295.18	7,324.12	1,040.45	6,372.93	129.04	1,019.62	21,029.55	261.62	222.14	1.11	5,639.40	1,214.12	673.79	140.53	296.08
5	Investment (except in case of investment in subsidiaries)																		0.77				
6	Turnover	1,163.09	1,583.97	1,280.98	11,716.68	273.21	24.52	-	28,405.11	7,298.65	1,110.41	2,977.38	752.11	2,923.15	6,415.71	407.87	312.03	52.37	21,612.20	-	-	25.85	529.02
7	Profit/(Loss) before tax	33.95	54.87	82.22	366.74	(17.76)	0.91	-	(738.67)	288.06	55.47	240.35	(767.00)	292.48	164.19	(59.61)	22.39	2.49	6,286.09	327.58	(430.09)	(15.11)	(5.45)
8	Provision for Tax	9.58	8.74	13.67	57.95	(14.37)	0.19	-	(76.84)	35.52	5.74	50.83	(122.19)	28.09	76.42	(7.38)	40.85	1.23	1,616.48	88.43	55.94	-3.05	-3.62
9	**Profit/(Loss) After Tax**	24.37	46.13	68.55	308.79	(3.39)	0.73	-	(661.83)	252.53	49.74	189.52	(644.81)	264.39	87.77	(52.24)	(18.46)	1.26	4,669.61	239.15	(486.03)	(12.06)	(1.83)
10	Proposed Dividend																						
11	% of Shareholding	100	100	100	100	100	49	100	100	100	100	100	100	100	100	100	100	100	82.84	100	100	100.00	100.00
12	Currency	SEK	PLN	EURO	CZK	COP	THB	DOP	USD	GBP	EURO	EURO	ARS	CZK	USD	UAH	USD	SGD	INR	USD	USD	EURO	CAD
13	**Exchange Rate (Rs.)**																						
	Closing Rate	7.93	19.11	89.37	3.8	0.02	2.4	1.49	82.16	101.61	89.37	89.37	0.39	3.8	82.16	2.22	82.16	61.8	-	82.16	82.16	89.37	60.71
	Average Rate	7.73	17.75	83.53	3.43	0.02	2.27	1.45	80.22	96.65	83.53	83.53	0.55	3.43	80.22	2.32	80.22	58.42	-	80.22	80.22	83.53	60.64

Notes

1. Reporting period of the above subsidaries is the same as that of the Company.
2. Glenmark Farmaceutica SpA was incorporated on 1 March 2023 and there were no transactions during the year.
3. *Amount denotes less than Rupees ten thousand.
4. Part B of the Annexure is not applicable as there are no associate companies/ joint Ventures of the Company as on 31 March 2023.

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Cherylann Pinto
Executive Director
(DIN 00111844)

V S Mani
Executive Director &
Global Chief Finance Officer
(DIN 01082878)

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 19 May 2023

ANNEXURE II

Form No. AOC-2
(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. No contracts or arrangements or transactions were entered into by the Company with related parties during the year ended 31 March 2023, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

   a) Name of the related party and nature of relationship:

      i. Glenmark Pharmaceuticals Inc., USA; Subsidiary

   b) Nature of contracts/arrangements/transactions: Sale-Materials & Services

   c) Duration of the contracts/arrangements/transactions: Ongoing

   d) Salient terms of the contracts or arrangements or transactions including the value, if any: Based on Transfer Pricing Guidelines;

      i. Glenmark Pharmaceuticals Inc., USA; Subsidiary - 14,871.72 Million

   e) Date(s) of approval by the Audit Committee/Board: Not applicable; Since the contract was entered in the ordinary course of business and is on arm's length basis.

   f) Amount paid as advances: Nil

Transactions having value of more than 10% of the Consolidated turnover have been identified as material.

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Cherylann Pinto
Executive Director
(DIN 00111844)

V S Mani
Executive Director &
Global Chief Finance Officer
(DIN 01082878)

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 19 May 2023

ANNEXURE III

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Glenmark Pharmaceuticals Limited
CIN: L24299MH1977PLC019982
B-2 Mahalaxmi Chambers,
22 Bhulabhai Desai Road, Mahalaxmi, Mumbai – 400026.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Glenmark Pharmaceuticals Limited (hereinafter called "the Company") for the Financial Year ended 31st March 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2023, according to the applicable provisions of:

I. The Companies Act, 2013 ('the Act') and the Rules made thereunder and amendments from time to time;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder and amendments from time to time;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder and amendments from time to time;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder and amendments from time to time to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto from time to time;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto from time to time;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 are not applicable since, there was no reportable event during the Financial Year under review;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 are not applicable since, there was no reportable event during the Financial Year under review;

   e) The Securities and Exchange Board of India (Issue and Listing of Non – Convertible Securities) Regulations, 2021 are not applicable since, there was no reportable event during the Financial Year under review;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and amendments thereto from time to time, regarding the Companies Act and dealing with client;

   g) During the Audit Period the Company has not delisted any Securities, hence, provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 are not applicable;

   h) During the Audit Period the Company has not bought back any Securities, hence provisions of The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 are not applicable;

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by The Institute of Company Secretaries of India.

ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and amendments thereto from time to time.

iii) The Listing Agreements entered into by the Company with BSE Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Secretarial Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 etc., mentioned above.

We further report that, on the basis of management representation and having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

a) Drugs and Cosmetics Act, 1940

b) Drugs and Magic remedies (Objectionable Advertisement) Act, 1954

c) Narcotic Drugs and Psychotropic Substances Act, 1985

d) Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974

e) The Medicinal and Toilet Preparations (Excise Duties) Act, 1955

f) Drugs (Control) Act, 1950

g) Drugs (Price Control) Order, 2013

h) Food Safety and Standards Act, 2006

i) Labour Laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.

j) Acts prescribed under Environmental Protection

k) Labour Welfare Act of respective State

l) Laws prescribed under Trademarks, Copyrights and Patent Acts

m) Local Laws as applicable to various offices and plants

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Independent Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all the Directors to schedule the Board Meetings, Agenda and Detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out requisite majority as recorded in the minutes of the Board of Directors or Committee (s) of the Board, as the case may be.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.; and

We further report that during the Audit Period, there are no event/ action have taken place which is having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms am integral part of this report.

For **S. S. Rauthan & Associates**
Company Secretaries
UIN: S1999MH2026900

Surjan Singh Rauthan
Proprietor

M.No.: FCS-4807, COP No.: 3233
Peer Reviewed Cert. No. : 1840/2022
UDIN: F004807E000333080

Place: Mumbai
Date: 19/05/2023

ANNEXURE A TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To,

The Members
Glenmark Pharmaceuticals Limited
CIN: L24299MH1977PLC019982
B-2 Mahalaxmi Chambers,
22 Bhulabhai Desai Road, Mahalaxmi, Mumbai – 400026.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to make a report based on the secretarial records produced for our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. We have obtained the management's representation about the compliances of laws, rules, regulations and happenings of events, wherever required.

5. Compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management.

6. This Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **S. S. Rauthan & Associates**
Company Secretaries
UIN: S1999MH2026900

Surjan Singh Rauthan
Proprietor

M.No.: FCS-4807, COP No.: 3233
Peer Reviewed Cert. No. : 1840/2022
UDIN: F004807E000333080

Place: Mumbai

Date: 19/05/2023

ANNEXURE IV

Disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

EMPLOYEE STOCK OPTION SCHEME 2016

The Board, at its Meeting held on 12 May 2016 had approved the Glenmark Pharmaceuticals Limited – Employee Stock Option Scheme 2016 (ESOS). Further, the Shareholders' of the Company also approved the ESOS at the Annual General Meeting held on 12 August 2016.

The said ESOS has been formulated under SEBI (Share Based Employee Benefits) Regulations, 2014, or any statutory modification or re-enactment thereof, for the purpose of granting options to the permanent employees (including employees of the subsidiaries whether Indian or foreign), Directors of the Company whether whole-time or not (excluding Independent Directors) and its subsidiaries, as applicable to participate in the future growth and financial success of the Company. The ESOS aims at achieving the twin objectives of (i) aligning employee interest to that of the Shareholders; and (ii) retention of talent. The Scheme contemplates fresh/ new issue of shares by the Company.

The ESOS are administered by the Nomination and Remuneration Committee of the Board constituted by the Company pursuant to the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee decisions, determinations and interpretations will be final and binding on all eligible employees and participants under ESOS. The ESOS, as amended from time to time, shall be in force for a period of 15 years from the date of the inception of the scheme i.e. 12 August 2016.

At the Annual General Meeting held on 12 August 2016, the ESOS was approved for issue of stock options up to 5% of the paid-up share capital of the Company as on 31 March 2016. The paid-up capital of the Company as on 31 March 2016 was 282,158,156 shares of ₹1/- each. The total number of options that could be granted under the scheme were 1,41,07,900 which upon exercise will result in the issue of 1,41,07,900 shares of ₹1/- each. The maximum number of options that can be granted to any individual employee/ Director will not exceed an entitlement of 1,25,000 shares of ₹1/- each. The options were granted at price of ₹800 per option.

At the Annual General Meeting of the Company held on 29 September 2017 the shareholders approved the amendment to the Scheme in relation to re-pricing of the options granted from ₹800 to ₹600 per option and maximum number of options that would be granted would be upto 1% of the paid up share capital of the Company as at 31 March 2017 i.e. ₹282,168,156/- (282,168,156 Equity Shares of Re. 1/- each) i.e. 2,821,682 options which upon exercise would result in the issue of 2,821,682 shares of ₹ 1/- each.

The vesting of options will commence after a minimum period of one year from the date of the grant, and may extend up to a maximum period of six years from the date of the grant, with such lock in period as may be decided by the Board/ Nomination and Remuneration Committee. Further, the Nomination and Remuneration Committee may on merits of the case relax/ extend the vesting period.

Exercise Price shall be any one of the following as may be determined by Nomination and Remuneration Committee:

- Market price of the equity shares (market price shall be as defined in SEBI (Share Based Employee Benefits) Regulations, 2014), from time to time or;
- At a price as may be determined by the Nomination and Remuneration Committee from time to time or;
- At par value of the equity share i.e. ₹1.

The number of stock options and the exercise price payable by the option grantees under the Scheme shall automatically stand augmented or reduced in the same proportion as the present face value bears to the revised face value of the equity shares of the Company after any split/ consolidation/ bonus issue without affecting any other rights or obligations of the said grantees.

Further details/ disclosures in respect of Employee Stock Options form a part of the Notes to accounts of financial statements in this Report and also available at Company's website viz: www.glenmarkpharma.com

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Place: Mumbai
Date: 19 May 2023

ANNEXURE-V

Information under section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 as amended from time to time and forming part of the Directors' Report.

(A) CONSERVATION OF ENERGY -

(I) THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY;

Following steps have been taken in the areas of lighting, pumps & motors, power factor, automation, refrigeration system and fuel.

LIGHTING:

Installed lights, motion sensors and LED Lights - provision of Timer controls.

Mercury Vapour Lamp has been replaced with LED Lamp.

Replaced conventional CFL Lamps with LEDs.

PUMPS- MOTORS & BLOWERS

Installed Variable Frequency Drives (VFDs) for Process cooling tower water circulation.

Installed VFDs on primary chilled water pumps.

Optimized Air Handling Unit (AHU) operation during non-working hours by installing timer control.

Synchronized operation of air curtains with sliding doors of receiving and dispatch bays.

POWER FACTOR

Maintained power factor > 0.99 using auto power factor controller.

Modification of capacitor panel for unity power factor.

Installed Capacitor bank in Utility Motor Control Center (MCC) panel. It resulted in improvement of power factor.

AUTOMATION

Heat pump installed for Relative Humidity control.

VFD installed at fans having 5.5 KW capacity at 2 cooling towers.

Check-weigher interlinked with aggregation machine in feed conveyor to avoid excess electricity consumption.

REFRIGERATION, HEATING & COMPRESS AIR SYSTEM

Reduced total steam consumption by implementing the heat pump solution.

Installed Artic Master and Eco Plug energy savings equipment's to Split AC and DX Units.

New system/software of "Intimation for AHU start/stop" has been implemented for better control on start and stop of AHU during B-type cleaning and when areas are not operational.

Energy efficient new refrigerant air dyer of 300 Cubic Feet per Minute (CFM) is installed having less power consumption.

FUEL

Optimized Biofuel based boiler operation as per the required steam pressure and stopped operation of additional boiler.

Installed new lotion manufacturing tank to match batch size requirement thereby reducing process time to half, fuel consumption and increasing yield.

Timely changeovers done in Auto mode of DGs.

PROCESS OPTIMIZATION

Automated ON/OFF for controlled steam supply to optimize Fluid Bed Processor.

Old RM lift replaced with new lift having VFD control.

(II) THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY;

Continued with use of solar open access power at facility.

Continued with use of Bio fuel, LPG & PNG as a cleaner source of energy.

(III)THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT;

Nil

(B) TECHNOLOGY ABSORPTION:

1. EFFORTS MADE TOWARDS TECHNOLOGY ADOPTION:

Our efforts in the area of technology absorption, adoption and innovation are based on our own efforts in R & D. They include improvement in yield and quality, efficacy, improvement of processes and development of new processes with validation studies.

Specific areas in which R&D is carried out by the Company & its subsidiaries and benefits derived as a result of new platform technologies and products to create competitive advantage, better safety, efficacy and sustained performance during life cycle of products.

1.0 PHARMACEUTICAL DEVELOPMENT:

Design a quality product and its manufacturing process to consistently deliver the intended performance of the product. Control specifications and manufacturing process to achieve sustained performance and quality. Dosage form selection based on suitability and intended use. Determination of aspects of drug substances, excipients, container closure system and manufacturing process those are critical to product quality and evaluation of drug substance physicochemical and biological properties. Manufacturing process improvements and product lifecycle management.

Development of immediate release, delayed release, sustained release, metered dose inhalers, dry powder inhalers, nasal sprays, topical, liquid orals, injectable formulations and various platform technologies.

Formulation development includes literature survey, compatibility studies, pre-formulation studies, formulation development of dosage forms for selected drug molecules on laboratory scale.

R&D has developed the formulations for new molecules, existing molecules and fixed dose combinations which include its standardization and technology transfer and execution at production site, evaluation of these batches against reference samples for safety, efficacy and bio-equivalence.

2.0 Products Have Been Developed During The Financial Year 2022-2023.

2.1 General Category Projects

1. LOBG®: Lobeglitazone Tablets 0.5mg
2. Zita®Plus: Sitagliptin Tablets 100mg
3. Sitazit®M: Sitagliptin + Metformin Tablets 50 + 500mg / 50 + 1000mg
4. Paxiba®: Apixaban Tablets 2.5mg and 5mg
5. Bilazap®: Bilastin Tablets 20mg
6. Doxovent TM: Doxophyllin Tablets 400mg
7. LOBG®M: Lobeglitazone + Metformin ER Tablets 0.5 + 500mg / 1000mg

2.2 Respiratory Products

1. Ryaltris Nasal Spray
2. Vilanterol + Fluticasone DPI (25+200 mcg)
3. Indacaterol Acetate+ Mometasone DPI (3 Strengths)
4. Glycopyrronium DPI
5. Formoterol+ Glycopyrronium DPI
6. Indacaterol+ Glycopyrronium DPI
7. Glycopyronium + Formaterol+Fluticasone DPI
8. Budesonide + Formaterol + Glycopyrronium DPI
9. Indacaterol + Glycopyrronium + Mometasone DPI
10. Mometasone + Azelastine Nasal Spray

2.3 Derma Projects

1. La Shield Intense Hydrating Cream
2. La Shield Intense Body Lotion
3. Elovera AD Lotion
4. Elovera Pro Cream
5. Elovera Pro Lotion
6. La Shield Lite SPF 50+ (Improved)
7. Elovera Cream (Improved)
8. D'Acne Foaming Face Wash (Bring Home)

3.0 Analytical Method Development

Development of new analytical test procedures for various dosage forms to establish the quality and setting up specification for the release, stability testing of dosage forms and Active Pharmaceutical Ingredient. These methods are validated as per International Regulatory Standards.

The role of this department also include the evaluation of the stability of the products developed at R&D under various Climatic Conditions as per ICH Guidelines of Stability. This data is used as a basis to predict the shelf life of the products and also to prepare the stability study protocols for the commercial products manufactured as drug products/drug substance.

3.1 New analytical test procedures were developed for various dosage forms to establish the quality and setting up specification for the release, stability testing of dosage forms and Active Pharmaceutical ingredient. These methods were validated as per International Regulatory Standards.

Evaluation of the stability under various Climatic Conditions for the indigenously developed drug product was also done as per ICH Guidelines. This data is used as a basis to predict the shelf life as well as to prepare the stability study protocols of the products for the commercial manufacturing.

3.2 Analytical Research Activities for NCE Research

1. New analytical methods and test procedures were developed to establish the structure and evaluate the quality of NCE prior to initial biological screening. During pre-clinical studies, generated analytical data for establishing the quality and setting up specification for the release testing of drug substances. The methods used to release the drug substances which are used in clinical trials, were validated as per International Regulatory Guidelines/Standards.
2. Physicochemical properties of new chemical entities in pain management, respiratory and immune-oncology indication were established. Different projects evaluated are TRPA1, RORyt, and HPK1.
3. Characterization studies and stability evaluation as per ICH were planned for the new NCEs at very early developmental stage. Evaluation of metabolites of GRC 17536 (TRPA1) to support the DMPK and Tox activities of GRC 17536.
4. CMC related Dossiers, study protocols and study reports were prepared to support various pre-clinical studies and clinical trial applications with Regulatory Agencies.
5. Reference standard generation and retest of standards for different projects like GRC 17536, GRC 54276 and GRC 39815 and their intermediates were generated and supplied to CROs and manufacturing sites.

4.0 Benefits derived as a result of the R&D

Glenmark has always made continuous investment in R&D.

4.1 In India markets following Formulations were commercialized

Products Commercialised :

1. LOBG®: Lobeglitazone Tablets 0.5mg
2. Zita®Plus: Sitagliptin Tablets 100mg

3. Sitazit®M: Sitagliptin + Metformin Tablets 50+500mg/50+1000mg
4. Paxiba®: Apixaban Tablets 2.5mg and 5mg
5. Bilazap®: Bilastin Tablets 20mg
6. Doxovent TM: Doxophyllin Tablets 400mg
7. LOBG®M: Lobeglitazone + Metformin ER Tablets 0.5+500mg/1000mg
8. La Shield Intense Hydrating Cream
9. La Shield Intense Body Lotion
10. Elovera AD Lotion
11. Elovera Pro Cream
12. Elovera Pro Lotion
13. La Shield Lite SPF 50+ (Improved)
14. Elovera Cream (Improved)
15. Elovera IMF Cream (Improved)
16. D'Acne Foaming Face Wash (Bring Home)
17. Vilanterol +Fluticasone DPI (25+200 mcg)
18. Indacaterol Acetate+ Mometasone DPI(150+80 mcg)
19. Indacaterol Acetate+ Mometasone DPI(150+160 mcg)
20. Indacaterol Acetate+ Mometasone DPI(150+320 mcg)
21. Budesonide + Formoterol + Glycopyrronium DPI
22. Mometasone + Azelastine Nasal Spray

Future Plan of Action

Commercialization of new products for which the products are under trials at development stage. R&D is working on various new molecules identified after a thorough study of the market. These include Antifungals, Antibacterials, Antiasthmatic molecules, Antidiabetic products, Antiaging, Antiinflammatory, Antihyperlipidemic, Antiosteoporosis and Antiemetic products, Antihypertensive molecules, Drug products for the treatment of Cancer, Nutraceuticals, Sunscreens Products, Skin Care Products, development of formulations for various markets, specialized NDDS products and Technology – such as micro spheres & aerosols foam Mousse.

R & D is working in the following segments.

- Antifungal molecules and products
- Antiviral molecules and products
- Antidiabetic products
- Antiaging products
- Anti-inflammatory products
- Drug Product for the treatment of Cancer
- Atihyperlipidemic products
- Antiosteoporosis products
- Antihypertensive molecules
- Sunscreens Products
- Skin Care Products
- Development of the products for the treatment in respiratory segment.
- Development of the products for the treatment of rheumatoid arthritis.
- Technology – such as micro spheres & aerosols foam Mousse.
- Development of formulations for Semi regulatory market.
- Development of formulations for Latin American market.
- Development of formulations for US market.
- Metered dose inhaler products for India Brazil / US market.
- Development of specialized NDDS products for Indian/ SRM.
- Nasal sprays for Semi regulatory market and US market
- New chemical entity for Global market
- Respiratory products including MDI, DPI, Nasal spray

III. Information regarding technology imported during the last five years – Nil.

IV. Expenditure on R&D

(Standalone) (₹ in Million)

S. No.	Particulars	2022-23	2021-22
1.	Capital Expenditure	144.16	182.53
2.	Revenue Expenditure	4,527.70	4,212.91
3.	Total	4,671.86	4,395.44
4.	R&D Expenditure as a percentage of total turnover	5.07%	5.02%

(C) FOREIGN EXCHANGE EARNING AND OUTGO :

Total Foreign Exchange earned was ₹ 46,463.66 million and outflow was ₹ 12,712.17 million.

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Place: Mumbai
Date: 19 May 2023

ANNEXURE VI

Disclosures required with respect to Section 197(12) of the Companies Act, 2013

The ratio of the remuneration of each Director to the Median Employee's Remuneration (MRE) and such other details in terms of Section 197(12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration of Whole-time Directors:

Name	Title	% increase in the remuneration in the year ended 31 March 2023	Ratio to MRE of the Employees
Mr. Glenn Saldanha	Chairman & Managing Director	2.5%	316.91
Mrs. Cherylann Pinto	Executive Director	-1.6%	89.80
Mr. V.S. Mani	Executive Director	30.2%	200.64

Remuneration to Non-Executive Directors:

Name	Title	Ratio to MRE of the employees
Mrs. B. E. Saldanha	Non - Executive Director	0.78
Mr. Rajesh Desai	Non-Executive Independent Director	3.33
Mr. D. R. Mehta	Non-Executive Independent Director	4.11
Mr. Sridhar Gorthi	Non-Executive Independent Director	2.94
Mr. Bernard Munos	Non-Executive Independent Director	0.98
Dr. Brian W. Tempest	Non-Executive Independent Director	0.98
Ms. Sona Saira Ramasastry	Non-Executive Independent Director	2.55
Mr. Dipankar Bhattacharjee	Non-Executive Independent Director	1.76
Mrs. Vijayalakshmi Iyer	Non-Executive Independent Director	0.20

Remuneration to other Key Managerial Personnel (KMP)

Name	Title	% increase in the remuneration in the year ended 31 March 2023
Mr. Harish Kuber	Company Secretary & Compliance Officer	20.4%

i. **The ratio of remuneration of each director to the median remuneration (MRE) of the employees of the Company for the financial year:**

The MRE of the employees of the Company during the year ended 31 March 2023 was ₹0.51 million. The details are laid out in the tables above.

The remuneration of the Non-Executive Directors comprises only sitting fees paid to them for attending the meetings of the Board and other Committee meetings. Hence, the percentage increase of their remuneration has not been considered for the above purpose.

ii. **The percentage increase in remuneration of each director and KMP in the financial year:**

The percentage increase is mentioned in the tables above.

iii. **The percentage increase in median remuneration of the employees in the financial year:**

The percentage increase in the median remuneration of the employees was 7.11%.

iv. **Number of Permanent employees on the rolls of the Company:**

As on 31 March 2023, the Company had 11,719 permanent employees on the rolls of the Company.

v. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile increase in the remuneration for all employees other than managerial personnel was 10.2%, while the average increase in the managerial remuneration was 1.1%.

vi. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

We affirm that the remuneration paid is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Place: Mumbai
Date: 19 May 2023

ANNEXURE VII

Annual Report on CSR Activities to be included in the Board's Report - F.Y. 2022-23

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

Glenmark's underlying belief is to make a positive contribution to the society and ensuring environment sustainability. We strive to create a healthier world and enrich lives of all our stakeholders and community at large through our CSR initiatives.

With our Vision of enriching lives to create a "healthier and happier world", we have identified the following focus areas for our interventions:

- To focus on child health and reduce infant mortality and child mortality
- To empower the marginalized by generating sustainable livelihood
- To promote aquatic sports and place India on the global map
- To provide access to healthcare through medicine donation and other health initiatives/ projects for the less privileged
- To support advancement of education & community development
- To encourage employee volunteering across all our locations
- To provide disaster relief to affected areas

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Cherylann Pinto	Chairperson – Executive Director	4	4
2	Mr. Sridhar Gorthi	Member – Independent Director	4	4
3	Mr. Rajesh Desai	Member – Independent Director	4	4

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

CSR Committee - https://www.glenmarkpharma.com/about-us/governance

CSR Policy - https://glenmark.b-cdn.net/gpl_pdfs/about_us/policy-on-corporate-social-responsibility_2021.pdf

CSR Projects - https://glenmarkpharma.com/about-us/governance/

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE (ATTACH THE REPORT):

The Company has carried out impact assessment in terms of Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, through an independent agency for projects having outlay of ₹ 1 Crore or more and that have completed not less than one year before undertaking the impact study. The CSR Impact Assessment Study Report is made available on the website of the Company and can be accessed at https://glenmarkpharma.com/responsibility/impact-assessment-report/

5.

a)	Average Net Profit of the Company as per Section 135(5)	17,723.01
b)	Two percent of average net profit of the company as per section 135(5)	354.46
c)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years	Nil
d)	Amount required to be set off for the Financial Year	91.42
e)	Total CSR obligation for the Financial Year [(b)+(c)-(d)]	263.04

6.

a)	Amount spent on CSR Projects (both ongoing projects and other than ongoing projects)	270.30
b)	Amount spent in Administrative Overheads	N.A.
c)	Amount spent on Impact Assessment, if applicable	1.49
d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	271.79

e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs. Million)	Amount Unspent (in Rs. Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
271.79	Nil	Nil	Nil	Nil	Nil

f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs. Million)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	354.46
(ii)	Total amount spent for the Financial Year	363.21
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	8.75
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	8.75

7. (a) Details of Unspent CSR amount for the preceding three financial years: **N.A.**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance amount in unspent CSR Account under sub-section 6 of Section 135 (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
					Name of the Fund	Amount (in Rs).	Date of transfer.	
N.A.								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – **N.A.**

For and behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Cherylann Pinto
Chairperson – CSR Committee
(DIN 00111844)

Place: Mumbai
Date: 19 May 2023

Report on Corporate Governance

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a Report on Corporate Governance is given below.

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The fundamental principle of Corporate Governance is achieving sustained growth ethically and in the best interest of all stakeholders. It is not a mere compliance of laws, rules and regulations but a commitment to values, best management practices and adherence to the highest ethical principles in all its dealings to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility.

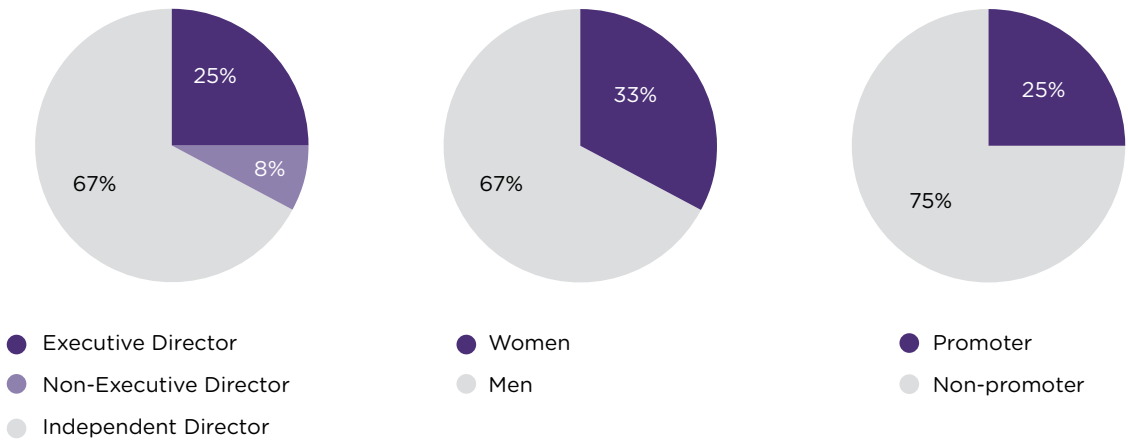
The Company believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. As a good corporate citizen, the Company lays great emphasis on integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business. The Company creates an environment to enable management to meet its obligations to all its stakeholders, including amongst others, shareholders, customers, employees and the community in which the Company operates.

2. BOARD OF DIRECTORS:

- **Composition:**

The Board of Directors of the Company 'the Board' consists of an optimal combination of Executive, Non-Executive and Independent Directors including Independent Woman Directors. The composition of the Board is in conformity with the Listing Regulations and the Companies Act, 2013 ('Act'). As on 31 March 2023, the Board comprised Twelve Directors, three Executive and Nine Non-Executive. The Chairman of the Board is an Executive Director.

Details of the Composition and Categories in terms of percentage is given below:



None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI Listing Regulations) across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

The Board fulfils the criteria laid down under the Board's policy on diversity. The Non-Executive Directors are professionals with experience in management, pharmaceutical industry, legal, finance, marketing and general administration who bring in a wide range of skills and experience to the Board.

a) Details of the Board as on 31 March, 2023:

Name of the Director	Category	Relationship with other Directors	No. of Board Meetings attended	No. of other Directorships held #	Committee Membership(s) ##		Other listed entities in which person acting as director & category of Directorship
					Chairman	Member	
Mr. Glenn Saldanha Chairman & Managing Director DIN-00050607	Executive Promoter Group	Son of Mrs. B. E. Saldanha and Brother of Mrs. Cherylann Pinto	5	1	3	6	Glenmark Life Sciences Limited (Non-Executive Director)
Mrs. Cherylann Pinto DIN-00111844	Executive Promoter Group	Daughter of Mrs. B. E. Saldanha and Sister of Mr. Glenn Saldanha	5	-	2	4	-
Mr. V. S. Mani DIN-01082878	Executive	None	5	1	1	6	Glenmark Life Sciences Limited (Non-Executive Director)
Mrs. B. E. Saldanha DIN-00007671	Non-Executive Promoter Group	Mother of Mr. Glenn Saldanha and Mrs. Cherylann Pinto	4	-	-	-	-
Mr. Rajesh Desai DIN-00007960	Non-Executive Independent	None	5	-	1	3	-
Mr. D. R. Mehta DIN-01067895	Non-Executive Independent	None	5	4	3	10	(Non-Executive and Independent Director): 1. Poly Medicure Limited 2. Jain Irrigation Systems Limited
Mr. Bernard Munos DIN-05198283	Non-Executive Independent	None	5	-	-	-	-
Dr. Brian W. Tempest DIN-00101235	Non-Executive Independent	None	5	-	-	-	-
Mr. Sridhar Gorthi DIN-00035824	Non-Executive Independent	None	2	4	4	13	(Non-Executive and Independent Director): 1.Hathway Cable and Datacom Limited 2. Glenmark Life Sciences Limited 3. Piramal Pharma Limited 4. Exide Industries Limited
Ms.Sona Saira Ramasastry DIN-08398547	Non-Executive Independent	None	5	-	-	2	-
Mr. Dipankar Bhattacharjee DIN-08770548	Non-Executive Independent	None	5	-	-	1	-
Mrs. Vijayalakshmi Rajaram Iyer* DIN-05242960	Non-Executive Independent	None	1	10	8	22	1. Poonawala Fincorp Limited 2. Computer Age Management Services Limited 3. Aditya Birla Capital Limited 4. ICICI Securities Limited 5. CG Power and Industrial Solutions Limited

* Mrs. Vijayalakshmi Rajaram Iyer (DIN-05242960) appointed on the Board with effect from 10 February 2023.

\# Includes Directorship(s) in Indian Companies. The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies.

Membership/Chairmanship of the Audit Committee, Stakeholder's Relationship Committee , Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Share Transfer Committee, Environmental, Social and Governance (ESG) Committee and Operations Committee of all Public Limited Companies have been considered.

b) Details of Board Meetings and Attendance:

During the Financial Year ended 31 March 2023; Five (5) Board Meetings were held on the following dates:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1	7 April 2022	11	10
2	27 May 2022	11	10
3	10 August 2022	11	10
4	11 November 2022	11	11
5	10 February 2023	12	11

The gap between two meetings did not exceed one hundred and twenty days.

A. None of the Non-Executive Directors of the Company has any pecuniary relationship or transactions with the Company other than sitting fees paid for attending board meetings/committee meetings.

B. Mr. Glenn Saldanha, Mrs. B. E. Saldanha, Mrs. Cherylann Pinto, Mr. V.S. Mani, Mr. Rajesh Desai, Mr. D. R. Mehta, Mr. Brian Tempest, Mr. Bernard Munos, Mrs. Sona Saira Ramasastry and Mr. Dipankar Bhattacharjee attended the last Annual General Meeting of the Company held on 27 September 2022.

c) Information flow to the Board Members:

In order to reduce paper consumption and maximum utilisation of technology, the Company has adopted a web based application for transmitting the agenda and pre-reads for the Board and Committee meetings. The Director receives the agenda and pre-reads in electronic form through the application which can be accessed through the iPads. The said application is password protected and highly secured.

Detailed agenda papers of Board and Committee Meetings were sent to all the Directors/ Members at least one week in advance. At the Board Meeting, the Chairman and Managing Director apprises the Board on the overall performance of the Company. The Board also, inter-alia, reviews the strategy, annual business plan and capital expenditure budgets, compliance reports of the laws applicable to the Company, review of major legal issues, review of foreign exchange exposure, internal financial controls and financial reporting systems, minutes of the Board Meetings of the Company's subsidiary companies, adoption of quarterly/half-yearly/annual results, transactions pertaining to purchase/disposal of property, major accounting provisions, corporate restructuring, minutes of the Meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, the Board is kept informed of major events and approvals are taken wherever necessary.

The Board is also presented with the operating plans of the businesses for its review, inputs and approval. Likewise, the Quarterly Financial Statements and Annual Financial Statements are first presented to the Audit Committee and subsequently to the Board for its approval. The Agenda mentioning the brief details about the items are circulated well in advance to the Board. In some instances, documents are tabled during the course of the Board Meetings.

The Company has adopted the Glenmark Code of Conduct for Executive Directors, Senior Management Personnel and other Executives of the Company. The Company has received confirmations from the Managing Director as well as Senior Management Personnel regarding compliance of the Code during the year under review. It has also adopted the Glenmark Code of Conduct for Non-Executive Directors of the Company. The Company has received confirmations from the Non-Executive Directors regarding compliance of the Code for the year under review.

d) Familiarisation programmes for Board Members:

Familiarisation program for directors is key to getting best contribution from them in every aspect of Board management. The Board members are provided with the necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings on business and performance updates of the Company, global business environment, business strategy and risks involved, etc.

During the year, a presentation was made by the external agency apprising the Independent Directors about the roles, duties and responsibilities of the Independent Directors and update on various regulatory amendments etc.

Quarterly updates on relevant statutory changes are presented to the Board and Committees of the Board.

The policy on familiarisation programmes as stated above is available on the website of the Company and can be accessed at the web link: https://glenmark.b-cdn.net/gpl_pdfs/about_us/familiarisation_programme_for_independent_directors.pdf

e) Re-appointment of Director:

As required under Regulation 36(3) of Listing Regulations and Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of Director seeking re-appointment at this AGM are given in the Notice of the AGM which forms part of this Annual Report.

f) Confirmation from Directors:

The Company annually obtains from each Director, disclosure under Section 184 of the Act details of the Board and Board Committee positions he/she occupies in other Companies, and changes, if any, regarding their Directorships are taken on record by the Board.

- **Chart or Matrix setting out skills/expertise/competence of Board of Directors**

The Board provides leadership, strategic guidance, objective and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. It regularly reviews the Company's governance, risk and compliance framework, business plans, and organization structure to align with the highest global standards.

Name	Pharmaceuticals, Science and Technology	Strategy	Finance & Accounts	Corporate Governance	IT Skills	Human Resource and General Management	Risk Management
Mr. Glenn Saldanha	✓	✓	✓	✓	✓	✓	✓
Mrs. Blanche Saldanha	✓	✓		✓		✓	
Mr. Bernard Munos	✓	✓		✓	✓		
Dr. Brian W. Tempest	✓	✓		✓	✓	✓	
Mrs. Cherylann Pinto	✓	✓		✓	✓	✓	
Mr. D. R. Mehta		✓	✓	✓			✓
Mr. Dipankar Bhattacharjee	✓	✓		✓	✓		✓
Mr. Sridhar Gorthi		✓	✓	✓	✓	✓	✓
Mr. Rajesh Desai	✓	✓	✓	✓	✓	✓	✓
Ms. Sona Saira Ramasastry	✓	✓	✓	✓	✓		✓
Mr. V.S. Mani	✓	✓	✓	✓	✓	✓	✓
Mrs. Vijayalakshmi Iyer		✓	✓	✓		✓	✓

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

- **Meetings of Independent Directors:**

All the Independent Directors of the Company have been appointed as per the provisions of the Act and Listing Regulations. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment have been disclosed on the website of the Company at https://glenmark.b-cdn.net/gpl_pdfs/about_us/Information-related-to-independent-directors.pdf.

All the Independent Directors have fulfilled the independence criteria as per the requirement of Listing Regulations and as per opinion of the Board, they are independent of the management.

The Company's Independent Directors meet at least once in every Financial Year without the presence of Executive Directors or management personnel. Such meetings are conducted in an informal environment to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views.

One meeting of the Independent Directors was held during the year.

3) BOARD COMMITTEES:

As per the Listing Regulations, the Board has formed the following Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee.

1. Audit Committee:

The Company has a qualified and independent Audit Committee which has been formed in pursuance of Regulation 18 of the Listing Regulations and Section 177 of the Act. The primary objective of the Committee is to monitor and provide effective supervision of the management's financial reporting process to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditors and notes the processes and the safeguards employed by each. The Committee has the ultimate authority and responsibility to select, evaluate and where appropriate, replace the independent auditor in accordance with the law. All possible measures have been taken by the Committee to ensure the objectivity and independence of the independent auditor.

- **Terms of Reference:**

a) Approving and implementing the audit procedures and techniques.

b) Reviewing audit reports of both statutory and internal auditors with auditors and management.

c) Reviewing financial reporting systems, internal control systems and control procedures.

d) Ensuring compliance with regulatory guidelines.

e) Reviewing the quarterly, half-yearly and annual financial results of the Company before submission to the Board.

f) The recommendation for appointment, remuneration and terms of appointment of auditors of the company.

g) Review and monitor the auditor's independence and performance and effectiveness of audit process.

h) Examination of the financial statement and the auditor's report thereon.

i) Approval or any subsequent modification of transactions of the Company with related parties.

j) Scrutiny of inter-corporate loans and investments.

k) Valuation of undertakings or assets of the Company, wherever it is necessary.

l) Evaluation of internal financial controls and risk management systems.

m) Monitoring the end use of funds raised through public offers and related matters.

n) Establishment and monitoring of the Vigil Mechanism/Whistle Blower Policy.

o) To review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

p) Consider and comment on rationale cost - benefits and impact of schemes involving merger, demerger, amalgamation etc., of the Company and its shareholders.

q) Approval of payment to Statutory Auditors.

r) Reviewing with management, performance of statutory and internal auditors.

s) Approval and appointment of Chief Financial Officer after assessing qualificaiton, experience and background.

t) Any other matter referred to by the Board.

All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the Listing Regulations are covered in the terms of reference of the Audit Committee. The current Charter of the Audit Committee is in line with international best practices and the regulatory changes formulated by SEBI and the listing agreements with the Stock Exchanges on which the Company is listed.

Any other duties/ terms of reference for the Audit Committee which are incidental/necessary for the fulfilment of the above mentioned terms of reference would be deemed to be under the purview of the Audit Committee.

During the year, Four (4) Meetings of the Audit Committee were held on the following dates:

26 May 2022	9 August 2022	10 November 2022	9 February 2023

Details of the composition and attendance of the Members of the Audit Committee during the F.Y, ended 31 March 2023 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Rajesh Desai	4	4	Chairman	Independent Director
Mr. Sridhar Gorthi	4	4	Member	Independent Director
Mr. D R Mehta	4	4	Member	Independent Director
Mrs. Vijayalakshmi Iyer *	4	0	Member	Independent Director

*Appointed with effect from 10 February 2023.

The gap between two meetings did not exceed one hundred and twenty days.

Mr. Rajesh Desai, Chairman of the Audit Committee, is a Chartered Accountant and has over 38 years of experience. All members of the Audit Committee are financially literate and have accounting and related financial management expertise.

The Chairman & Managing Director, Chief Financial Officer and Cost Auditor are permanent invitees to the Audit Committee Meetings. The Statutory Auditors & Internal Auditors of the Company are present in the Audit Committee meetings during the year. The Company Secretary officiates as the Secretary to the Committee.

2. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances.

- **Terms of Reference:**

a) Review statutory compliances relating to all security holders;

b) Review movements in shareholding and ownership structures of the Company;

c) Resolve the grievances of the security holders including those relating to transfer/ transmission of shares, issuance of duplicate share certificates, non-receipt of annual report, non-receipt of dividends, issue of new/duplicate share certificates;

d) Oversee the performance of the Registrar and Transfer Agent and recommend measures for overall improvement in the quality of investor services;

e) Review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividend and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

f) Review measures taken by Company for effective exercise of voting rights by shareholders.

g) Review and address matters relating to Investor Education & Protection Fund (IEPF).

The Stakeholders Relationship Committee has the mandate to review and redress Shareholder grievances including complaints related to non-receipt of share certificates, issuance of duplicate share certificates, non-receipt of balance sheet, non-receipt of dividend, etc. The Committee reviews Shareholders' complaints and resolution thereof.

During the year, Four (4) Meetings of the Committee were held on the following dates:

27 May 2022	9 August 2022	10 November 2022	08 February 2023

Details of composition and attendance of the Members of the Stakeholders Relationship Committee Meetings during the F.Y. ended 31 March 2023 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. D R Mehta	4	4	Chairman	Independent Director
Mrs. Cherylann Pinto	4	4	Member	Executive Director
Ms. Sona Saira Ramasastry	4	4	Member	Independent Director

The Details of complaints received and resolved during the year ended 31 March 2023 were as follows:

No. of complaints	2022-23	2021-22
Complaints unresolved at the beginning of the year	NIL	NIL
Received	3	7
Resolved	3	7
Pending	NIL	NIL

All the complaints were resolved to the satisfaction of the shareholders.

Name and Designation of Compliance Officer:

Mr. Harish Kuber, Company Secretary & Compliance Officer
Ph. No. +91 22 40189999
E-mail ID: complianceofficer@glenmarkpharma.com

The Board has appointed Mr. Harish Kuber, Company Secretary & Compliance Officer, as the Nodal Officer for the purpose of Investor Education and Protection Fund (IEPF) Regulations.

The Company's Registrars & Transfer Agent KFin Technologies Limited (KFin) had received letters/complaints during the financial year, all of which were replied/resolved to the satisfaction of the Shareholders.

3. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee functions in accordance with Section 178 of the Act, Regulation 19 of the Listing Regulations and its policies adopted by the Company.

The purpose of the Committee of the Board is to discharge the Board's responsibilities related to Nomination and Remuneration of the Company's Executive/Non-Executive Directors. The Committee has the overall responsibility of approving and evaluating the nomination and remuneration plans, policies and programs for Executive/Non-Executive Directors, Senior Management and Key Managerial Personnel. The Committee is also responsible for administering Stock Option Schemes as applicable to the employees of the Company.

- **Tems of Referencece:**

a) The Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out performance evaluation of each Director.

b) The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board, policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

c) Devise a policy on Board diversity.

d) Formulate criteria for evaluation of performance of Independent Directors and the Board.

e) Review of leadership compensation, Board compensation, industrial benchmarks, attrition at various levels, manpower costs etc.

During the year, Five (5) Meetings of the Committee were held on the following dates:

07 April 2022	26 May 2022	10 August 2022	10 November 2022	07 February 2023

Details of Composition and Attendance of the Members of Nomination and Remuneration Committee during the year ended 31 March 2023 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Sridhar Gorthi	5	5	Chairman	Independent Director
Mr. Glenn Saldanha	5	5	Member	Executive Director
Mr. D R Mehta	5	5	Member	Independent Director

Compensation Policy:

The Company follows a market linked remuneration policy, which is aimed at enabling the Company to attract and retain the best talent. Compensation is also linked to individual and team performance as they support the achievement of Corporate Goals. The Company has formulated an Employee Stock Option Scheme for rewarding & retaining performers.

Board Performance Evaluation:

The Company believes that the process of performance evaluation at the Board level is pivotal to its Board engagement and effectiveness. The Nomination and Remuneration Policy of the Company empowers the Board to formulate a process for effective evaluation of the performance of individual directors, Committees of the Board and the Board as a whole pursuant to the provisions of the Act and Regulation 17 and Part D of Schedule II to the Listing Regulations.

The Board has carried out the annual performance evaluation of its own performance, Committees of the Board and each Director individually. The Company has adopted a web based application to carry out annual performance evaluation process. The Directors receives evaluation questionnaire through the application which can be accessed through the ipads. The said application is password protected and highly secured. A questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as Diversity of the Board, Composition and adequate committees, Functional dynamics, Governance, Board Relationships etc.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, strategic vision of director, involvement, professional independence etc.

The Independent Directors of the Company met on 17 March 2023 without the presence of Non-Independent Directors and members of the management to review the performance of Non-Independent Directors and the Board of Directors as a whole; review the performance of the Chairman and Managing Director of the Company and to assess the quality, quantity and timeliness of flow of information between the management and the Board of Directors.

4. Risk Management Committee:

The Risk Management Committee functions in accordance with Listing Regulations and its policies adopted by the Company.

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor, mitigate and minimize risks and also identify business opportunities.

- **Terms of reference:**

a) To formulate a detailed Risk Management Policy to identify internal and external risks faced by the Company, including financial, operational, sustainability or any other risks as may be determined by the Committee and measures to mitigate such risks.

b) To ensure appropriate methodology and systems are in place to monitor and evaluate risks associated with business.

c) To identify measures of risk mitigation including systems and processes for internal control of identified risks.

d) Monitoring and overseeing implementation of the Risk Management Policy and keeping the Board informed about the nature and content of its recommendations and actions to be taken.

e) To periodically review this policy, at least once in two years, by considering the changing industry dynamics and evolving complexity;

f) To consider and review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

During the year, Four (4) Meetings of the Committee were held on the following dates:

26 May 2022	10 August 2022	09 November 2022	09 February 2023

Details of Composition and Attendance of the Members of Risk Management Committee during the F.Y. ended 31 March 2023 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Glenn Saldanha	4	4	Chairman	Executive Director
Mr. V.S. Mani	4	4	Member	Executive Director
Mr. D R Mehta	4	4	Member	Independent Director
Mr. Rajesh Desai	4	4	Member	Independent Director

5. Other Non- Statutory Committees:

Considering the Corporate governance led world of companies, the Board besides the above mentioned statutory committees; have also constituted the following non-statutory committees in order to enhance the level of governance and to meet the specific business needs. The below Committees report to the Board of Directors of the Company.

i) Environmental, Social and Governance (ESG) Committee:

The ESG committee is established to ensure effective and consistent engagement of our senior management in emerging ESG risks and opportunities. The committee's objective is to inculcate a long-term time horizon in business decision making and a panoramic approach to risk management.

ESG committee's focus is on incorporating ESG considerations across business functions spanning stakeholder interactions, risk management, manufacturing operations, workforce engagement, supply chain management among others.

The ESG committee plays a key role in apprising progress on the Company's ESG strategy encompassing goals and targets curated to unlock positive outcomes for our economy, environment and the society.

During the year, Four (4) Meetings of the ESG Committee were held on the following dates:

27 May 2022	08 August 2022	11 November 2022	10 February 2023

Details of Composition and Attendance of the Members of ESG Committee during the F.Y. ended 31 March 2023 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Glenn Saldanha	4	4	Chairman	Executive Director
Mr. Dipankar Bhattacharjee	4	4	Member	Independent Director
Ms. Sona Saira Ramasastry	4	4	Member	Independent Director

ii) Share Transfer Committee:

The Share Transfer Committee has been formed to look into matters concerning share transfer, transmission and related requests received from the shareholders. The Committee, inter-alia, considers applications for transfer, transmission, split, consolidation of share certificates and cancellation of any share certificate in compliance with the provisions in this regard. As per Regulation 40 of Listing Regulations, as amended, shares of the Company can be transferred only in dematerialised form with effect from 1 April 2019.

iii) Operations Committee:

The Operations Committee of the Board is constituted to oversee matters and operations that arise in the normal course of business. The matters include decision with respect to banking matters, issuing of Power of Attorney or granting authorization to a Company's personnel for operational matters, etc. The Committee is comprised three Executive Directors of the Board.

4) REMUNERATION OF DIRECTORS:

Remuneration Policy:

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees forms an integral part of Board's Report. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

- The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to the Directors. All Board-level compensation is approved by the Shareholders and separately disclosed in the financial statements. Remuneration of the Executive Directors consists of a fixed component and a performance incentive. The annual compensation of the Executive Directors is approved by the Nomination and Remuneration Committee, within the parameters set by the Shareholders at the Shareholders' meetings.

- The remuneration of the Executive and Non-Executive Directors of Company is decided by the Board on the terms and conditions as per the recommendation by the Nomination and Remuneration Committee.

Details of remuneration/ fees/ commission paid to Directors during the F.Y. ended 31 March 2023 are as under:

(₹ In Million)

Sr. No	Name of Director	Salaries	Retirement benefits/other reimbursements	Commission	Sitting Fees	Total
		Amount	Amount	Amount	Amount	Amount
1	Mr. Glenn Saldanha	129.81	16.29	15.75	-	161.85
2	Mrs. Cherylann Pinto	35.24	6.00	4.62	-	45.86
3	Mr. V. S. Mani	53.74	48.73	-	-	102.47
4	Mr. Rajesh Desai	-	-	-	1.7	1.7
5	Mrs. B. E. Saldanha	-	-	-	0.4	0.4
6	Mr. D. R. Mehta	-	-	-	2.2	2.2
7	Mr. Bernard Munos	-	-	-	0.5	0.5
8	Dr. Brian W. Tempest	-	-	-	0.5	0.5
9	Mr. Sridhar Gorthi	-	-	-	1.5	1.5
10	Ms. Sona Saira Ramasastry	-	-	-	1.3	1.3
11	Mr. Dipankar Bhattacharjee	-	-	-	0.9	0.9
12	Mrs. Vijayalakshmi Iyer	-	-	-	0.1	0.1
	TOTAL	**218.79**	**71.02**	**20.37**	**9.10**	**319.28**

Note:

- The Company pays ₹ 1 lac as sitting fees per meeting to the Non-Executive Directors for attending the Board and the Committee Meetings.
- The Criteria for making payment to Non-Executive Directors is made available on the website of the Company.
- Service Contract: The Service Contract can be terminated with a notice of six months by Executive Directors.

Shareholding of the Non-Executive/Independent Directors in the Company as on 31 March 2023 is given below:

Name of the Director	Equity Shares (Nos.)
Mrs. B. E. Saldanha	1,110,327
Mr. D. R. Mehta	NIL
Mr. Bernard Munos	NIL
Dr. Brian W. Tempest	NIL
Mr. Sridhar Gorthi	NIL
Mr. Rajesh Desai	109,167
Ms. Sona Saira Ramasastry	NIL
Mr. Dipankar Bhattacharjee	NIL
Mrs. Vijayalakshmi Rajaram Iyer	NIL

5) DISCLOSURES BY MANAGEMENT:

a) No material, financial and commercial transactions were reported by the management to the Board, in which the management had personal interest having a potential conflict with the interest of the Company at large.

b) There are no transactions with the Director or Management, their associates or their relatives, etc. that may have potential conflict with the interest of the Company at large.

c) There was no non-compliance during the last three years by the Company on any matter relating to capital market. Consequently, there were neither penalties imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any Statutory Authority.

d) The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism/ Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

e) The Company has complied with and disclosed all the mandatory corporate governance requirements under Regulation 17 to 27 and Regulation 46(2) under Listing Regulations.

f) There are no non-compliances of any requirement of corporate governance report and all the required disclosures are made to stock exchanges and other regulatory bodies as and when required.

6) GENERAL BODY MEETINGS:

- The last three Annual General Meetings of the Company were held at the venue and time as under:

Financial Year Ended	Date and Time	Venue	Special Resolution Passed
31-Mar-20	29 September 2020 at 2:00 p.m.	AGM was held through Video Conferencing/ Audio Visual means.	Yes
31-Mar-21	24 September 2021 at 2:00 p.m.	AGM was held through Video Conferencing/ Audio Visual means.	Yes
31-Mar-22	27 September 2022 at 2:00 p.m.	AGM was held through Video Conferencing/ Audio Visual means.	Yes

- All resolutions moved at the last Annual General Meeting were passed by requisite majority of members by way of remote e-voting and e-voting through electronic voting system during the meeting.
- No Extraordinary General Meeting of the Members was held during the year. During the financial year under review, three resolutions were put through by Postal Ballot. Further, none of the business proposed to be transacted at the ensuing AGM require passing of resolution through postal ballot.
- Currently, there is no proposal to pass any Special Resolution through Postal Ballot. Special Resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

7) POSTAL BALLOT :

In accordance with Section 110 of the Act and various MCA and SEBI Circulars, the Company had conducted two Postal Ballots. The details related to the Postal Ballot Notice dated 13 April 2022 are as under:

Sr. No.	Particulars	No. of votes polled	No. and % of votes in favour	No. and % of votes against
1.	**Ordinary Resolution:** Re-appointment of Mr. Glenn Saldanha (DIN-00050607) as the Chairman & Managing Director	214,606,380	158,563,380 73.886%	56,043,000 26.114%
2.	**Ordinary Resolution:** Re-appointment of Mrs. Cherylann Pinto (DIN-001111844) as an Executive Director	214,604,386	163,156,859 76.027%	51,447,527 23.973%

The details related to the Postal Ballot Notice dated 8 March 2023 is as under:

Sr. No.	Particulars	No. of votes polled	No. and % of votes in favour	No. and % of votes against
1.	**Special Resolution:** Appointment of Mrs. Vijayalakshmi Rajaram Iyer (DIN-05242960) as Non-Executive-Independent Director of the Company	201,231,027	195,314,027 97.059%	5,916,981 2.94%

The Company had provided remote e-voting facility to enable all its Members to cast their votes electronically on the aforementioned resolutions. The results of the postal ballot along with the scrutinizers report was displayed on Stock Exchanges and Company's website.

8) GENERAL SHAREHOLDERS INFORMATION:

- **Financial Year:**

  1 April to 31 March

- **Share Transfer System:**

  Regulation 40(1) of Listing Regulations, as amended from time to time and with effect from 24 January 2022, prescribes that the requests with respect to transfer, transmission or transposition of securities shall not be processed unless the securities are held in dematerialized form. The authority for approving transfer, transmission, dematerialisation of shares etc. is conferred upon the Share Transfer Committee.

  Further, SEBI had vide its circular dated January 25, 2022, mandated companies to issue its securities in demat form only while processing various service requests such as issue of duplicate securities certificates, sub-division, consolidation, transmission, etc. to enhance ease of dealing in securities markets by investors. Accordingly, Members are requested to make request for duplicate share certificates and any other requests by submitting a duly filled and signed Form ISR – 4, subseqent to which Company or RTA shall issue of Letter of Confirmation in lieu of share certificate, the format of which is available on the Company's website at https://glenmarkpharma.com/investors/shareholders-corner/shareholder-forms-queries/

  Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. In view of the aforesaid, Members holding shares in physical form are requested to convert their holdings to dematerialized form in due time as dematerialization will, inter alia, prevent frauds and losses involved in physical transfer of securities and improve ease, convenience and safety of transactions for investors.

  In terms of Regulation 40(9) of the Listing Regulations, Annual audit of share transfer related activities is done by Company Secretary in practice and compliance certificate is submitted to the Stock Exchanges on an annual basis.

- **Dematerialisation of shares and Liquidity:**

  As of 31 March 2023, 99.67% of shares have been dematerialised and held in electronic form through National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The shares of the Company are permitted to be traded only in dematerialised form. All shares of the company are liquid and traded in normal volume on BSE and NSE. Relevant data for the average daily turnover for the F.Y. 2022-23 is given below:

	BSE	NSE	BSE+NSE
In no. of Shares	63058	984419	1047477
In value terms ₹	25742890	401720807	427463697

- **Shareholding Pattern as at 31 March 2023:**

Description	No. of Shareholders	Shares held	% to Equity
Company Promoters	6	131617687	46.65
Foreign Portfolio Investors	240	63381627	22.46
Resident Individuals/ HUF	279436	48644374	17.25
Mutual Funds	17	15317865	5.43
Financial Institutions/ Banks	18	13028222	4.62
Bodies Corporates	838	5582779	1.98
Non-Resident Indians	4828	3042734	1.08
Trusts	12	1077571	0.38
Clearing Members	48	124348	0.04
IEPF	1	241092	0.09
Foreign Nationals	14	69497	0.02
Promoters Relatives	2	23560	0.01
TOTAL	**285461**	**282168156**	**100.00**

- **Distribution Schedule as on 31 March 2023:**

Sr. No.	Category From - To	No. of Shareholders	% of Shares	No. of Shares	% of Total Equity
1	1 - 5000	284458	99.65	25166547	8.92
2	5001 - 10000	396	0.14	2855267	1.01
3	10001 - 20000	212	0.07	3051762	1.08
4	20001 - 30000	79	0.03	1898910	0.67
5	30001 - 40000	43	0.02	1486691	0.53
6	40001 - 50000	29	0.01	1317032	0.47
7	50001 - 100000	76	0.03	5518661	1.96
8	100001 and above	168	0.06	240873286	85.37
	TOTAL:	**285461**	**100.00**	**282168156**	**100.00**

- **Date, Time and Venue of the ensuing Annual General Meeting:**

  Annual General Meeting shall be held on Friday, 29 September 2023 at 2.00 p.m. through Video Conferencing / Other Audio Visual Means facility.

- **Date of Book Closure:** Tuesday, 19 September, 2023 to Friday, 29 September 2023 (both dates are inclusive).

- **Date of declaration of dividend:**

  A dividend of ₹ 2.5 per share has been recommended by the Board at its meeting held on 19 May 2023 subject to the approval of the Shareholders at the ensuing Annual General Meeting. The dividend shall be paid on or after 3 October 2023.

- **Other Information:**

  SEBI vide its circulars dated November 03, 2021 and December 14, 2021 has introduced common and simplified norms for processing investor's service request by RTAs, wherein all holders of physical securities of the Company are requested to mandatorily furnish/ update their PAN, Nomination, Contact details, Bank Account details and specimen signature with the RTA before 01 October 2023 to update their KYC Details, failing which all the incomplete folios of such shareholders shall be frozen. Members may note that any service request and/or payment of outstanding dividend will be processed only if their folio is KYC compliant.

The Company had also sent letters to all the members holding shares in physical form bringing the said circular to the notice of shareholders and for furnishing their PAN, KYC and Nomination details. SEBI has specified different forms for various service requests. The shareholders can download the requisite forms from the Company's website at https://glenmarkpharma.com/investors/shareholders-corner/shareholder-forms-queries/

Members may kindly note that consequent to split in the face value of equity shares of the Company from ₹ 10 to ₹ 2 and subsequently from ₹ 2 to ₹ 1, the share certificates of face value of ₹ 10 or ₹ 2 have ceased to be valid for any purpose whatsoever. Members who are holding share certificates of the face value of ₹ 10 or ₹ 2 each are requested to kindly send their respective share certificates to KFin for receiving ten or two equity shares of face value of ₹ 1 each in exchange of one equity share of face value of ₹ 10 each or ₹ 2 each.

Pursuant to the provisions of Section 124 of the Act, dividend, which remains unclaimed for a period of seven years, will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Act.

With effect from 7 September 2016, Investors / Depositors whose unpaid dividends, matured deposits or debentures etc. were transferred to IEPF under Companies Act, 1956 and/or Companies Act, 2013 can claim the amounts as per the procedures/guidelines available at the website of Ministry of Corporate Affairs: http://www.iepf.gov.in/

9) MATERIAL SUBSIDIARIES:

The details of material subsidiaries of the Company as required under the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023 dated 17 January 2023 are as under:

S.No.	Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name & Date of Appointment (DOA) of Statutory Auditors
1	Glenmark Pharmaceuticals Inc.	11 December 2002	USA	P. Parikh & Associates DOA – 26 May 2021
2	Glenmark Life Sciences Limited (GLS)	23 June 2011*	India	M/s. Walker Chandiok & Co LLP DOA** - 25 July 2018
3	Ichnos Sciences Inc.	31 May 2019	USA	Grant Thornton SA DOA – 2 November 2020
4	Glenmark Holding SA	17 May 2006	Switzerland	Grant Thornton SA DOA – 15 September 2017

** The Company was incorporated as Zorg Laboratories Private Limited (Zorg) on 23 June 2011. Subsequently, Zorg was acquired by Glenmark Pharmaceuticals Limited and the name of Zorg was changed to Glenmark Life Sciences Private Limited and subsequently to GLS.*

*** The shareholders of GLS at their Meeting held on 25 July 2018 had approved appointment of M/s Walker Chandiok & Co LLP, Chartered Accountants as a Statutory Auditor for the period of 5 Years. Further, the Board of GLS has recommended reappointment of M/s Walker Chandiok & Co LLP at its meeting held on 23 April 2023, subject to the approval of the shareholders of GLS.*

The policy on material subsidiary is available on the website of the Company and can be accessed at https://glenmark.b-cdn.net/gpl_pdfs/about_us/Policy%20on%20Material%20Subsidiary.pdf.

10) OTHER DISCLOSURES:

- **Disclosures on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large.**

i. During the period under review, the Company had not entered into any material transaction with any of its related parties.

ii. None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Notes of Standalone Financial Statements, forming part of the Annual Report.

iii. The Company's major related party transactions are generally with its subsidiaries. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries.

iv. All related party transactions are negotiated on an arm's length basis and are intended to further the Company's interests.

v. The Company has in line with the Listing Regulations, formulated a policy on Related Party Transactions and its Materiality.

vi. The revised policy on Related Party Transactions and its Materiality as stated above is available on the website of the Company and can be accessed at the web link:

https://glenmark.b-cdn.net/gpl_pdfs/about_us/Policy%20on%20RPT%20and%20its%20Materiality.pdf

Pursuant to Regulation 23(9) of the Listing Regulations, the Company also submits with the Stock Exchanges on a half yearly basis, the disclosure of Related Party Transactions.

- **Disclosure of foreign exchange risk and hedging activities;**
  The Company is exposed to foreign exchange risks emanating from business, assets and liabilities denominated in foreign currency. In order to hedge this risk, the Company uses forward contracts as hedging instruments from time to time.

- **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, prohibition and redressal) Act, 2013:**
  As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, the Company has constituted Internal Complaints Committee (ICC). While maintaining the highest governance norms, external independent persons who worked in this area and have the requisite experience in handling such matters have been appointed.

  During the year under review, the Company was in receipt of Two (2) complaints related to Sexual Harassment at Workplace, which were actively resolved. Leaving no complaint unresolved as on 31 March 2023.

- **Certificate from Practicing Company Secretary regarding Non-Debarment and Non-Disqualification of Directors:**
  Company has received certificate from CS Surjan Singh Rauthan, proprietor of M/s. S. S. Rauthan & Associates, Practicing Company Secretaries stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

- **Fees paid to statutory Auditors:**
  Consolidated (Holding and its Subsidiaries) total fees paid to Statutory Auditor was ₹ 95.27 Million.

- **Adoption of Mandatory and Non-Mandatory Requirements:**

  The Company has complied with all the mandatory requirements of the Listing Regulations.

  The status of compliance with the non- mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations are as under:

  - During the year under review, there was no audit qualification in the Company's Financial Statements.
  - The Internal Auditor reports directly to the Audit Committee in all functional matters.
  - The Company follows a robust process of communicating with the Shareholders which has been explained later in the Report under "Means of Communication."

- **Information in respect of such unclaimed dividend when due for transfer is given below:**

Financial Year Ended	Date of declaration of Dividend	Date of transfer to unpaid/unclaimed dividend account	Last date for claiming unpaid Dividend	Due date for transfer to IEP Fund
31.03.2016	12.08.2016	12.09.2016	11.09.2023	10.10.2023
31.03.2017	29.09.2017	29.10.2017	28.10.2024	27.11.2024
31.03.2018	28.09.2018	28.10.2018	27.10.2025	26.11.2025
31.02.2019	27.09.2019	27.10.2019	26.10.2026	25.11.2026
31.03.2020	29.09.2020	29.10.2020	28.10.2027	27.11.2027
31.03.2021	24.09.2021	24.10.2021	23.10.2028	22.11.2028
31.03.2022	27.09.2022	27.10.2022	26.10.2029	25.11.2029

Shareholders who have not so far encashed their dividend warrant(s) are requested to seek issue of duplicate warrant(s) by writing to KFin immediately.

- **Transfer of 'Underlying Shares' into Investor Education and Protection Fund (IEPF) (in cases where dividends have remained unclaimed for a period of seven consecutive years):**

  In terms of Section 124(6) of the Act read with IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government. As required under the said Rules, the Company had transferred equity Shares to IEPF Account in the month of November, 2022.

- **Reconciliation of Share Capital Audit Report:**

  A qualified practicing Company Secretary has carried out Audit every Quarter to reconcile the total admitted Capital with NSDL and CDSL and the total issued and listed capital. The Audit confirms that the total issued/paid-up capital is in agreement with the aggregate total number of shares in physical form, shares allotted and advised for demat credit but pending execution and the total number of dematerialised shares held with NSDL and CDSL.

  Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on an annual basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

- **Subsidiary Monitoring Framework:**

  All the Subsidiary Companies of the Company are managed with their Boards having the rights and obligations to manage these Companies in the best interest of their stakeholders. The Company nominates its representatives on the Board of Subsidiary Companies and monitors performance of such Companies. Synopsis of the Meetings along with the minutes of the meetings of the Subsidiary Companies are placed before the Company's Board regularly.

11) MEANS OF COMMUNICATION:

- **Quarterly/ Half-yearly/ Annual Results:**

  The quarterly/half-yearly/annual results are published within the timeline stipulated under Listing Regulations. The results are also uploaded on NEAPS/ NSE Digital Exchange Portal and BSE Online Portal of NSE and BSE respectively. The financial results are published within the time stipulated under the Listing Regulations in newspapers viz. Financial Express (in English) and Loksatta (in Marathi).

  The Financial Statements as stated above are also available on the website of the Company and can be accessed at the web link: https://glenmarkpharma.com/investors/results-sheet/

  As a part of the Green initiative, the Annual Reports are sent by E-mail to Shareholders whose e-mail ids are registered with the Depositories/ KFin.

- **Analyst/Investor Meets:**

  The Chairman & Managing Director and Executive Director & Global Chief Financial Officer periodically have conference calls with institutional investors and analysts. Official press releases and presentations before making to the institutional investors and analysts are uploaded on NEAPS/ NSE Digital Exchange Portal and BSE Online Portal of NSE and BSE respectively and posted on the Company's website. The recordings and transcripts of the call with analysts for quarterly/half-yearly/annual results are available on the Company's website at www.glenmarkpharma.com.

- **Press releases, presentations, etc.:**

  Official press and media releases are sent to Stock Exchanges and are displayed on Company's website: www.glenmarkpharma.com

- **Management Discussion & Analysis Report:**

  The Management Discussion & Analysis Report forms a part of the Board's Report. All the matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

- **Company's Corporate Website:**

  The Company has its own website viz. www.glenmarkpharma.com which contains all the vital information relating to the Company and its products. Website also has separate dedicated section 'Investors' wherein information relevant for shareholders is available.

  The Company also regularly provides information to the stock exchanges as per the requirements of the Listing Regulations. The Company's website is updated regularly to include information on new developments and business opportunities pertaining to the Company.

- **SCORES (SEBI Complaint Redress System):**

  The investor complaints are processed in a centralised web-based complaints redressal system. It enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities, from lodging of a complaint to disposal, are carried out online and the status of every complaint can be checked online at any time. The Company, on a regular basis keeps a track of complaints/ grievances received through SCORES, to ensure their speedy disposal to the satisfaction of investor.

- **Letters and Reminders to Shareholders for unclaimed shares/dividends:**

  The Company sends annual reminder letters to shareholders who have not claimed their dividends. Reminder letters are also sent to those shareholders whose Unclaimed Dividend/Shares are liable to be transferred to the IEPF account.

  The Company has also uploaded the names of the Members and the details of the unclaimed dividend on the website of the Company pertaining to transfer of IEPF. The Members may log in to find out whether their dividend for any of the years is outstanding at the website.

12) COMPANY'S SCRIP INFORMATION:

Listing on Stock Exchanges:

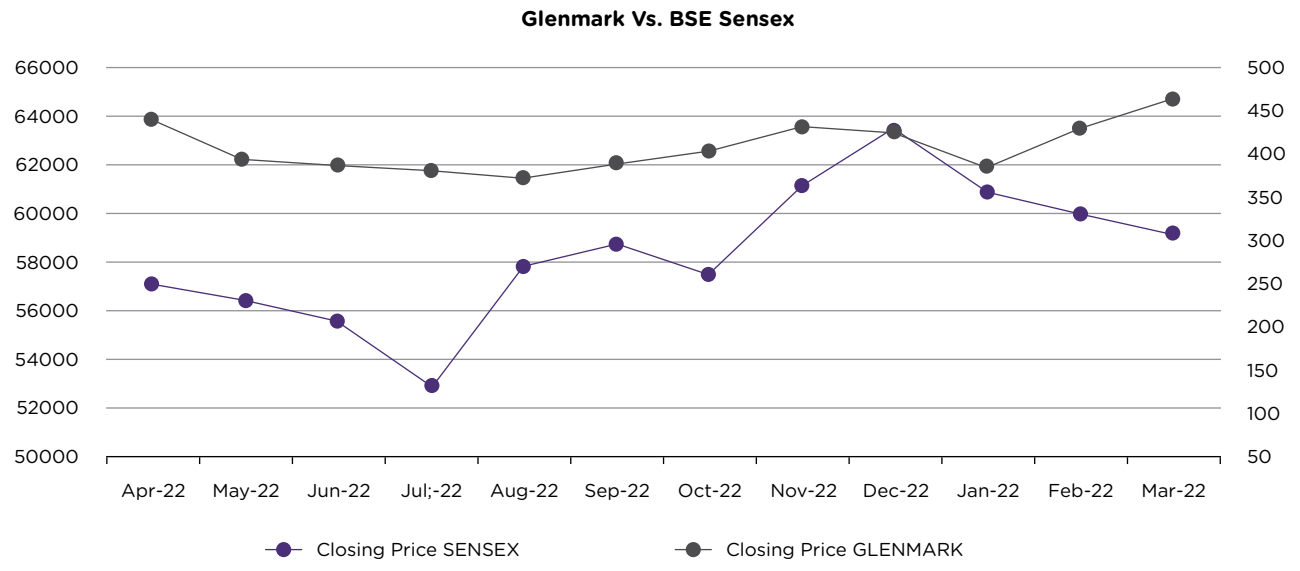
- The shares of the Company are listed on BSE Ltd. (BSE) & The National Stock Exchange of India Ltd. (NSE)
- The Company's Bonds and Notes were listed on Singapore Stock Exchange Ltd., which were subsequently delisted in the month of 9 May 2022

Stock Exchange	Stock Codes/Symbols	ISIN
BSE	532296	INE935A01035
NSE	GLENMARK	INE935A01035

- Annual Listing fee for the year 2023-24 has been paid by the Company to the Stock Exchanges.
- **Market Information:**
  Market Price Data: High, low (based on closing price) during each month in last financial year.

Month	BSE		NSE	
	High Price(₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
Apr-22	487.15	425.60	487.55	425.50
May-22	440.00	378.00	440.90	378.05
Jun-22	401.80	348.90	401.90	348.50
Jul-22	401.00	360.50	401.00	360.45
Aug-22	407.80	361.70	408.00	361.40
Sep-22	396.60	363.80	396.60	363.65
Oct-22	409.40	376.70	409.45	376.90
Nov-22	443.95	405.90	444.00	401.15
Dec-22	450.85	406.95	451.00	406.90
Jan-23	440.00	369.50	440.15	369.05
Feb-23	453.55	378.70	453.80	378.80
Mar-23	468.00	414.50	468.00	414.25

Performance in comparision to broad based indexes namely, BSE Sensex.



13) CORPORATE IDENTITY NUMBER (CIN):

The Corporate Identity Number (CIN), allotted by Ministry of Company Affairs, Government of India is L24299MH1977PLC019982

14) PLANT LOCATIONS:

The Company's plants are located at:

Glenmark Pharmaceuticals

Manufacturing Facilities

Formulations

- E 37-39, MIDC Industrial Area, D Road, Satpur, Nashik - 422007, Maharashtra
- Plot No. S-7 and S-9, Colvale, Industrial Estate Colvale, Bardez - 403513, Goa
- Unit - I, Village Kishanpura, Baddi-Nalagarh Road, The Baddi, Dist. - Solan, HP – 174101
- Unit - II, Village Bhattanwala, PO Rajpura, Teh Nalagarh, Dist.- Solan, HP – 174101
- Unit - III, Village Kishanpura, Baddi - Nalagarh Road, Dist. - Solan, HP – 174101
- Plot No 2, Phase -II, Pharma Zone, Special Economic Zone Area, Pithampur, Indore 454775, Madhya Pradesh
- Plot No. B-25, Five Star MIDC, Shendra, Dist. - Aurangabad, Maharashtra
- Samlik-Marchak, Industrial Growth Centre, Near Ranipool, Dist. - Gangtok, Sikkim 737135
- Fibichova 143, 566 17, Vysoke Myto, Czech Republic
- Calle 9 Ing Meyer Oks N 593, Parque Industrial Pilar, B1629MX Buenos Aires, Argentina
- 4147 Goldmine Road, Monroe, NC 28110, USA

R&D Centres

- Plot No. A 607, Mahape Industrial Area, MIDC Mahape, Navi Mumbai – 400709, Maharashtra
- Plot No. C 152, MIDC Malegaon Industrial Area, Sinnar Dist. - Nashik – 422113, Maharashtra
- Plot No. M4, Taloja Industrial area, MIDC Taloja, Taluka Panvel, Dist. Raigad – 410208, Maharashtra

Clinical Research Centre

- Plot No. M4, Taloja Industrial area, MIDC Taloja, Taluka Panvel, Dist. Raigad – 410208, Maharashtra

ICHNOS SCIENCES INC.

Global Headquarters

- 1 World Trade Center, 76th Floor, Suite D, New York, NY 10007

R&D Centre

- Route de La Corniche 5A 1066 Epalinges, Switzerland

Development and Manufacturing

- Chemin de la Combeta 5, 2300 La Chaux-de-Fonds, Switzerland

GLENMARK LIFE SCIENCES

Manufacturing Facility

- Plot No. 3102 to 3109, 3103, GIDC Industrial Estate, Ankleshwar, Dist. Bharuch – 393 002, Gujarat
- Plot No. Z-103/I ,SEZ, Phase II, Dist Bharuch, Gujarat,Dahej,-392130
- Plot No. 141-143, 160-165/170-172, Chandramouli Sahakari Audyogik Vasahat, Pune-Hyderabad Highway, Mohol, Solapur - 413213
- Plot No. A80, MIDC Area, Kurkumbh, Daund, Pune - 413802, Maharashtra

R&D Centres

- Plot No. A-607, TTC Industrial Area, MIDC, Mahape, Navi Mumbai, Dist. Thane- 400709, Maharashtra.
- Plot No. 3102 to 3109, 3103, GIDC Industrial Estate, Ankleshwar, Dist. Bharuch – 393 002, Gujarat
- Plot No. Z-103/I ,SEZ, Phase II, Dist Bharuch, Gujarat,Dahej,-392130

15) CREDIT RATINGS:

- S&P Global has affirmed Long term Rating as 'BB', Outlook 'Stable'.
- Fitch Ratings has affirmed Long-Term Issuer Default Rating (IDR) as 'BB', Outlook 'Stable'.
- CRISIL has affirmed Long-Term Rating as 'AA-'and revised Outlook to 'Stable' from 'Positive'. Short- Term Rating reaffirmed as A1+.
- India Ratings and Research (Ind-Ra) has affirmed Long-Term Rating as 'AA-'and revised Outlook to 'Stable' from 'Positive'. Short- Term Rating affirmed at A1+.

16) OUTSTANDING GDR'S/ADR'S/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS EXERCISED, DATE AND LIKELY IMPACT ON EQUITY:

Employee Stock Options Scheme 2016:

The shareholders of the Company had approved Employee Stock Options Scheme 2016 in August 2016 and the Company had issued options on 27 October, 2016 having expiry period to exercise these options till July 31, 2020. At the Nomination & Remuneration Committee Meeting held on 26 May 2022, it was proposed to extend the period of expiry up to 31st July 2023. During the F.Y. 2022-23, no options were issued, exercised, or cancelled. As of 31 March 2023, 78,717 options were outstanding and are due for exercise. On exercising the convertible options so granted under the ESOS of the Company, the paid-up equity share capital of the Company will increase by a like number of shares.

The information in compliance with Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended is appended as Annexure IV to the Board's Report.

FINANCE

U.S. $ 200,000,000, 2.00 % Resettable Onward starting equity-linked securities (Bonds):

The Company had issued Bonds on 28 June 2016. The Bonds become convertible at the option of the holders' of the Bonds (the "Bondholders") after 1 December 2017 and upto the close of business on 18 June 2022 into equity shares. Each Bond will be convertible at the option of the holder thereof into fully paid equity shares at the initial conversion price determined on 30 November 2017.

On 30 November 2017, the Company set the initial conversion price (i.e. the price at which the ordinary shares of the Company will be issued upon conversion of Bonds subject to any further adjustments according to conditions) at ₹861.84 as determined in accordance with condition 6.1.3 of the Trust deed. As of 31 March 2022, none of the Bondholders have opted for the conversion option.

On 30 November 2017, the Company confirmed the fixed exchange rate as ₹64.5238 in accordance with the condition 6.1.1 (b) of the Trust Deed dated 28 June 2016 which provides that the fixed exchange rate shall be the FX rate (INR per U.S. $ 1) based on Bloomberg's "BFIX" USD/INR spot mid-price rate 12.00 (Hongkong time) on 30 November 2017.

Unless previously converted, redeemed or purchased and cancelled, the Bonds were to be redeemed on 28 June 2022 (Maturity Date) at 126.42% of their principal amount, together with accrued interest (if any), calculated up to but excluding the Maturity Date. The Company may, at its own discretion, redeem the Bonds in whole, but not in part, subject to satisfaction of certain conditions.

As per the original Trust Deed, each Bondholder has the right to require the Company to redeem in whole or in part, such Bondholder's Bonds, on 28 July 2021 (Put Option Date), at a price equal to 121.78% of its outstanding principal amount of Bonds, together with interest (if any) accrued but unpaid on 28 July 2021. This is amended in April, 2021(see note below on Tender Offer and Consent Solicitation).

The FCC Bonds were partially bought back in October 2018 (see note below on Buyback). In addition to that, the Company approved for tender and consent solicitation for amendment of FCC Bonds in February, 2021 (see note below on Tender Offer and Consent Solicitation). Further, the FCC Bonds were partially bought back in September, 2021 and April 2022 (see note below on Buyback). The balance outstanding FCC Bonds were redeemed in May, 2022 (see note below on Buyback).

The FCC Bonds were delisted from the Singapore stock exchange in May, 2022.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – October, 2018:
In September 2018, the Company approved the launch of buyback of FCC Bonds ("Buyback FCCBs") from existing holders of FCC Bonds ("Buyback Bondholders"). MUFG Securities Asia Limited and J.P. Morgan Securities Limited were appointed as dealer managers, on behalf of the Company to buyback FCC Bonds at a buyback price of 105% of the principal amount outstanding (being U.S. $ 262,500 for each U.S. $ 250,000 of FCC Bonds), up to an aggregate purchase price of U.S. $ 100 million plus accrued and unpaid interest per FCC Bond. In October 2018, the Company agreed to buyback U.S. $ 86.5 million in aggregate principal amount (representing 346 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. These Buyback FCCBs represented 43.25% of the aggregate FCC Bonds. On the closing/settlement date,

the Company paid an aggregate purchase price of U.S. $ 90,825,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 113.5 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook buyback to monetize the opportunity available and to push maturity of external debt. The Company utilised proceeds from an unsecured External Commercial Borrowing facility of up to U.S.$ 100 million ("ECB Facility") from MUFG Bank, Ltd., Singapore Branch, to refinance these Bonds.

Tender Offer of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 and Consent Solicitation from Bondholders – April, 2021:

In March, 2021, the Company announced a launch of a tender offer of the FCC Bonds. The Hong Kong and Shanghai Banking Corporation Limited was appointed as the Dealer Manger on behalf of the Company to tender an aggregate principal amount of up to U.S. $ 38.5 million at a purchase price of 120.30% of the principal amount of the FCC Bonds (Tender Offer) and also invited the holders of the FCC Bonds to approve the amendment of the optional put notice period from not later than 30 days nor more than 60 days prior to the Put Option Date to a minimum of 150 days prior to the Put Option Date by passing an Extraordinary Resolution (Consent Solicitation).

Tender Offer:
In April, 2021, an aggregate principal amount of U.S. $ 36.75 million (representing 147 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) were validly tendered pursuant to the Offer. These tendered FCC Bonds represented 32.38% of the outstanding FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 44,210,250 plus accrued but unpaid interest. Following settlement, the tendered FCC Bonds were cancelled and U.S. $ 76.75 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook this tender to manage the Company's debt maturity profile by reducing near-term repayable outstanding indebtedness and to reduce interest costs. The Company utilised proceeds from unsecured External Commercial Borrowing facilities from Fifth Third Bank and International Finance Corporation to refinance these Bonds.

Consent Solicitation: An Extraordinary Resolution was duly passed at the Bondholders Meeting held on 12 April 2021, with 99.78 per cent. of votes cast in favour of the amendment to the optional put notice period. The Company also executed the Supplemental Trust Deed to make the amendment effective from 12 April 2021.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – September, 2021:

In September 2021, the Company executed a discrete buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 1 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 120.30% of the principal amount (representing 4 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 15 September, 2021, the Company paid an aggregate purchase price of U.S. $ 1,203,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 75.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – April and May, 2022:

In April 2022, the Company executed a buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 75 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 125.26% of the principal amount (representing 300 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 7th April, 2022, the Company paid an aggregate purchase price of U.S. $ 93,945,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 0.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Following the above buyback in April, 2022, the Company issued a Notice of early redemption to the remaining holders of FCC Bonds for principal value of outstanding U.S. $ 0.75 million for redemption in May, 2022. On 9 May, 2022, the Company paid an aggregate amount of U.S. $ 9,42,860.24 for the Buyback FCCBs, plus accrued but unpaid interest and concluded the redemption of FCC Bonds as per the terms of the Trust Deed.

Subsequently, the FCC Bonds were delisted from the Singapore stock exchange.

U.S. $ 90,825,000, MUFG Bank, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 100 million. In October 2018, the ECB Facility for U.S. $ 90,825,000 was raised and the proceeds were utilized for the purpose of repurchasing the FCC Bonds. The ECB Facility was raised from MUFG Bank, Singapore with an initial maturity of 5 years. The interest rate for the first 3 years is 4.956% p.a. and the interest for the subsequent 2 years is 5.25% p.a.

However, in December, 2021, the loan was extended to bullet maturity of December, 2026. The interest rate was fixed at 4.69% p.a. up to September, 2023 and thereafter at an interest margin of 2.15% p.a. over SOFR.

U.S. $ 40,000,000, International Finance Corporation (IFC), ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 40 million. The ECB Facility for U.S. $ 40 million was executed in February, 2021 and the Company availed U.S. $ 16,574,250 in April, 2021 and the proceeds were utilized for the purpose of refinancing the FCC Bonds. The Company further availed U.S. $ 7,500,000 and U.S. $ 1,203,000 in June, 2021 and September, 2021 respectively. The ECB Facility was raised from International Finance Corporation with a maturity of 5.7 years. The interest margin over U.S. $ LIBOR was 3.08%p.a. up to September, 2021 ; 2.83%p.a. up to June 2023 and 3.26% over SOFR thereafter.

U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 228 million. During March 2022, the Sustainability linked loan for U.S. $ 228 million was raised and the proceeds were utilized for the purpose of refinancing the U.S. $ 200 million Syndication loan and U.S. $ 28 million Fifth Third Bank loan. The ECB Facility was raised from 10 Foreign banks with a maturity of 5 years. The interest margin is 1.75%p.a. over SOFR.

17) NATIONAL AUTOMATED CLEARING HOUSE (NACH):

To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided NACH facility to the members for the remittance of dividend. Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFS Code), along with their Folio Number to KFin.

Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or KFin cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the depository participant of the members.

18) CODE FOR PREVENTION OF INSIDER TRADING:

The Company has comprehensive guidelines on Prevention of insider trading. The Company has also adopted a software and adhered to the System Driven Disclosure for regulating, monitoring and reporting of trading by Designated Persons to deter the insider trading in the securities of the Company based on the Unpublished Price Sensitive Information which is in compliance with the SEBI Regulation on prevention of Insider Trading.

19) INVESTOR HELPDESK: FOR CLARIFICATIONS / ASSISTANCE, IF ANY, PLEASE CONTACT:

	Corporate Office	Registrars & Transfer Agents
Persons to contact	Mr. Harish Kuber	Ms. Krishna Priya Maddula
Address	Glenmark Pharmaceuticals Limited	KFin Technologies Limited
	Glenmark House,	Selenium Tower B, Plot No 31 & 32
	B. D. Sawant Marg, Chakala,	Gachibowli, Financial District,
	Off. Western Express Highway,	Nanakramguda, Serilingampally
	Andheri (E), Mumbai 400 099.	Hyderabad – 500 008
Telephone	(022) 40189999	+91-40-67161500
Fax No.	(022) 40189986	+91-40-23420814
Email	complianceofficer@glenmarkpharma.com	priya.maddula@kfintech.com
Website	www.glenmarkpharma.com	www.kfintech.com
Investor Redressal	complianceofficer@glenmarkpharma.com	einward.ris@kfintech.com

Declaration regarding affirmation of Code of Conduct:

In accordance with Regulation 26(3) and Schedule V of the Listing Regulations, 2015, this is to confirm that all the members of the Board and the senior management personnel have affirmed compliance with the Code of Conduct for the F.Y. ended 31 March 2023.

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Place:Mumbai
Date: 19 May 2023

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) ON FINANCIAL STATEMENTS OF THE COMPANY

We, Glenn Saldanha, Chairman & Managing Director and V.S. Mani, Executive Director & Global Chief Financial Officer, of Glenmark Pharmaceuticals Ltd., certify that:

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining the internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

i) Significant changes in internal control over financial reporting during the year;

ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;

iii) During the year there were no instances of fraud which we have become aware. The management and its employees have a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN: 00050607)

V.S. Mani
Executive Director & Global Chief Financial Officer
(DIN: 01082878)

Place: Mumbai
Date: 19 May 2023

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members
Glenmark Pharmaceuticals Limited

We have examined the compliance of the conditions of Corporate Governance by Glenmark Pharmaceuticals Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S. S. Rauthan & Associates
Company Secretaries
UIN: S1999MH026900

Surjan Singh Rauthan
Proprietor

M. No. FCS-4807, COP No.3233
Peer Reviewed Cert. No. : 1840/2022
UDIN: F004807E000333168

Place: Mumbai
Date: 19 May 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,
Glenmark Pharmaceuticals Limited
CIN: L24299MH1977PLC019982
B-2 Mahalaxmi Chambers,
22 Bhulabhai Desai Road, Mumbai – 400026.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Glenmark Pharmaceuticals Limited having registered office at B-2 Mahalaxmi Chambers, 22 Bhulabhai Desai Road, Mumbai–400026 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Companies Act, 2013. Our responsibility is to express an opinion on these based on our verification. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	*Date of Appointment/ Reappointment
1.	Mr. Glenn Saldanha	00050607	May 16, 2022
2.	Ms. Cherylann Pinto	00111844	May 16, 2022
3.	Mr. V.S.Mani	01082878	May 29, 2023[1]
4.	Mr. Rajesh Desai	00007960	June 26, 2020
5.	Mr. Brian W. Tempest	00101235	April 01, 2019
6.	Ms. Sona Saira Ramasastry	08398547	April 01, 2019
7.	Mr. Bernard Munos	05198283	April 01, 2019
8.	Ms. Blanche Saldanha	00007671	September 24, 2021
9.	Mr. Sridhar Gorthi	00035824	April 01, 2019
10.	Mr. D.R. Mehta	01067895	April 01, 2019
11.	Mr. Dipankar Bhattacharjee	08770548	August 14, 2020
12.	Mrs. Vijayalakshhmi Rajaram Iyer	05242960	February 10, 2023

[1] Reappointment approved by the Board at its meeting held on May 19, 2023 for further period of 3 years w.e.f. May 29, 2023 subject to approval by the shareholders.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S. S. Rauthan & Associates
Company Secretaries
Firm Registration No.:S1999MH026900

Surjan Singh Rauthan
Proprietor
M. No. FCS-4807, COP No.3233
Peer Reviewed Cert. No. : 1840/2022
UDIN: F004807E000333212

Place: Mumbai
Date: 19 May 2023

Business Responsibility and Sustainability Report (BRSR)

Section A	General disclosures
Section B	Management and process disclosures
Section C	Principle-wise performance disclosure
Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

Section A: General Disclosures

I. Details of the listed entity

1.	Corporate Identity Number (CIN)	L24299MH1977PLC019982
2.	Name of the Company	Glenmark Pharmaceuticals Limited
3.	Year of Incorporation	1977
4.	Registered office address	B/2, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai 400026, Maharashtra, India
5.	Corporate office address	Glenmark House, B. D. Sawant Marg, Chakala, Off Western Express Highway, Andheri (E), Mumbai – 400 099, Maharashtra, India
6.	E-mail	Complianceofficer@glenmarkpharma.com
7.	Telephone	+91 22 4018 9999
8.	Website	www.glenmarkpharma.com
9.	Financial year for which reporting is being done	1st April 2022 to 31st March 2023
10.	Name of the Stock Exchange(s) where shares are listed	• National Stock Exchange of India Limited (NSE) • BSE Limited
11.	Paid-up Capital	INR 282.17 million
12.	Name and contact details (telephone, email address) of the person for BRSR Reporting	Mr. Harish Kuber Company Secretary & Compliance Officer ComplianceOfficer@glenmarkpharma.com +91 22 4018 9999
13,	Reporting boundary	The disclosure under this BRSR is on standalone basis unless otherwise stated

II. Products/Services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1	Pharmaceuticals	Research & development, manufacturing and sales of branded generics, generics, specialty and OTC pharmaceutical products in dermatology, respiratory, oncology, cardiology, diabetic, gynecology, gastroenterology and anti-infective etc.	100%

15. Products/Services sold by the entity (accounting for 90% of the turnover):

S. No.	Product/Services	NIC Code	% of total turnover contributed
1.	Research & development, manufacturing and sales of branded generics, generics, specialty and OTC pharmaceutical products in dermatology, respiratory, oncology, cardiology, diabetic, gynecology, gastroenterology and anti-infective etc.	210	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

S. No.	Location	Number of plants	Number of offices	Total
1.	**National**	7	16	23
2.	**International**	3	53	56

Note: Apart from these offices and plants, Glenmark Pharmaceuticals Limited has 4 warehouses at Indore, Howrah, Panchkula & Bhiwandi and 3 research and development centers at Sinnar, Taloja and Mahape in India.

17. Markets served by the entity

a. Number of locations

S. No.	Number of Locations served	Number
1.	National (Number of states)	28 states and 8 union territories
2.	International (Number of countries)	More than 80

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Glenmark Pharmaceuticals Limited exports products to more than 80 countries including US, Europe, Asia, Russia and Brazil etc. Out of total turnover ₹ 82,206.82 million on standalone basis for the year 2022-23, the percentage of revenue from exports contribute to ₹ 41,744.62 million (50.78%).

c. A brief on types of customers

Glenmark Pharmaceuticals Limited has a strong customer base for various types of pharmaceutical products under key therapeutic areas such as dermatology, respiratory, oncology, cardiology, diabetic, gynecology, gastroenterology and anti-infective etc. Our products benefit diverse range of patients through our distribution network which includes wholesalers, distributors, pharmacy chains, healthcare providers, government institutions and hospitals, among others. The Company also exports products to various overseas customers through its own subsidiaries and also through other distributors.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1.	Permanent (D)	11362	10638	93.63%	724	6.37%
2.	Other than permanent (E)	296	218	73.65%	78	26.35%
3.	**Total employees (D+E)**	11658	10856	93.12%	802	6.88%
	Workers					
4.	Permanent (F)	357	335	93.84%	22	6.16%
5.	Other than permanent (G)	2950	2689	91.15%	261	8.85%
6.	**Total workers (F+G)**	3307	3024	91.44%	283	8.56%

b. Differently abled Employees and workers:

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently abled Employees					
1.	Permanent (D)	13	12	92%	1	8%
2.	Other than permanent (E)	-	-	0%	-	0%
3.	**Total Differently abled employees (D+E)**	13	12	92%	1	8%
	Differently abled Workers					
4.	Permanent (F)	3	3	100%	0	0%
5.	Other than permanent (G)	2	1	50%	1	50%
6.	**Total Differently abled workers (F+G)**	5	4	80%	1	20%

19. Participation/Inclusion/Representation of women

	Total	No. and percentage of Females	
	No. (A)	No. (B)	% (B/A)
Board of Directors	12	4	33.33%
Key Management Personnel	4	1	25%

Note: *As per the Companies Act 2013, KMP includes Managing Director (MD), Whole Time Director (WTD), Chief Financial Officer (CFO) and Company Secretary (CS).

20. Turnover rate for permanent employees and workers

Category	FY 2023			FY 2022			FY 2021		
	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
Permanent employees	19%	24%	19%	15%	15%	15%	11%	12%	11%
Permanent workers	24%	14%	24%	27%	31%	27%	28%	36%	29%

V. Holding, Subsidiary and Associate Companies (including Joint ventures)

21. Names of holding / subsidiary / associate companies / joint ventures:

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures	Is it a holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)

The details of holding subsidiary/ joint venture and wholly owned subsidiaries are given in Form AOC-1, as Annexure-I in the Board's Report and this forms part of the Integrated Annual Report.

Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Yes, all the entities, wherever applicable, participate in the relevant Business Responsibility initiatives of the Company.

VI. CSR details

22.

I. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

II. If yes, Turnover – (in ₹) 82,206.82 Mn.

III. Net worth -(in ₹) 178,774.63 Mn

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	(If yes, then provide web-link for grievance redress policy)*	FY 2023			FY 2022		
			No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	https://glenmarkpharma.com/about-us/governance/	0	0	-	0	0	-
Investors	Yes		0	0	-	0	0	-
Shareholders	Yes		3	0	-	7	0	-
Employees and workers	Yes		15	1	-	9	1	-
Customers**	Yes		577	436	-	2240	21	-
Value Chain Partners	Yes		0	0	-	0	0	-
Other (please specify)	Yes		1	0	-	3	0	-

*Glenmark Pharmaceuticals Limited conducts business with honesty and integrity, and maintains high standards as set by its values and the Glenmark Code of Conduct. Weblinks of Some of the guiding policies with grievance redressal mechanism is available at https://glenmarkpharma.com/about-us/governance/. In addition, there are internal policies placed on the intranet platform of the Company.

**For Grievance Redressal Mechanism of customers, refer point no. 1 of Principle 9 of this report.

Apart from the above policies for grievance redressal, Glenmark Pharmaceuticals Limited also has a separate mechanism to raise ethics and compliance concern at https://glenmarkpharma.com/ethics-compliance/.

24. Overview of the entity's material responsible business conduct issues

S. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Business Ethics	Risk & Opportunity	**Risk:** • Any non-compliance to the Company's standards could lead to reputational damage compromising business relationships and erode customer trust. **Opportunity:** • Helps in aligning with the business's core values and operating in an ethical manner in compliance with the local laws	Glenmark ensures strict adherence & compliance to the Code of Conduct and provides training across all business units.	**Negative** Non-compliance to Code of conduct could lead to imposition of penalties by regulatory agencies, business disruption & revenue loss and reputation risk.
2	Corporate Governance	Risk & opportunity	**Risk:** • Non-compliance to stringent regulatory requirements such as CGMP, CGLP etc,. can lead to imposition of fines, hinder access to markets which could negatively impact revenue of the company **Opportunity:** • Robust corporate governance structure that considers proactive implementation of applicable compliance & regulatory requirements and taking into account stakeholder concerns, oversees business strategies, and ensures accountability, transparency, ethical behavior, and fairness to all stakeholders.	• Glenmark has robust governance structures and oversight mechanisms to strictly adhere to all regulatory and statutory requirements. • Periodical audits are conducted internally and through external auditors to ensure 100% compliance of all statutory and regulatory requirements. • Strong corporate governance mechanism which ensures responsible business conduct and regulatory compliance. • Adequate Independent Director representation to protect stakeholders' interests. • Robust enterprise risk management framework embedding ESG related risks. • Implement appropriate systems and measures to prevent corruption and non-compliance.	**Negative:** Action taken by regulatory agencies due to non-compliance with laws and statutory requirements affects the operations of the Company, brand value, restrictions on business operations, decline in revenue and affects the reputation and overall growth of the organization. **Positive:** Incorporating various policies and practices ensuring effective corporate governance helps in achieving long term sustainability.

S. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Cybersecurity & Data Privacy	Risk	**Risk:** • Rising instances of cyberattacks puts the Company's as well as the customer's data at risk. • Inadequate prevention, detection, and remediation of data security threats can damage the Company's reputation due to loss of confidential information and thus influence customer acquisition and retention resulting in decreased market share and lowers demand for the Company's products.	• Implementation of strong IT management system with multiple controls and protection systems such as anti-virus and fire-walls to ensure data security. • Conducting awareness and training programs, end point and network security controls. • Proactive monitoring and analysis of any new vulnerabilities and threats.	**Negative:** Data breaches of confidential information of customers affects the trust gained by the Company and hinders the growth of the Company.
4	Product Quality & Safety	Risk & Opportunity	**Risk:** • Product quality and safety is very critical for the well-being of patients and attracts legal actions in case the stringent quality criteria is not met. **Opportunity:** • Maintaining highest product quality standards helps in building trust amongst customers.	Regular testing of products and periodic audits to ensure quality and safety of the product as per the standards. Practicing of stringent pharmacovigilance processes and quality control standards.	**Positive:** Maintaining highest quality and safety standards builds confidence in customers and also helps in business expansion and revenue growth. **Negative:** Any non-compliance to product quality and safety standards may lead to imposition of penalties and legal risks affecting the brand value and business growth.
5	Human Capital Development	Opportunity	**Opportunity:** • Employees with desired skills help in improving the productivity in plant operations, innovations through research & development activities, improvements in product quality, business expansion through sales and marketing. • Helps in improving the performance and overall growth of the company.	-	**Positive:** • Improves productivity in the plant operations. • Improves quality of the products. • Improves performance of the company and overall growth of organization.
6	Enhancing Accessibility of Medicines	Opportunity	**Opportunity:** • Improving access to medicines in markets across the globe is a core part of our mandate. Prioritizing accessibility in our business strategy is an opportunity to grow our customer base and enhance markets perceptions of the organization.		**Positive:** • Helps in building strong customer base, business expansion, creating brand value and revenue generation for the company.

S. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Climate Change	Risk & Opportunity	**Risk:** • Climate change poses significant physical and transition risks to the Company's business. • The impacts of climate change could potentially hinder business continuity and human safety. **Opportunity:** • It also offers opportunities arising through innovations in controlling air emissions, improving energy efficiency and increasing the percentage of renewable energy in the total energy consumed.	• Glenmark has conducted a comprehensive climate risk assessment using IPCC scenario analysis of best- and worst-case scenarios. The mitigation strategy involves scenario-wise short-mid- and long-term mitigation plans.	**Negative:** • Incurs an the additional cost to mitigate the negative impact of climate change. **Positive:** • Mitigation of transition and climate related risks.
8	Talent Attraction & Retention	Opportunity	**Opportunity:** • People are our biggest asset, attracting and retaining the right talent fuels organisational growth towards acheiving our vision.	-	**Positive:** • Talent Attraction and Retention enable sustainable financial growth of the Company..
9	Human Rights	Risk	**Risk:** • Any violations related to human rights policies and guidelines can lead to reputational damages.	• Glenmark has undertaken a human rights due-diligence (HRDD) to identify any potential violations. Going forward, assessment of human rights will also form a core part of our value chain assessments.	**Negative:** • Violation of human rights leads to legal challenges and also affects the reputation of the Company.
10	Occupational Health & Safety	Risk & Opportunity	**Risk:** • Potential workplace safety incidents could result in litigation, negatively impacting brand value and the Company's ability to attract and retain manpower. This could lead to reduced availability of manpower and could disrupt operations by affecting the work. • Non-compliance with safety measures by employees • Lack of adequate knowledge on hazards involved in the plant operations. **Opportunity:** • Avoiding health & safety related incidents helps in reducing absentism and cost associated wit accidents and incidents, increase productivity, improve health & safety performance, staff morale & enhance the reputation	• Regular training on health & safety aspects, implementation of safety management system as per ISO 45001, British Safety Council's 5-star safety system and adopted various global safety programs. Implementation of mitigation plans for the risks identified on health & safety.	**Negative:** • Any incident / accidents within the premises of the plant may put employees / worker's life in danger and also affect the Company's reputation

S. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Supply Chain Management	Risk & Opportunity	**Risk:** • Supply chain disruptions could lead to operational losses which could impact business operations. **Opportunity:** • Strengthens the supply chain system to improve the performance of the Company. • Optimization of resources in the supply chain.	• Glenmark undertakes business continuity planning and ensures supply chain diversification to mitigate risk. Adopting Business continuity plan and risk management plan addresses risks related to supply chain.	**Negative:** • Disruptions in supply chain hamper the distribution of the pharmaceutical products of the Company thereby declining the revenue generation. **Positive:** • Building resilience in our supply chain avoiding disruptions has helped us in improving the performance of the Company.
12	Circular Economy	Risk & opportunity	**Risk:** • Higher quantum of waste generation and disposal of waste through incineration or landfills pose a potential environmental risk, which could also lead to imposition of fines, litigations and reputational risks. **Opportunity:** • Waste can be reused to reduce the consumption of natural resources. • Treated wastewater can be utilised to reduce the dependency on fresh water.	• Glenmark ensures strict adherence to all applicable laws and regulations. We also routinely improve our internal process to ensure better handling of waste, increasing co-processing and identifying process innovations to reduce waste generation during the manufacturing process at source. • Implement waste management hierarchy i.e. Reduce, Reuse and Recycle. • Ensure the parameters of treated wastewater meets the water quality parameters required for the plant operations for further utilization.	**Positive:** • **Waste:** Utilization of waste for industrial applications generates additional revenue to the company. Diverting of waste from landfills to co-processing will reduce the disposal costs. • **Water:** Reducing the consumption of fresh water helps in reducing the utility bills and disposal costs of treated wastewater.
13	Risk Management	Opportunity	**Opportunity:** • Building a robust risk management framework and governance mechanism ensures we are able to proactively identify and mitigate any future business disruptions, contributing to our resilience as a Company.	• Appropriate risk management framework embedding ESG related risks. • Implementation of mitigation plans for the identified risks. • Continuously update the risk register and monitor the implementation of risk mitigation plans.	**Positive:** Addressing and managing ESG related risks in holistic manner helps in sustainable growth of the company.
14	Innovation & Research	Opportunity	**Opportunity** • Innovation and research are the bed-rock of any pharma company, enabling us to expand the horizons of science, provide therapies that could be potentially life altering and build engagements within this scientific and medical research community. • Innovation helps in producing the good quality products. • Helps in optimization of resources and reducing the operational costs.		**Positive:** • Innovation of new products bring additional revenue leading to the growth of the organisation. • Creates brand value and reputation to the Company. • Diversify the business with wide range of products helping in expansion of the business.

Section B: Management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements. These are briefly as under:

S. No.	Principle Description	Reference of GPL's Policies
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	Code of Conduct (https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf) Board Diversity Policy (https://glenmark.b-cdn.net/gpl_pdfs/about_us/Board%20Diversity%20Policy.pdf) Anti Bribery and Anti Corruption Policy – Intranet Code of Ethics – Intranet
P2	Businesses should provide goods and services in a manner that is sustainable and safe	Environmental Health & Safety Policy (https://glenmarkpharma.com/responsibility/our-policy/)
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains	Code of Conduct (https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf) Whistleblower Policy (https://glenmark.b-cdn.net/gpl_pdfs/about_us/Whistleblowing%20Policy.pdf) Nomination and Remuneration Policy (https://glenmark.b-cdn.net/gpl_pdfs/about_us/nomination_and_remuneration_policy.pdf) Environmental Health and Safety Policy ((https://glenmarkpharma.com/responsibility/our-policy/) Redressal Mechanism for Employee – Intranet Occupational Health and Safety Policy https://glenmarkpharma.com/responsibility/our-policy/
P4	Businesses should respect the interests of and be responsive to all its stakeholders	Code of Conduct (https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf) Code of Ethics – Intranet Corporate Social Responsibility Policy (https://glenmark.b-cdn.net/gpl_pdfs/about_us/CSR%20Policy.pdf) Redressal Mechanism for Employee- Intranet
P5	Businesses should respect and promote human right	Code of Conduct (https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf) Code of Ethics – Intranet Whistleblower Policy (https://glenmark.b-cdn.net/gpl_pdfs/about_us/Whistleblowing%20Policy.pdf) Human Rights Policy (https://glenmark.b-cdn.net/gpl_pdfs/about_us/Human%20Rights%20Policy_A.pdf)
P6	Businesses should respect and make efforts to protect and restore the environment	Environment Policy https://glenmarkpharma.com/responsibility/our-policy/ Occupational Health and Safety Policy https://glenmarkpharma.com/responsibility/our-policy/
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	Code of Conduct (https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf) Code of Ethics – Intranet

S. No.	Principle Description	Reference of GPL's Policies
P8	Businesses should promote inclusive growth and equitable development	Corporate Social Responsibility Policy https://glenmark.b-cdn.net/gpl_pdfs/about_us/CSR%20Policy.pdf
P9	Businesses should engage with and provide value to their consumers in a responsible manner	IT Policy – Intranet Code of Conduct (https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf)

Policy and Management processes

	Points	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. (a)	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1 (b)	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1 (c)	Web Link of the Policies, if available	https://glenmarkpharma.com/about-us/governance/								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company adhers to CGMP standards and adopted TCFD apart from accreditations by Central Drugs Standard Control Organisation (CDSCO: India), ISO 14001:2015 & 45001:2018 and international regulatory authorities such as USFDA, WHO etc.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has conducted materiality assessment to identify key material issues under Environment, Social and Governance and aligned with the business strategy. The performance on ESG related commitments, goals and targets are assessed by the ESG committee and update to the board on quarterly basis. **Environment:** **Carbon Emission:** • To become carbon neutral enterprise across all facilities located in India by 2030 (Scope 1 and 2). • Approved SBTi target: To reduce absolute scope 1 and 2 GHG emissions 35% by FY 2035 considering the base year as FY 2021. Glenmark Pharmaceuticals Limited also commits to reduce scope 3 GHG emission intensity (per ton of product) by 28% from purchased goods and services, fuel and energy related activities, downstream transportation and distribution, and investments. **Water:** • To become water neutral across all manufacturing facilities and research & development centers located in India by the year 2025 **Waste:** • To achieve zero waste to landfill across all manufacturing facilities and research & development centers located in India by the year 2027 **Social:** • To create positive impact in 3 million lives by 2025 through Corporate Social Responsibility programs and initiatives • Continue focus on gender equality and diversification • To implement 16 Global Safety Programs from FY17 to FY23 **Governance:** • Maintain an ethical business culture to drive robust governance practices beyond compliance. Continue delivering high quality products and transparency in products								

	Points	P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Performance of the entity against the specific commitments, goals, and targets alongwith reasons in case the same are not met.	Performance of the Company against the annual goals & targets aligning with the long-term goals and targets as per the sustainability/ ESG strategy is given below: **Environment:** • Carbon Emission - Reduced absolute Scope 1 & 2 carbon emission in FY 2022-23 by 4% compared to FY 2021-22 • Water - In order to achieve the goal of water neutral by 2025, the Company has to replenish 563247 KL of water by 2025. Out of which, the Company has already replenished 303656 KL of water till date. - Specific water withdrawal intensity has been reduced to 0.0294 KL/KG in FY23 compared to 0.0319 KL/KG water withdrawal intensity in FY22. • Waste Zero waste to Landfill by 2027 - Reduced Hazardous waste disposal in landfill from 16% to 12% in FY 2022-23. • Increased the percentage of co-processing of waste from 50% in FY22 to 58% in FY23 **Social:** • Completed implementation of 16 Global Safety Programs by FY23								

	Governance, leadership, and oversight	
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	Refer to the message from the Chairman & Managing Director in the Integrated Report of Glenmark Pharmaceuticals Limited.
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Glenn Saldanha Chairman & Managing Director
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Glenmark Pharmaceuticals has a dedicated ESG Committee, governed by the Board, to supervise progress against ESG priorities, commitments, goals & targets. The ESG Committee is established to ensure effective and consistent engagement of the senior management in emerging ESG risks and opportunities. The Committee's focus is on incorporating ESG considerations across business functions spanning stakeholder interactions, risk management, manufacturing operations, workforce engagement and supply chain management, among others. The committee plays a key role in appraising progress on the Company's ESG strategy encompassing goals and targets curated to unlock positive outcomes for our economy, environment and the society.

10 Details of Review of NGRBCs by the Company

	Subject for Review	**a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee**								
		P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
1	Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

	Subject for Review	b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
		P1 P2 P3 P4 P5 P6 P7 P8 P9
1	Performance against above policies and follow up action	Performance evaluation of policies are carried out periodically . As required, follow up action is discussed and approved by the relevant management authority governing the respective policy. Through this process, our policies are subjected to continual review and updation and we ensure that we adopt the necessary practices to augment economic, social and environment outcomes across business activities.
2	Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	The company is compliant with all regulatory and statutory requirements and there are no non-compliances or violations in the FY 2022-23.
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1 P2 P3 P4 P5 P6 P7 P8 P9 The Company conducts periodic review of the charters, policies internally by the Senior Management and Board Committees. Independent assessment / evaluation of the working of its policies by an external agency will be done on need basis.
12	If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated: Not Applicable	

Section C: Principle-wise performance disclosure

Principle 1: Business should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

S. No.	Segment	Total number of training & awareness programmes held	Topics / principles covered under the training	% Of persons in respective category covered by the awareness programmes
1	Board of Directors	6	Familiarisation/ awareness programme for the Board of Directors/ KMPs of the Company are done periodically as part of Board process covering various areas pertaining to the business, strategy, risks, operations, regulations, code of business conduct and ethics, economy and environmental, social and governance parameters. In addition, frequent updates are shared with all the Board members/ KMPs to apprise them of developments in the Company, key regulatory changes, risks, compliances and legal cases.	100%
2	Key Managerial Personnel	6		100%
3	Employees other than BOD and KMPs	20	Conflict of Interest Global Policy, Global Anti-Bribery and Anti-Corruption, Interactions with Members of Health Care Community, The Glenmark Ethics line, Third Party Risk Management, Whistleblower, Code of Conduct, Pharmacovigilance, POSH etc.	94%
4	Workers	24	Conflict of Interest Global Policy, Global Anti-Bribery and Anti-Corruption, The Glenmark Ethics line, Code of Conduct, Pharmacovigilance, several programs on environment health & safety (Usage of PPE, working at height and use of fall arrester, machine guarding, laboratory safety, manual material handling, usage of safety shower & eye washer, emergency preparedness and response plan, EHS Policy, Hazard Identification and Risk Assessment, Lock Out Tag Out, electrical Safety at Work place, Safety measures while working on roof & Fragile roof, Hazardous Waste Management, Spill Control, Fire Fighting & Handling of SCBA, Prevention of Slip, Trip & Fall Hazard, Reporting of Near Miss/Hazards, Ergonomics, First Aid, Hazardous, non-hazardous and bio-medical waste management)	91%

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by its directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY 2023

Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Penalty/Fine					
Settlement			Nil		
Compounding fee					
Non – Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ Judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Imprisonment					
Punishment			Nil		

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or nonmonetary action has been appealed

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption policy or antibribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

Yes, the Company has a Global Anti-Bribery and Anti-Corruption ("ABAC") policy. This policy applies to all employees of the Company and its subsidiaries, affiliates, successors, assigns and representatives worldwide, and Business Partners engaged in activities with the Company. The policy ensures that the Company's business is conducted in a legal and socially responsible manner. The policy covers the principles and requirements of ABAC, including maintenance of business documentation and financial records. Our Code of Conduct ensures that all employees of the Company honor ABAC laws, and our ABAC policy aligns with all relevant international and local ABAC laws. Training on our Code of Conduct and ABAC policy are mandatory for employees of the Company. https://glenmarkpharma.com/code-of-conduct/

5. No of Directors/KMPs/Employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption

Sr. No.	Segment	FY 2023	FY 2022
1	Directors	Nil	
2	Key Managerial Personnel		
3	Employee		
4	Workers		

6. Details of complaints with regard to conflict of interest

	Segment	FY 2023		FY 2022	
		Number	Remarks	Number	Remarks
1	Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil			
2	Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest

Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
4	Supplier Code of Conduct, Emergency Response and Preparedness Plan, EHS policy, Contractor's EHS agreement	100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same

Yes, the Company's Global Code of Conduct is in place to ensure all its Board members to refrain from engaging in any activity or having a personal interest that presents a conflict of interest. The Board members give an annual declaration confirming adherence to the Global Code of Conduct. The Board members provide disclosures of their interest in other entities annually and / or whenever there is a change and the same is placed before the Board for its information. Further, the Company also outlines its Board members shall not exploit any information discovered through their position in the Company, for their own personal gain.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

S. No.	Segment	FY 2023	FY 2022	Details of improvements in environmental and social impacts
1	R&D	100%	100%	R&D investments pertains to spending on various projects focused on improving the environmental and/ or social impacts of our products and processes.
2	Capex	2.78%	9.65%	These projects pertain to improving environment footprint, i.e., energy conservation, water conservation, increasing renewable energy adoption, etc.

Note:

Environment:

- 4114 TCO2e of scope 2 carbon emission reduced through installation of roof top solar plant and procurement & usage of more than 70% renewable energy in Taloja & Mahape R&D centers.
- Reduced 1182 TCO2e of Scope 1 carbon emission by switching from usage of Heavy Sulphur Heavy Stock (LSHS) fuel to Piped Natural Gas (PNG) at Goa facility.
- 272 TCO2e of Scope 1 carbon emission reduced by switching of fuels from high speed diesel to liquified petroleum gas at Nalagarh and Baddi sites.
- Initiated the usage of bio-diesel and bio-fuels at Nashik and Aurangabad to reduce the bio-genic carbon emission.
- Construction of phase II sewage treatment plant at Indore to treat and reuse domestic sewage water in gardening activities and to reduce the water footprint of the company.
- Installation of agitated thin film dryer at Aurangabad for drying of sludge generated from multiple effect evaporator and safely dispose in common disposal facility.
- Installation of Heat Pump at Nashik & Aurangabad to capture the atmospheric heat for heating applications in utilities and to reduce energy consumption by avoiding sourcing of electricity for heating applications in utilities.
- Installation of Zero Liquid Discharge plant at Sikkim site for reuse of treated water for various applications and to reduce the freshwater consumption.
- Energy conservation through various initiatives.

SN	Initiative	Energy savings annually
1	Installation of VFD for cooling tower at Aurangabad site	17.52 MWh
2	Optimization of chilled water pumping system at Goa site	1153.66 MWh
3	Replacement of mercury vapor lamp with LED lights in storage area of RM Quarantine I, II at Goa site	19.941 MWh
4	400 numbers of 36 W CFL tube rods were replaced with 18 W PLL LED rod at Indore site	58 MWh
5	Installation of VFD for cooling tower	34.75 MWh
6	Installation of motion sensors for LED lights at Nalagarh site	4.74 MWh
7	Conversion of PL tube light fixtures into LED panels at WH dispensing areas at Nashik site	11.07 MWh
8	Installation of heat pump for controlling relative humidity in 34 AHU's at Nashik site	173.56 MWh
9	Replacement of old AHU system with energy efficient AHU system driven by VFD and installation of chilled water type evaporator coil at Nashik site	68.67 MWh
10	710 numbers of 36 watts conventional Lamps were replaced with 15/18/20 Watts LED lamps at Taloja site	42.90 MWh
	Total energy savings	**1584.81 MWh**

Social:

- Construction of Occupational Health Centre at Sikkim, Aurangabad & Baddi to provide employee health & safety services.
- Upgradation of smoke detection, fire detection & hydrant system at Baddi site to avoid fire accidents.
- Conducted fire adequacy and design basis study at Indore site to ensure appropriate fire protection systems are in place for protection of employees.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes.

b. If yes, what percentage of inputs were sourced sustainably?

100% of the input materials were sourced sustainably

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

Glenmark has appropriate systems and practices in place for management of various types of waste in eco-friendly manner. The standard operating procedures (SOPs) are followed for waste collection, storage and handing over the waste to authorized waste management agencies for reuse, recycling and safe disposal of residual fraction of waste as per the pollution control board norms.

a. Plastics – Rigid, flexible and multi-layered packaging material waste is generated as pre-consumer and post-consumer waste from the operations. Pre-consumer (waste generated within factory premises) plastic waste is handed over to recyclers for producing value added products such as plastic granules. Post-consumer waste (waste generated from the consumers of products) is collected through authorized waste management agencies as per the Extended Producer Responsibility (EPR) norms and recycled for producing value added products such as plastic granules etc and safe disposal of residual fraction through incineration and landfilling.

b. E-Waste collected across all sites was handed over to the authorized E-Waste Management Agencies by the Central Pollution Control Board (CPCB) for dismantling and recycling.

c. Hazardous waste was handed over to the authorized hazardous waste management agencies by the CPCB for neutralization, incineration and/or landfilling, co-processing / pre-processing etc.

d. Non-hazardous waste was handed over to the authorized recycling agencies by the pollution control board.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

Yes, the Company is liable for EPR as per the Plastic Waste Management Rules 2016 and subsequent amendments. The Company has obtained EPR authorization from the CPCB and has a waste collection and recycling plans aligning with the EPR targets given by the CPCB. The Company also submits periodical returns on EPR compliance as part of the statutory requirements.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
210	Soprobec pMDI	1.3%	Cradle to Grave System boundary in the LCA Study of Soprobec pMDI	Yes	No
210	Tiogiva18 DPI	0.4%	Cradle-to-Grave System boundary in the LCA Study of Tiogiva18 DPI	Yes	No

Note: Percentage calculated on consolidated turnover of the group

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same
Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)
Not Applicable

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023 (Metric Tons)			FY 2022 (Metric Tons)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics* (including packaging)	Nil	1989	117	Nil	2167	14
E-waste	Nil	4	Nil	Nil	5	Nil
Hazardous waste	Nil	230	1042	Nil	246	968
Other Waste	Nil	1415	Nil	Nil	1479	Nil

*Plastic waste generation data includes both pre-consumer (waste generation within factory practices) and post-consumer waste (waste generation after usage of products by end users)

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Plastic waste	93%

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees

Category	Total (A)	% Of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	10638	10638	100%	10638	100%	Not Applicable	Not Applicable	10638	100%	10638	100%
Female	724	724	100%	724	100%	724	100%	Not Applicable	Not Applicable	724	100%
Total	11362	11362	100%	11362	100%	724	6.37%	10638	93.63%	11362	100%

					Other than Permanent Employees						
Male	218	218	100%	218	100%	Not Applicable	Not Applicable	218	100%	218	100%
Female	78	78	100%	78	100%	78	100%	Not Applicable	Not Applicable	78	100%
Total	296	296	100%	296	100%	78	26.35%	218	73.65%	296	100%

b. Details of measures for the well-being of workers

Category	Total (A)	% Of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
						Permanent Workers					
Male	335	335	100%	335	100%	Not Applicable	Not Applicable	335	100%	335	100%
Female	22	22	100%	22	100%	22	100%	Not Applicable	Not Applicable	22	100%
Total	357	357	100%	357	100%	22	6.16%	335	93.84%	357	100%
						Other than permanent workers					
Male	2689	2689	100%	2689	100%	Not Applicable	Not Applicable	2689	100%	2689	100%
Female	261	261	100%	261	100%	261	100%	Not Applicable	Not Applicable	261	100%
Total	2950	2950	100%	2950	100%	261	8.85%	2689	91.15%	2950	100%

2. Details of retirement benefits for Current and Previous FY

	Benefits	FY 2023			FY 2022		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Yes	100%	100%	Yes
2	Gratuity	100%	100%	Not Applicable	100%	100%	Not Applicable
3	ESI	100%	100%	Yes	100%	100%	Yes
4	Superannuation	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5	After Retirement Medi-Claim	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. Most of the premises/ offices of the Company have ramps to enable easy movement, along with elevators, support staff and infrastructure for differently abled individuals.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, Glenmark is an Equal Opportunity Employer committed to fostering diversity in the workplace, both in its employees and leadership team. Diversity, inclusiveness and respect for all stems from our organizational values and are essential to our success. At Glenmark, we are committed to maintaining an environment that celebrates our people – their differences, values and contribution. We are committed to the principle of equal employment opportunity for all employees and to providing employees with a work environment free of discrimination and harassment. The policy is available on the Company's intranet. https://glenmarkpharma.com/responsibility/equal-opportunity-for-all/#:~:text=We%20are%20committed%20to%20the,free%20of%20discrimination%20and%20harassment.

5. Return to work and Retention rates of permanent employees that took parental leave

Gender	Permanent Employees		Permanent Workers	
	Return to work Rate (%)	Retention Rate (%)	Return to work Rate (%)	Retention Rate (%)
Male	100%	89%	100%	82%
Female	98%	68%	Not Applicable	Not Applicable
Total	99.8%	86.6%	100%	82%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.

		Yes/No (If yes, then give details of the mechanism in brief)
1	Permanent Employees & Workers	Glenmark has a comprehensive employee grievance policy, as well as an Ethics Portal to report grievances. There are multiple ways to report grievance such as the ethics line, reporting to a manager, HR representative and compliance officer. The Ethics line is managed by independent third party agency and grievances can be reported confidentially or anonymously in multiple languages. The telephone numbers for grievance reporting is available at http://glenmark.ethicspoint.com/ or on the posters that are displayed in the workplace, or can also be reported using the Ethics Line Web Portal using the same link.
2	Other than Permanent Employees & Workers	The people on direct contract are governed by Glenmark policies as per the above said grievance mechanism. People on third party payroll are governed by the policies and processes of their respective organizations

7. Membership of employees in association(s) or Unions recognised by the listed entity

Category	FY 2023			FY 2022		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / Workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	**11362**	**331**	**2.91%**	**10913**	**332**	**3.04%**
Male	10638	331	3.11%	10198	332	3.25%
Female	724	0	0%	715	0	0%
Total Permanent Workers	**357**	**350**	**98.04%**	**637**	**347**	**54.47%**
Male	335	330	98.51%	600	328	54.66%
Female	22	20	90.91%	37	19	51.35%

8. Details of training given to employees

Category	FY 2023					FY 2022				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	10638	10638	100%	Note 1		10198	10198	100%	Note 2	
Female	724	724	100%			715	715	100%		
Total	**11362**	**11362**	**100%**			**10913**	**10913**	**100%**		
Workers										
Male	335	335	100%	Note 1		600	600	100%	Note 2	
Female	22	22	100%			37	37	100%		
Total	**357**	**357**	**100%**			**637**	**637**	**100%**		

Note 1 – Total training hours conducted on skill upgradation in FY 2022-23 was 4,50,314; out of which 4,31,927 training hours conducted for male and 18,387 training hours conducted for female.

Note 2 - Total training hours conducted on skill upgradation in FY 2021-22 was 6,73,459; out of which 6,52,188 training hours conducted for male and 21,271 training hours conducted for female.

9. Details of performance and career development reviews of employees and workers

Category	FY 2023			FY 2022		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	10638	10638	100%	10198	10198	100%
Female	724	724	100%	715	715	100%
Total	**11362**	**11362**	**100%**	**10913**	**10913**	**100%**
Workers						
Male	335	335	100%	600	600	100%
Female	22	22	100%	37	37	100%
Total	**357**	**357**	**100%**	**637**	**637**	**100%**

Employees who join by 31st December are eligible for the performance review process for that year.

10. Health and Safety Management System

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage such system?

Glenmark has implemented ISO 45001: 2018 Occupational health and safety management system in 7 facilities out of 10 facilities located in India. The coverage is 100% and is applicable for both permanent and contractual employees.

b. What are the processes used to identify work related hazards and assess risks on a routine and non-routine basis by the entity?

Hazard Identification & Risk Assessment -

- Department heads, in consultation with the EHS head, are made responsible for identifying hazards and associated risks in their activities and equipment, as well as implementing recommended corrective actions.
- Croner's "nomogram" tool is used to assess risk rating of hazard based on the factors such as likelihood of occurrence, frequency of exposure, extent of harm, severity, and property damage. Engineering, administrative, and PPE controls are applied to eliminate or reduce the OHS risk of identified hazards to an acceptable level.
- To improve the hazard and near-miss identification process, employees of all levels are involved and made responsible for risk mitigation in the workplace.
- The site leadership team consists of the plant heads and all department heads who have been trained on the IS14489 OHS auditing standard and employees trained on ISO 45001 Internal auditor training course for identifying hazards and risks in the plant premises. Daily OHS inspections are performed by the EHS head in collaboration with the corresponding area owner, weekly by the plant head, and monthly by other HODs. Every weekend, observations from these inspections are collected and shared with the Global EHS head and the Global manufacturing head to review its compliance. On a monthly basis, the same information is presented to President of Operations.
- Internal SOP on "Risk Assessment and Safe Working Procedure" is followed.

Nearly & Hazard Management Online Portal-

- To report near-misses and hazards, employees use an online portal. The portal includes a timeframe for the EHS head and area owner to evaluate OHS risk and implement corrective actions based on the OHS risk level of reported hazard and near-miss.
- Internal SOP on "Reporting of Near-Miss & Hazard and Implementation of Corrective Action Through Online Portal" is followed.

Glenmark sites have adopted "Global Safety Programs" such as Working at Height, Contractor Safety, Chemical Safety, Hazardous Energy Isolation (LOTO), Electrical Safety, Confined Space Safety, Emergency Preparedness & Response, Machine Guarding, Personal Protective Equipment, Management of Change, Industrial Hygiene, etc. Each month, a plant's cross-functional team reviews the effectiveness of implementation of these programmes with corporate EHS team.

c. Whether you have processes for employees to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, Glenmark supports worker input and involvement to maintain safety in all manufacturing facilities. All units have established safety committees, and employees play a significant role in these committees. These committees primary duties include identifying workplace risks and hazards, taking corrective action, aiding management in meeting safety system standards, and investigating and documenting events. These committees hold regular meetings. Several processes are available for employees to report the work related hazards such as:

- Employees use Nearly & Hazard Online reporting portal to report work-related hazards for effective and on-time closure of the Hazards and non-occurrence of near miss incidents
- OHS Inspections at site conducted by Departmental HOD's, Site heads helps to report the hazards and close them before any incidents can occur.

- Safety Committee Meeting is also the medium to share conernces related to hazards and other issues and best practices to close the same.

d. Do the employees of the entity have access to non-occupational medical and healthcare services? (Yes / No)

Yes, through medical camps, and medical health check-ups, GPL makes it easier for its employees to access non-occupational health services. GPL organizes various programs such as health talks on nutrition and wellness, fitness, yoga, health safety & training etc. to promote non-occupational medical and healthcare services.

11. Details of Safety related incidents

	Safety Incident/Number	Category	FY 2023	FY 2022
1	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
		Workers	0.12	0.24
2	Total recordable work-related injuries	Employees	0	0
		Workers	1	2
3	No. of fatalities	Employees	0	0
		Workers	0	0
4	High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
		Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

- Glenmark is committed to workplace and employee safety. Creating safe working conditions goes hand in hand with operational excellence here. 'Safety is everyone's duty,' and we at Glenmark make it a point to instill a safety mind-set in everyone from top management to the operational employees. There are strict safety requirements, clear roles and duties at each level, and comprehensive safety audits and inspection programs, as well as digital solutions and tools to report, track, and raise safety awareness.
- Glenmark manufacturing sites have been accredited with the latest OHS management system, ISO 45001:2018. Its plan, do, check and act principles are very well implemented to address OHS risks and opportunities in site operations. OHS risks such as fall from height, fire, occupation and equipment related injuries, exposure of toxic and flammable atmospheres, among other have been addressed through robust mechanisms such as the Global Safety Programs, Work Permit System, OHS inspections by site leadership team, on-time and online reporting of Near-Miss & Hazard, Hazard Identification & Risk Assessment system, Change management system, onsite emergency planning and response, Mock-drills and so on which have a significant positive impact on employee health and safety. Because of the collaborative approach and employee participation in these efforts, the safety culture at the site is very adaptable for OHS improvement.

13. Number of Complaints on the following made by employees

	FY 2023			FY 2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Not Applicable	Not Applicable	Nil	Not Applicable	Not Applicable
Health & Safety	Nil	Not Applicable	Not Applicable	Nil	Not Applicable	Not Applicable

14. Assessments for the year

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions

Internal audits are done on regular basis for safety related parameters in our premises and the corrective actions are taken based on the findings of the reports. 7 out of 10 facilities are ISO 45001:2018 certified. GPL conducts regular mock drills and hazard trainings periodically to train its employees and workers. Emergency response team is formed of employees to handle any emergency in the premises and necessary basic trainings related to first -aid, firefighting etc. are given on regular basis to our employees and workers in the facilities. GPL also arranges employee awareness sessions on safety and other relevant hazards.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**
   Yes

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partner**
   The Company ensures that statutory dues as applicable to the transactions within its remit are deducted and deposited in accordance with the applicable regulations. The Company also expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023	FY 2022	FY 2023	FY 2022
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**
   No

5. **Details on assessment of value chain partners**

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners**
   Not Applicable

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity.**
   Refer Stakeholder engagement section of Integrated Report.
2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group**
   Refer Stakeholder engagement section of Integrated Report.

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board**
   Consultation with all stakeholders such on economic, environmental and social topics is carried on periodical basis through direct interaction and surveys. The feedback obtained from the stakeholder consultation process is updated to the board on periodical basis for decision making on various sustainability aspects.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity**
   Yes. The Company has identified Environment Social and Governance related material issues relevant to the Company by conducting materiality assessment. During this assessment along with various other factors (sustainability frameworks, senior management of Glenmark and peer companies' priorities on ESG material issues), stakeholder consultation was also carried through surveys by sharing the questionnaire to the respective stakeholders. Based on the survey results, the prioritization of environmental, social and governance topics were carried out and incorporated into company's business strategy, goals & targets pertaining to performance of the Company sustainability aspects.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups

The Company puts extra effort in supporting and uplifting society's underrepresented and disadvantaged segments. Among the stakeholders, GPL is aware of the challenges being faced by women, differently abled, vulnerable groups. Therefore, disadvantaged populations are given special consideration, and their problems are addressed. The Company's CSR initiatives in the fields of education, health and hygiene, the environment, and women and child health are geared towards the underprivileged, weak, and marginalized groups in society. No significant difficulties were reported by marginalized or vulnerable stakeholder groups throughout the reporting period.

Principle 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023			FY 2022		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	11362	5805	51.09%	10913	1382	12.66%
Other than permanent	296	0	0%	336	0	0%
Total employees	11658	5805	49.79%	11249	1382	12.29%
Workers						
Permanent	357	95	26.61%	637	43	6.75%
Other than permanent	2950	0	0%	2327	0	0%
Total workers	3307	95	2.87%	2964	43	1.45%

2. Details of minimum wages paid to employees and workers

Category	FY 2023					FY 2022				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Permanent	11362	15	0.13%	11347	99.87%	10913	60	0.55%	10853	99.45%
Male	10638	14	0.13%	10624	99.87%	10198	60	0.58%	10138	99.41%
Female	724	1	0.14%	723	99.86%	715	0	0%	715	100%
Other than permanent	296	125	42.23%	171	57.77%	336	178	52.98%	158	47.02%
Male	218	109	50%	109	50%	287	164	57.14%	123	42.86%
Female	78	16	20.51%	62	79.49%	49	14	28.57%	35	71.43%
Workers										
Permanent	357	104	29.13%	253	70.87%	637	45	7.06%	592	92.94%
Male	335	99	29.55%	236	70.45%	600	43	7.16%	557	92.83%
Female	22	5	22.73%	17	77.27%	37	2	5.41%	35	94.59%
Other than permanent	2950	1052	35.66%	1898	64.34%	2327	442	18.99%	1885	81.01%
Male	2689	997	37.08%	1692	62.92%	2118	437	20.63%	1681	79.37%
Female	261	55	21.07%	206	78.93%	209	5	2.39%	204	97.61%

3. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	8	1600000	4	850000
Key Managerial Personnel	3	102473459	1	47499996
Employees other than BoD and KMP	10635	499997	723	802413
Workers	335	256370	22	266899

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issue

Glenmark is committed to investigating, addressing and responding to the concerns of employees on human rights violations and to take appropriate corrective action in response to any violation. Any violation of Human Rights as per the Human Rights Policy Statement of Glenmark, should be reported to the local HR Department or to the legal team of Glenmark (globalcompliance@glenmarkpharma.com). Human rights policy statement of Glenmark is available at https://glenmark.b-cdn.net/gpl_pdfs/about_us/Human%20Rights%20Policy_A.pdf

6. Number of Complaints on the following made by employees and workers:

	FY 2023		FY 2022	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual Harassment	2	0	1	0
Discrimination at workplace	Nil	Not Applicable	Nil	Not Applicable
Child Labour	Nil	Not Applicable	Nil	Not Applicable
Forced Labour/ Involuntary Labour	Nil	Not Applicable	Nil	Not Applicable
Wages	Nil	Not Applicable	Nil	Not Applicable
Other human rights related issues	13	1	8	1

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The company has appropriate mechanisms to protect the complainant in the event of discrimination and harassment cases:

- Glenmark encourages to raise concerns without fear. Glenmark does not tolerate, and expressly prohibits, treating negatively any person who makes a report in good faith.
- Anyone who behaves negatively against someone who has reported a concern in good faith is subjected to corrective action by Glenmark, up to and including disciplinary action such as termination of employment or contract.
- As per the Human Rights Policy Statement of Glenmark, no reprisal or retaliatory action shall be taken against any employee for raising concerns on human rights violations.
- All reports related to discrimination and harassment cases are maintained confidentially and addressed in a timely manner.
- Glenmark provides adequate training on human rights, prevention of sexual harassment etc to employees and workers from time to time.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the company's supplier code of conduct forms part of business agreements and contracts and mandates all suppliers to adhere to the following:

- All our suppliers are prohibited the use of child labour and forced labor (including but not limited to human trafficking and modern day slavery) in their business operations as per our supplier code of conduct.
- We expect our suppliers not to discriminate on the basis of race, colour, gender, age, nationality, religion, sexual orientation and marital status with any individual whom they interact with on behalf of Glenmark through periodical audits.
- We expect our suppliers to comply with all applicable laws and mandatory industry standards pertaining to minimum wages, overtime pay and legally mandated benefits.

9. Assessments for the year

Section	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/ Involuntary Labour	100%
Wages	100%

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above

No significant risks/concerns identified during the assessment.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

Glenmark Pharmaceuticals Limited continuously evaluates the requirements on changing business processes considering the human rights grievances/complaints. Currently, the existing human rights policy is mitigating all kinds of human rights related risks.

2. Details of the scope and coverage of any Human rights due diligence conducted.

- Glenmark Pharmaceuticals Limited has an appropriate human rights due diligence process to identify the human rights violations in the business operations such as child labor, forced labor, discrimination, harassment and freedom of association etc.
- Our values serve as the cornerstone of a dependable, accountable, and respected corporation, according to Glenmark Pharmaceuticals Limited. These ideals provide strategic guidance for conducting business effectively while protecting and honoring the workforce's dignity and their fundamental human rights.
- The human rights due diligence procedure ensures strict compliance with all statutory laws, human rights directives, and other regulations while evaluating the code of conduct's adherence on a quarterly basis.
- 100% of operations during the current reporting period were examined for compliance with human rights and specialized training on human rights laws and practices has been given to all employees and workers.
- Glenmark acknowledges, respects and commits to operating its business in a manner consistent with the principles contained in the United Nations Universal Declaration of Human Rights. Glenmark's Human Rights Policy Statement applies to all Glenmark employees and expects anyone doing business for or with Glenmark and others acting on Glenmark's behalf to respect all Human Rights. The guidelines of human rights policy statement includes:

  a. Respects for all Human Rights.

  b. Glenmark supports and upholds the elimination of discriminatory practices with respect to employment and occupation, and promotes and embraces diversity in all aspects of its business operations.

  c. Glenmark does not use child labour and forced labour in any of its operations.

  d. Glenmark acknowledges the Human Rights of its employees throughout the globe and endeavours to provide a safe and healthy working environment for all of employees. Glenmark creates workplaces in which open and honest communications among all employees are valued and respected

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the premises/ office of the Company is accessible to differently-abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016. The offices has necessary infrastructure arrangements for differently abled visitors.

4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in GJ) and energy intensity, in the following format

Parameter	FY 2023	FY 2022
Total electricity consumption (A) (GJ)	348992	325011
Total fuel consumption (B) (GJ)	147026	165694
Energy consumption through other sources (C) (GJ)	Nil	Nil
Total energy consumption (A+B+C) (GJ)	496018	490705
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (in GJ/Crores)	60.33	60.27

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Appliable

3. Provide details of the following disclosures related to water, in the following format

Parameter	FY 2023	FY 2022
Water withdrawal by source (in Kiloliters)		
(i) Surface water	7026	8285
(ii) Groundwater	270017	264341
(iii) Third party water	208021	208314
(iv) Seawater / desalinated water	Nil	Nil
(v) Others*	400	400
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	485064	480940
Total volume of water consumption (in kiloliters)	485464	481340
Water intensity per rupee of turnover (Water consumed / turnover in Crores)	59.05	59.12

*Water conserved through rainwater harvesting.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

All facilities of GPL have implemented Zero Liquid Discharge. The wastewater generated from the operations of the project is treated and reused within the premises of the respective sites for various activities such as utilities and gardening etc to reduce the freshwater consumption.

5. Provide details of air emissions (other than GHG emissions) by the entity, in the following format.

Parameter	Please specify unit	FY 2023	FY 2022
NOx	mg/nm3	103	85
SOx	mg/nm3	31	38
Particulate matter (PM)	mg/nm3	69	118
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Independent assessment was carried out by MoEF/NABL approved laboratories for above Air emission parameters as part of statutory compliance requirements.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format

Parameter	Please specify units	FY 2023	FY 2022
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	13343	14967
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	64812	66739
Total Scope 1 and Scope 2 emissions per Crores of turnover		9.50	10.03

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency
Yes. Third Party Assurance was performed by DNV.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details
Please refer details of improvements in environmental and social impacts under Essential Indicators of Principle 2 of BRSR report

8. Provide details related to waste management by the entity, in the following format

Parameter	FY 2023	FY 2022
	Total Waste generated (in MT)	
Plastic waste (A)	333	249
E-waste (B)	4	5
Bio-medical waste (C)	22	19
Construction and demolition waste (D)	0	0
Battery waste (E)	4	12
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	1255	1237
Other Non-hazardous waste generated (H). Please specify, if any.	1415	1479
Total (A+B + C + D + E + F + G + H)	**3032**	**3002**

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
Yes. Third Party Assurance was carried out by DNV.

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2023	FY 2022
	Total Waste generated (in MT)	
(i) Recycled	1678	1619
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	82	169
Total	1760	1788

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2023	FY 2022
	Total Waste generated (in MT)	
(i) Incineration	150	160
(ii) Landfilling	150	196
(iii) Other recovery operations	972	858

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

- The Company has waste management plan and standard operating procedures (SOPs) for the management of various types of waste across all sites
- We practice segregation of waste, producing value added products, recovery of energy through co-processing and disposal of residual fraction of waste in safe manner. About 58% of the total waste is diverted for energy recovery through co-processing i.e. usage of waste as an alternative fuel.
- 4 manufacturing facilities and 2 R & D facilities are Zero-Waste-To-Landfill.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, specify details in the following format

Not Applicable

11. Details environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Not Applicable

12. Is the entity compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format

Yes. The Company is compliant with all the applicable environmental laws / regulations / guidelines in India.

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	Unit	FY 2023	FY 2022
From renewable sources			
Total electricity consumption (A)	GJ	20830	20885
Total fuel consumption (B)	GJ	9029	12424
Energy consumption through other sources (C)	GJ	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	**GJ**	**29859**	**33309**
From non-renewable sources			
Total electricity consumption (D)	GJ	328162	304126
Total fuel consumption (E)	GJ	137997	153270
Energy consumption through other sources (F)	GJ	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	**GJ**	**466158**	**457396**

2. Provide the following details related to water discharged:

All manufacturing units and research & development centers of Glenmark Pharmaceuticals Limited are working on the Zero Liquid Discharge (ZLD) model, ensuring no water discharge outside the premises. 100% of wastewater is treated and reused for various activities such as utilities and gardening, to name a few. Thus, water discharge is not applicable to us.

Parameter	FY 2023	FY 2022
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment (Used for gardening purposes)	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kiloliters)	NA	NA

3. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: Pithampur

(ii) Nature of operations: Manufacturing unit

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2023	FY 2022
Water withdrawal by source (in kiloliters)		
(i) To Surface water		
(ii) Groundwater	Nil	184
(iii) Third party water	92122	79620
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kiloliters)	92122	79804
Total volume of water consumption (in kiloliters)		
Water intensity per rupee of turnover (Water consumed in KL / turnover in Crores INR)	1.12	0.97
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kiloliters)	NA	NA

Note: As per the Block Wise Ground Water Resources Assessment 2022 carried out by Central Ground Water Board, only one manufacturing site of Glenmark Pharmaceuticals Limited is in a water stressed area.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023	FY 2022
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	175069	119426
Total Scope 3 emissions per rupee of turnover		21.29	14.66
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Please refer details of improvements in environmental and social impacts under Essential Indicators of Principle 2 of BRSR report

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. We have a Disaster Management Plan / Onsite Emergency Plan which includes details of the organization, factory layout plan, objectives, process, process hazard and their control measures, natural calamities and their control measures, Environment Impact Assessment Plan, Emergency Evacuation plan, Emergency declaration procedures, Plant safe shut down procedures and Organogram of Emergency action plan amongst other important things. The Company has also defined required responsibilities, Assembly Points, Medical Arrangements, MSDS, External Telephone numbers and Important Mutual aid Telephone Numbers for efficient functioning during any kind of emergency. Further, training has been given to all employees and contract workers to respond during emergency or any kind of disaster.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Nil

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

Out of 858 suppliers for raw material and packaging materials, 171 suppliers are critical suppliers for whom environmental impacts were assessed by the company. The percentage of critical suppliers among value chain partners by value of business contributes to 90%.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1.a. Number of affiliations with trade and industry chambers / associations: Six (6)

b. List the top 10 trade and industry chambers / associations (determined based on the total members of such a body) the entity is a member of / affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry[FICCI]	National
2	Indian Pharmaceutical Alliance [IPA]	National
3	Indian Drug Manufacturers' Association [IDMA]	National
4	Pharmaceuticals Export Promotion Council (PHARMEXCIL)	National
5	Federation of Pharma Entrepreneurs [FOPE]	Regional
6	Bombay Chamber of Commerce and Industry[BCCI]	Regional

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1	NLEM pricing methodology	IPA (Indian Pharmaceutical Alliance)	No	-	-
2	Trade Margin Rationalization	IPA (Indian Pharmaceutical Alliance)	No	-	-
3	Curtail the menace of counterfeit drugs and provide relief to genuine mfgrs	IPA (Indian Pharmaceutical Alliance)	No	-	-

Principle 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current FY 23

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity in the following format – Not applicable

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community

CSR committee periodically engage with local communities to receive and redress grievances while engaging on various awareness programs and implementation of Corporate Social Responsibility (CSR) initiatives and programs.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Category of waste	FY 2023*	FY 2022*
Directly sourced from MSMEs/ small producers	7.5%	7.5%
Sourced directly from within the district and neighboring districts	4.5%	4.5%

* Includes raw material and packing material only

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

We have conducted CSR programs in the aspirational districts of Khandwa and Barwani in Madhya Pradesh in the FY 2022-23.

3.a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, the Company does not have any preferential procurement policy.

b. From which marginalized /vulnerable groups do you procure?

Not Applicable

c. What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

For beneficiaries of CSR projects, please refer to social & relationship capital section of the Integrated Report. The primary objective of our CSR projects is to reach out to the most vulnerable and marginalized communities, from weak socio-economic backgrounds, across rural as well as urban population.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

- Glenmark corporate website has the details of a common mailbox that can be used to report product related concerns by the consumers.
- Glenmark's local country offices are having local website and phone number/mailbox to receive complaints from local consumers and patients on product related concerns.
- A dedicated call center/helpline number for USA, India, UK, Netherlands and Germany is in place to receive complaints from consumer which is handled by third party agency appointed by the Glenmark.
- All complaints received from various sources are monitored and addressed by dedicated team located in the respective countries. On receipt of the complaint, the local Pharmacovigilance person reaches out to the consumer for consent and for getting additional information if required.
- After resolving the complaints, the complainant will be informed about the resolution.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about

State	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023			FY 2022		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Others	577	436	Nil	2240	21	Nil

4. Details of instances of product recalls on accounts of safety issues

	Number	Reason for recall
Voluntary recalls	06	Due to Out of Specification results. (01) Due to various market complaints (05)
Forced recalls	Nil	Not Applicable

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Yes, we believe that keeping medical information secure and confidential helps build trust in our users. Data breaches can directly hamper our reputation and operations. Therefore, we comply with the highest standards of data privacy through our privacy policy. Data privacy policy is available at Intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

Not Applicable

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**
   https://glenmarkpharma.com/product-overview/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
   Glenmark complies with pertinent regulatory obligations by informing its various stakeholders about the appropriate and safe use of its products. Each product packaging/label includes information on safe and responsible usage of the product.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
   No major disruption/discontinuation of essential services were reported in FY 2022-23

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**
   Through the labelling of the products, Glenmark maintains transparency in the disclosure of information related to its products along with the risks involved.

5. **Provide the following information relating to data breaches:**
   a. **Number of instances of data breaches along-with impact:**

      Nil

   b. **Percentage of data breaches involving personally identifiable information of customers:**

      Nil

Independent Auditor's Report

To the Members of Glenmark Pharmaceuticals Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Glenmark Pharmaceuticals Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the year ended 31 March 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment of investments in and loss allowances of loans given to subsidiaries [Refer note 5(i)(A) (a) & 5(i) (F) and 5(ii) of the standalone financial statements] As at 31 March 2023, the Company has investments in subsidiaries of ₹102,894.43 million (net of provision for impairment) and has loans to subsidiaries of ₹68,740.68 million. Investments in subsidiaries are accounted for at cost less impairment loss, if any. Loans given to subsidiaries are measured at amortised cost. Loans are assessed for loss allowances and investments are assessed for impairment annually or earlier if indicator exists. If indicators exist, the loss allowances of loans and impairment of the investments are estimated in order to determine the extent of loss allowances and impairment losses, if any. Any such losses are recognised in Statement of Profit and Loss. Management judgement is required in assessing impairment indicators and recoverable amount for impairment testing. The recoverable amounts have been determined by the management using discounted cash flow valuation method.	Our audit included, but was not limited to, the following procedures: • Assessed the appropriateness of accounting policy in respect of impairment and loss allowances in accordance with Ind AS. • Obtained understanding of management's process for loss allowances and for identification of indicators of impairment. Evaluated the design and tested the operating effectiveness of internal controls over loss allowances and impairment assessment process. • With the assistance of our internal valuation specialists evaluated the reasonableness of the valuation methodologies and discount rates used by the management to determine the recoverable values. • Evaluated the reasonableness of the management's estimates and judgement based on our understanding of the business of the respective subsidiaries, past results and external factors.

Key audit matter	How our audit addressed the key audit matter
Key assumptions underpinning management's assessment of the recoverable amounts include but are not limited to projection of future cash flows, revenue growth rates, terminal values operating profit margins, estimated future operating capital expenditure, external market conditions and discount rates. Based on the assessment as above, no impairment/loss allowance has been recognised during the year ended 31 March 2023. We determined impairment of investments in and loss allowances of loans given to subsidiaries as a key audit matter since these assessments are complex and involve significant management estimation and judgement.	• Tested the mathematical accuracy of the management workings with regard to cash flows, sensitivity analysis and loss allowances. • Performed sensitivity analysis around aforesaid key assumptions to assess the effect of reasonably possible variations on the estimated recoverable amounts of investments in and loans receivable from respective subsidiaries.
Litigations [Refer note 30 of the standalone financial statements] The Company is involved in various legal proceedings including product liability, contracts, employment claims, Department of Justice (DOJ) investigations, anti-trust and other regulatory matters relating to the conduct of its business. The Company assesses the need to make provision or to disclose contingent liability on a case-to-case basis considering the underlying facts of each litigation. The eventual outcome of the litigations is uncertain and estimation at balance sheet date involves extensive judgement of management including input from legal counsel due to complexity of each litigation. Adverse outcomes could significantly impact on the Company's reported results and balance sheet position. Considering the judgement involved in determining the need to make a provision or disclose as contingent liability, the matter is considered a key audit matter.	Our audit included, but was limited to the following procedures: • Evaluated the design and tested the operating effectiveness of controls in respect of the identification and evaluation of litigations, the recording/reassessment of the related liabilities, provisions, and disclosures. • Obtained a list of litigations from the Company's in-house legal counsel; identified material litigations from the aforementioned list and performed inquiries with the said counsel; obtained and read the underlying documents to assess the assumptions used by management in arriving at the conclusions. • Circulated, obtained, and read legal confirmations from Company's external legal counsels in respect of material litigations and considered that in our assessment. • Verified the disclosures related to provisions and contingent liabilities in the standalone Ind AS financial statements to assess consistency with underlying documents.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and the Board of Directors.

- Conclude on the appropriateness of the Management's and the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The balance sheet, statement of profit and loss (including other comprehensive income), statement of cash flows and statement of changes in equity dealt with by this report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

   e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act; and

   f) With respect to adequacy of internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with respect to standalone financial statements.

3. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements – refer Note 30(i) to the standalone financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023.

   iv. a) The Management has represented that, to the best of its knowledge and belief no funds have been advanced, loaned, invested by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   c) Based on audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to

believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under sub clause (a) & (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared, and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

As stated in note 36 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using the accounting software which has a feature of recording audit trail (edit log) facility is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

4. With regards to the other matters to be included in the Auditor's Report in accordance with the requirement of Section 197(16) of the Act, as amended in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W/W100010

Vinodkumar Varma
Partner
Membership No. 105545
UDIN: 23105545BGTYYB5489

Place: Mumbai
Date: 19 May 2023

Annexure A to Independent Auditor's Report on the financial statements of Glenmark Pharmaceuticals Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date)

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant, and equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us and based on our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in the favor of the Company) are held in the name of the Company.

(d) The Company has not revalued its property, plant, and equipment (including right of use assets) or intangible assets during the year.

(e) According to information and explanations given to us and based on our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) According to the information and explanations given to us, the inventories have been physically verified by the management at reasonable intervals during the year. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) The Company has been sanctioned working capital limits in excess of INR 5 crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets, immovable properties, and plant and machinery of certain locations. The details filed with such banks on quarterly are in agreement with the books of accounts of the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security or granted any advances in the nature of loans, secured or unsecured to companies, limited liability partnership, and other parties during the year. The Company has made investments, provided guarantees, and granted loans to companies during the year, in respect of which the requisite information is as below. The Company has not provided any guarantee or granted any loans, secured or unsecured, to limited liability partnerships or any other parties during the year.

(a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has made investments in subsidiaries and other entities and granted loan provided any guarantee to subsidiaries as follows:

Amount in (millions)

	Loan	Guarantees
Aggregate amount during the year	21,320.06	570.00
Balance outstanding as at balance sheet date	68,740.68	31,093.60

(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans and stood guarantee to a parties other than subsidiaries.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in are opinion the investments made, guarantees provided during the year and terms and conditions of the loans given and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of

the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the over dues of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

iv In our opinion and according to information and explanations provided to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees, and securities, as applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder not applicable. Accordingly, reporting under clause 3(v) of the Order is not applicable.

vi We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has been regular in depositing the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Duty of Custom, Duty of Excise, cess and other material statutory dues as applicable to the appropriate authorities during the year. No undisputed amounts payable in respect of aforesaid statutory dues were outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and records of the Company examined by us, there are no statutory dues referred to in sub clause (a) above that have not been deposited with appropriate authorities on account to any disputes except, Income tax, Service tax, Duty of Custom, Duty of Excise, Goods and Service Tax and cess which are as under:

Name of the Statute	Nature of Dues	Amount (₹in million)	Amount paid under protest (₹ in million)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	5.49	5.49	FY 2007-2008	Hon'ble Supreme Court of India
		384.07	-	FY 2004-05 & FY 2008-2009 to FY 2012-13	Hon'ble High Court, Mumbai
		18.15	-	FY 2009-2010 & FY 2013-2014	Income Tax Appellate Tribunal
		906.97	17.05	FY 2009-10 to FY 2011-2012 & FY 2013-2014 to FY 2017-2018	Commissioner of Income Tax Appeal
The Central Excise Act, 1994	Duty of Excise	9.50	9.50	FY 2012-2013 to FY 2017-2018	Commissioner of Central Excise (Appeal)
		10.86	10.86	FY 2004-2005 to FY 2005-2006	Customs, Excise and Services Tax Appellate Tribunal (CESTAT)-Mumbai
The Finance Act, 1994	Service Tax	184.02	13.80	FY 2012-2013 to FY 2014-2015	Customs, Excise and Services Tax Appellate Tribunal (CESTAT) – Mumbai

Name of the Statute	Nature of Dues	Amount (₹in million)	Amount paid under protest (₹in million)	Period to which amount relates	Forum where dispute is pending
The Custom Act, 1962	Custom Duty	122.62	9.20	FY 2017-2018	Customs, Excise and Services Tax Appellate Tribunal (CESTAT) – Mumbai
		649.13	64.91	FY 2012-2013 to FY 2013-2014	Customs, Excise and Services Tax Appellate Tribunal (CESTAT) – Mumbai (Appeal)
The Central Goods and Service Tax Act, 2017	GST	4.25	4.25	FY 2019-2020	Hon'ble High Court, Mumbai
		17.09	-	FY2016-2017	Hon'ble High Court, Sikkim
		0.85	-	FY 2017-2018	Commissioner CGST Appeal

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions which are not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

(b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has applied the term loans for the purpose for which loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company doesn't have associates or Joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company.

x. (a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debenture (fully, partially, or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company there were no whistle blower complaints received by the Company during the year.

xii. According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, the reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports issued by the internal auditor of the Company covering the period under audit.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, reporting under Section 192 of the Act is not applicable to the Company.

xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) (a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

(c) According to the information and explanation given to us, the Company is not a Core Investment Company. Accordingly, reporting under clause 3(xi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us, the group has no Core Investment Company. Accordingly, reporting under clause 3(xi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii. There has been no resignation of statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, reporting under clauses 3(xx) of the Order is not applicable.

For Suresh Surana & Associates LLP

Chartered Accountants

Firm's Registration No.: 121750W/W100010

Vinodkumar Varma

Partner

Membership No. 105545

UDIN: 23105545BGTYYB5489

Place: Mumbai
Date: 19 May 2023

Annexure B to Independent Auditor's Report

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date)

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub - section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to the financial statements of Glenmark Pharmaceuticals Limited ('the Company') as at 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Responsibilities of Management and Board of Directors for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Suresh Surana & Associates LLP

Chartered Accountants

Firm's Registration No.: 121750W/W100010

Vinodkumar Varma

Partner

Membership No. 105545

UDIN: 23105545BGTYYB5489

Place: Mumbai
Date: 19 May 2023

Standalone Balance Sheet

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

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	**3**	14,353.33	14,138.27
Capital work-in-progress	**3**	1,590.71	1,011.70
Right-of-use asset	**3**	533.33	547.07
Intangible assets	**4**	2,572.78	2,837.94
Intangible assets under development	**4**	132.66	78.67
Financial assets	**5**		
i. Investments		103,340.14	85,593.86
ii. Loans		68,740.68	70,786.31
iii. Other financial assets		226.34	252.21
Deferred tax assets (net)	**6**	9,467.54	9,232.67
Other non-current assets	**7**	1,049.96	636.85
Total non-current assets		**202,007.47**	**185,115.55**
Current assets			
Inventories	**8**	10,902.14	9,516.62
Financial assets	**9**		
i. Trade receivables		25,056.59	26,783.22
ii. Cash and cash equivalents		926.96	286.50
iii. Bank balances other than cash and cash equivalents		10.96	9.82
iv. Other financial assets		876.36	445.76
Other current assets	**10**	6,078.76	6,987.37
Total current assets		**43,851.77**	**44,029.29**
Total assets		**245,859.24**	**229,144.84**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	**11 & 12**	282.17	282.17
Other equity		178,492.46	167,103.70
Total equity		**178,774.63**	**167,385.87**
Liabilities			
Non-current liabilities			
Financial liabilities	**13**		
i. Borrowings		26,608.18	25,717.44
ii. Lease liabilities		332.90	417.74
iii. Other financial liabilities		3,725.80	1,213.17
Total non-current liabilities		**30,666.88**	**27,348.35**
Current liabilities			
Financial liabilities	**14**		
i. Borrowings		4,955.82	10,986.05
ii. Lease liabilities		315.25	255.79
iii. Trade payables			
- Total outstanding dues of Micro enterprises and Small enterprises		547.83	537.55
- Total outstanding dues of other than Micro enterprises and Small enterprises		20,383.50	18,850.44
iv. Other current financial liabilities		8,142.29	1,663.36
Other current liabilities	**15**	447.81	632.55
Provisions	**16**	970.10	990.54
Income tax liabilities (net)	**17**	655.13	494.34
Total current liabilities		**36,417.73**	**34,410.62**
Total liabilities		**67,084.61**	**61,758.97**
Total equity and liabilities		**245,859.24**	**229,144.84**

See accompanying notes to the financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W/W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 19 May 2023

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
DIN : 00050607

V S Mani
Executive Director &
Global Chief Financial Officer
DIN : 01082878

Cherylann Pinto
Executive Director
DIN : 00111844

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date : 19 May 2023

Standalone Statement of Profit and Loss

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

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	18	82,206.62	81,415.81
Other income (net)	19	9,859.39	6,146.28
Total income		**92,066.01**	**87,562.09**
Expenses			
Cost of materials consumed	20	30,358.76	29,930.36
Purchases of stock-in-trade	21	3,911.92	4,816.20
Changes in inventories of finished goods, stock-in-trade and work-in-process	22	(313.65)	(161.32)
Employee benefits expense	23	13,465.08	11,931.96
Finance costs	24	2,068.16	2,360.41
Depreciation and amortisation expense	3 & 4	1,841.48	1,596.95
Other expenses	25	20,056.84	18,016.40
Total expenses		**71,388.59**	**68,490.96**
Profit before exceptional items and tax		**20,677.42**	**19,071.13**
Exceptional items - expense/(income)	38	4,958.68	(4,303.33)
Profit before tax		**15,718.74**	**23,374.46**
Tax expense	6		
Current tax		3,869.31	4,110.78
Deferred tax		(238.26)	(714.21)
Total tax expense		**3,631.05**	**3,396.57**
Profit for the year		**12,087.69**	**19,977.89**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of the post-employment benefit obligation	26	9.71	30.53
- Income tax relating to the above		(3.39)	(14.48)
Other comprehensive income/(loss) for the year		**6.32**	**16.05**
Total comprehensive income for the year		**12,094.01**	**19,993.94**
Earnings per equity share of ₹1 each	29		
Basic (in ₹)		42.84	70.80
Diluted (in ₹)		42.84	70.80

See accompanying notes to the financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W/W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 19 May 2023

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
DIN : 00050607

V S Mani
Executive Director &
Global Chief Financial Officer
DIN : 01082878

Cherylann Pinto
Executive Director
DIN : 00111844

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date : 19 May 2023

Standalone Statement of Changes in Equity

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

A Equity share capital

Particulars	Amount
Balance as at 1 April 2021	282.17
- Shares issued during the year	-
Balance as at 31 March 2022	282.17
- Shares issued during the year	-
Balance as at 31 March 2023	282.17

B Other equity

Particulars	Reserves and Surplus						Total
	Securities premium	Capital reserve	Capital redemption reserve	Stock compensation reserve	General reserve	Retained earnings	
Balance as at 1 April, 2022	**16,853.60**	**1.00**	**200.00**	**25.33**	**1,384.18**	**148,639.58**	**167,103.70**
Profit for the year	-	-	-	-	-	12,087.69	**12,087.69**
Other comprehensive income - remeasurement of the net defined benefit plans (net of tax) (refer note 26)	-	-	-	-	-	6.32	**6.32**
Total comprehensive income for the year	-	-	-	-	-	12,094.01	**12,094.01**
Dividends to equity shareholders	-	-	-	-	-	(705.42)	**(705.42)**
Employee share based compensation expense (refer note 12(VII))	-	-	-	0.18	-	-	**0.18**
Transfer from stock compensation reserve to retained earning	-	-	-	-	-	-	-
	-	**-**	**-**	**0.18**	**-**	**(705.42)**	**(705.24)**
Balance as at 31 March, 2023	**16,853.60**	**1.00**	**200.00**	**25.51**	**1,384.18**	**160,028.17**	**178,492.46**

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

Particulars	Reserves and Surplus						Total
	Securities premium	Capital reserve	Capital redemption reserve	Stock compensation reserve	General reserve	Retained earnings	
Balance as at 1 April, 2021	**16,853.60**	**1.00**	**200.00**	**155.52**	**1,384.18**	**129,218.59**	**147,812.89**
Profit for the year	-	-	-	-	-	19,977.89	**19,977.89**
Other comprehensive income - remeasurement of the net defined benefit plans (net of tax) (refer note 26)	-	-	-	-	-	16.05	**16.05**
Total comprehensive income for the year	-	-	-	-	-	19,993.94	**19,993.94**
Dividends to equity shareholders	-	-	-	-	-	(705.42)	**(705.42)**
Employee share based compensation expense (refer note 12(VII))	-	-	-	2.28	-	-	**2.28**
Transfer from stock compensation reserve to retained earning	-	-	-	(132.47)	-	132.47	**-**
	-	-	-	**(130.19)**	**-**	**(572.95)**	**(703.14)**
Balance as at 31 March, 2022	**16,853.60**	**1.00**	**200.00**	**25.33**	**1,384.18**	**148,639.58**	**167,103.70**

Refer note 11 and 12 for details on equity share capital and other equity.

See accompanying notes to the financial statements.

As per our report of even date.
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W/W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 19 May 2023

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
DIN : 00050607

Cherylann Pinto
Executive Director
DIN : 00111844

V S Mani
Executive Director &
Global Chief Financial Officer
DIN : 01082878

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date : 19 May 2023

Standalone Statement of Cash Flows

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

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A.	**Cash flow from operating activities**		
	- Profit before tax	15,718.74	23,374.46
	- Adjustments to reconcile profit before tax to net cash provided by operating activities:		
	Depreciation and amortisation expenses	1,841.48	1,596.95
	Finance costs	2,068.16	2,360.41
	Interest income	(1,841.32)	(3,385.22)
	Dividend income	(3,200.92)	(1,069.30)
	Loss on sale of Property, plant and equipments	(56.28)	7.64
	Profit on sale of investment	-	(150.00)
	Employee share based compensation expense	0.18	2.28
	Fair valuation of Investment	(0.26)	0.19
	Provision for bad and doubtful debts/expected credit losses	50.00	215.00
	Provision for gratuity and compensated absence	198.66	214.09
	Provision for sales returns	1.51	(115.00)
	Exceptional items - expense/(income)	4,958.68	(4,303.33)
	Unrealised foreign exchange loss/(gain)	(2,795.14)	(1,548.67)
	Operating profit before working capital changes	**16,943.49**	**17,199.50**
	Adjustments for changes in working capital :		
	- (Increase)/Decrease in trade receivables	1,413.23	(2,096.34)
	- (Increase)/Decrease in other receivables	435.71	(135.34)
	- (Increase)/Decrease in inventories	(1,385.52)	(1,892.76)
	- Increase/(Decrease) in trade and other payables	1,497.91	2,992.77
	Net changes in operating assets and liabilities	**1,961.33**	**(1,131.67)**
	- Income taxes paid (net of refunds)	(4,164.19)	(3,907.16)
	Net cash generated from operating activities	**14,740.63**	**12,160.67**
B.	**Cash flow from investing activities**		
	Purchase of Property,plant and equipment and Intangible assets (including Capital work in progress)	(1,896.21)	(1,633.51)
	Proceeds from sale of Property,plant and equipment, Intangible assets and business	3,165.42	5.39
	Investments in subsidiaries	(31.22)	(76.95)
	Other investment made	-	(400.18)
	Proceed from Sale of investment	50.00	300.00
	Loans to subsidiaries (net)	(11,934.36)	(23,005.55)
	(Increase)/decrease in bank deposits and margin money	(1.14)	0.80
	Share application money paid	-	(197.88)
	Proceed from offer for sale of investment in subsidiary net of issue expenses (exceptional item)	-	4,304.23
	Amount received from subsidiary against business sale	-	9,133.35
	Interest received	3,131.92	1,531.80
	Dividend received	3,200.92	1,069.30
	Net cash used in investing activities	**(4,314.67)**	**(8,969.20)**
C.	**Cash flow from financing activities**		
	Proceeds from long-term borrowings	-	21,300.57
	Repayments of long-term borrowings	(5,132.21)	(19,406.35)
	Proceeds from/(repayment of) short-term borrowings (net)	(200.00)	(1,417.09)
	FCCB premium paid on buy back of bonds	(1,527.26)	(573.88)
	Interest paid	(1,898.11)	(2,000.11)
	Dividend paid	(704.28)	(706.22)
	Payment of lease liability (including interest)	(323.12)	(248.12)
	Net cash used in financing activities	**(9,784.98)**	**(3,051.20)**

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

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net (decrease)/increase in cash and cash equivalents	**640.98**	**140.27**
Opening balance of cash and cash equivalents	**286.50**	**147.23**
Exchange fluctuation on cash and cash equivalent	(0.52)	(1.00)
Closing balance of cash and cash equivalents	**926.96**	**286.50**
Cash and cash equivalents comprise of:		
Cash on hand	8.85	14.74
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	918.11	271.76
	926.96	286.50

Note :

1. The cash flow statement has been prepared under the "Indirect Method" as set out in IndAS 7, 'Statement of Cash Flows'.
2. Figures in bracket indicate cash outflow.
3. Loan given to subsidiary amounted to ₹ 17,697.67 (2022 - ₹ 15,368.32) converted into investment during the year (refer note 27)
4. Reconciliation of financing activities

Particulars	As at 31 March 2022	Borrowings made during the year	Amount buy back/repaid during the year	FCCB premium and Issue cost	Exchange difference	As at 31 March 2023
Long term borrowings*	33,003.49	-	(5,132.21)	(1,503.69)	1,696.41	28,064.00
Short term borrowings	3,700.00	-	(200.00)	-	-	3,500.00
Particulars	**As at 31 March 2021**	**Borrowings made during the year**	**Amount buy back/ repaid during the year**	**FCCB premium and Issue cost**	**Exchange difference**	**As at 31 March 2022**
Long term borrowings*	31,125.78	21,300.57	(19,406.35)	243.70	(260.21)	33,003.49
Short term borrowings	5,130.15	-	(1,417.09)	-	(13.06)	3,700.00

*Refer note 13(i) for current/non-current classification

See accompanying notes to the financial statements.

As per our report of even date.
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W/W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 19 May 2023

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
DIN : 00050607

Cherylann Pinto
Executive Director
DIN : 00111844

V S Mani
Executive Director &
Global Chief Financial Officer
DIN : 01082878

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date : 19 May 2023

Notes to the Standalone Financial Statements

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

Note 1 – Background Information and Summary of Significant Accounting Policies

1. Company Information

Glenmark Pharmaceuticals Limited (the "Company") is a public limited company incorporated in Mumbai, India. The registered office of the Company is at B/2, Mahalaxmi Chambers, 22 Bhulabhai Desai Road, Mumbai – 400026, India.

The Company is primarily engaged in the business of development, manufacturing and marketing of pharmaceutical products. The Company`s research and development facilities are located at Mahape, Sinnar and Taloja and manufacturing facilities are located at Nasik, Colvale, Baddi, Nalagarh, Sikkim, Indore and Aurangabad in India.

The Company's shares are listed on BSE Limited ("BSE") and the National Stock Exchange of India ("NSE").

2. Basis of Preparation, Measurement and Summary of Significant Accounting Policies

2.1 The standalone financial statements (financial statements) of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The preparation of these financial statements in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or area where assumptions and estimates are significant to these financial statements are disclosed in note 3.

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, defined benefit plans-assets/(liabilities) and share-based payments.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act and Ind AS 1, Presentation of Financial Statements.

The significant accounting policies that are used in the preparation of these financial statements are summarised below. These accounting policies are consistently used throughout the periods presented in the financial statements.

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. Amounts in figures presented have been rounded to INR million unless otherwise stated.

2.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.3 Foreign currency transactions

Functional currency is the currency of the primary economic environment in which the Company operates whereas presentation currency is the currency in which the financial statements are presented. Indian Rupee is the functional as well as presentation currency for the Company.

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

Foreign currency transactions are recorded at the exchange rates prevailing at the date of such transactions. Monetary assets and liabilities as at the balance sheet date are translated at the rates of exchange prevailing at the date of the balance sheet. Gain/loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognised in the statement of profit and loss, unless they are considered as an adjustment to borrowing costs, in which case they are capitalised along with the borrowing cost attributable to qualifying assets .

2.4 Revenue recognition

The Company applies principles provided under Ind AS 115 'Revenue from contracts with customers' which provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognised when or as those performance obligations are satisfied.

Company receives revenue for supply of goods to external customers against orders received. The majority of contracts that Company enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical and consumer healthcare products. The average duration of a sales order is less than 12 months.

Revenue from sale of goods is recognised when control of the goods is transferred to the customer, there are no unfulfilled obligations, the amount of revenue can be reliably measured, and it is probable that future economic benefits associated with the transaction will flow to the Company. The point at which control get transferred is determined by each customer arrangement, but generally occur on delivery to the customer.

Revenue represents net invoice value including fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.

Company enters into development and marketing collaborations and out-licences of the Company's compounds or products to other parties. These contracts give rise to fixed and variable consideration from upfront payments, development milestones, sales-based milestones and royalties. Income dependent on the achievement of a development milestone is recognised when it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur, which is usually when the related event occurs. Sales-based milestone income is recognised when it is highly probable that the sales threshold will be reached.

Sales-based royalties on a licence of intellectual property are not recognised until the relevant product sale occurs. If the time between the recognition of revenue and payment from the customer is expected to be more than one year and the impact is material, the amount of consideration is discounted using appropriate discount rates.

Goods and Service Tax and other value added taxes are excluded from revenue.

2.5 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price (after deducting trade discount/rebate)/cost of construction, non-refundable duties and taxes, borrowing costs, other expenditure that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have significant cost in relation to total cost and different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Profits and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within "other income/expense" in the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, its cost can be measured reliably and it has a useful life of atleast twelve months. The costs of other repairs and maintenance are recognised in the statement of profit and loss as incurred.

Depreciation

Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or their useful lives, unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The below given useful lives best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

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

The estimated useful lives are as follows:

Factory and other buildings	26 - 61 years
Plant and machinery	1 – 21 years
Furniture, fixtures and office equipment	1 – 10 years
Vehicles	1– 8 years

Leasehold land is amortised over the period of respective leases.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

2.6 Borrowing costs

Borrowing costs primarily comprise interest on the Company's borrowings. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported under 'finance costs'. Borrowing costs are recognised using the effective interest rate method.

2.7 Intangible assets

Research and development

Expenses on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised in the statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the assets are controlled by the Company and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the statement of profit and loss as incurred.

The Company's internal drug development expenditure is capitalised only if they meet the recognition criteria as mentioned above. Where uncertainties exist that the said criteria may not be met, the expenditure is recognised in the statement of profit and loss as incurred. Where the recognition criteria are met, intangible assets are recognised. Based on the management estimate of the useful lives, indefinite useful life assets are tested for impairment and assets with limited life amortised on a straight-line basis over their useful economic lives from when the asset is available for use. During the periods prior to their launch (including periods when such products have been out-licenced to other companies), these assets are tested for impairment on an annual basis, as their economic useful life is indeterminable till then.

Payments to in-license products and compounds from third parties generally taking the form of up-front payments and milestones are capitalised and amortised on a straight-line basis, over their useful economic lives from when the asset is available for use. During the periods prior to their launch, these assets are tested for impairment on an annual basis, as their economic useful life is indeterminable till then.

The Company monetise the molecules under development, as active market exists at each stage/ phase wise molecule development, either through out licencing arrangement or subsequent product launches. Accordingly the molecule under development which meets criteria under Ind AS 38 Intangible Assets; para 57 are classified as intangible assets.

De-recognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use or disposal. Losses arising on such de-recognition are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are subject to impairment testing at each reporting date. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Any impairment losses are recognised immediately in the statement of profit and loss.

Other intangible assets

Other intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which they relate.

Software for internal use, which is primarily acquired from third-party vendors, including consultancy charges for implementing the software, are capitalised. Subsequent costs are charged to the statement of profit and loss as incurred. The capitalised costs are amortised over the estimated useful life of the software.

Amortisation

Amortisation of intangible assets, intangible assets not available for use and intangible assets having indeterminable life, is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives from the date they are available for use.

The estimated useful lives of intangible assets are 1 - 10 years.

2.8 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine

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

whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets that have indefinite lives or that are not yet available for use are tested for impairment annually; their recoverable amount is estimated annually each year at the reporting date.
For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("cash-generating unit"). The recoverable amount of an asset or cash-generating unit is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Intangibles with indefinite useful lives are tested for impairment individually.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.9 Investments and financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Measurement of debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other income/expenses. Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other income/expenses in the period in which it arises. Interest income from these financial assets is included in other income.

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

Measurement of equity instruments
The Company subsequently measures all equity investments at fair value other than those elected to be at cost under Ind AS 27. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets
A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Interest income from financial assets
Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

2.10 Financial liabilities

Non derivative financial liabilities include trade and other payables.

Company present the hybrid contract in balance sheet as a single contractual arrangement. The embedded derivative component is classified as at FVTPL for measurement purposes; the host contract, as a financial liability is measured at amortised cost using the effective interest method.

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset/liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss. The gain/loss is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables are recognised initially at their transaction values which also approximate their fair values and subsequently measured at amortised cost less settlement payments.

2.11 Inventories

Inventories of finished goods, stock in trade, work in process, consumable stores and spares, raw material, packing material are valued at cost or net realisable value, whichever is lower. Cost of inventories is determined on a weighted moving average basis. Cost of materials comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Cost of work-in-process and finished goods include the cost of materials consumed, labour, manufacturing overheads and other related costs incurred in bringing

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

the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory includes estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

2.12 Accounting for income taxes

Income tax expense consists of current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised in other comprehensive income, in which case it is recognised in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences:

- The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and
- Taxable temporary differences relating to investments in subsidiaries to the extent the Company is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised/ settled simultaneously.

2.13 Leases

The Company has applied Ind AS 116 using the modified retrospective approach.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the Balance sheet.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Land acquired on long term leases

The Company has capitalised the land acquired on long term lease. Such leases are acquired on payment of an upfront amount and do not carry any other minimum lease payments/other rentals over the lease term. The asset is initially recognised at the value of the upfront premium/charges paid to acquire the lease.

2.14 Equity

Share capital is determined using the nominal value of shares that are issued. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Securities premium includes any premium received on the issue of share capital. Any transaction costs associated with the issue of shares is deducted from Securities premium, net of any related income tax benefits.

Retained earnings include all current and prior period results, as disclosed in the statement of profit and loss.

2.15 Employee benefits

Short-term benefits

Short-term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognised provident funds, approved superannuation schemes and other social securities, which are defined contribution plans, are recognised as an employee benefit expense in the statement of profit and loss as incurred.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of an approved gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each material plan by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation performed annually by a qualified actuary using the projected unit credit method.

The benefit is discounted to determine the present value of the defined benefit obligation and the current service cost. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The fair value of any plan assets is deducted from the present value of the defined benefit obligation to determine the amount of deficit or surplus. The net defined benefit liability/ (asset) is determined as the amount of the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The net defined benefit liability/(asset) is recognised in the balance sheet.

Defined benefit costs are recognised as follows:

- Service cost in the statement of profit and loss
- Net interest on the net defined benefit liability (asset) in the statement of profit and loss
- Remeasurement of the net defined benefit liability/ (asset) in other comprehensive income

Service costs comprise of current service cost, past service cost, as well as gains and losses on curtailment and settlements. The benefit attributable to current and past periods of service is determined using the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the benefit is attributed on a straight-line basis. Past service cost is recognised in the statement of profit and loss in the period of plan amendment. A gain or loss on the settlement of a defined benefit plan is recognised when the settlement occurs.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability/(asset) at the beginning of the period, taking account of any changes in the net defined benefit liability/(asset) during the period as a result of contribution and benefit payments.

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

Remeasurement comprises of actuarial gains and losses, the return on plan assets (excluding interest), and the effect of changes to the asset ceiling (if applicable). Remeasurement recognised in other comprehensive income is not reclassified to the statement of profit and loss.

Compensated absence

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Company's policy and receive cash in lieu thereof. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the date of the balance sheet. Such measurement is based on actuarial valuation as at the date of the balance sheet carried out by a qualified actuary.

Termination benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

2.16 Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of past events will probably lead to an outflow of economic resources from the Company and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the best estimate of expenditure required to settle the present obligation at the reporting date, based on the most reliable evidence, including the risks and uncertainties and timing of cashflows associated with the present obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the balance sheet.

Any amount that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset up to the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets are not recognised.

2.17 Share based compensation

All employee services received in exchange for the grant of any equity-settled share-based compensation are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based compensation is ultimately recognised as an expense in the statement of profit and loss with a corresponding credit to equity (Stock compensation reserve). If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to expense recognised in prior periods if fewer share options are ultimately exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as Securities premium.

2.18 Earnings per share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares out standing during the period is adjusted for the effects of all dilutive potential equity shares.

2.19 Statement of cash flow

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

(i) changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;

(ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and

(iii) all other items for which the cash effects are investing or financing cash flows.

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

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

2.20 Government Grants

Government grants are recognised if there is reasonable assurance that:

(a) the entity will comply with the conditions attaching to them and

(b) the grants will be received.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related asset.

Export entitlement from government authority are recognised in the profit or loss as other operating revenue when the right to receive is established as per the terms of the scheme in respect of the exports made by the Company with no future related cost and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

3. Critical Accounting Estimates And Significant Judgement In Applying Accounting Policies

Estimation Uncertainity

The preparation of these financial statements in conformity with Ind AS requires the application of judgment by management in selecting appropriate assumptions for calculating financial estimates, which inherently contain some degree of uncertainty. Management estimates are based on historical experience and various other assumptions that are believed to be reasonable in the circumstances, the results of which form the basis for making judgments about the reported carrying values of assets and liabilities and the reported amounts of revenues and expenses that may not be readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Estimates of life of various tangible and intangible assets, and assumptions used in the determination of employee-related obligations and fair valuation of financial and equity instrument, impairment of tangible and intangible assets represent certain of the significant judgements and estimates made by management.

Revenue

Gross turnover is reduced by rebates, discounts, allowances and product returns given or expected to be given, which vary by product arrangements and buying groups. These arrangements with purchasing organisations are dependent upon the submission of claims sometime after the initial recognition of the sale. Accruals are made at the time of sale for the estimated rebates, discounts or allowances payable or returns to be made, based on available market information and historical experience.

Because the amounts are estimated they may not fully reflect the final outcome, and the amounts are subject to change dependent upon, amongst other things, the types of buying group and product sales mix.

The level of accrual for rebates and returns is reviewed and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Market conditions are evaluated using wholesaler and other third-party analyses, market research data and internally generated information. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Future events could cause the assumptions on which the accruals are based to change, which could affect the future results of the Company.

Useful lives of various assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Company. The useful life are specified in note 2.5 and 2.7

Leases

Ind AS 116 requires Company to make certain judgements and estimations, and those that are significant are disclosed below.

Critical judgements are required when an entity is,

- determining whether or not a contract contains a lease
- establishing whether or not it is reasonably certain that an extension option will be exercised
- considering whether or not it is reasonably certain that a termination option will not be exercised

Key sources of estimation and uncertainty include:

- calculating the appropriate discount rate
- estimating the lease term

Research and developments costs

Management monitors progress of internal research and development projects by using a project management system. Significant judgement is required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred.

Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary due to inherent uncertainty in the economic success of any product development.

Post-employment benefits

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available.In applying the

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

valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Current taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Deferred tax

The assessment of the probability of future taxable profit in which deferred tax assets can be utilized is based on the Company's latest approved budget forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilise without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Expected credit loss

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i Trade receivables .

ii Financial assets measured at amortised cost other than trade receivables.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. In case of other assets (listed as ii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

The financial statements have been prepared using the measurement basis specified by Ind AS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Estimation uncertainty relating to COVID-19 outbreak

The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports, up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company has accrued its liabilities and also expects to fully recover the carrying amount of inventories, trade receivables, goodwill, intangible assets, and investments . The eventual outcome of impact of the global health pandemic may be different from that estimated as on the date of approval of these financial statements.

NOTE 2 - Recent accounting pronouncements (Standards issued but not effective)

Ministry of Corporate Affairs notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023 as below:

a) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company does not expect this amendment to have any significant impact in its financial statements.

b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company does not expect this amendment to have any significant impact in its financial statements.

c) Ind AS 12 - Income Taxes - The amendment clarify how Companies account for deferred tax on transactions such as lease and decommissioning obligations. This amendment has narrowed the scope of the initial recognition exemption in paragraph 15 and 24 of Ind AS 12 so that it no longer apply to transactions that give rise to equal and offsetting temporary differences.

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

Note 3- Property, Plant and Equipment

Note 3.1 - Property, plant and equipment other than right-of-use asset comprise the following:

Particulars	Freehold Land	Leasehold Land	Factory Building	Other Building	Plant and Equipment	Furniture and Fixture	Office Equipment	Vehicles	Total	Capital work-in-progress
Gross carrying value										
Balance as at 1 April 2022	**50.27**	**256.11**	**5,479.93**	**708.37**	**14,522.07**	**1,131.83**	**238.06**	**65.14**	**22,451.78**	**1,011.70**
- Acquisitions	-	-	200.84	39.37	1,071.65	58.96	21.97	4.86	1,397.65	1,145.14
- Disposals/ Transfers	-	-	(0.64)	(24.28)	(176.33)	(3.03)	(1.96)	(9.12)	(215.36)	(566.13)
Balance as at 31 March 2023	**50.27**	**256.11**	**5,680.13**	**723.46**	**15,417.39**	**1,187.76**	**258.07**	**60.88**	**23,634.07**	**1,590.71**
Accumulated Depreciation										
Balance as at 1 April 2022	**-**	**49.58**	**885.78**	**160.18**	**6,100.16**	**872.88**	**200.99**	**43.94**	**8,313.51**	
- Depreciation charge for the year	-	3.93	109.42	15.22	914.72	59.74	16.45	6.31	1,125.79	
- Disposals/ Transfers	-	-	(0.15)	(2.17)	(148.83)	(2.75)	(1.96)	(2.70)	(158.56)	
Balance as at 31 March 2023	**-**	**53.51**	**995.05**	**173.23**	**6,866.05**	**929.87**	**215.48**	**47.55**	**9,280.74**	
Net carrying value										
As at 31 March 2023	**50.27**	**202.60**	**4,685.08**	**550.23**	**8,551.34**	**257.89**	**42.59**	**13.33**	**14,353.33**	**1,590.71**

Particulars	Freehold Land	Leasehold Land	Factory Building	Other Building	Plant and Equipment	Furniture and Fixture	Office Equipment	Vehicles	Total	Capital work-in-progress
Gross carrying value										
Balance as at 1 April 2021	**50.27**	**256.11**	**5,358.17**	**700.88**	**13,833.40**	**1,101.22**	**228.02**	**63.73**	**21,591.80**	**933.10**
- Acquisitions	-	-	122.80	7.78	773.57	38.19	12.05	1.54	955.93	749.81
- Disposals/Transfers	-	-	(1.04)	(0.29)	(84.90)	(7.58)	(2.01)	(0.13)	(95.95)	(671.21)
Balance as at 31 March 2022	**50.27**	**256.11**	**5,479.93**	**708.37**	**14,522.07**	**1,131.83**	**238.06**	**65.14**	**22,451.78**	**1,011.70**
Accumulated Depreciation										
Balance as at 1 April 2021	**-**	**45.65**	**782.56**	**147.71**	**5,347.29**	**822.76**	**184.94**	**36.89**	**7,367.80**	
- Depreciation charge for the year	-	3.93	103.57	12.50	825.94	57.45	18.05	7.18	1,028.62	
- Disposals/Transfers	-	-	(0.35)	(0.03)	(73.07)	(7.33)	(2.00)	(0.13)	(82.91)	
Balance as at 31 March 2022	**-**	**49.58**	**885.78**	**160.18**	**6,100.16**	**872.88**	**200.99**	**43.94**	**8,313.51**	
Net carrying value										
As at 31 March 2022	**50.27**	**206.53**	**4,594.15**	**548.19**	**8,421.91**	**258.95**	**37.07**	**21.20**	**14,138.27**	**1,011.70**

Notes

a) Refer note 14 (i) for details of assets pledged against borrowings.

b) the company has not revalued its Property, plant and equipment during the current year and previous year.

c) Title deed of all immovable properties are held in the name of the Company.

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

Ageing of capital work in progress as on 31 March 2023

Particulars	Amount in capital work-in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	1,000.43	324.38	153.11	112.79	1,590.71
Projects temporarily suspended	-	-	-	-	-
Total	**1,000.43**	**324.38**	**153.11**	**112.79**	**1,590.71**

Ageing of capital work in progress as on 31 March 2022

Particulars	Amount in capital work-in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	641.41	172.72	51.95	145.62	1,011.70
Projects temporarily suspended	-	-	-	-	-
Total	**641.41**	**172.72**	**51.95**	**145.62**	**1,011.70**

There is no capital work in progress whose completion is overdue or has exceeded its cost as compare to its original plan as at 31 March 2023 and 31 March 2022.

Note 3.2 - Right-Of-Use Asset

The Company has entered into an lease arrangement for office premises and furniture in the ordinary course of business. Such leases are generally for a period of 2 to 12 years, with option of renewal on a periodic basis by mutual consent of both parties. Most of the operating leases provide for a percentage increase in rent, at the end of the original lease terms, for future renewed periods. These leasing arrangements are cancellable by the lessor/lessee within 1 to 3 months' notice except in case of certain leases where there is a lock in period/ non-cancellable period of 4 to 5 years. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

Particulars	Other Buiilding	Office equipment	Total
Gross carrying value			
Balance as at 1 April 2022	**1,056.38**	**90.60**	**1,146.98**
- Additions	221.02	31.67	252.69
- Deletions	(51.28)	-	(51.28)
Balance as at 31 March 2023	**1,226.12**	**122.27**	**1,348.39**
Amortisation and impairment			
Balance as at 1 April 2022	**583.55**	**16.36**	**599.91**
- Depreciation charge for the year	204.99	36.04	241.03
- Deletions	(25.88)	-	(25.88)
Balance as at 31 March 2023	**762.66**	**52.40**	**815.06**
Net carrying value			
As at 31 March 2023	**463.46**	**69.87**	**533.33**

Particulars	Other Buiilding	Office equipment	Total
Gross carrying value			
Balance as at 1 April 2021	**1,117.78**	**1.44**	**1,119.22**
- Additions	15.78	89.16	104.94
- Deletions	(77.18)	-	(77.18)
Balance as at 31 March 2022	**1,056.38**	**90.60**	**1,146.98**
Amortisation and impairment			
Balance as at 1 April 2021	**440.22**	**0.24**	**440.46**
- Depreciation charge for the year	178.57	16.12	194.69
- Deletions	(35.24)	-	(35.24)
Balance as at 31 March 2022	**583.55**	**16.36**	**599.91**
Net carrying value			
As at 31 March 2022	**472.83**	**74.24**	**547.07**

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

Note 4 - Intangible Asset

Intangible assets comprise the following

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
Gross carrying value				
Balance as at 1 April 2022	**2,482.09**	**4,181.92**	**6,664.01**	**78.67**
- Additions	148.85	60.65	209.50	75.89
- Disposals/transfers	(19.50)	-	(19.50)	(21.90)
Balance as at 31 March 2023	**2,611.44**	**4,242.57**	**6,854.01**	**132.66**
Amortisation and impairment				
Balance as at 1 April 2022	**1,649.76**	**2,176.31**	**3,826.07**	
- Amortisation for the year	267.34	207.32	474.66	
- on disposals/transfers	(19.50)	-	(19.50)	
Balance as at 31 March 2023	**1,897.60**	**2,383.63**	**4,281.23**	-
Net carrying value				
As at 31 March 2023	**713.84**	**1,858.94**	**2,572.78**	**132.66**

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
Gross carrying value				
Balance as at 1 April 2021	**1,808.19**	**3,966.39**	**5,774.58**	**380.92**
- Additions	673.90	215.53	889.43	45.46
- Disposals/transfers	-	-	-	(347.71)
Balance as at 31 March 2022	**2,482.09**	**4,181.92**	**6,664.01**	**78.67**
Amortisation and impairment				
Balance as at 1 April 2021	**1,429.72**	**2,022.71**	**3,452.43**	**-**
- Amortisation for the year	220.04	153.60	373.64	-
- on disposals/transfers	-	-	-	-
Balance as at 31 March 2022	**1,649.76**	**2,176.31**	**3,826.07**	**-**
Net carrying value				
As at 31 March 2022	**832.33**	**2,005.61**	**2,837.94**	**78.67**

The Company has not revalued its intangible assets during the current year and previous year.

Ageing of Intangible assets under development as on 31 March 2023

Particulars	Amount of intangible assets under devlopment for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	77.50	29.17	7.17	18.82	132.66
Projects temporarily suspended	-	-	-	-	-
Total	**77.50**	**29.17**	**7.17**	**18.82**	**132.66**

Ageing of Intangible assets under development as on 31 March 2022

Particulars	Amount of intangible assets under devlopment for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	49.40	7.17	1.52	20.58	78.67
Projects temporarily suspended	-	-	-	-	-
Total	**49.40**	**7.17**	**1.52**	**20.58**	**78.67**

There is no Intangible assets under development whose completion is overdue or has exceeded its cost as compare to its original plan as at 31 March 2023 and 31 March 2022.

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

Note 5 - Non-Current Financial Assets

(i) Investments

Particulars			As at 31 March 2023	As at 31 March 2022
Unquoted				
(A)	**Equity shares**			
(a)	**Investments in subsidiary companies - carried at cost**			
	a)	Glenmark Impex LLC, Russia	1,435.61	1,435.61
		[577,767,277 (2022-577,767,277) shares of RUB 1 each]		
	b)	Glenmark Philippines Inc., Philippines	116.70	116.70
		[640,490 (2022-640,490) shares of Pesos 200 each]		
	c)	Glenmark Pharmaceuticals (Nigeria) Ltd., Nigeria	208.97	208.97
		[645,114,304 (2022-645,114,304) shares of Naira 1 each]		
	d)	Glenmark Pharmaceuticals Malaysia Sdn.Bhd.,Malaysia	97.72	97.72
		[5,686,618 (2022 -5,686,618) shares of RM 1 each]		
	e)	Glenmark Holding S. A., Switzerland	94,663.83	76,966.16
		[1,142,239,894 (2022 - 942,239,894) shares of CHF 1 each]		
	f)	Glenmark Pharmaceuticals (Australia) Pty.Ltd., Australia.	101.72	90.68
		[2,644,002 (2022-2,444,002) shares of AUD 1 each]		
	g)	Glenmark Pharmaceuticals Egypt S.A.E., Egypt	421.74	421.74
		[55,426,520 (2022 - 55,426,520) shares of EGP 1 each]		
	h)	Glenmark Pharmaceuticals FZE, (U.A.E)	12.92	12.92
		[1 (2022 -1) shares of AED 1,000,000 each]		
	i)	Glenmark Dominicana, SRL, Dominican Republic	0.19	0.19
		[153 (2022 -153) shares of RD 1000 each]		
	j)	Glenmark Pharmaceuticals (Kenya) Limited, Kenya	97.18	97.18
		[1,560,400 (2022 - 1,560,400) shares of KSHS 100 each]		
	k)	Glenmark Pharmaceuticals Venezuela, CA, Venezuela	715.13	715.13
		[169,954,890 (2022 -169,954,890) shares of Bolivar 1 each]		
		less: Provision for impairment	(715.13)	(715.13)
	l)	Glenmark Pharmaceuticals Colombia SAS, Colombia	577.47	545.89
		[275,456 (2022 - 250,506) shares of COP 1000 each]		
	m)	Glenmark Pharmaceuticals Peru SAC, Peru	827.79	772.06
		[41,133,332 (2022 -38,169,324) shares of PEN 1 each]		
	n)	Glenmark Pharmaceuticals Mexico, S.A. DE C.V., Mexico	1,695.29	1,695.29
		[404,975,500 (2022 -404,975,500) shares of Mexican peso 1 each]		
	o)	Glenmark Pharmaceuticals Europe Ltd., U.K.	578.23	578.23
		[6,285,121 (2022-6,285,121) shares of GBP 1 each]		
	p)	Glenmark South Africa (Pty) Ltd., South Africa	1,044.20	1,044.20
		[113,656 (2022- 113,656) shares of ZAR 1 each]		
	q)	Glenmark Uruguay S.A., Uruguay	774.53	774.53
		[201,240,258 (2022- 201,240,258) shares of UYU 1 each]		
	r)	Glenmark Pharmaceuticals (Thailand) Co.Ltd., Thailand	3.72	3.72
		[26,215 (2022 - 26,215) Ordinary shares of THB 100 each]		
	s)	Glenmark Pharmaceuticals Ecuador S.A., Ecuador	189.46	189.46
		[2,839,600 (2022- 2,839,600) shares of USD 1 each]		
	t)	Glenmark Pharmaceuticals Singapore Pte. Ltd., Singapore	32.73	32.73
		[650,010 (2022- 650,010) shares of SGD 1 each]		

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

Particulars			As at 31 March 2023	As at 31 March 2022
(b)	**Other investments**			
	a)	213,032 (2022 - 213,032) Equity Shares of Narmada Clean Tech Ltd. of ₹10 each. **(FVTPL)**	2.13	2.13
	b)	1 (2022 - 1) Time Share of Dalmia Resorts Limited **(FVTPL)**	0.02	0.02
	c)	18,000 (2022 - 18,000) Equity Shares Shivalik Solid Waste Management Ltd of ₹10 each **(FVTPL)**	0.18	0.18
(B)	**Preference shares**			
(a)	**Investment in subsidiary - carried at cost**			
	2 (2022 - 2) Preference shares of THB 100 each of Glenmark Pharmaceuticals (Thailand) Co.Ltd. (amount less than Rupees ten thousand)		-	-
(b)	**Other investments**			
	(a)	1,176,471 (2022 - 1,176,471) Preferred shares of Napo Pharmaceuticals Inc of USD 0.85 each **(at FVTPL)**	42.65	42.65
	(b)	Nil (2022 - 500,000) 7% cumulative preference shares of ₹100 each fully paid up of Marksans Pharma Ltd **(at amortised cost)**	-	50.00
(C)	**Government securities**			
	National Savings Certificate - Sixth Issue **(at amortised cost)**		0.02	0.02
(D)	**Other investments**			
	Investment in Limited Liability Partnership (LLP) - ABCD Technologies LLP **(FVOCI)**		400.00	400.00
	Total		**103,325.00**	**85,578.98**
	Quoted			
(E)	**Equity shares (FVTPL)**			
	9,000 (2022 - 9,000) Bank of India of ₹10 each		0.68	0.42
	1,209 (2022 - 1,209) IDBI Bank Limited of ₹10 each		0.05	0.05
			0.73	**0.47**
(F)	**Investments in subsidiary company - carried at cost**			
	Glenmark Life Sciences Limited, India *		14.41	14.41
	[101,504,950 (2022- 101,504,950) equity shares of ₹2 each]			
	Total		**103,340.14**	**85,593.86**
	Aggregate carrying value of quoted investment		15.14	14.88
	Aggregate market value of quoted investment		39,750.07	46,591.24
	Aggregate carrying value of unquoted investment		103,325.00	85,578.98
	Aggregate amount of impairment in value of investment in unquoted equity shares		-	-

Note - The fair values of investments in equity and preference shares being carried at ₹444.98 (2022 - ₹444.98) cannot be reliably determined and therefore the company is carrying these investments at cost less impairment charge if any being the management's best estimate of their fair values.

* On 3 August 2021, Glenmark Life Sciences Ltd. (GLS) completed allotment of shares as part of its initial Public Offering (IPO).

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

Note 5 - Non-Current Financial Assets

(ii) Loans

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Loans to related parties* (Refer note 27 and 32)	68,740.68	70,786.31
Total	**68,740.68**	**70,786.31**

* There are no advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(iii) Other non-current financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Security deposits*	210.68	203.25
Bank deposit including margin money	15.66	48.96
Total	**226.34**	**252.21**

*Security deposits represent rental, utility and trade deposits given in the normal course of business realisable after twelve months from the reporting date.

Note 6 - Taxes

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current income tax expense	3,869.31	4,110.78
Deferred income tax expense/ (benefit)	(2,859.43)	(591.97)
Minimum Alternate Tax (MAT) Credit (Entitlement)/ utilisation	2,621.17	(122.24)
Total	**3,631.05**	**3,396.57**

Pursuant to the Taxation Law (Amendment) Ordinance 2019 ('Ordinance') Issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, Indian companies have the option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess subject to certain conditions. The Ordinance has been subsequently been enacted as Taxation Laws (Amendment) Act, 2019. The Company made an assessment of the impact and decided to continue with the existing tax structure until utilisation of accumulated minimum alternative tax (MAT) credit and other exemptions. The Company has also re-measured its deferred tax liability following the clarification issued by Technical Implementation Group of Ind AS implementation Committee by applying the lower tax rate in measurement of deferred taxes only to extent that the deferred tax liabilities are expected to be reversed in the period during which it expects to be subject to lower tax rate.

The relationship between the expected tax expense based on the applicable tax rate of the Company and the tax expense actually recognised in the statement of profit and loss can be reconciled as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Income tax expense at tax rates applicable	5,492.76	8,167.81
Tax adjustment for tax-exempt income		
- Income exempt from tax	(796.66)	(3,102.12)
Other tax adjustments		
- Lower tax rate for capital gain on Sale of Brand / business	(679.04)	(1,157.22)
- Disallowance of donation/corporate social responsibility expenses	123.31	122.31
- Other allowances / disallowances (net)	(509.32)	(634.21)
Actual tax expense (net)	**3,631.05**	**3,396.57**

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

The tax effect of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that create those differences are given below:

Particulars	As at 31 March 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2023
Deferred tax assets				
Provision for credit losses	1,047.23	10.49	-	1,057.72
Difference in Right-of-use asset and lease liabilities	70.39	53.94	-	124.33
Accruals deductible on actual payment	390.84	2,787.96	(3.39)	3,175.41
MAT credit entitlement	9,866.22	(2,621.17)	-	7,245.05
Total	**11,374.68**	**231.22**	**(3.39)**	**11,602.51**
Deferred tax liabilities				
Difference in depreciation on property, plant and equipment	1,967.60	94.88	-	2,062.48
Other taxable temporary differences	174.41	(101.92)	-	72.49
Total	**2,142.01**	**(7.04)**	**-**	**2,134.97**
Net deferred income tax asset	**9,232.67**	**238.26**	**(3.39)**	**9,467.54**

Particulars	As at 31 March 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2022
Deferred tax assets				
Provision for credit losses	972.11	75.12	-	1,047.23
Difference in Right-of-use asset and lease liabilities	49.19	21.20	-	70.39
Accruals deductible on actual payment	421.94	(16.62)	(14.48)	390.84
MAT credit entitlement	9,743.99	122.23	-	9,866.22
Total	**11,187.23**	**201.93**	**(14.48)**	**11,374.68**
Deferred tax liabilities				
Difference in depreciation on Property, plant and equipment	1,881.43	86.17	-	1,967.60
Other taxable temporary differences	772.86	(598.45)	-	174.41
Total	**2,654.29**	**(512.28)**	**-**	**2,142.01**
Net deferred income tax asset	**8,532.94**	**714.21**	**(14.48)**	**9,232.67**

In assessing the reliability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income including taxable temporary differences in the future periods are reduced.

Note 7 - Other Non-Current Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Capital advances	59.60	103.23
Advance tax [net of provision ₹ 19,547.28 (2022- ₹ 21,730.27)]	982.76	527.08
Prepaid expenses	7.60	6.54
Total	**1,049.96**	**636.85**

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

Note 8 - Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Raw material	5,414.56	4,388.21
Raw material (stock in transit)	537.33	733.57
Packing material	2,409.89	2,223.91
Work-in-process	751.76	781.87
Stores and spares	777.29	721.51
Finished goods	844.52	442.13
Stock-in-trade	166.79	225.42
Total	**10,902.14**	**9,516.62**

Refer note 14(i) for hypothecation of stocks of raw materials, packing materials, finished goods and work-in-process.

Inventory write downs are accounted, considering the nature of inventory, ageing of inventory as well as provisioning policy of the Company. The Company recorded inventory write down of ₹1,290.11 (2022 - ₹700.49). This is included as part of cost of materials consumed and changes in inventories of finished goods, work-in-process and stock-in-trade in the statement of profit and loss, as the case may be.

Note 9 - Current Financial Assets

(I) Trade Receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured		
Considered good* (Refer note 35)	25,056.59	26,783.22
Credit impaired*	3,046.90	2,996.90
Allowance for credit impaired/expected credit losses	(3,046.90)	(2,996.90)
Total	**25,056.59**	**26,783.22**
*Includes amount receivable from related parties (Refer note 32(b))	11,174.92	20,464.33

The Company's exposure to credit risk and currency risks are disclosed in note 35

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a short period from the date of balance sheet. All of the Company's trade receivables have been reviewed for indications of impairment. Certain trade receivables were found to be impaired and an allowance for credit losses of ₹50 (2022 - ₹215) has been recorded during the year. The movement in the allowance for credit impaired/ expected credit losses is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	2,996.90	2,781.90
Provision for credit losses during the year (net)	50.00	215.00
Closing balance	**3,046.90**	**2,996.90**

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

Trade receivables ageing schedule as at 31 March 2023

Particulars		Outstanding for following periods from due date of payments						Total
		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i)	Undisputed trade receivables - considered good	19,712.70	2,495.73	1,073.63	1,434.88	304.35	35.30	25,056.59
(ii)	Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivables - credit impaired	-	-	-	57.59	141.44	2,847.87	3,046.90
(iv)	Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v)	Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
		19,712.70	**2,495.73**	**1,073.63**	**1,492.47**	**445.79**	**2,883.17**	**28,103.49**
Less - Provision for credit impaired/ Expected credit losses								3,046.90
Total								**25,056.59**

Trade receivables ageing schedule as at 31 March 2022

Particulars		Outstanding for following periods from due date of payments						Total
		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i)	Undisputed trade receivables - considered good	14,143.76	9,711.47	1,502.71	742.19	73.54	609.55	26,783.22
(ii)	Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivables - credit impaired	-	-	-	18.72	61.56	2,916.62	2,996.90
(iv)	Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v)	Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
		14,143.76	**9,711.47**	**1,502.71**	**760.91**	**135.10**	**3,526.17**	**29,780.12**
Less - Provision for credit impaired/ Expected credit losses								2,996.90
Total								**26,783.22**

(ii) Cash and Cash Equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	918.11	271.76
Cash on hand	8.85	14.74
Total	**926.96**	**286.50**

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

(iii) Bank Balances Other Than Cash And Cash Equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Other bank balance - Dividend accounts (Refer note 1 below)	10.96	9.82
Total	**10.96**	**9.82**

Note 1 - Dividend accounts represent balances maintained in specific bank accounts for payment of dividends. The use of these funds is restricted and can only be used to pay dividends. The corresponding liability for payment of dividends is included under other current financial liability in note 14(iii).

(iv) Other Current Financial Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Security deposits (Refer note 1 below)	197.17	177.89
Export incentives	41.04	212.03
Bank deposit including margin money	89.14	55.84
Other receivable	549.01	-
Total	**876.36**	**445.76**

Note 1 - Security deposits represent rental and trade deposits given in the normal course of business realisable within twelve months from the reporting date.

Note 10 - Other Current Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good (unless otherwise stated)		
Advances recoverable in kind	1,279.33	1,782.41
Input taxes receivable	3,681.47	3,535.76
Advances to vendors	779.06	1,200.38
Prepaid expenses	191.11	253.91
Other assets [net of provision for share application money ₹101.78 (2022 - ₹101.78)]	147.79	214.91
Total	**6,078.76**	**6,987.37**

Note 11 - Equity And Reserves

a) Ordinary shares

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

The Company has an authorised share capital of 2,370,000,000 equity shares of ₹1 each.

b) Dividends

Indian statutes mandate that dividends be declared out of distributable profits in accordance with the regulations. Should the Company declare and pay dividends, such dividends are required to be paid in INR to each holder of equity shares in proportion to the number of shares held. Dividends are taxable in the hands of the shareholders and tax is deducted by the Company at applicable rates.

c) Reserves

Securities premium reserve – The amount received by the Company over and above the face value of shares issued is shown under this head. It is available for utilisation as per the provisions of the Companies Act, 2013.

Capital redemption reserve – The capital redemption reserve had been created as per the requirement of earlier provisions of Companies Act, 1956. Such reserve is not currently available for distribution to the shareholders. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

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

General reserve - The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained earnings - Accumulated earnings include all current and prior period profits as disclosed in the statement of profit and loss.

Stock compensation reserve - Stock compensation reserve consists of employee compensation cost allocated over the vesting period of options granted to employees. Such cost is recognised in statement of profit and loss and is credited to the reserve. Upon exercise of options, such reserves are reclassified to equity share capital at the nominal capital value and excess through securities premium as the case may be.

Note 12 - Equity Share Capital

	Share capital	As at 31 March 2023		As at 31 March 2022	
		No. of Shares	Amount	No. of Shares	Amount
(I)	**Authorised**				
	Equity Shares of ₹1 each	2,370,000,000	2,370.00	2,370,000,000	2,370.00
	Cumulative redeemable non-convertible preference shares of ₹100 each	4,000,000	400.00	4,000,000	400.00
	Issued, subscribed and fully paid-up equity shares of ₹1 each				
	At the beginning of the year	282,168,156	282.17	282,168,156	282.17
	Add: Issued during the year	-	-	-	-
	At the end of the year	**282,168,156**	**282.17**	**282,168,156**	**282.17**

	(II) List of shareholders holding more than 5% shares	As at 31 March 2023		As at 31 March 2022	
		% of Holding	No. of Shares	% of Holding	No. of Shares
	Saldanha Family Trust	45.45	128,241,936	45.45	128,241,936

(III) Details of Shareholding of Promoters are as below:

Sr. No.	Shares held by promoters as at 31 March 2023			
	Promoter Name	**No. of Shares**	**%of total shares ****	**%change during the year**
1	Saldanha Family Trust	128,241,936	45.45	-
2	Blanche Saldanha	1,110,327	0.39	-
3	Glenn Saldanha	983,439	0.35	-
4	Cherylann Pinto	758,485	0.27	-
5	Robin Pinto	497,500	0.18	-
6	Neha Saldanha	26,000	0.01	-

Sr. No.	Shares held by promoters as at 31 March 2022			
	Promoter Name	**No. of Shares**	**%of total shares ****	**%change during the year**
1	Saldanha Family Trust	128,241,936	45.45	-
2	Blanche Saldanha	1,110,327	0.39	-
3	Glenn Saldanha	983,439	0.35	0.01
4	Cherylann Pinto	758,485	0.27	-
5	Robin Pinto	497,500	0.18	-
6	Neha Saldanha	26,000	0.01	0.01

** The percentage shareholding above has been computed considering the outstanding number of shares of 282,168,156 as at 31 March 2023 and 31 March 2022.

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

(IV) As at 31 March 2023, Pursuant to Employee Stock Options Scheme 2016, 78,717 (2022-78,717) options were outstanding,which upon exercise are convertible into equivalent number of equity shares.

(V) Right, Preference and restriction on shares

The Company presently has only one class of ordinary equity shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary equity shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

(VI) In the period of five years immediately preceeding 31 March 2023, the Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash. Further, the Company has neither issued bonus shares nor bought back any shares during the aforementioned period.

(VII) Employee Stock Option Scheme 2016 (ESOS)

The Company has formulated an Employee Stock Option Scheme 2016 ('ESOS 2016') under which it has made grants on various dates from time to time. Each grant has a vesting period which varies from 1 - 6 years from the date of grant depending on the terms of the grant. The grants are made at the market price of the equity shares of the Company on either the date of the grant or the closing price of the date prior to the day of the grant or the price decided by the Nomination & Remuneration Committee of the Board. Pursuant to ESOS 2016, 78,717 (2022-78,717) options were outstanding as at 31 March 2023, which upon exercise are convertible into equivalent number of equity shares. Employee stock compensation charged during the year is ₹0.18 (2022 - ₹2.28).

The aggregate share options and weighted average exercise price under the above mentioned plan are as follows:

Particulars	2022-2023		2021-2022	
	Number	weighted average price (₹)	Number	weighted average price (₹)
Outstanding at the beginning of the year	78,717	319.71	404,247	388.45
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(325,530)	405.07
Exercised during the year	-	-	-	-
Outstanding at the end of the year	78,717	319.71	78,717	319.71

Out of above 20,000 (2022-20,000) options outstanding as of 31 March 2023 are unvested.

All share based employee payments would be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options.

The fair value of options granted are determined using the Black-Scholes valuation model. Significant inputs into the calculation are:

Particulars	31 March 2023	31 March 2022
Share price (₹)	600	600
Exercise price (₹)	600	600
Weighted average volatility rate	31%	34%
Dividend payout	250%	250%
Risk free rate	7.10%	6.45%
Average remaining life	1-4 months	1-16 months

The underlying expected volatility was determined by reference to historical data, adjusted for unusual share price movements. No special features inherent to the options granted were incorporated into the measurement of fair value.

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

Note 13 - Non-Current Financial Liabilities

(i) Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured loans (at amortised cost)		
Foreign currency convertible bonds (FCCB)	-	7,286.05
External commercial borrowings (ECB) facility	7,462.18	6,859.10
IFC - ECB Facility	2,061.79	1,884.56
Sustainability Linked Syndicated ECB Facility	18,540.03	16,973.78
Total	**28,064.00**	**33,003.49**
Less: Current portion of non-current borrowings	(1,455.82)	(7,286.05)
Total long-term borrowings	**26,608.18**	**25,717.44**

(A) U.S. $ 200,000,000, 2.00 % resettable onward starting equity-linked securities (Bonds):

The Company had issued Bonds on 28 June 2016. The Bonds become convertible at the option of the holders' of the Bonds (the "Bondholders") after 1 December 2017 and upto the close of business on 18 June 2022 into equity shares. Each Bond will be convertible at the option of the holder thereof into fully paid equity shares at the initial conversion price determined on 30 November 2017.

On 30 November 2017, the Company set the initial conversion price (i.e. the price at which the ordinary shares of theCompany will be issued upon conversion of Bonds subject to any further adjustments according to conditions) at ₹861.84 as determined in accordance with condition 6.1.3 of the Trust deed. As of 31 March 2022, none of the Bondholders have opted for the conversion option.

On 30 November 2017, the Company confirmed the fixed exchange rate as INR 64.5238 in accordance with the condition 6.1.1 (b) of the Trust Deed dated 28 June 2016 which provides that the fixed exchange rate shall be the FX rate (INR per U.S. $ 1) based on Bloomberg's "BFIX" USD/INR spot mid-price rate 12.00 (Hongkong time) on 30 November 2017.

Unless previously converted, redeemed or purchased and cancelled, the Bonds were to be redeemed on 28 June 2022 (Maturity Date) at 126.42% of their principal amount, together with accrued interest (if any), calculated upto but excluding the maturity date. The Company may, at its own discretion, redeem the Bonds in whole, but not in part, subject to satisfaction of certain conditions.

As per the original Trust Deed, each Bondholder has the right to require the Company to redeem in whole or in part, such Bondholder's Bonds, on 28 July 2021 (Put Option Date), at a price equal to 121.78% of its outstanding principal amount of Bonds, together with interest (if any) accrued but unpaid on 28 July 2021. This is amended in April, 2021 (see note below on Tender Offer and Consent Solicitation).

The FCC Bonds were partially bought back in October 2018 (see note below on Buyback). In addition to that, the Company approved for tender and consent solicitation for amendment of FCC Bonds in February, 2021 (see note below on Tender Offer and Consent Solicitation). Further, the FCC Bonds were partially bought back in September, 2021 and April 2022 (see note below on Buyback). The balance outstanding FCC Bonds were redeemed in May, 2022.

The FCC Bonds were delisted from the Singapore stock exchange in May, 2022.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity - linked securities due 2022 – October, 2018:

In September 2018, the Company approved the launch of buyback of FCC Bonds ("Buyback FCCBs") from existing holders of FCC Bonds ("Buyback Bondholders"). MUFG Securities Asia Limited and J.P. Morgan Securities Limited were appointed as Dealer Managers, on behalf of the Company to buyback FCC Bonds at a buyback price of 105% of the principal amount outstanding (being U.S. $ 262,500 for each U.S. $ 250,000 of FCC Bonds), up to an aggregate purchase price of U.S. $ 100 million plus accrued and unpaid interest per FCC Bond. In October 2018, the Company agreed to buyback U.S. $ 86.5 million in aggregate principal amount (representing 346 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. These Buyback FCCBs represented 43.25% of the aggregate FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 90,825,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCCBs bought back were cancelled and U.S. $ 113.5 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook buyback to monetize the opportunity available and to push maturity of external debt. The Company utilised proceeds from an unsecured External Commercial Borrowing facility of up to U.S.$ 100 million ("ECB Facility") from MUFG Bank, Ltd., Singapore Branch, to refinance these Bonds.

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

Tender Offer of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity - linked securities due 2022 and Consent Solicitation from Bondholders – April, 2021:

In March, 2021, the Company announced a launch of a tender offer of the FCC Bonds. The Hong Kong and Shanghai Banking Corporation Limited was appointed as the Dealer Manager on behalf of the Company to tender an aggregate principal amount of up to U.S. $ 38.5 million at a purchase price of 120.30% of the principal amount of the FCC Bonds (Tender Offer) and also invited the holders of the FCC Bonds to approve the amendment of the optional put notice period from not later than 30 days nor more than 60 days prior to the Put Option Date to a minimum of 150 days prior to the Put Option Date by passing an Extraordinary Resolution **(Consent Solicitation)**.

Tender Offer: In April, 2021, an aggregate principal amount of U.S. $ 36.75 million (representing 147 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) were validly tendered pursuant to the Offer. These tendered FCCBs represented 32.38% of the outstanding FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 44,210,250 plus accrued but unpaid interest. Following settlement, the tendered FCC Bonds were cancelled and U.S. $ 76.75 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook this tender to manage the Company's debt maturity profile by reducing near-term repayable outstanding indebtedness and to reduce interest costs. The Company utilised proceeds from unsecured External Commercial Borrowing facilities from Fifth Third Bank and International Finance Corporation to refinance these Bonds

Consent Solicitation: An Extraordinary Resolution was duly passed at the Bondholders Meeting held on 12 April 2021, with 99.78% of votes cast in favour of the amendment to the optional put notice period. The Company also executed the Supplemental Trust Deed to make the amendment effective from 12 April 2021.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity - linked securities due 2022 – September, 2021:

In September 2021, the Company executed a discrete buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 1 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 120.30% of the principal amount (representing 4 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 15 September, 2021, the Company paid an aggregate purchase price of U.S. $ 1,203,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCCBs bought back were cancelled and U.S. $ 75.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity - linked securities due 2022 – April and May, 2022:

In April 2022, the Company executed a buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 75 million. The Hong Kong and Shanghai Banking Corporation Limited acted as dealer manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 125.26% of the principal amount (representing 300 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 7 April 2022, the Company paid an aggregate purchase price of U.S. $ 93,945,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 0.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Following the above buyback in April, 2022, the Company issued a Notice of early redemption to the remaining holders of FCC Bonds for principal value of outstanding U.S. $ 0.75 million for redemption in May, 2022. On 9 May, 2022, the Company paid an aggregate amount of U.S. $ 9,42,860.24 for the Buyback FCCBs, plus accrued but unpaid interest and concluded the redemption of FCC Bonds as per the terms of the Trust Deed.Subsequently the FCC Bonds were delisted from the Singapore Stock Exchange.

(B) U.S. $ 90,825,000, MUFG Bank, ECB Facility:

The Company has obtained Loan Registration Number (LRN) from RBI to raise an ECB Facility to the extent of U.S. $ 100 million. In October 2018, the ECB Facility for U.S. $ 90,825,000 was raised and the proceeds were utilized for the purpose of repurchasing the FCC Bonds. The ECB Facility was raised from MUFG Bank, Singapore with an initial maturity of 5 years. The interest rate for the first 3 years is 4.956% p.a and the interest for the subsequent 2 years is 5.25% p.a.

However, in December, 2021, the loan was extended to bullet maturity of December, 2026. The interest rate was fixed at 4.69% p.a. up to September, 2023 and thereafter at an interest margin of 2.15% p.a. over SOFR.

(C) U.S. $ 40,000,000, International Finance Corporation (IFC), ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 40 million. The ECB Facility for U.S. $ 40 million was executed in February, 2021 and the Company availed U.S. $ 16,574,250 in April, 2021 and the proceeds were utilized for the purpose of refinancing the FCC Bonds. The Company further availed U.S. $ 7,500,000 and U.S. $ 1,203,000 in June, 2021 and September, 2021 respectively. The ECB Facility was raised from International Finance Corporation with a maturity of 5.7 years. The interest margin over U.S. $ LIBOR was 3.08%p.a. up to September, 2021; 2.83% p.a. upto June 2023 and 3.26% over SOFR thereafter.

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

(D) U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 228 million. During March 2022, the Sustainability linked loan for U.S. $ 228 million was raised and the proceeds were utilized for the purpose of refinancing the U.S. $ 200 million Syndication loan and U.S. $ 28 million Fifth Third Bank loan. The ECB Facility was raised from 10 Foreign banks with a maturity of 5 years. The interest margin is 1.75%p.a. over SOFR.

(E) Maturity profile of non-current borrowings

Year ending	As at 31 March 2023	As at 31 March 2022
2023	-	7,295.60
2024	1,455.82	1,338.16
2025	1,455.82	1,338.16
2026	5,202.31	4,781.87
2027	20,157.49	18,528.40

As per the loan arrangement, the Company is required to comply with certain financial covenants and the Company was in compliance with such covenants as at 31 March 2023 and 31 March 2022.

(ii) Lease liability

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liability (Refer note 31)	332.90	417.74
Total	**332.90**	**417.74**

(iii) Other Non-Current Financial Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits from customers	1,318.53	1,213.17
Other liability	2,407.27	-
Total	**3,725.80**	**1,213.17**

Note 14 - Current Financial Liabilities

(i) Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured loans		
Loans repayable on demand from banks	-	-
Unsecured loans		
From banks	3,500.00	3,700.00
Current maturity of non-current borrowings (Refer note 13)	1,455.82	7,286.05
Total	**4,955.82**	**10,986.05**

Secured loans includes working capital facilities, secured by hypothecation of stocks of raw materials, packing materials, finished goods, work-in-process, receivables and equitable mortgage on fixed assets at certain locations.

Unsecured loans includes working capital facilities and other short term credit facilities.

The Company has borrowed secured/unsecured loans at interest rates ranging between 4.85% - 8.20% p.a.

The Company has not defaulted on repayment of secured/unsecured loans and interest during the year.

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

(ii) Lease Liability

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liability (Refer note 31)	315.25	255.79
Total	**315.25**	**255.79**

(iv) Other Current Financial Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due	151.78	135.74
Unclaimed dividend*	10.96	9.82
Employee dues	11.36	9.69
Sundry creditors for capital goods	417.20	116.87
Accrued expenses	6,733.54	636.26
Payable to related parties (Refer note 27)	817.45	754.98
Total	**8,142.29**	**1,663.36**

*There are no amounts due and outstanding to be credited to Investor Education & Protection Fund (IEPF). Unclaimed Dividends shall be transferred to IEPF as and when they become due.

(iii) Trade Payables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payables outstanding dues to Micro enterprises and Small enterprises under MSMED Act, 2006 [Refer note (i) below]	547.83	537.55
Trade payables outstanding dues to creditors other than Micro enterprises and Small enterprises:		
Others	12,277.89	13,545.29
Related party (Refer note 27 and 32)	8,105.61	5,305.15
Total	**20,931.33**	**19,387.99**

The Company's exposure to credit risk and currency risks are disclosed in note 35

Note (i) Dues to Micro enterprises and Small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows :

	Particulars	As at 31 March 2023	As at 31 March 2022
a)	The principle amount remaining unpaid to any supplier at the end of the year	547.83	537.55
b)	Interest due remaining unpaid to any supplier at the end of the year	-	-
c)	The amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on request made by the Company. There are no overdue principle amounts/interest payable amounts for delayed payments to such vendors at the Balance sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year, except disclosed above.

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

Ageing for trade payables as at 31 March 2023

Particulars		Outstanding for following periods from due date of payments					Total
		Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i)	MSME	547.83	-	-	-	-	547.83
(ii)	Others	18,124.58	1,292.87	353.57	378.84	233.64	20,383.50
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
	Total	**18,672.41**	**1,292.87**	**353.57**	**378.84**	**233.64**	**20,931.33**

Ageing for trade payables as at 31 March 2022

Particulars		Outstanding for following periods from due date of payments					Total
		Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i)	MSME	537.55	-	-	-	-	537.55
(ii)	Others	16,361.05	1,928.91	106.45	159.88	294.15	18,850.44
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
	Total	**16,898.60**	**1,928.91**	**106.45**	**159.88**	**294.15**	**19,387.99**

Note 15 - Other Current Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues	447.81	632.55
Total	**447.81**	**632.55**

Note 16 - Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provisions for employee benefits:		
Gratuity (Refer note 26)	431.56	429.77
Compensated absences (Refer note 26)	252.03	275.77
Provision for sales return	286.51	285.00
Total	**970.10**	**990.54**

Movement of Provision for sales return	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	285.00	400.00
Provided during the year	286.51	285.00
Utilised/ reversed during the year	(285.00)	(400.00)
Balance at the end of the year	**286.51**	**285.00**

Note 17 - Current Tax Liabilities (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for income tax [net of advance tax ₹13,311.97 (2022 - ₹14,551.49)]	655.13	494.34
Total	**655.13**	**494.34**

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

Note 18 - Revenue From Operations

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	79,981.78	79,919.82
Sale of services	214.88	253.98
Other operating revenue*	2,009.96	1,242.01
Total	**82,206.62**	**81,415.81**

*Other operating revenue primarily comprises of Export incentives, Sale of Abbreviated New Drug Applications (ANDA), Sale of scrap, Production linked incentive and others.

Disaggregation of revenue:

The Company's revenue disaggregated by primary geographical markets is as follows:

Geographical area	For the year ended 31 March 2023 Total revenue	For the year ended 31 March 2022 Total revenue
India	40,461.24	41,451.62
North America	17,776.26	18,809.86
Latin America	2,458.36	2,381.16
Europe	9,046.43	6,860.07
Rest of the World	12,464.33	11,913.10
Total	**82,206.62**	**81,415.81**

Reconciliation of revenue recognised in the Income statement with the contracted price.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue as per contracted price	91,817.94	89,959.66
Less: Trade discounts, sales and expiry returns	9,611.32	8,543.85
Sale of products, services and other operating revenue	**82,206.62**	**81,415.81**

Contract liabilities from contracts with customers:

The Company records a contract liability when cash payments are received in advance of its performance.

Particulars	As at 31 March 2023	As at 31 March 2022
Advance from customers	-	-

Note 19 - Other Income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Dividend income	3,200.92	1,069.30
Interest income	1,841.32	3,385.22
Exchange gain (net)	4,649.56	1,453.22
Profit on sale of fixed assets	56.28	-
Miscellaneous income	111.31	238.54
Total	**9,859.39**	**6,146.28**

Note 20 - Cost of Materials Consumed

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of raw material and packing material	29,642.65	29,434.37
Consumption of stores and spares	716.11	495.99
Total	**30,358.76**	**29,930.36**

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

Note 21 - Purchases of Stock-In-Trade

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Purchase of finished goods	3,911.92	4,816.20
Total	**3,911.92**	**4,816.20**

Note 22 - Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(Increase)/Decrease in stock of finished goods, stock-in-trade and work-in-process	(313.65)	(161.32)
Total	**(313.65)**	**(161.32)**
(Increase)/Decrease in stocks:		
At the year end:		
Finished goods	844.52	442.13
Work-in-process	751.76	781.87
Stock-in-trade	166.79	225.42
	1,763.07	**1,449.42**
At the beginning of the year:		
Finished goods	442.13	546.06
Work-in-process	781.87	730.96
Stock-in-trade	225.42	11.08
	1,449.42	**1,288.10**
(Increase)/Decrease in stocks	**(313.65)**	**(161.32)**

Note 23 - Employee Benefits Expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	12,705.21	11,184.63
Contribution to provident and other funds and retirement benefits (Refer note 26)	686.71	670.41
Employee stock compensation cost	0.18	2.28
Staff welfare expenses	72.98	74.64
Total	**13,465.08**	**11,931.96**

Note 24 - Finance Costs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expenses on		
- Bank loans	299.25	217.61
- Foreign currency convertible bonds	23.84	316.31
- Senior notes and ECB facility	1,470.00	1,450.59
- Lease (Refer note 31)	70.45	74.66
- Others	204.62	301.24
Total	**2,068.16**	**2,360.41**

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

Note 25 - Other Expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Labour charges	980.13	948.87
Power, fuel and water charges	832.15	768.66
Repairs and maintenance - plant and machinery	72.74	70.34
Repairs and maintenance - building	39.07	38.48
Repairs and maintenance - others	961.78	906.87
Rent	113.69	157.31
Rates and taxes	83.60	68.77
Director sitting fees	9.10	7.50
Other manufacturing expenses	276.26	338.36
Consumable - lab chemicals and reagents	716.58	671.50
Selling and Marketing expenses	2,266.16	1,552.22
Sales promotion expenses	3,530.55	3,234.96
Commission on sales	106.84	181.98
Travelling expenses	1,741.89	1,258.48
Freight outward	3,285.63	2,467.10
Telephone expenses	17.20	16.22
Provision for doubtful debts/expected credit losses (net)	50.00	215.00
Insurance premium	148.40	141.93
Electricity charges	118.70	144.74
Loss on sale of property, plant and equipment/intangible assets (net)	-	7.64
Auditors remuneration		
- Audit fees	16.00	13.00
- Other services	3.65	0.80
- Reimbursement of expenses	0.98	0.69
Corporate social responsibility expense (Refer note 34)	354.46	348.54
Legal and professional charges	1,137.29	1,527.97
Other expenses	3,193.99	2,928.47
Total	**20,056.84**	**18,016.40**

Note 26 - Employee Post - Retirement Benefits

The following are the employee benefit plans applicable to the employees of the Company.

a) Gratuity (defined benefit plan)

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment of amounts that are based on salary and tenure of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation.

The Company recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	31 March 2023	31 March 2022
Current service cost	99.66	107.79
Net interest on defined benefit schemes	29.85	27.27
Amount recognised in profit and loss	**129.51**	**135.06**

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

The remeasurement components recognised in other comprehensive income for the Company's defined benefit plans comprise the following:

Particulars	31 March 2023	31 March 2022
Actuarial (gains)/losses		
- Based on adjustment of financial assumptions	(27.22)	(36.71)
- Due to liability experience adjustment	0.17	24.02
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	17.34	(17.84)
Total remeasurement (benefit)/loss recognised in the statement of other comprehensive income	**(9.71)**	**(30.53)**

The following table shows the change in present value of defined benefit obligations, the change in plan assets and the funded status recognised in the financial statements for the Company's defined benefit plans:

Particulars	31 March 2023	31 March 2022
Present value of funded obligations	942.17	923.44
Fair value of plan assets	(510.61)	(493.67)
Net defined benefit liability	**431.56**	**429.77**
Being:		
Retirement benefit liabilities	**431.56**	**429.77**

The movements in the net defined benefit liability recognised within the balance sheet are as follows:

Particulars	31 March 2023	31 March 2022
Beginning balance	429.77	429.73
Cost recognised in statement of profit and loss	129.51	135.06
Remeasurement (gains)/losses recognised in other comprehensive income	(9.71)	(30.53)
Actual employer contributions	-	(20.00)
Benefits paid	(118.01)	(84.49)
Closing balance	**431.56**	**429.77**

The change in the present value of defined benefit obligations are as follows:

Particulars	31 March 2023	31 March 2022
Beginning balance	923.44	858.36
Current service cost	99.66	107.79
Interest cost on the defined benefit obligations	64.13	54.47
Actual benefit payments	(118.01)	(84.49)
Actuarial (gains)/losses - Financial assumptions	(27.22)	(36.71)
Actuarial (gains)/losses - Liability experience	0.17	24.02
Closing balance	**942.17**	**923.44**

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2023	31 March 2022
Beginning balance	493.67	428.63
Interest income on plan assets	34.28	27.20
Actual employer contributions	-	20.00
Actual return on assets (excluding interest income on plan assets)	(17.34)	17.84
Closing balance	**510.61**	**493.67**

The Company expects to contribute ₹530.46 to its defined benefit plans in FY 2023-2024.

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

The principal actuarial assumptions used for the defined benefit obligations as at 31 March are as follows:

Particulars	31 March 2023	31 March 2022
Discount Rate	7.40%	6.95%
Salary escalation rate (%)	3.00%	3.00%

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2023	31 March 2022
Assets administered by respective insurance companies	100%	100%

A breakup of the defined benefit plan related balance sheet amounts as at 31 March are as follows:

Particulars	31 March 2023	31 March 2022
Present value of funded obligations	942.17	923.44
Fair value of plan assets	(510.61)	(493.67)
Net defined benefit liability	**431.56**	**429.77**

A feature all plans have in common is that the discount rate has a significant impact on the present value of obligations. The other assumptions have varying impacts on the different plans in different geographic regions. In the breakup presented below, the varying impact of changes in the key assumptions is shown as below.

Particulars	31 March 2023	31 March 2022
Discount rate + 0.50% p.a.	(28.55)	(28.56)
Discount rate - 0.50% p.a.	30.39	30.43
Rate of compensation + 0.50% p.a.	29.60	29.55
Rate of compensation - 0.50% p.a.	(28.04)	(27.97)

b) Compensated absence plan (other long term benefit plan)

The Company permits encashment of leave accumulated by their employees on retirement and separation. The liability for encashment of privilege leave is determined and provided on the basis of actuarial valuation performed by an independent actuary at the date of the balance sheet.

The Company recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	31 March 2023	31 March 2022
Current service cost	73.90	86.91
Personnel expenses	**73.90**	**86.91**
Net interest on long term benefit schemes	19.15	16.69
Actuarial (gains)/losses		
- Based on adjustment of financial assumptions	(16.45)	(22.74)
- Due to liability experience adjustment	(7.87)	(0.98)
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	0.42	(0.85)
Amount recognised in profit and loss	**69.15**	**79.03**

The following table shows the change in present value of long term benefit obligations, the change in plan assets and the funded status recognised in the financial statements for the Company's long term benefit plans.

Particulars	31 March 2023	31 March 2022
Present value of funded obligations	447.67	459.09
Fair value of plan assets	(195.64)	(183.32)
Net long term benefit liability	**252.03**	**275.77**
Being:		
Retirement benefit liabilities	**252.03**	**275.77**

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

The movements in the net long term benefit liability recognised within the balance sheet are as follows:

Particulars	31 March 2023	31 March 2022
Beginning balance	275.77	263.09
Cost recognised in the statement of profit and loss	69.15	79.03
Benefits paid	(92.89)	(66.35)
Closing balance	**252.03**	**275.77**

The change in the present value of long term benefit obligations are as follows:

Particulars	31 March 2023	31 March 2022
Beginning balance	459.09	434.67
Current service cost	73.90	86.91
Interest cost on the long term benefit obligations	31.88	27.58
Actual benefit payments	(92.88)	(66.35)
Actuarial (gains) / losses - Financial assumptions	(16.45)	(22.74)
Actuarial (gains) / losses - Liability experience	(7.87)	(0.98)
Closing balance	**447.67**	**459.09**

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2023	31 March 2022
Beginning balance	183.32	171.58
Interest income on plan assets	12.74	10.89
Return on plan assets	(0.42)	0.85
Closing balance	**195.64**	**183.32**

The Company expects to contribute ₹316.76 to its long term benefit plan in FY 2023-2024.

The principal actuarial assumptions used for the long term benefit obligations as at 31 March are as follows:

Particulars	31 March 2023	31 March 2022
Discount rate (weighted average)	7.40%	6.95%
Rate of compensation increase (weighted average)	3.00%	3.00%

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2023	31 March 2022
Insurance contracts	100%	100%

A breakup of the long term benefit plan related balance sheet amounts as at 31 March are as follows:

Particulars	31 March 2023	31 March 2022
Present value of obligations	447.67	459.09
Fair value of plan assets	(195.64)	(183.32)
Net long term benefit liability	252.03	275.77

The present value of long term benefit obligations by category of members as at 31 March are as follows:

Particulars	31 March 2023	31 March 2022
Active number of employees	11,592	12,556
Present value of obligations	447.67	459.09

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

A feature all plans have in common is that the discount rate has a significant impact on the present value of obligations. The other assumptions have varying impacts on the different plans in different geographic regions. In the breakup presented below, the varying impact of changes in the key assumptions is shown below.

Particulars	31 March 2023	31 March 2022
Discount rate + 0.50% p.a.	(17.10)	(17.51)
Discount rate - 0.50% p.a.	18.32	18.78
Rate of compensation increase + 0.50% p.a.	19.03	19.42
Rate of compensation decrease - 0.50% p.a.	(17.89)	(18.24)

c) Provident fund and others (defined contribution plan)

Apart from being covered under the gratuity plan described earlier, employees participate in a provident fund plan; a defined contribution plan. The Company makes annual contributions based on a specified percentage of salary of each covered employee to a government recognised provident fund. The Company does not have any further obligation to the provident fund plan beyond making such contributions. Upon retirement or separation an employee becomes entitled for this lump sum benefit, which is paid directly to the concerned employee by the fund. The Company contributed ₹488.05 (2022 - ₹456.32) towards the provident fund plan and other funds during the year ended 31 March 2023.

Note 27 - Related Party Disclosures

a) Parties where direct/indirect control exists

Subsidiary companies

Glenmark Pharmaceuticals (Europe) R&D Ltd. (Liquidated w.e.f. 4 January 2022)

Glenmark Pharmaceuticals Europe Ltd.

Glenmark Pharmaceuticals S.R.O.

Glenmark Pharmaceuticals SK, S.R.O.

Ichnos Sciences SA

Glenmark Holding S. A.

Glenmark Pharmaceuticals SP z.o.o.

Glenmark Pharmaceuticals Inc.

Glenmark Therapeutics Inc.

Glenmark Farmaceutica Ltda.

Glenmark Generics S.A.

Glenmark Pharmaceuticals Mexico, S.A. DE C.V.

Glenmark Pharmaceuticals Peru SAC.

Glenmark Pharmaceuticals Colombia SAS

Glenmark Uruguay S.A.

Glenmark Pharmaceuticals Venezuela., C.A

Glenmark Dominicana, SRL

Glenmark Pharmaceuticals Egypt S.A.E.

Glenmark Pharmaceuticals FZE.

Glenmark Impex L.L.C.

Glenmark Philippines Inc.

Glenmark Pharmaceuticals (Nigeria) Ltd.

Glenmark Pharmaceuticals Malaysia Sdn Bhd.

Glenmark Pharmaceuticals (Australia) Pty Ltd.

Glenmark South Africa (pty) Ltd.

Glenmark Pharmaceuticals South Africa (pty) Ltd.

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

Glenmark Pharmaceuticals B.V.

Glenmark Arzneimittel Gmbh.

Glenmark Pharmaceuticals Canada Inc.

Glenmark Pharmaceuticals Kenya Ltd.

Viso Farmaceutica S.L.U.

Glenmark Specialty S A

Glenmark Pharmaceuticals Distribution s.r.o.

Glenmark Pharmaceuticals (Thailand) Co. Ltd.

Glenmark Pharmaceuticals Nordic AB

Glenmark Ukraine LLC

Glenmark Pharmaceuticals Ecuador S.A.

Glenmark Pharmaceuticals Singapore Pte. Ltd.

Glenmark Life Sciences Limited

Ichnos Sciences Biotherapeutics SA

Ichnos Sciences Inc.

Glenmark Farmaceutica SpA

Sintesy Pharma S.R.L

b) Enterprise over which key managerial personnel excercise significant influence

Glenmark Foundation

Glenmark Aquatic Foundation

Trilegal

Other related party in which Directors are interested

Piramal Pharma Limited

c) Key Management Personnel

Mr. Glenn Saldanha (Chairman & Managing Director)

Mrs. Cherylann Pinto (Executive Director)

Mr. V S Mani (Executive Director & Global Chief Financial Officer)

Mrs. B.E.Saldanha (Non-executive Director)

Mr. Rajesh Desai (Non-executive Director)

Mr. D.R.Mehta (Non-executive Director)

Mr. Bernard Munos (Non-executive Director)

Dr. Brian W. Tempest (Non-executive Director)

Mr. Sridhar Gorthi (Non-executive Director)

Mr. Dipankar Bhattacharjee (Non-executive Director)

Ms. Sona Saira Ramasastry (Non-executive Director)

Mrs. Vijayalakshmi Rajaram Iyer (Non-executive Director with effect from 10th February 2023)

Mr. Harish Kuber (Company Secretary & Compliance Officer)

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

d) Transactions with related parties during the year

Particulars	2022-2023	2021-2022
Companies where direct / indirect control exists		
Sale of materials & services	30,858.56	29,277.92
Other operating income	510.69	333.28
Sale of fixed assets	-	1.72
Purchase of materials, services and reimbursements	11,294.43	11,961.00
Purchase of tangible asset	207.50	14.79
Investment in subsidiary	98.35	76.95
Share application money	-	214.87
Loans given to subsidiary	21,320.06	32,382.92
Loan given to subsidiary converted into investment	17,697.67	15,368.32
Loans repaid by subsidiary	9,405.83	9,294.68
Interest income	1,796.61	3,373.37
Other income	3,267.31	1,129.51

Particulars	2022-2023	2021-2022
Transactions with entities over which Key Management Personnel exercise significant influence		
Contribution incurred for CSR activities to		
Glenmark Foundation	144.18	127.10
Glenmark Aquatic Foundation	62.45	26.33
Disclosure in respect of major related Party Transactions during the year:		
Sale of Materials & Services		
Glenmark Pharmaceuticals Inc.	14,871.72	16,430.64
Glenmark Pharmaceuticals S.R.O.	2,979.52	2,287.98
Glenmark Impex L.L.C.	3,561.57	2,535.32
Glenmark Specialty S.A.	3,554.36	2,813.74
Other Operating Income		
Glenmark Specialty S.A.	466.83	322.56
Purchase of Materials, Services and reimbursement		
Glenmark Life Sciences Limited	6,904.62	8,791.03
Glenmark Pharmaceuticals Inc.	1,305.76	1,107.66
Glenmark Impex L.L.C.	1,208.25	1,100.60
Purchase of tangible asset		
Glenmark Pharmaceuticals Inc.	207.50	14.79
Investment in Share Capital		
Glenmark Pharmaceuticals (Australia) Pty Ltd.	11.04	14.53
Glenmark Pharmaceuticals Colombia Ltda.	31.56	62.42
Glenmark Pharmaceuticals Peru SAC.	55.75	-
Share application money		
Glenmark Pharmaceuticals Peru SAC.	-	55.76
Glenmark Pharmaceuticals Colombia Ltda.	-	11.38
Glenmark Pharmaceuticals Mexico, S.A. DE C.V.	-	91.71
Glenmark Pharmaceuticals Ecuador S.A.	-	56.03
Loans given		
Glenmark Holding S.A.	21,250.55	32,382.92

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

Particulars	2022-2023	2021-2022
Loan given to subsidiary converted into Investment		
Glenmark Holding S.A.	17,697.67	15,368.32
Loans repaid		
Glenmark Holding S.A.	9,405.83	9,294.68
Interest income		
Glenmark Holding S.A.	1,755.83	3,065.70
Glenmark Life Sciences Limited	-	276.92
Other Income from		
Glenmark Life Sciences Limited	3,197.41	1,065.80
Key Management Personnel		
Remuneration		
Mr. Glenn Saldanha	161.85	157.92
Mrs. Cherylann Pinto	45.86	46.60
Mr. V S Mani	102.47	78.73
Mr. Harish Kuber	5.71	4.75
Sitting fees paid to Non-executive Directors	9.10	7.50

The directors are covered under the Company's gratuity policy and ESOP scheme along with other employees of the Company. Proportionate amount of gratuity and stock compensation expense is not included in the aforementioned disclosures as it cannot be separately ascertained.

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

e) Related party balances

	As at 31 March 2023	As at 31 March 2022
Net Receivable / (Payable) from/ (to) subsidiary companies/ enterprise	**70,966.08**	**85,190.50**
Glenmark Farmaceutica Ltda.	2,157.41	1,375.60
Glenmark Philippines Inc.	274.96	102.41
Ichnos Sciences S.A.	5.87	99.15
Glenmark Holding S.A.	68,192.12	70,374.18
Glenmark Pharmaceuticals (Nigeria) Ltd.	435.28	395.47
Glenmark Impex L.L.C.	(304.10)	635.66
Glenmark Pharmaceuticals South Africa (pty) Ltd.	260.62	244.57
Glenmark Pharmaceuticals FZE.	(585.45)	(434.17)
Glenmark Generics S.A.	3.95	0.48
Glenmark Pharmaceuticals Venezuela., C.A	1,558.20	1,558.20
Glenmark Pharmaceuticals Malaysia Sdn.Bhd.	690.56	566.89
Glenmark Pharmaceuticals Peru SAC.	4.76	49.56
Glenmark Pharmaceuticals Europe Ltd.	(1,386.81)	(2,123.68)
Glenmark Pharmaceuticals Inc.	(2,200.24)	9,224.21
Glenmark Pharmaceuticals S.R.O.	1,336.27	1,013.68
Glenmark Pharmaceuticals SK, S.R.O.	(0.01)	(0.01)
Glenmark Pharmaceuticals SP z.o.o.	(0.17)	(0.16)
Glenmark Pharmaceuticals (Thailand) Co. Ltd.	30.98	24.39
Glenmark Uruguay S.A.	(817.45)	(754.98)
Glenmark Pharmaceuticals Colombia SAS	76.98	47.60
Glenmark Pharmaceuticals Kenya Ltd	1,665.19	1,010.67
Glenmark Pharmaceuticals Mexico S.A.DE C.V.	140.43	200.13
Glenmark Pharmaceuticals Egypt S.A.E.	260.62	152.65
Glenmark Pharmaceuticals Canada Inc.	209.82	173.71
Glenmark Pharmaceuticals B.V.	(0.01)	(0.01)
Glenmark Specialty S.A.	2,347.25	3,587.02
Glenmark Ukraine LLC	179.79	314.04
Glenmark Pharmaceuticals Ecuador S.A.	71.80	84.74
Glenmark Pharmaceuticals Singapore Pte. Ltd.	(55.46)	(49.69)
Glenmark Life Sciences Limited	(3,518.04)	(2,697.43)
Glenmark Therapeutics Inc.	5.23	3.94
Ichnos Sciences Biotherapeutics S.A.	6.74	6.20
Glenmark Arzneimittel Gmbh.	(55.32)	-
Ichnos Sciences Inc.	0.77	5.48
Piramal Pharma Limited	(26.46)	-
Share application money pending allotment	**147.79**	**214.91**
Glenmark Dominicana, SRL	0.04	0.04
Glenmark Pharmaceuticals Mexico S.A.DE C.V.	91.71	91.71
Glenmark Pharmaceuticals Peru SAC.	0.01	55.76
Glenmark Pharmaceuticals Colombia SAS	-	11.37
Glenmark Pharmaceuticals Ecuador S.A.	56.03	56.03

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

Note 28 - Research And Development Expenditure

During the year, the Company's research and development expenditure is ₹4,671.86 (2022 - ₹4,395.44).

Note 29 - Earnings Per Share (EPS)

The basic earnings per share for the year ended 31 March 2023 has been calculated using the net profits attributable to equity shareholders.

Calculation of basic and diluted EPS is as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit for the year	12,087.69	19,977.89
Weighted average number of shares outstanding during the year for basic EPS	282,168,156	282,168,156
Effect of dilutive potential ordinary shares:		
Employee stock options	-	-
Weighted average number of shares outstanding during the year for diluted EPS	282,168,156	282,168,156
Basic EPS, in ₹	42.84	70.80
Diluted EPS, in ₹	42.84	70.80

Note 30 - Commitments and Contingencies

Particulars		As at 31 March 2023	As at 31 March 2022
(i)	**Contingent Liabilties**		
	Claims against the Company not acknowledged as debts		
	Labour disputes	55.98	41.46
	Disputed taxes and duties	1,070.44	1,249.21

The Company's pending litigations comprise of proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

(a) In January 2014, the National Pharmaceutical Pricing Authority (NPPA) issued a demand notice of ₹12.24 Crs as overcharging liability of product "Doxovent 400 mg tab" for the period February 2010 to May 2013. The notice also envisaged a payment of ₹3.33 Crs towards interest @15% p.a. on the overcharged amount up to 31 January, 2014. The Company had filed a petition under Article 32 with the Hon'ble Supreme Court of India (Hon'ble Court), challenging the issue of the above mentioned demand notice on various grounds. This petition was tagged along with other petitions filed by other pharmaceutical companies, pending before Hon'ble Court relating to the inclusion criteria of certain drugs including "Theophylline" in the schedule of the DPCO, 1995. The Hon'ble Court passed an ad-interim order stating that no coercive steps be taken against the Company towards the said demand. Whilst the matter was pending before the Hon'ble Supreme Court, in October 2015, NPPA issued a fresh demand notice of ₹12.24 Crs as overcharging liability and ₹6.39 Crs as interest thereon calculated upto 30 September, 2015 to which the Company has responded stating that the matter was sub-judice. On 20 July, 2016 Hon'ble Supreme Court heard the Company's petition and ordered the petition to be transferred back to Hon'ble Delhi High Court to be heard on merits subject to deposit of 50% of the overcharged claimed amount. The Company has deposited ₹6.12 Crs (50% of the overcharged claimed amount). The pleadings have been completed and matter is pending for final hearing before Hon'ble Delhi High Court.

(b) On March 10, 2016 Ministry of Health and Family Welfare (MoH) issued notifications prohibiting manufacture for sale, sale and distribution for human use of several Fixed Dose Combination ("FDC") with immediate effect. Several products of the Company were also covered in the notified prohibited "FDC's". The Company had filed five writ petitions in Hon'ble Delhi High Court challenging the notifications issued. The Hon'ble Delhi High Court granted interim relief to the Company by staying the notifications banning the FDC's. The matter was clubbed with petition of other companies before the Supreme Court of India (Hon'ble Court). The Hon'ble Court directed the Drug Technical Advisory Board (DTAB) sub-committee to examine the ban of FDCs. DTAB appointed an expert committee under the chair of Dr. Nilima Kshirsagar (the Committee) to examine the list of banned FDCs. Company made due written and oral representations before the Committee in relation to its affected products. The Committee submitted its report to the Ministry of Health. Meanwhile, taking proactive approach the Company revised the composition of the affected FDC's for its domestic market. Based on the Committee Report, MoH on 7 September, 2018 issued series of notification which prohibited the manufacture for sale, sale or distribution for human use of 328 FDCs with immediate effect. The Company filed writ petitions in the Delhi High Court against the 7 notification/s

in respect of its affected FDCs which were still circulating in the market and obtained an ad interim stay, on the notifications allowing the Company to liquidate its affected FDCs. The Company on 27 March, 2019, withdrew its Writs except for one product meant for exports and for which the Company continues to enjoy an ad-interim protection.

(c) In October 2019, National Pharmaceutical Pricing Authority (NPPA) issued a Show Cause Notice alleging that the Company had violated DPCO 2013 by self-invoking Para 32 in respect of its product Remogliflozin Etabonate + Metformin by not seeking approval for exemption from the Government. Although the Company has responded to the Show cause notice, on 2 January, 2020, NPPA issued a letter seeking production of documents /records under Para 29. The Company challenged the decision of NPPA by filing a writ petition before Hon'ble Delhi High Court. In January 2020, Hon'ble Delhi High Court was pleased to note NPPA's submission that without prejudice to the rights of the parties, NPPA will grant a hearing to the Company, to decide on the Company's entitlement under paragraph 32 of the DPCO, 2013 and dispose of the petition, with a noting that in view of the personal hearing, the impugned orders will not be given effect to. Although NPPA granted the Company personal hearing, it issued a ceiling price notification in March 2020 notifying the price of Remolifozin Etabonate + Metformin Hydrocloride without deciding the entitlement under paragraph 32 of the DPCO, 2013. The Company thereafter challenged various orders passed by NPPA by filing a fresh writ petition. After hearing both Parties, Hon'ble Delhi High Court was pleased to grant interim relief that no coercive action, based on the Impugned Orders dated 3 March, 2020 and 20 March, 2020, be taken against Company. The matter is currently sub-judice.

(d) On a complaint by a stockiest with the Competition Commission of India ("CCI") in July 2015 against pharma co.'s (including the Company and its C&F agent) and the Trade associations, alleging refusal to supply medicines to it in spite of having all valid licenses and documents, CCI ordered the Director General ("DG") to investigate and submit a report. CCI clubbed this matter with other matters on a similar complaint against other pharmaceutical co.'s and local Trade associations. On submission of DG's report CCI issued notices to the Company and some of its employees to submit their objections to the said Report. Despite having contested DG's claim, CCI in its order has found the Company and concerned employees guilty as having contravened provision 3(1) of the Competition Act, 2002 and has levied penalty under the Act. The Company and the concerned employees have appealed the said Order at National Company Law Tribunal ("NCLAT"). The appeals is pending for final hearing.

(e) In response to FDA action on Zantac and its generic equivalent (ranitidine) in late 2019 and early 2020, lawsuits were filed in various jurisdictions against brand-name and generic manufacturers, distributors, and retailers of Zantac and ranitidine, a number of which were consolidated in a Multidistrict Litigation (MDL) in the Southern District of Florida. Plaintiffs in all of the lawsuits allege that ranitidine potentially contains a probable human carcinogen, N-Nitrosodimethylamine (NDMA), that they have developed or will develop cancer as a result of their ingestion of ranitidine, and/or that they were otherwise injured. Glenmark Pharmaceuticals Ltd. (GPL) and Glenmark Pharmaceuticals Inc., USA (GPI) were named in the MDL but all claims against them were dismissed in June 2021 on the basis of federal pre-emption. Plaintiffs are appealing those dismissals in the United States Court of Appeals for the Eleventh Circuit, and those appeals remain pending. In addition to the MDL, GPI has also been named in several non-MDL cases that are proceeding in state court (New Mexico, Illinois, and Pennsylvania); such cases are in the early stages. GPL and GPI will continue to defend these cases vigorously.

(f) From time to time the Company and its certain subsidiaries are involved in various intellectual property claims and legal proceedings, which are considered normal to its business. Some of this litigation has been resolved through settlement agreements with the plaintiffs.

i. A multiple putative class and individual action were filed in 2018 by purchasers of branded Zetia and generic Zetia (ezetimibe) against Glenmark Pharmaceuticals Ltd and Glenmark Pharmaceuticals Inc., before the United States District Court for the Eastern District of Virginia seeking relief under the US antitrust laws. The Plaintiffs allege that Glenmark Pharmaceuticals Ltd and Glenmark Pharmaceuticals Inc. and Merck & Co Inc. ("Merck") violated the federal and state antitrust laws by entering into a so-called reverse payment patent settlement agreement in Hatch-Waxman patent litigation in May 2010 related to Merck's branded Zetia product. The lawsuits allege that the patent settlement agreement delayed the entry of generic which caused purchasers to pay higher prices. The Company and its US subsidiary (Glenmark Pharmaceuticals Inc., USA) have, subject to final documentation and approval of the Court, after the end of the accounting year, arrived at a settlement with Three Plaintiff Groups collectively representing all of the claims against the Company and Merck in relation to multiple antitrust and consumer protection lawsuits, including a class action, consolidated in the Eastern District of Virginia, US (the "Court") for a total amount or US$ 87.5 million, payable over two financial years The final settlements will be in accordance with the separate agreements entered into with each of the plaintiff groups and will be subject to the final approval by the Court. The settlements will make clear that the settlements are commercial settlements or civil liabilities and not on the basis of the Company having conceded or admitted any liability, offence, wrongdoing or illegality. Opt-out cases are still pending and timelines are yet to be determined.

ii. Multiple putative class and individual actions were filed in July 2020 by purchasers of branded Bystolic (nebivolol) against Glenmark Pharmaceuticals Ltd.,Glenmark Pharmaceuticals Inc. and Glenmark Pharmaceuticals S.A. (n/k/a Ichnos Sciences S.A.) (collectively, "Glenmark") in the United States District Court for the Southern District of New York. The Plaintiffs allege that Glenmark and Forest Laboratories, Inc. ("Forest") violated federal and state antitrust laws by entering into a so-called reverse-payment patent settlement agreement in Hatch-Waxman patent litigation in December 2012 related to Forest's Bystolic product. The lawsuits allege that the patent settlement agreement and mPEGS-1 collaboration agreement delayed the entry of Glenmark's generic nebivolol, which caused purchasers of branded Bystolic to pay higher prices. The Court granted Glenmark and defendants motion to dismiss with prejudice. Plaintiffs have filed appeals. Glenmark believes that its patent settlement agreement and mPEGS-1 collaboration agreement are lawful and will continue defending the case vigorously.

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

(ii) Commitments

(a) Estimated amount of contracts remaining to be executed on capital account, net of advances, not provided for as at 31 March 2023 aggregate ₹1,043.24 (2022 - ₹1,362.94)

(b) Estimated amount of contracts remaining to be executed on other than capital account, net of advances, not provided for as at 31 March 2023 aggregate ₹3,753.24 (2022 - ₹2,383.26)

(iii) Others	As at 31 March 2023	As at 31 March 2022
(a) Guarantees		
Bank guarantees	2,213.02	2,294.68
(b) Letter of Comfort/Corporate Guarantees on behalf of subsidiaries:		
Glenmark Holding SA.	17,253.60	15,859.20
Glenmark Pharmaceuticals Inc.	10,270.00	9,440.00
Glenmark Life Sciences Limited.	3,000.00	3,850.00
(c) Performance Guarantees:		
Glenmark Pharmaceuticals Distribution s.r.o.	570.00	516.00

Note 31 - Leases

Company as lessee

The Company's leased assets primarily consist of leases for office premises and godowns. Leases of office premises and godowns generally have lease term between 2 to 12 years. The Company has applied low value exemption for leases laptops, lease lines, furniture and equipment and accordingly are excluded from Ind AS 116. The leases includes non cancellable periods and renewable option at the discretion of lessee which has been taken into consideration for determination of lease term.

The weighted average incremental borrowing rate applied to lease liabilities recognised was 10% - 10.40% p.a.

There are several lease agreements with extension and termination options, management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonable certain to exercise extension option and not to exercise termination option, the Company has opted to include such extended term and ignore termination option in determination of lease term.

i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	2022-23	2021-22
As at 1 April	**547.07**	**678.76**
Additions	252.69	104.94
Termination	(25.40)	(41.94)
Depreciation expenses	(241.03)	(194.69)
As at 31 March	**533.33**	**547.07**

ii) Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

Particulars	2022-23	2021-22
As at 1 April	**673.53**	**783.99**
Additions	252.69	104.94
Termination	(25.40)	(41.94)
Accretion of interest	70.45	74.66
Payments	(323.12)	(248.12)
As at 31 March	**648.15**	**673.53**
Current	315.25	255.79
Non-current	332.90	417.74

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

iii) The following are the amounts recognised in profit or loss for the year ended

Particulars	31 March 2023	31 March 2022
Depreciation expense of right-of-use assets	241.03	194.69
Interest expense on lease liabilities	70.45	74.66
Expense relating to short-term leases and low value assets	113.69	157.31
Total	**425.17**	**426.66**

The Company had total cash outflows for leases of ₹436.81 (2022 - ₹405.43).

iv) The table below provides details regarding contractual maturity of the lease liablity on an undiscounted basis:

Particulars	As at 31 March 2023	As at 31 March 2022
within 1 year	330.60	268.72
1-5 years	398.67	497.30
5 years and above	6.20	18.11
Total	**735.47**	**784.13**

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

Note 32 - Disclosure Pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 186 of Companies Act, 2013

	Particulars	Maximum amount outstanding during the year		As at	
		2022-2023	2021-2022	31 March 2023	31 March 2022
a)	**Loans and advances to subsidiaries**				
	Glenmark Holding S.A.	70,374.18	85,464.25	68,192.12	70,374.18
	Glenmark Pharmaceuticals (Nigeria) Ltd.	108.81	95.15	108.56	95.15
	Glenmark Pharmaceuticals (Thailand) Co. Ltd.	15.06	13.28	15.06	13.28
	Glenmark Pharmaceuticals Kenya Ltd.	167.75	152.91	164.32	151.04
	Glenmark Pharmaceuticals Egypt S.A.E.	260.62	163.67	260.62	152.66
				68,740.68	**70,786.31**
b)	**Receivable from subsidiary companies**				
	Ichnos Sciences S.A.			5.87	99.15
	Glenmark Pharmaceuticals (Nigeria) Ltd.			326.72	300.32
	Glenmark Philippines Inc.			274.96	102.41
	Glenmark Impex L.L.C.			-	635.66
	Glenmark Pharmaceuticals South Africa (pty) Ltd.			260.62	244.57
	Glenmark Pharmaceuticals Venezuela., C.A.			1,558.20	1,558.20
	Glenmark Pharmaceuticals Peru SAC.			4.76	49.56
	Glenmark Pharmaceuticals S.R.O.			1,336.27	1,013.68
	Glenmark Pharmaceuticals (Thailand) Co. Ltd.			15.92	11.11
	Glenmark Pharmaceuticals Kenya Ltd.			1,500.87	859.63
	Glenmark Pharmaceuticals Colombia SAS.			76.98	47.60
	Glenmark Pharmaceuticals Mexico S.A. DE C.V.			140.43	200.13
	Glenmark Pharmaceuticals Malaysia Sdn.Bhd.			690.56	566.89
	Glenmark Pharmaceuticals Inc.			-	9,224.21
	Glenmark Generics S.A.			3.95	0.48
	Glenmark Pharmaceuticals Canada Inc.			209.82	173.71
	Glenmark Specialty S.A.			2,347.25	3,587.02
	Glenmark Ukraine LLC.			179.79	314.04
	Glenmark Pharmaceuticals Ecuador S.A.			71.80	84.74
	Glenmark Therapeutics Inc.			5.23	3.94
	Glenmark Farmaceutica Ltda.			2,157.41	1,375.60
	Ichnos Sciences Biotherapeutics S.A.			6.74	6.20
	Ichnos Sciences Inc.			0.77	5.48
c)	**Payable to subsidiaries**				
	Glenmark Pharmaceuticals FZE.			585.45	434.17
	Glenmark Pharmaceuticals SK, s.r.o.			0.01	0.01
	Glenmark Pharmaceuticals Europe Ltd.			1,386.81	2,123.68
	Glenmark Uruguay S.A.			817.45	754.98
	Glenmark Pharmaceuticals SP z.o.o.			0.17	0.16
	Glenmark Pharmaceuticals B.V.			0.01	0.01
	Glenmark Pharmaceuticals Singapore Pte. Ltd.			55.46	49.69
	Glenmark Life Sciences Limited			3,518.04	2,697.43
	Glenmark Impex L.L.C.			304.10	-
	Glenmark Pharmaceuticals Inc.			2,200.24	-
	Glenmark Arzneimittel Gmbh.			55.32	-

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

Pariculars	No. of Shares in Million			
	As at 1 April 2022	Invested/Bonus shares received during the Year	Sold/written off during the Year	Balance as at 31 March 2023
d) Movement of shares during the year				
Investments in Subsidiary Companies - Unquoted - non trade				
Glenmark Holding S.A.	942.24	200.00	-	1,142.24
Glenmark Pharmaceuticals (Australia) Pty.Ltd.	2.44	0.20	-	2.64
Glenmark Pharmaceuticals Colombia SAS	0.25	0.02	-	0.27
Glenmark Pharmaceuticals Peru SAC.	38.17	2.96	-	41.13

e) For disclosure of guarantees on behalf of subsidiaries refer note 30(iii)

Note 33 - Fair Value Measurements

Financial instruments by category

Particulars	As at 31 March 2023				As at 31 March 2022			
	FVTPL	FVOCI	Amortised cost	Total carrying value	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial assets								
Non-current financial assets	-	-	226.34	226.34	-	-	252.21	252.21
Loans to related parties	-	-	68,740.68	68,740.68	-	-	70,786.31	70,786.31
Trade receivables	-	-	25,056.59	25,056.59	-	-	26,783.22	26,783.22
Cash and cash equivalents	-	-	926.96	926.96	-	-	286.50	286.50
Bank balances other than cash and cash equivalents	-	-	10.96	10.96	-	-	9.82	9.82
Investments	45.71	400.00	0.02	445.73	45.45	400.00	50.02	495.47
Other current financial assets	-	-	876.36	876.36	-	-	445.76	445.76
Total	**45.71**	**400.00**	**95,837.91**	**96,283.62**	**45.45**	**400.00**	**98,613.84**	**99,059.29**
Financial Liabilities								
Long term borrowings	-	-	26,608.18	26,608.18	-	-	25,717.44	25,717.44
Non-current financial liabilities	-	-	4,058.70	4,058.70	-	-	1,630.91	1,630.91
Trade payables	-	-	20,931.33	20,931.33	-	-	19,387.99	19,387.99
Short term borrowings	-	-	4,955.82	4,955.82	-	-	10,986.05	10,986.05
Other current financial liabilities	-	-	8,457.54	8,457.54	-	-	1,919.15	1,919.15
Total	**-**	**-**	**65,011.57**	**65,011.57**	**-**	**-**	**59,641.54**	**59,641.54**

Investment in subsidiaries are carried at cost not included above.

Trade receivables comprise amounts receivable from the sale of goods and services.

The management considers that the carrying amount of trade and other receivables approximates their fair value.

Bank balances and cash comprise cash and short-term deposits held by the Company. The carrying amount of these assets approximates their fair value.

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The management considers that the carrying amount of trade payables approximates to their fair value.

The Bonds are interest bearing instruments with an embedded derivative instrument of conversion option. The instrument`s value predominately consist of liability measured at amortised cost; the embedded derivative is measured at FVTPL.

Fair value hierarchy:

Level 2: All FVTPL and FVOCI financial assets and liabilities are classified under level 2 of fair value hierarchy except quoted investments amounting to ₹0.73 (2022 - ₹0.46) which are classified as level 1 inputs.

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

Note 34 - Note On Expenditure On Corporate Social Responsibility

The information regarding projects undertaken and expenses incurred on CSR activities during the year ended 31 March 2023 is as follows :

i Gross amount required to be spent by the Company during the year as per provisions of section 135 of the Companies Act, 2013 - ₹354.46 (2022 - ₹348.54)

ii Amount spent during the year on CSR by way of contribution to the trusts and projects undertaken (excess amount spent is carried forward):

2022-2023

Particulars	Amount paid in cash	Amount carried forward to next year	Total amount
(i) Construction/acquisition of any asset			
(ii) On purposes other than (i) above:			
Promoting education	40.40	-	40.40
Promoting Healthcare including preventive Healthcare and Community Development, Skill Development and Livelihood	167.43	-	167.43
Training to promote olympic sports	62.45	-	62.45
Others	0.02	-	0.02
Impact Assessment Expenses	1.49	-	1.49
Surplus arising out of the previous financial years	91.42	-	91.42
Surplus carried forward to next year		(8.75)	(8.75)
Total	**363.21**	**(8.75)**	**354.46**

2021-2022

Particulars	Amount paid in cash	Amount carried forward to next year	Total amount
(i) Construction/acquisition of any asset			-
(ii) On purposes other than (i) above:			
Promoting education & livelihood	146.06	-	146.06
Promoting Healthcare including preventive Healthcare	6.00	-	6.00
Reducing child mortality and improving maternal health	18.42	-	18.42
Training to promote olympic sports	26.33	-	26.33
Disaster Response (including COVID-19)	54.54	-	54.54
Impact Assessment Expenses	1.49	-	1.49
Surplus arising out of the previous financial years	187.12	-	187.12
Surplus carried forward to next year	-	(91.42)	(91.42)
Total	**439.96**	**(91.42)**	**348.54**

Particulars		2022-2023	2021-2022
(a)	amount required to be spent by the company during the year,	354.46	348.54
(b)	amount of expenditure incurred,	363.21	439.96
(c)	shortfall at the end of the year,	-	-
(d)	total of previous years shortfall,	-	-
(e)	reason for shortfall,	-	-
(f)	nature of CSR activities,	Child Health, Sustainable Livelihood, Access to Healthcare, Employee Volunteering, Promotion of Sports	
(g)	details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	206.62	153.43
(h)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-

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

Note 35 - Risk Management Objectives And Policies

The Company is exposed to a variety of financial risks which results from the Company's operating and investing activities. The Company focuses on actively securing its short to medium term cash flows by minimising the exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Financial assets that potentially subject the Company to concentrations of credit risk consist principally of cash equivalents, accounts receivables, other receivables, investment securities and deposits. By their nature, all such financial instruments involve risk including the credit risk of non-performance by counter parties.

The Company's cash equivalents and deposits are invested with banks.

The Company's trade and other receivables are actively monitored to review credit worthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

The Company's interest-rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Company to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Company to fair value interest-rate risk.

Foreign currency sensitivity

The foreign currency sensitivity analysis has been performed in relation to US Dollar (USD), Euro (EUR) and Russian ruble (RUB).

US Dollar conversion rate was ₹75.52 at the beginning of the year and scaled to a high of ₹82.92 and to low of ₹75.14. The closing rate is ₹82.16. Considering the volatility in direction of strengthening dollar upto 10%, the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into USD at the closing rate, are as follows.

Particulars	31 March 2023		31 March 2022	
	USD (million)	INR	USD (million)	INR
Short-term exposure				
Financial assets	186.80	15,347.45	325.93	24,614.31
Financial liabilities	(146.87)	(12,066.92)	(140.71)	(10,626.40)
Total	**39.93**	**3,280.53**	**185.22**	**13,987.91**
Long term exposure				
Financial assets	836.67	68,740.81	937.32	70,786.31
Financial liabilities	(355.68)	(29,222.67)	(344.10)	(25,986.60)
Total	**480.99**	**39,518.14**	**593.22**	**44,799.71**

If the INR had strengthened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	(4,279.87)	(5,878.76)
Equity	-	-

If the INR had weakened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	4,279.87	5,878.76
Equity	-	-

EUR conversion rate was ₹83.93 at the beginning of the year and scaled to a high of ₹89.83 and to low of ₹78.21. The closing rate is ₹89.37. Considering the volatility in direction of strengthening EUR upto 10%, the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

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

Foreign currency denominated financial assets and liabilities, translated into EUR at the closing rate, are as follows.

Particulars	31 March 2023		31 March 2022	
	EUR (million)	INR	EUR (million)	INR
Short term exposure				
Financial assets	15.85	1,416.44	13.40	1,124.75
Financial liabilities	(8.90)	(795.69)	(5.67)	(475.94)
Total	**6.95**	**620.75**	**7.73**	**648.81**
Long term exposure				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

If the INR had strengthened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	(62.08)	(64.88)
Equity	-	-

If the INR had weakened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	62.08	64.88
Equity	-	-

RUB conversion rate was ₹0.92 at the beginning of the year and scaled to a high of ₹1.49 and to low of ₹0.88. The closing rate is ₹1.06. Considering the volatility in direction of strengthening RUB upto 10% , the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into RUB at the closing rate, are as follows.

Particulars	31 March 2023		31 March 2022	
	RUB (million)	INR	RUB (million)	INR
Short term exposure				
Financial assets	-	-	1,017.83	936.41
Financial liabilities	(286.89)	(304.10)	(322.23)	(296.45)
Total	**(286.89)**	**(304.09)**	**695.60**	**639.96**
Long term exposure				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

If the INR had strengthened against the RUB by 10% then this would have the following impact:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	30.41	(64.00)
Equity	-	-

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

If the INR had weakened against the RUB by 10% then this would have the following impact:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	(30.41)	64.00
Equity	-	-

Interest rate sensitivity

The Company's policy is to minimise interest rate cash flow risk exposures on long-term borrowings. The Company has taken long term borrowings of USD 253.28 million which are not on fixed rate of interest. Since, there is some element of interest rate risk associated with this, an interest rate sensitivity analysis has been performed.

The Company has taken short term borrowings on fixed rate of interest. Since, there is no interest rate risk associated with such fixed rate loans; an interest rate sensitivity analysis has not been performed.

The bank deposits are placed on fixed rate of interest of approximately 4.30% to 6.40%. As the interest rate does not vary unless such deposits are withdrawn and renewed, sensitivity analysis is not performed.

The Company has outstanding borrowings of USD 253.28 million (2022 - 253.28 million) which are linked to LIBOR/Benchmark prime lending rate (BPLR). Increases by 25 basis points then such increase shall have the following impact on:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	(52.02)	(47.82)

In case of LIBOR/Benchmark prime lending rate (BPLR) decreases by 25 basis points then such decrease shall have the following impact on:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	52.02	47.82

Credit risk analysis

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the date of the balance sheet, as summarised below:

Particulars	As at 31 March 2023	As at 31 March 2022
Cash & cash equivalents	926.96	286.50
Bank balances other than cash and cash equivalents	10.96	9.82
Trade receivables*	25,056.59	26,783.22
Current financial assets	876.36	445.76
Non current financial assets	172,307.16	156,632.38
Total	**199,178.03**	**184,157.68**

*Trade receivables are usually due within 60-180 days. Generally and by practice most customers enjoy a credit period of upto 180 days and are not interest bearing, which is the normal industry practice. All trade receivables are subject to credit risk exposure. However, the Company does not identify specific concentrations of credit risk with regard to trade and other receivables, as the amounts recognised represent a large number of receivables from various customers.

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. In accordance with Ind AS 109, the Company uses (expected credit loss) model to assess the impairment loss or gain. The Company uses a provision matrix

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

to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, credit default swap quotes, credit ratings from international credit rating agencies and historical experience for customers.

Given below is ageing of accounts receivable:

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding for more than 6 months	2,848.16	2,928.00
Others	22,208.43	23,855.22
Total	**25,056.59**	**26,783.22**

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The Company's management considers that all the above financial assets that are not impaired for each of the reporting dates and are of good credit quality, including those that are past due. None of the Company's financial assets are secured by collateral or other credit enhancements.

In respect of trade and other receivables, the Company's credit risk exposure towards any single counterparty or any group of counterparties having similar characteristics is considered to be negligible. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk analysis

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly.

The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30 day period. Funding in regards to long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

As at 31 March 2023, the Company's liabilities have contractual maturities which are summarised below:

Particulars	Current Within 1 year	Non-Current 1 to 5 years
Trade payable	20,931.33	-
Financial liabilities	8,457.54	-
Short term borrowings	4,955.82	-
Long-term borrowings	-	26,608.18
Other non-current financial liabilities	-	4,058.70
Total	**34,344.69**	**30,666.88**

For long term borrowings refer note 13 and for Lease obligations refer note 31 for further details

Note 36 - Capital Management Policies and Procedures

The Company objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the Capital structure, the Company may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell new assets to reduce debt.

Net Debt = total borrowings less cash and cash equivalent. Total 'equity' as shown in the balance sheet.

Particulars	31 March 2023	31 March 2022
Total debt	31,564.00	36,703.49
Less: Cash & cash equivalents	926.96	286.50
Net debt (A)	**30,637.04**	**36,416.99**
Total equity (B)	**178,774.63**	**167,385.87**
Net debt to equity ratio (A/B)	**17.14%**	**21.76%**

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

Dividends	31 March 2023	31 March 2022
(i) Equity shares		
Final dividend paid during the year ended	705.42	705.42

(ii) Dividends not recognised at the end of the reporting period.

In addition to the above dividends, since year end the Board of Directors have recommended the payment of a final dividend of ₹2.50 (2022 - ₹2.50) per fully paid up equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

Note 37 - Reclassification

Certain prior year amounts have been reclassified for consistency with the current year presentation. As a result, certain line items have been amended in the financial statements. These reclassifications had no effect on the reported results of operations. Comparative figures have been adjusted to conform to the current year's presentation.

Note 38 - Exceptional Items

31 March 2023

The Company and its US subsidiary (Glenmark Pharmaceuticals Inc., USA) have, subject to final documentation and approval of the Court, after the end of the accounting year, arrived at a settlement with Three Plaintiff Groups collectively representing all of the claims against the Company and Merck in relation to multiple antitrust and consumer protection lawsuits, including a class action, consolidated in the Eastern District of Virginia, U.S. (the "Court") for a total amount of US$ 87.5 million (US Dollar Eighty Seven Point Five million), payable over two financial years. The final settlements will be in accordance with the separate agreements entered into with each of the plaintiff groups and will be subject to the final approval by the Court. The settlements will make clear that the settlements are commercial settlements of civil liabilities and not on the basis of the Company having conceded or admitted any liability, offence, wrongdoing or illegality.

In view of the above and as a prudent measure, the Company has made a provision for the estimated settlement amount of ₹8,010.53 (equivalent of US$ 87.5 million and related costs) and charged the same to profit and loss account for the year ended 31 March 2023. Due to the non-recurring nature of the provision, the Company has classified this provision as an exceptional item in the financial statements for the year ended 31 March 2023. The resultant deferred tax asset of ₹2,799.20 has also been recognised. On finalisation of settlement agreements and final approval of the Court, the crystallized liability will be accounted after adjusting the provisions in this respect in the year of final settlement and Court approval.

Exceptional item in the standalone financials for the year ended 31 March 2023 includes a net gain of ₹3051.85 arising from the divestment of select tail brands and sub-brands from the dermatology segment (India and Nepal business) and gain on sale of cardiac brand Razel (India and Nepal business), net of trade expenses, trade receivables, inventory write-off, other reimbursable expenses and remediation cost of India manufacturing sites.

31 March 2022

On 3rd August 2021, Glenmark Life Sciences Limited (GLS) completed allottment of shares as part of its Initial Public Offering (IPO) and Offer for Sale (OFS). The company offered 6.3 million equity shares of ₹2 each through OFS and resulted in a gain of ₹4,303.33 (net of related expenses and cost of equity shares) and recorded as an exceptional item in the financial statements.

Post the sale and IPO, the Company's holding in equity shares of GLS has reduced from 100% to 82.84%.

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

Note 39 - Accounting Ratios

	Particulars	Numerator	Denominator	FY 2022-23	FY 2021-22	% variance	Reason for variance
(a)	Current Ratio	Current Assets	Current Liabilities	1.20	1.28	-5.89%	
(b)	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.18	0.22	-19.48%	
(c)	Debt service coverage ratio	Earnings available for debt service	Debt service	1.76	1.01	73.37%	Lower Net Profit in FY 2022-23 has impacted this ratio
(d)	Return on Equity Ratio	Net profit - preferred dividends	Average shareholder equity	6.98%	12.67%	-44.86%	Mainly on account of lower profits in FY 2022-23
(e)	Inventory turnover ratio	Sale of products	Average inventory	7.83	9.33	-15.99%	
(f)	Trade receivables turnover ratio	Net sale of products and services	Average trade receivables	3.09	3.10	-0.30%	
(g)	Trade payables turnover ratio	Net credit purchases	Average trade payables	0.19	0.27	-28.25%	Mainly due to Increase in average trade payable and also to some extent reduction in purchase of stock
(h)	Net capital turnover ratio	Net sale of products and services	Working capital	10.79	8.34	29.42%	Ratio has improved in FY 2022-23 owing to increase in net revenues and lower working capital
(i)	Net profit ratio	Net profit	Net sale of products and services	15.07%	24.92%	-39.51%	Mainly on account of lower profits in FY 2022-23
(j)	Return on Capital employed	Earning before interest and taxes	Capital employed	6.21%	7.60%	-18.32%	
(k)	Return on investment	Gain on sale of Investment	Average investment X Holding period	-	32.59%	Not applicable	
(l)	Return on investment	Change in fair value of quoted investment (except subsidiary)	Average investment X Holding period	42.73%	-35.71%	228.43%	Change in fair value of quoted investment

(a) Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + interest + other adjustments like loss on sale of fixed assets etc.

(b) Debt service = Interest & Lease Payments + Principal Repayments

(c) Average inventory = (Opening inventory balance + Closing inventory balance)/2

(d) Net credit sales = Net credit sales consist of gross credit sales minus sales return

(e) Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance)/2

(f) Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return

(g) Average trade payables = (Opening trade payables balance + Closing trade payables balance)/2

(h) Working capital = Current assets - Current liabilities.

(i) Earning before interest and taxes = Profit before exeptional items and tax + Finance costs - Other Income

(j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

(k) Return on investment = Gain on sale of investment/(Average investment x Holding period)

(l) Return on investment = Change in fair value of quoted investment (except subsidiary)/(Average investment x Holding period)

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

NOTE 40 - SEGMENT REPORTING

In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated Ind AS financial statements, and therefore, no separate disclosure on segment information is given in these financial statements.

NOTE 41 - OTHER STATUTORY INFORMATION

a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

c) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :

   i) directly or indirectly lend or invest in other persons or, entities identified in any manner whatsoever by or/on behalf of the Company (ultimate beneficiaries) or

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

d) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)

e) The Company is not declared wilful defaulter by any bank or financials institution or lender during the year.

f) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

g) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

h) The Company does not have any transactions with companies which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or,

   ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

NOTE 42 - AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 March 2023 were approved by the Board of Directors on 19 May 2023.

As per our report of even date.
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W/W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 19 May 2023

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
DIN : 00050607

V S Mani
Executive Director &
Global Chief Financial Officer
DIN : 01082878

Place: Mumbai
Date : 19 May 2023

Cherylann Pinto
Executive Director
DIN : 00111844

Harish Kuber
Company Secretary &
Compliance Officer

Consolidated Financial Statements

Independent Auditor's Report

To the Members of Glenmark Pharmaceuticals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Glenmark Pharmaceuticals Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the consolidated balance sheet as at 31 March 2023, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act, of the consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit (including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements for the year ended 31 March 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment of intangible assets (including intangible assets under development). [Refer note 5 of the consolidated financial statements] As at 31 March 2023, the Group is carrying intangible assets of ₹22,246.06 million and intangible assets under development of ₹1,360.77 million in its consolidated financial statements relating to multiple Cash Generating Units ("CGUs"). These intangibles are subject to test of impairment by the management at least annually in case of each intangible asset having indefinite or indeterminable useful life and intangible assets under development, and when impairment indicators exist in case of all other intangible assets, in accordance with the applicable accounting standards. Any such losses are recognised in consolidated statement of profit and loss.	Our audit included, but was not limited to, the following procedures: • Obtained understanding of management's process for identification of indicators of impairment. Evaluated the design and tested the operating effectiveness of internal controls over impairment assessment process. • With the assistance of our internal valuation specialists evaluated the reasonableness of the valuation methodologies and discount rates used by the management to determine the recoverable values.

Key audit matter	How our audit addressed the key audit matter
Management judgement is required in assessing impairment indicators and recoverable amount for impairment testing. The recoverable amounts have been determined by the management using discounted cash flow valuation method. Key assumptions underpinning management's assessment of the recoverable amounts include but are not limited to projection of future cash flows, revenue growth rates, terminal values operating profit margins, estimated future operating capital expenditure, external market conditions and discount rates. Based on the assessment as above, no impairment has been recognised during the year ended 31 March 2023. We determined impairment of intangible assets (including intangible assets under development) as a key audit matter since these assessments are complex and involve significant management estimation and judgement.	• Evaluated the reasonableness of the management's estimates and judgement based on our understanding of the business of the respective subsidiaries, past results and external factors. • Tested the mathematical accuracy of the management workings with regards to cash flows, sensitivity analysis and loss allowances. • Performed sensitivity analysis around aforesaid key assumptions to assess the effect of reasonably possible variations on the estimated recoverable amounts.

Revenue recognition in US subsidiary

[Refer note 19 of the consolidated financial statements]

The Group's sales to customers in the United States of America ('US') fall under certain commercial and governmental reimbursement schemes of which the most significant ones are chargebacks, failure to supply penalties and Medicaid Drug Rebate Program ('Medicaid'). The provision recognised as at 31 March 2023 for revenue deductions related to such items aggregated to ₹132,254.75 million.

These arrangements result in deductions to gross sales recognised by the Group and require the management to estimate and recognise obligations of the Group to provide such deductions to its customers for sales made during the reporting period.

Accordingly, the Group has recognised an accrual of ₹ 132,254.75 million for the year ended 31 March 2023 towards these arrangements and has adjusted revenues to the extent of ₹132,254.75 million pertaining to Group's US operations during the year ended 31 March 2023. Refer note 19 to the consolidated financial statements.

Ind AS 115 requires the management to estimate the amount of variable consideration to which it will be entitled to the extent it is not highly probable that such amount will reverse. Variable consideration may include discounts and sales returns. The estimate depends on contractual terms, relevant regulations, historical experience, as well as forecasts of sales volumes by sales channel. Additionally, dispensing of the product and the final determination of the net selling price may occur several months later.

This has been identified as a key audit matter by the US component (i.e. US Subsidiary) auditor. The US component audit included, but was not limited to, the following procedures:

- Obtained an understanding of the management process for estimation and accounting treatment of transactions arising from various discount schemes, mandated contracts, chargebacks, rebates, failure to supply penalties and Medicaid compliance requirements, pertaining to Group's revenue operations in US.
- Evaluated the design and tested the operating effectiveness of controls implemented by the Group for approval of such schemes, for recording of such transactions and obligations arising from such arrangements completely and accurately, and for ensuring appropriate accounting treatment thereof.
- Tested the calculations for accruals under applicable schemes by testing the data with supporting documents such as Group's stated commercial policies, terms of underlying contracts inspected on a sample basis, stock lying at wholesalers, historical levels of product returns, and wholesale acquisition cost (WAC) determined for such calculations.
- Tested credit notes issued, and payments made during the year under such schemes and arrangements, on a sample basis, from underlying supporting documents such as contracts, sales data, and satisfaction of eligibility criteria as per the terms of the scheme.
- Tested subsequent settlements, payments, and rebates given to customers under various schemes and arrangements to determine adequacy of the accruals made at year end.
- Evaluated the historical accuracy of the Group's estimates of year-end accruals relating to such arrangements made in previous years.

Key audit matter	How our audit addressed the key audit matter
The US Component auditor focused on this area since these arrangements are complex and determining appropriate accruals and adjustments requires significant judgement and estimation by management. This judgement is particularly complex in US healthcare environment which involves multi-layered product discounting due to competitive pricing pressure apart from regulatory requirements such as Medicaid. Considering the materiality of the amount involved and high estimation uncertainty requiring significant judgement as discussed above, this matter was determined to be a key audit matter for the current period audit.	• Reviewed related contracts and performed procedures to validate contractual terms and inventory levels of significant customers and wholesalers. • Identified and tested specific journal entries such as those manually posted directly to revenue, outside of expected hours, or by unexpected individuals and for large or unusual amounts. • Agreed a sample of revenue transactions to customers' cash deposits and withdrawals. • Performed test of details on a sample of revenue transactions recorded during the year, including specific periods before and after the year-end. For the samples selected, inspected supporting documents, including contracts and related amendments for revisions to performance obligations or price terms, and invoices. • Evaluated the adequacy and appropriateness of the disclosures made in the accompanying consolidated financial statements relating to such arrangements in accordance with the requirements of the accounting standards.
Revenue recognition in Indian subsidiary [Refer note 19 of the consolidated financial statements] The Indian subsidiary company's revenue principally comprises of sales of active pharmaceutical ingredients and is recognised in accordance with the summary of significant accounting policy described in note 1 para 3.5 to the accompanying consolidated financial statements. The Indian subsidiary recognised revenue when controls of the goods are transferred to the customers, which is determined in accordance with the arrangements with the customers but generally occurs on delivery to the customers. The Company records revenue net of discounts and allowance given and accruals for estimated future return and rebates. The Component auditor have identified recognition of revenue as key audit matter since: • The subsidiary and its external stakeholders focus on revenue as a key performance measure, which could create an incentive for revenue to be overstated or recognised before control has been transferred. • Due to the aforesaid factors and as per the requirement of the Standard of Auditing, Revenue is determined to be an area involving significant risk and hence, required significant auditors attention.	This has been identified as a key audit matter by the Indian component (i.e. Indian subsidiary) auditor. The Indian component audit included, but was not limited to, the following procedures: • Obtained an understanding of the Company's process of revenue recognition and assessed the designed, implementation and operating effectiveness of management's key internal financial controls in relation to revenue recognition. • Assesses the appropriateness of the revenue recognition accounting policy and its compliance with Ind AS 115, Revenue from Contract with Customers. • Performed substantive testing by selecting samples of revenue transactions pertaining to sales of products recorded during the year, and verified the underlying supporting documents including contracts, agreements, and sales invoices and dispatched/ shipping documents. • Performed cut-off testing procedures by testing samples of revenue transactions recorded in specific periods before and after year end to conclude such revenue has been recorded in the contract period. • Performed analytical review procedures which includes ratio analysis and period variance analysis on revenue recognised during the year to identify any usual and/or material variances. • Evaluated the adequacy of disclosures made in the financial statements in accordance with applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
Recoverability of deferred tax assets [Refer note 7 of the consolidated financial statements] At the balance sheet date, deferred tax assets recognised for carried forward tax losses amounted to ₹8,208.41 million. Refer note 1 para 3.13 of significant accounting policies and other explanatory information and note 7 of the consolidated financial statements of the Group for the year ended 31 March 2023. The assessment of meeting the recognition criteria as well as assessment of recoverability of deferred tax assets within the period prescribed under the tax laws, as applicable to the respective entities in the Group, involves use of significant assumptions and estimates. Determining forecasts of future results and taxable profits includes key assumptions such as future growth rates and market conditions. The projected cash flows are assessed using a number of scenarios to cover reasonable changes in the assumptions underlying the projections. Any change in these assumptions could have a material impact on the carrying value of deferred tax assets. These assumptions and estimates are judgmental, subjective and depend on the future market and economic conditions. Owing to the significance of the balances and complexities involved as described above, we have considered recoverability of such deferred tax assets recognised on carried forward tax losses as a key audit matter.	Our audit included, but was not limited to, the following: • Evaluated the design and tested the operating effectiveness of key controls implemented by the Group over recognition of deferred tax assets based on the assessment of Company's ability to generate sufficient taxable profits in foreseeable future allowing the use of deferred tax assets within the time prescribed by income tax laws as applicable to the respective entities in the Group. • Involved auditor's experts to assess the appropriateness of the deferred tax asset balance recognised in the consolidated balance sheet. • Read the component auditors reports with respect to the conclusion drawn by them in respect of the recoverability of deferred tax assets on carried forward tax losses recognised in the financial statement of the respective components. • Reconciled the future taxable profit projections to future business plans of the respective entities in the Group as approved by the Board of Directors of the respective entities. • Tested and challenged management's judgements relating to the forecasts of future taxable profit and evaluated the reasonableness of the assumptions, including future growth rate underlying the preparation of these forecasts based on historical data trends. • Tested the mathematical accuracy of the projections including sensitivity analysis performed by management and performed independent sensitivity analysis to the key assumptions mentioned above to determine inputs leading to high estimation uncertainty of the cash flow projections. • Assessed if there are any restrictions in the local tax legislation impacting the utilization. • Evaluated management's assessment of time period available for adjustment of such deferred tax assets as per provisions of the Income Tax Act, 1961 and other tax laws applicable to the respective entities in the Group, and appropriateness of the accounting treatment with respect to the recognition of deferred tax assets as per requirements of Ind AS 12, Income Taxes. • Re-computed the amount of deferred tax assets as appearing in the financial statements confirming the amounts of carried forward tax losses and unabsorbed depreciation. • Assessed the adequacy and appropriateness of the disclosures included in note 7 in respect of the deferred tax balances.

Key audit matter	How our audit addressed the key audit matter
Litigations [Refer note 31 of the consolidated financial statements] The Company is involved in various legal proceedings including product liability, contracts, employment claims, Department of Justice (DOJ) investigations, anti-trust and other regulatory matters relating to the conduct of its business. The Company assesses the need to make provision or to disclose a contingent liability on a case-to-case basis considering the underlying facts of each litigation. The eventual outcome of the litigations is uncertain and estimation at balance sheet date involves extensive judgement of management including input from legal counsel due to complexity of each litigation. Adverse outcomes could significantly impact on the Company's reported results and balance sheet position. Considering the judgement involved in determining the need to make a provision or disclose as contingent liability, the matter is considered a key audit matter.	Our audit included, but was not limited to, the following: • Evaluated the design and tested the operating effectiveness of controls in respect of the identification and evaluation of litigations, the recording / reassessment of the related liabilities, provisions and disclosures. • Obtained a list of litigations from the Company's in-house legal counsel; identified material litigations from the aforementioned list and performed inquiries with the said counsel; obtained and read the underlying documents to assess the assumptions used by management in arriving at the conclusions. • Circulated, obtained, and read legal confirmations from Company's external legal counsel in respect of material litigations and considered that in our assessment. • Verified the disclosures related to provisions and contingent liabilities in the consolidated Ind AS financial statements to assess consistency with underlying documents.

Information other than the consolidated financial statements and auditor's report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is made available to us.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' responsibilities for the consolidated financial statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. The respective Board of Directors /management of the companies included in the Group, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of those companies, as the case may be, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate those companies or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the group.

Auditor's responsibilities for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company of which we are the independent auditor regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The Statement includes the audited financial statements / information in respect of 42 subsidiaries, whose financial statements / information, without giving effects to elimination of intra-group transactions reflect total assets of ₹329,023.65 million as at 31 March 2023 and total revenue of ₹104,551.26 million, total net loss after tax of ₹832.19 million, total comprehensive loss of ₹25.58 million and net cash outflows of ₹315.48 million for the year ended 31 March 2023, as considered in the Consolidated Financial Statement have been audited by the other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Further, of the above, 35 subsidiaries, located outside India, whose annual financial statements /financial information have been prepared in accordance with International Financial Reporting Standards / accounting principles generally accepted in their respective countries and which have been audited by other auditors under auditing standards applicable

in their respective countries. The Holding Company's management has converted the financial statements/ financial information of such subsidiaries from International Financial Reporting Standards/ accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments if any made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based on the audit reports of other auditors and the conversion adjustments, if any made by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2020 ("CARO"), issued by the Central Government of India in terms of the Section 143 (11) of the Act, based on CARO report issued by us for the Holding Company and consideration of the CARO report by the other auditor of the subsidiary included in the consolidated financial statements and covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective CARO report of such companies.

2) As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

   e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary in India and taken on record by the Board of Directors of the Holding Company and Board of Directors of subsidiary company covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act; and

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';

3) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in note 31 to the consolidated financial statements;

   ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company covered under the Act during the year ended 31 March 2023.

   iv. a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under sub clause (a) and (b) above, contain any material misstatement.

v. a) The final dividend proposed for the previous year, declared, and paid by the Holding Company and its subsidiary during the year is in accordance with Section 123 of the Act.

b) The interim dividend declared and paid during the year by a subsidiary company incorporated in India, is in accordance with Section 123 of the Act.

c) As stated in note 37 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company and a subsidiary company incorporated in India, have proposed final dividend for the year which is subject to the approval of members at their ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using the accounting software which has a feature of recording audit trail (edit log) facility is applicable for the Company and its subsidiary companies incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

4) With regards to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, and on the consideration of the report of the other auditors, referred to in the separate financial statement of the subsidiaries, the remuneration paid/ provided by the Holding Company and a subsidiary company covered under the Act to their respective directors during the year in accordance with the provisions of Section 197 of the Act.

For Suresh Surana & Associates LLP

Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545
UDIN: 23105545BGTYYC2135

Place: Mumbai
Date: 19 May 2023

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date)

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of Glenmark Pharmaceuticals Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Board of Directors for Internal Financial Controls

The respective company's Management and Board of Directors, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion the Holding Company and its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to the financial statements and such controls were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No.105545
UDIN: 23105545BGTYYC2135

Place: Mumbai
Date: 19 May 2023

Consolidated Balance Sheet

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

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	36,673.30	34,415.60
Capital work-in-progress	3	11,151.78	9,210.91
Right-of-use assets	3	2,368.33	2,490.68
Goodwill	4	736.19	600.19
Other intangible assets	5	22,246.06	21,366.01
Intangible assets under development	5	1,360.77	887.78
Financial assets	6		
i. Investments		446.50	496.24
ii. Other financial assets		398.94	392.02
Deferred tax assets (net)	7	18,059.13	16,861.23
Other non-current assets	8	1,538.57	1,288.74
Total non-current assets		**94,979.57**	**88,009.40**
Current assets			
Inventories	9	29,777.91	24,998.33
Financial assets	10		
i. Trade receivables		40,986.06	31,011.35
ii. Cash and cash equivalents		14,430.26	14,105.26
iii. Bank balances other than cash and cash equivalents		266.70	9.89
iv. Other financial assets		1,740.09	1,132.29
Other current assets	11	11,536.17	11,566.36
Total current assets		**98,737.19**	**82,823.48**
Total assets		**193,716.76**	**170,832.88**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12 & 13	282.17	282.17
Other equity		94,457.06	90,584.30
Equity attributable to owners of Glenmark Pharmaceuticals Limited		**94,739.23**	**90,866.47**
Non-controlling interests		3,653.36	3,514.73
Total equity		**98,392.59**	**94,381.20**
Liabilities			
Non-current liabilities			
Financial liabilities	14		
i. Borrowings		38,521.38	25,717.44
ii. Lease liabilities		1,942.14	1,999.94
iii. Other non-current financial liabilities		3,962.58	1,515.84
Deferred tax liabilities (net)		429.48	314.95
Other non-current liabilities	15	13.29	9.20
Total non-current liabilities		**44,868.87**	**29,557.37**
Current liabilities			
Financial liabilities	16		
i. Borrowings		4,955.82	10,986.05
ii. Lease liabilities		853.04	916.78
iii. Trade payables			
- Total outstanding dues of Micro enterprises and Small enterprises		722.16	767.08
- Total outstanding dues of other than Micro enterprises and Small enterprises		23,196.45	22,119.54
iv. Other current financial liabilities		12,648.55	4,798.42
Other current liabilities	17	1,948.05	1,461.43
Provisions	18	5,075.47	4,913.81
Income tax liabilities (net)		1,055.76	931.20
Total current liabilities		**50,455.30**	**46,894.31**
Total liabilities		**95,324.17**	**76,451.68**
Total equity and liabilities		**193,716.76**	**170,832.88**

See accompanying notes to the financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date: 19 May 2023

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
DIN: 00050607

Cherylann Pinto
Executive Director
DIN: 00111844

V S Mani
Executive Director &
Global Chief Financial Officer
DIN: 01082878

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 19 May 2023

Consolidated Statement of Profit and Loss

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

Particulars	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	19	129,901.10	123,049.03
Other income (net)	20	3,167.86	1,666.74
Total income		**133,068.96**	**124,715.77**
Expenses			
Cost of materials consumed	21	35,937.90	32,787.57
Purchases of stock-in-trade	22	12,682.58	11,176.65
Changes in inventories of work-in-process, stock-in-trade and finished goods	23	(3,250.94)	(111.37)
Employee benefit expense	24	27,809.56	24,474.18
Finance costs	25	3,495.83	2,980.99
Depreciation, amortisation and impairment expense	3 & 5	6,112.68	4,867.15
Other expenses	26	33,938.30	31,519.01
Total expenses		**116,725.91**	**107,694.18**
Profit before exceptional items and tax		**16,343.05**	**17,021.59**
Exceptional items - expense/(income)	40	7,658.54	2,609.13
Profit before tax		**8,684.51**	**14,412.46**
Tax expense	7		
Current tax		5,669.01	5,466.49
Deferred tax		(758.50)	(990.52)
Total Tax expense		**4,910.51**	**4,475.97**
Profit for the year		**3,774.00**	**9,936.49**
Attributable to:			
Non-controlling interest		801.55	519.38
Equity shareholders of Glenmark Pharmaceuticals Limited		2,972.45	9,417.11
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of the post-employment benefit obligation		161.21	315.02
- Income tax relating to the above		(22.22)	(48.53)
Items that will be reclassified to profit or loss			
- Exchange differences on translating foreign operations		1,849.80	500.62
- Income tax relating to the above		(451.52)	-
Other comprehensive income/(loss) for the year		**1,537.27**	**767.11**
Total comprehensive income for the year		**5,311.27**	**10,703.60**
Total comprehensive income attributable to:			
Non-controlling interest		800.83	519.97
Equity shareholders of Glenmark Pharmaceuticals Limited		4,510.44	10,183.63
Earnings per equity share of ₹ 1 each	30		
Basic (in ₹)		10.53	33.37
Diluted (in ₹)		10.53	33.37

See accompanying notes to the financial statements.
As per our report of even date.
For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date: 19 May 2023

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
DIN: 00050607

Cherylann Pinto
Executive Director
DIN: 00111844

V S Mani
Executive Director &
Global Chief Financial Officer
DIN: 01082878

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 19 May 2023

Consolidated Statement of Changes in Equity

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

A. Equity share capital

Particulars	Amount
Balance as at 1 April 2021	282.17
- Shares issued during the year	-
Balance as at 31 March 2022	282.17
- Shares issued during the year	-
Balance as at 31 March 2023	282.17

B. Other equity

Particulars	Reserves and surplus						Other comprehensive income	Total attributable to owners of Glenmark Pharmaceuticals Limited	Non-controlling interest	Total shareholders' equity
	Securities premium reserve	Capital reserve	Capital redemption reserve	Stock compensation reserve	General reserve	Retained earnings	Currency translation reserve			
Balance as at 1 April 2022	**16,853.60**	**1.00**	**200.00**	**163.01**	**1,455.13**	**92,109.07**	**(20,197.51)**	**90,584.30**	**3,514.73**	**94,099.03**
Dividends to equity shareholders	-	-	-	-	-	(705.42)	-	(705.42)	(662.20)	**(1,367.62)**
Gain on offer for sale (net of tax)	-	-	-	-	-	-	-	-	-	-
Initial public offer share premium received after non-controlling interest	-	-	-	-	-	-	-	-	-	-
Increase in non-controlling interest on account of initial public offer shares of subsidiary company	-	-	-	-	-	-	-	-	-	-
Transfer from stock compensation reserve	-	-	-	(54.58)	-	54.58	-	-	-	-
Employee share based compensation expense (refer note 13(VII))	-	-	-	67.74	-	-	-	67.74	-	**67.74**
Transaction with non-controlling interest	-	-	-	-	-	-	-	-	-	-
Transactions with owners	**-**	**-**	**-**	**13.16**	**-**	**(650.84)**	**-**	**(637.68)**	**(662.20)**	**(1,299.88)**
Profit for the year	-	-		-	-	2,972.45	-	2,972.45	801.55	**3,774.00**
Other comprehensive income:										
Exchange difference on translation of foreign operations (net of tax)	-	-	-	-	-	0.22	1,398.28	1,398.50	(0.22)	**1,398.28**
Remeasurement of the net defined benefit plans (net of tax) (refer note 27)	-	-	-	-	-	139.49	-	139.49	(0.50)	**138.99**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**3,112.16**	**1,398.28**	**4,510.44**	**800.83**	**5,311.27**
Balance as at 31 March 2023	**16,853.60**	**1.00**	**200.00**	**176.17**	**1,455.13**	**94,570.39**	**(18,799.23)**	**94,457.06**	**3,653.36**	**98,110.42**

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

Particulars	Reserves and surplus						Other comprehensive income	Total attributable to owners of Glenmark Pharmaceuticals Limited	Non-controlling interest	Total shareholders' equity
	Securities premium reserve	Capital reserve	Capital redemption reserve	Stock compensation reserve	General reserve	Retained earnings	Currency translation reserve			
Balance as at 1 April 2021	**16,853.60**	**1.00**	**200.00**	**216.32**	**1,455.13**	**72,336.18**	**(20,698.13)**	**70,364.10**	**(3.54)**	**70,360.56**
Dividends to equity shareholders	-	-	-	-	-	(705.42)	-	(705.42)	(220.73)	(926.15)
Gain on offer for sale (net of tax)	-	-	-	-	-	3,802.00	-	3,802.00	-	3,802.00
Initial public offer share premium received after non-controlling interest	-	-	-	-	-	6,860.83	-	6,860.83	-	6,860.83
Increase in non-controlling interest on account of initial public offer shares of subsidiary company	-	-	-	-	-	-	-	-	3,219.03	3,219.03
Transfer from stock compensation reserve	-	-	-	(132.47)	-	132.47	-	-	-	-
Employee share based compensation expense (refer note 13(VII))	-	-	-	79.16	-	-	-	79.16	-	79.16
Transaction with non-controlling interest	-	-	-	-	-	-	-	-	-	-
Transactions with owners	**-**	**-**	**-**	**(53.31)**	**-**	**10,089.88**	**-**	**10,036.57**	**2,998.30**	**13,034.87**
Profit for the year	-	-		-	-	9,417.11	-	9,417.11	519.38	9,936.49
Other comprehensive income:										
Exchange difference on translation of foreign operations (net of tax)	-	-	-	-	-	(0.12)	500.62	500.50	0.12	500.62
Remeasurement of the net defined benefit plans (net of tax) (refer note 27)	-	-	-	-	-	266.02	-	266.02	0.47	266.49
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**9,683.01**	**500.62**	**10,183.63**	**519.97**	**10,703.60**
Balance as at 31 March 2022	**16,853.60**	**1.00**	**200.00**	**163.01**	**1,455.13**	**92,109.07**	**(20,197.51)**	**90,584.30**	**3,514.73**	**94,099.03**

Refer note 12 and 13 for details on equity share capital and other equity.

See accompanying notes to the financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No.: 105545

Place: Mumbai
Date: 19 May 2023

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
DIN: 00050607

Cherylann Pinto
Executive Director
DIN: 00111844

V S Mani
Executive Director &
Global Chief Financial Officer
DIN: 01082878

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 19 May 2023

Consolidated Statement of Cash Flows

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

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(A) Cashflow from operating activities		
- Profit before tax	8,684.51	14,412.46
- Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortisation	6,112.68	4,867.15
Finance costs	3,495.83	2,980.99
Interest income	(227.66)	(94.35)
Dividend income	(3.52)	(3.50)
(Profit)/loss on sale of property, plant and equipments	(57.25)	64.64
Profit on sale of investment	-	(150.00)
Fair valuation of investment	(0.26)	0.19
Provision for gratuity and compensated absence	414.92	465.77
Provision for doubtful debts/expected credit losses	118.72	298.74
Employee share based compensation expense	67.74	79.16
Provision for sales returns	1.51	(147.39)
Exceptional items - expense/(income)	7,658.54	1,783.80
Unrealised foreign exchange (gain)	(2,861.62)	(2,274.12)
Operating profit before working capital changes	**23,404.14**	**22,283.54**
Adjustments for changes in working capital:		
- (Increase)/Decrease in trade receivables	(8,487.44)	(5,492.67)
- (Increase)/Decrease in inventories	(3,751.69)	(2,034.19)
- (Increase)/Decrease in other assets	(167.73)	1,066.68
- Increase/(Decrease) in trade payables and other liabilities	1,662.05	847.57
Net changes in operating assets and liabilities	**(10,744.81)**	**(5,612.61)**
Income taxes paid (net of refund)	(6,405.41)	(5,584.41)
Net cash generated from operating activities	**6,253.92**	**11,086.52**
(B) Cashflow from investing activities		
(Increase)/Decrease in restricted cash	(1.14)	224.02
Interest received	227.66	93.22
Dividend received	3.52	3.50
(Increase)/Decrease in non-current asset	0.47	27.78
Investment made	(60.08)	(400.18)
Proceed from sale of investment	50.00	300.00
Proceed from offer for sale (net of issue expenses)	-	4,304.23
Payments for purchase of property, plant and equipment and intangible assets (including capital work in progress)	(6,077.63)	(7,901.17)
Proceeds from sale of property, plant and equipment, Intangible assets and brands, net of related cost, remediation cost and legal cost	572.29	15.80
Net cash used in investing activities	**(5,284.91)**	**(3,332.80)**
(C) Cashflow from financing activities		
Proceed from initial public offer of equity shares of subsidiary	-	10,118.54
Proceeds from long-term borrowings	11,631.90	21,300.57
FCCB premium paid on repurchase of bonds	(1,527.26)	(573.88)
Repayments of long-term borrowings	(5,132.21)	(30,191.45)
Proceeds from/(repayment) of short-term borrowings (net)	(200.00)	(1,417.09)
Interest paid	(3,115.41)	(2,505.14)
Payment of lease liability (including interest)	(1,065.52)	(1,009.51)
Dividend paid (inclusive of dividend paid to non-controlling interest)	(1,366.06)	(926.95)
Net cash used in financing activities	**(774.56)**	**(5,204.91)**

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

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net increase/(decrease) in cash and cash equivalents	**194.45**	**2,548.81**
Cash and cash equivalents at the beginning of the year	**14,105.26**	**11,380.95**
Effect of exchange rate changes on cash and cash equivalents	123.87	175.50
Cash balance transferred from business acquisition	**6.68**	**-**
Cash and cash equivalents at the end of the year	**14,430.26**	**14,105.26**
Cash and cash equivalents comprise of:		
Cash on hand	11.29	16.94
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	14,418.97	14,088.32
	14,430.26	**14,105.26**

Note :

1. The cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.
2. Figures in bracket indicate cash outflow.
3. Reconciliation of financing activities

Particulars	As at 31 March 2022	Borrowings made during the year	Amount buy back/repaid during the year	FCCB premium and issue cost	Exchange difference/ translation	As at 31 March 2023
Long term borrowings*	33,003.49	11,631.90	(5,132.21)	(1,503.69)	1,977.71	39,977.20
Short term borrowings	3,700.00	-	(200.00)	-	-	3,500.00
Particulars	**As at 31 March 2021**	**Borrowings made during the year**	**Amount buy back/repaid during the year**	**FCCB premium and issue cost**	**Exchange difference/ translation**	**As at 31 March 2022**
Long term borrowings*	41,744.13	21,300.57	(30,191.45)	243.70	(93.46)	33,003.49
Short term borrowings	5,130.15	-	(1,417.09)	-	(13.06)	3,700.00

*Refer note 14(i) for current/non-current classification.

See accompanying notes to the financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date: 19 May 2023

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
DIN : 00050607

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Executive Director
DIN : 00111844

V S Mani
Executive Director &
Global Chief Financial Officer
DIN : 01082878

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 19 May 2023

Notes to the Consolidated Financial Statements

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

Note 1 – Background Information and Summary of Significant Accounting Policies

1. Group Information

Glenmark Pharmaceuticals Limited (the "Company") and its subsidiaries (together referred to as "the Group") are primarily engaged in the business of development, manufacturing and marketing of pharmaceutical products both formulation and active pharmaceuticals ingredient to regulated and semi regulated markets. The Group has a significant presence in branded generics markets across emerging economies including India and also has a fast growing generics business in the United States and Europe. The Group is actively involved in the discovery of new molecules both NCEs (new chemical entities) and NBEs (new biological entities).

The Group`s research and development facilities are located at Mahape, Sinnar, and Taloja in India, and at La Chaux-de-fonds, Neuchatel and Biopole, Lausanne in Switzerland. The manufacturing facilities of the group in India are located at Nasik, Colvale, Baddi, Nalagarh, Ankleshwar, Mohol, Kurkumbh, Sikkim, Indore, Dahej and Aurangabad. Overseas manufacturing facilities are located in Czech Republic, Argentina, La Chaux-defonds in Switzerland and Monroe (USA).

Glenmark Pharmaceuticals Limited is the Group's ultimate parent company and is a public limited company incorporated in Mumbai, India. The registered office of the Company is at B/2, Mahalaxmi Chambers, 22 Bhulabhai Desai Road, Mumbai – 400026, India

The Company's shares are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Ltd., ("NSE").

2. Basis of Preparation and Measurement

The consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The preparation of consolidated financial statements in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or area where assumptions and estimates are significant to these consolidated financial statements are disclosed in note 4.

These consolidated financial statements are prepared under the historical cost convention, except for certain financial assets and liabilities, defined benefit plans - assets/ (liabilities) and share-based payments.

All assets and liabilities have been classified as current and non-current as per the group's normal operating cycle and other criteria set out in the Schedule III of the Act and Ind AS 1, Presentation of Financial Statements.

These consolidated financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. Amounts in figures presented have been rounded to INR millions unless otherwise stated.

3. Summary of Significant Accounting Policies

The significant accounting policies that are used in the preparation of these consolidated financial statements are summarised below. These accounting policies are consistently used throughout the periods presented in the consolidated financial statements.

3.1. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

3.2. Basis of consolidation

These consolidated financial statements include financial statements of the company and all of its subsidiaries drawn up to the dates specified in note 2. Subsidiaries are all entities over which the Company has control. The group controls an entity when the group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date the group acquires control until the date the control ceases.

The difference between the cost of investments in the subsidiaries, over the net assets at the time of acquisition of shares in subsidiaries, or on the date of the financial statements immediately preceding the date of acquisition in subsidiaries, is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be. The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the Consolidated Statement of Profit and Loss as the profit or loss on disposal of investment in subsidiary.

Inter-company transactions, balances and unrealised gains and losses on inter-company transactions between group companies are eliminated. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the group perspective. Amounts reported in separate financial statements of subsidiaries are adjusted where necessary to ensure consistency with the accounting policies adopted by the group.

Non-controlling interests represent the portion of a subsidiary's profit or loss and net assets that is not held by the group. Profit or loss and each component of other comprehensive income are attributed to the shareholders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The gain/losses (net of related expenses and tax thereon) in respect of part divestment/dilution of the stake in subsidary companies not resulting in ceding of control, are recognised directly in the equity in the consolidated financial statements

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from the equity of the shareholders of the Company.

3.3. Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred. The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in the consolidated statement of profit and loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

3.4. Foreign currency transactions and foreign operations

Transactions in foreign currencies are translated to the respective functional currencies of entities within the group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the consolidated statement of profit and loss in the period in which they arise.

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

Foreign exchange gains and losses arising from a monetary item receivable from a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of the net investment in the foreign operation and are recognized in other comprehensive income/(loss) and presented within equity as a part of foreign currency translation reserve ("FCTR").

In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year, resulting foreign currency differences are recognized in other comprehensive income/(loss) and presented within equity as part of FCTR. When a foreign operation is disposed off, in part or in full, the relevant amount in the FCTR is transferred to the consolidated statement of profit and loss.

3.5. Revenue recognition

The group applies principles provided under Ind AS 115 'Revenue from contracts with customers' which provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognised when or as those performance obligations are satisfied.

The Group receives revenue for supply of goods to external customers against orders received. The majority of contracts that group enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical and consumer healthcare products. The average duration of a sales order is less than 12 months.

Revenue from sale of goods is recognised when control of the goods is transferred to the customer, there are no unfulfilled obligations, the amount of revenue can be reliably measured, and it is probable that future economic benefits associated with the transaction will flow to the group. The point at which control get transferred is determined by each customer arrangement but generally occurs on delivery to the customer.

Revenue represents net invoice value including fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.

Group enters into development and marketing collaborations and out-licences of the group's compounds or products to other parties. These contracts give rise to fixed and variable consideration from upfront payments, development milestones, sales-based milestones and royalties. Income dependent on the achievement of a development milestone is recognised when it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur, which is usually when the related event occurs. Sales-based milestone income is recognised when it is highly probable that the sales threshold will be reached.

Sales-based royalties on a licence of intellectual property are not recognised until the relevant product sale occurs. If the time between the recognition of revenue and payment from the customer is expected to be more than one year and the impact is material, the amount of consideration is discounted using appropriate discount rates.

Goods and Service Tax and other value added taxes are excluded from revenue.

3.6. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price (after deducting trade discount/rebate) / cost of construction, non-refundable duties and taxes, borrowing costs, other expenditure that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have significant cost in relation to total cost and different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Profits and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within "other income/expense" in the consolidated statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group its cost can be measured reliably and it has a useful life of at least twelve months. The costs of other repairs and maintenance are recognised in the consolidated statement of profit and loss as incurred.

Depreciation

Depreciation is recognised in the consolidated statement of profit and loss on a straight-line basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or their useful lives, unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

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

The below given useful lives best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Factory and other buildings	26 - 61 years
Plant and machinery	1 – 21 years
Furniture, fixtures and office equipment	1 – 21 years
Vehicles	1 – 8 years

Leasehold land is amortised over the period of respective leases.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

3.7. Borrowing costs

Borrowing costs primarily comprise interest on the group's borrowings. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in 'finance costs'. Borrowing costs are recognised using the effective interest rate method.

3.8. Intangible assets

Goodwill

Goodwill arises upon the acquisition of subsidiaries. Goodwill represents the excess of consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses.

Research and development

Expenses on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised in the consolidated statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the assets are controlled by the Group, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the consolidated statement of profit and loss as incurred.

The group's internal drug development expenditure is capitalised only if they meet the recognition criteria as mentioned above. Where uncertainties exist that the said criteria may not be met, the expenditure is recognised in the consolidated statement of profit and loss as incurred. Where the recognition criteria are met, intangible assets are recognised. Based on the management estimate of the useful lives, indefinite useful life assets are tested for impairment and assets with limited life are amortised on a straight-line basis over their useful economic lives from when the asset is available for use. During the periods prior to their launch (including periods when such products have been out-licenced to other companies), these assets are tested for impairment on an annual basis, as their economic useful life is indeterminable till then.

Payments to in-license products and compounds from third parties generally taking the form of up-front payments and milestones are capitalised and amortised on a straight-line basis, over their useful economic lives from when the asset is available for use. During the periods prior to their launch, these assets are tested for impairment on an annual basis, as their economic useful life are indeterminable till then.

The Group monetise the molecules under development, as active market exists at each stage / phase wise molecule development, either through out licencing arrangement or subsequent product launches. Accordingly, the molecule under development which meets criteria under Ind AS 38 Intangible Assets para 57 are classified as intangible assets.

De-recognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use or disposal. Losses arising on such de-recognition are recorded in the consolidated statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are subject to impairment testing at each reporting date. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Any impairment losses are recognised immediately in the consolidated statement of profit and loss.

Other intangible assets

Other intangible assets that are acquired by the group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which they relate.

Software for internal use, which is primarily acquired from third-party vendors, including consultancy charges for implementing the software, is capitalised. Subsequent costs are charged to the the consolidated statement of profit and loss as incurred. The capitalised costs are amortised over the estimated useful life of the software.

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Amortisation

Amortisation of intangible assets, other than goodwill, intangible assets not available for use and intangible assets having indeterminable life, is recognised in the consolidated statement of profit and loss on a straight-line basis over the estimated useful lives from the date they are available for use.

The estimated useful lives of intangible assets are 1 - 10 years.

3.9. Impairment of non-financial assets

The carrying amounts of the group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets that have indefinite lives or that are not yet available for use are tested for impairment annually, their recoverable amount is estimated annually each year at the reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit'). The recoverable amount of an asset or cash-generating unit is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Intangibles with indefinite useful lives are tested for impairment individually.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. Impairment losses are recognised in the consolidated statement of profit and loss.

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

3.10. Investments and financial assets

Classification

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the consolidated statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the consolidated statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows represents solely payment of principal and interest.

Measurement of debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the consolidated statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income

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(FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the consolidated statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the consolidated statement of profit and loss and recognised in other income/ (expenses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the consolidated statement of profit and loss and presented net in the consolidated statement of profit and loss within other income/ (expenses) in the period in which it arises. Interest income from these financial assets is included in other income.

Measurement of equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the consolidated statement of profit and loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ (expenses) in the consolidated statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Interest income from financial assets

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

3.11. Financial Liabilities

Non derivative financial liabilities include trade and other payables.

Group present the hybrid contract in consolidated balance sheet as a single contractual arrangement. The embedded derivative component is classified as at FVTPL for measurement purposes; the host contract, as a financial liability is measured at amortised cost using the effective interest method.

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds at initial is recognised as an asset/liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are de-recognised from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit and loss. The gain/loss is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date,

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the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables are recognised initially at their transaction values which also approximate their fair values and subsequently measured at amortised cost less settlement payments.

3.12. Inventories

Inventories of finished goods, stock in trade, work in process, consumable stores and spares, raw material, packing material are valued at cost or net realisable value, whichever is lower. Cost of inventories is determined on a weighted moving average basis. Cost of materials comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Cost of work-in-process and finished goods include the cost of materials consumed, labour, manufacturing overheads and other related costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The factors that the Group considers in determining the allowance for slow moving, obsolete and other non-saleable inventory includes estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Group's business and markets. The Group considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

3.13. Accounting for income taxes

Income tax expense consists of current and deferred tax. Income tax expense is recognised in the consolidated statement of profit and loss except to the extent that it relates to items recognised in other comprehensive income, in which case it is recognised in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences:

- The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and;
- Taxable temporary differences relating to investments in subsidiaries to the extent the Group is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

In addition, deferred tax is not recognised for taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised / settled simultaneously.

3.14. Leases

The Group has applied Ind AS 116 using the modified retrospective approach.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest

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rate implicit in the lease or, if that rate cannot be readily determined, Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the consolidated balance sheet. (Refer note 32)

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less then 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Land acquired on long term leases

The Group has capitalised the land acquired on long term lease. Such leases are acquired on payment of an upfront amount and do not carry any other minimum lease payments/other rentals over the lease term. The asset is initially recognised at the value of the upfront premium/charges paid to acquire the lease.

3.15. Equity

Share capital is determined using the nominal value of shares that are issued. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any income tax effects.

Securities premium includes any premium received on the issue of share capital. Any transaction costs associated with the issue of shares is deducted from Securities premium, net of any related income tax benefits.

Foreign currency translation differences are included in the currency translation reserve.

Retained earnings include all current and prior period results, as disclosed in the consolidated statement of profit and loss.

3.16. Employee benefits

Short-term benefits

Short-term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognised provident funds, approved superannuation schemes and other social securities, which are defined contribution plans, are recognised as an employee benefit expense in the consolidated statement of profit and loss as incurred.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of an approved gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each material plan by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation performed annually by a qualified actuary using the projected unit credit method.

The benefit is discounted to determine the present value of the defined benefit obligation and the current service cost. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The fair value of any plan assets is deducted from the present value of the defined benefit obligation to determine the amount of deficit or surplus. The net defined benefit liability/(asset) is determined as the amount of the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The net defined benefit liability/(asset) is

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recognised in the balance sheet.

Defined benefit costs are recognised as follows:

- Service cost in the consolidated statement of profit and loss
- Net interest on the net defined benefit liability/ (asset) in the consolidated statement of profit and loss
- Remeasurement of the net defined benefit liability/ (asset) in other comprehensive income

Service costs comprise of current service cost, past service cost, as well as gains and losses on curtailment and settlements. The benefit attributable to current and past periods of service is determined using the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the benefit is attributed on a straight-line basis. Past service cost is recognised in the consolidated statement of profit and loss in the period of plan amendment. A gain or loss on the settlement of a defined benefit plan is recognised when the settlement occurs.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability/(asset) at the beginning of the period, taking account of any changes in the net defined benefit liability/(asset) during the period as a result of contribution and benefit payments.

Remeasurement comprises of actuarial gains and losses, the return on plan assets (excluding interest), and the effect of changes to the asset ceiling (if applicable). Remeasurement recognised in other comprehensive income is not reclassified to the consolidated statement of profit and loss.

Compensated absence

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Group's policy and receive cash in lieu thereof. The Group measures the expected cost of accumulating compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the date of balance sheet. Such measurement is based on actuarial valuation as at the date of balance sheet carried out by a qualified actuary.

Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary retirement. Termination benefits for voluntary retirement are recognised as an expense if the Group has made an offer encouraging voluntary retirement, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

3.17. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when present obligations as a result of past events will probably lead to an outflow of economic resources from the Group and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the best estimate of expenditure required to settle the present obligation at the reporting date, based on the most reliable evidence, including the risks and uncertainties and timing of cash flows associated with the present obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the consolidated balance sheet.

Any amount that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset upto the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets are not recognised.

3.18. Share based compensation

All employee services received in exchange for the grant of any equity-settled share-based compensation are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based compensation is ultimately recognised as an expense in the consolidated statement of profit and loss with a corresponding credit to equity (Stock compensation reserve). If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to expense recognised in prior periods if fewer share options are ultimately exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as Securities premium.

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3.19 Earnings per share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.20 Statement of cash flow

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

(i) changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;

(ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and

(iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

3.21 Government grants

Government grants are recognised if there is reasonable assurance that:

(a) the entity will comply with the conditions attaching to them and;

(b) the grants will be received.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related asset.

Export entitlement from government authority are recognised in the profit or loss as other operating revenue when the right to receive is established as per the terms of the scheme in respect of the exports made by the Company with no further related cost and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

4. Critical Accounting Estimates and Significant Judgement in Applying Accounting Policies

Estimation uncertainty

The preparation of these financial statements in conformity with IndAS requires the application of judgment by management in selecting appropriate assumptions for calculating financial estimates, which inherently contain some degree of uncertainty. Management estimates are based on historical experience and various other assumptions that are believed to be reasonable in the circumstances, the results of which form the basis for making judgments about the reported carrying values of assets and liabilities and the reported amounts of revenues and expenses that may not be readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Estimates of life of various tangible and intangible assets, and assumptions used in the determination of employee-related obligations and fair valuation of financial and equity instrument, impairment of tangible and intangible assets represent certain of the significant judgements and estimates made by management.

Revenue

Gross turnover is reduced by rebates, discounts, allowances and product returns given or expected to be given, which vary by product arrangements and buying groups. These arrangements with purchasing organisations are dependent upon the submission of claims sometime after the initial recognition of the sale. Accruals are made at the time of sale for the estimated rebates, discounts or allowances payable or returns to be made, based on available market information and historical experience.

Because the amounts are estimated they may not fully reflect the final outcome, and the amounts are subject to change dependent upon, amongst other things, the types of buying group and product sales mix.

The level of accrual for rebates and returns is reviewed and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Market conditions are evaluated using wholesaler and other third-party analyses, market research data and internally generated information. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Future events could cause the assumptions on which the accruals are based to change, which could affect the future results of the Group.

Research and developments costs

Management monitors progress of internal research and development projects by using a project management system. Significant judgement is required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred.

Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary due to inherent uncertainty in the economic success of any product development.

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Leases
Ind AS 116 requires Group to make certain judgements and estimations, and those that are significant are disclosed below.

Critical judgements are required when an entity is,

- determining whether or not a contract contains a lease
- establishing whether or not it is reasonably certain that an extension option will be exercised
- considering whether or not it is reasonably certain that a termination option will not be exercised

Key sources of estimation and uncertainty include:

- calculating the appropriate discount rate
- estimating the lease term

Useful lives of various assets
Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Group. The useful lives are specified in note 3.6 and 3.8.

Post-employment benefits
The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty.

Fair value of financial instruments
Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment
An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Group's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors. Refer note 4 and 5 for impairment testing assumptions for intangibles and goodwill.

Current taxes
Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Deferred tax
The assessment of the probability of future taxable profit in which deferred tax assets can be utilized is based on the Group's latest approved budget forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilise without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Expected credit loss
The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i Trade receivables.

ii Financial assets measured at amortised cost other than trade receivables.

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. In case of other assets (listed as ii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

The consolidated financial statements have been prepared using the measurement basis specified by Ind AS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

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

Estimation uncertainty relating to COVID-19 outbreak

The Group has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports, up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Group has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Group has accrued its liabilities and also expects to fully recover the carrying amount of inventories, trade receivables, goodwill, intangible assets, and investments. The eventual outcome of impact of the global health pandemic may be different from that estimated as on the date of approval of these financial statements.

5. Recent accounting pronouncements (Standards issued but not effective)

Ministry of Corporate Affairs notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023 as below:

a) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Group does not expect these amendment to have any significant impact in its financial statemnts.

b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The group does not expect this amentment to have any significant impact in its financial statments.

c) Ind AS 12 - Income Taxes - The amendment clarify how companies account for deferred tax on transactions such as lease and decommissioning obligations. These amendments has narrowed the scope of the initial recognition exemption in paragraph 15 and 24 of Ind AS 12 so that it no longer apply to transactions that give rise to equal and offsetting temporary difference.

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

Note 2 - Basis of Consolidation

The subsidiaries which consolidate under Glenmark Pharmaceuticals Limited ('GPL') comprises the entities listed below:

Name of the entity	Year end date	Country of incorporation	Holding company as of	Effective group shareholding (%) as on	
			31 March 2023	31 March 2023	31 March 2022
Glenmark Pharmaceuticals (Europe) R&D Ltd. (Liquidated w.e.f. 4 January 2022)	up to the date of liquidation	United Kingdom	GHSA	-	100%
Glenmark Pharmaceuticals Europe Ltd.	31 March	United Kingdom	GPL	100%	100%
Glenmark Pharmaceuticals S.R.O. (GP S.R.O.)	31 March	Czech Republic	GHSA	100%	100%
Glenmark Pharmaceuticals SK, S.R.O.	31 March	Slovak Republic	GP S.R.O.	100%	100%
Ichnos Sciences SA	31 March	Switzerland	ISI USA	100%	100%
Glenmark Holding S. A.(GHSA)	31 March	Switzerland	GPL	100%	100%
Glenmark Pharmaceuticals SP z.o.o.	31 March	Poland	GHSA	100%	100%
Glenmark Pharmaceuticals Inc.	31 March	USA	GHSA	100%	100%
Glenmark Therapeutics Inc.	31 March	USA	GHSA	100%	100%
Glenmark Farmaceutica Ltda (GFL)	31 March	Brazil	GHSA	100%	100%
Glenmark Generics SA	31 March	Argentina	GHSA	100%	100%
Glenmark Pharmaceuticals Mexico, S.A. DE C.V.	31 March	Mexico	GPL	100%	100%
Glenmark Pharmaceuticals Peru SAC	31 March	Peru	GPL	100%	100%
Glenmark Pharmaceuticals Colombia SAS.	31 March	Colombia	GPL	100%	100%
Glenmark Uruguay S.A. (GU S.A.)	31 March	Uruguay	GPL	100%	100%
Glenmark Pharmaceuticals Venezuela, C.A	31 March	Venezuela	GPL	100%	100%
Glenmark Dominicana SRL	31 March	Dominican Republic	GPL	100%	100%
Glenmark Pharmaceuticals Egypt S.A.E.	31 March	Egypt	GPL	100%	100%
Glenmark Pharmaceuticals FZE	31 March	United Arab Emirates	GPL	100%	100%
Glenmark Impex L.L.C	31 March	Russia	GPL	100%	100%
Glenmark Philippines Inc.	31 March	Philippines	GPL	100%	100%
Glenmark Pharmaceuticals (Nigeria) Ltd	31 March	Nigeria	GPL	100%	100%
Glenmark Pharmaceuticals Malaysia Sdn Bhd	31 March	Malaysia	GPL	100%	100%
Glenmark Pharmaceuticals (Australia) Pty Ltd,	31 March	Australia	GPL	100%	100%
Glenmark South Africa (Pty) Ltd (GSAPL)	31 March	South Africa	GPL	100%	100%
Glenmark Pharmaceuticals South Africa (Pty) Ltd	31 March	South Africa	GSAPL	100%	100%
Glenmark Pharmaceuticals (Thailand) Co. Ltd	31 March	Thailand	GPL	49%	49%
Glenmark Pharmaceuticals B.V.	31 March	Netherland	GHSA	100%	100%
Glenmark Arzneimittel Gmbh	31 March	Germany	GHSA	100%	100%
Glenmark Pharmaceuticals Canada Inc.	31 March	Canada	GHSA	100%	100%
Glenmark Pharmaceuticals Kenya Ltd	31 March	Kenya	GPL	100%	100%
Viso Farmaceutica S.L.U.	31 March	Spain	GHSA	100%	100%
Glenmark Specialty SA	31 March	Switzerland	GHSA	100%	100%
Glenmark Pharmaceuticals Distribution S.R.O.	31 March	Czech Republic	GHSA	100%	100%
Glenmark Pharmaceuticals Nordic AB	31 March	Sweden	GHSA	100%	100%
Glenmark Ukraine LLC	31 March	Ukraine	GHSA	100%	100%
Glenmark Pharmaceuticals Ecuador S.A.	31 March	Ecuador	GPL	100%	100%
Glenmark Pharmaceuticals Singapore Pte. Ltd.	31 March	Singapore	GPL	100%	100%
Ichnos Sciences Biotherapeutics SA	31 March	Switzerland	ISI USA	100%	100%
Glenmark Life Sciences Limited	31 March	India	GPL	82.84%	82.84%
Ichnos Sciences Inc., USA (ISI USA)	31 March	USA	GHSA	100%	100%
Glenmark Farmaceutica SpA (with effect from 1st March 2023)	31 March	Chile	GHSA	100%	-
Sintesy Pharma S.R.L (with effect from 10th February 2023)	31 March	Italy	GHSA	100%	-

Interests in unconsolidated structured entities
The group has no interests in unconsolidated structured entities

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

Note 3 - Property, plant and equipment

Note 3.1 - Property, plant and equipment other than right-of-use asset comprise the following:

Particulars	Freehold Land	Leasehold Land	Factory Building	Other Building	Plant and Equipment	Furniture and Fixture	Office Equipment	Vehicles	Total	Capital work-in-progress
Gross carrying value										
Balance as at 1 April 2022	**131.91**	**557.06**	**11,797.63**	**5,413.30**	**27,898.43**	**2,147.30**	**3,935.00**	**186.26**	**52,066.89**	**9,210.91**
- Acquisitions through business combinations	-	-	-	-	-	-	0.16	-	0.16	-
- Other acquisitions	-	-	1,028.96	39.55	2,421.43	176.99	281.56	15.84	3,964.33	3,256.47
- Disposals/Transfers	-	-	(0.88)	(24.28)	(259.60)	(7.00)	(89.03)	(15.95)	(396.74)	(1,911.07)
- Translation adjustment	8.86	-	427.70	403.19	735.39	65.36	290.60	11.94	1,943.04	595.47
Balance as at 31 March 2023	**140.77**	**557.06**	**13,253.41**	**5,831.76**	**30,795.65**	**2,382.65**	**4,418.29**	**198.09**	**57,577.68**	**11,151.78**
Accumulated Depreciation										
Balance as at 1 April 2022	**-**	**89.22**	**2,289.94**	**1,073.51**	**10,075.30**	**1,313.08**	**2,667.20**	**143.04**	**17,651.29**	**-**
- Depreciation charge for the year	-	8.65	359.02	265.36	1,845.59	124.13	284.98	19.45	2,907.18	-
- Disposals/Transfers	-	(0.00)	(0.20)	(2.17)	(236.76)	(6.68)	(49.58)	(3.07)	(298.46)	-
- Translation adjustment	-	-	124.47	94.30	198.01	23.92	196.71	6.96	644.37	-
Balance as at 31 March 2023	**-**	**97.87**	**2,773.23**	**1,431.00**	**11,882.14**	**1,454.45**	**3,099.31**	**166.38**	**20,904.38**	**-**
Net carrying value										
As at 31 March 2023	**140.77**	**459.19**	**10,480.18**	**4,400.76**	**18,913.51**	**928.20**	**1,318.98**	**31.71**	**36,673.30**	**11,151.78**

Particulars	Freehold Land	Leasehold Land	Factory Building	Other Building	Plant and Equipment	Furniture and Fixture	Office Equipment	Vehicles	Total	Capital work-in-progress
Gross carrying value										
Balance as at 1 April 2021	**125.29**	**456.02**	**11,153.44**	**1,899.99**	**22,472.87**	**2,075.03**	**3,625.05**	**179.20**	**41,986.89**	**12,177.94**
- Other acquisitions	-	101.04	326.17	3,383.49	5,326.33	62.03	239.58	8.09	9,446.73	2,309.69
- Disposals/Transfers	-	-	(1.04)	(0.29)	(119.18)	(8.53)	(33.76)	(9.89)	(172.69)	(5,581.86)
- Translation adjustment	6.62	-	319.06	130.11	218.41	18.77	104.13	8.86	805.96	305.14
Balance as at 31 March 2022	**131.91**	**557.06**	**11,797.63**	**5,413.30**	**27,898.43**	**2,147.30**	**3,935.00**	**186.26**	**52,066.89**	**9,210.91**
Accumulated Depreciation										
Balance as at 1 April 2021	**-**	**81.22**	**1,849.13**	**932.20**	**8,494.11**	**1,200.16**	**2,371.57**	**132.50**	**15,060.89**	**-**
- Depreciation charge for the year	-	8.00	313.19	97.21	1,609.41	118.78	266.54	17.57	2,430.70	-
- Disposals/Transfers	-	-	(0.35)	(0.03)	(94.48)	(8.15)	(32.40)	(13.85)	(149.26)	-
- Translation adjustment	-	-	127.97	44.13	66.26	2.29	61.49	6.82	308.96	-
Balance as at 31 March 2022	**-**	**89.22**	**2,289.94**	**1,073.51**	**10,075.30**	**1,313.08**	**2,667.20**	**143.04**	**17,651.29**	**-**
Net carrying value										
As at 31 March 2022	**131.91**	**467.84**	**9,507.69**	**4,339.79**	**17,823.13**	**834.22**	**1,267.80**	**43.22**	**34,415.60**	**9,210.91**

Note: Refer note 16(i) for details of assets pledged against borrowings.

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

Ageing of capital work-in-progress as on 31 March 2023

Particulars	Amount in capital work-in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	2,950.05	3,631.67	1,840.47	2,729.59	11,151.78
Projects temporarily suspended	-	-	-	-	-
Total	**2,950.05**	**3,631.67**	**1,840.47**	**2,729.59**	**11,151.78**

Ageing of capital work-in-progress as on 31 March 2022

Particulars	Amount in capital work-in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	4,412.84	2,329.76	287.50	2,180.81	9,210.91
Projects temporarily suspended	-	-	-	-	-
Total	**4,412.84**	**2,329.76**	**287.50**	**2,180.81**	**9,210.91**

There is no capital work-in-progress whose completion is overdue or has exceeded its cost as compare to its original plan as at 31 March 2023 and 31 March 2022.

Note 3.2 - Right-of-use Asset

The Group has entered into an lease arrangement for office premises, furniture and vehicles in the ordinary course of business. Such leases are generally for a period of 2 to 12 years, with option of renewal on a periodic basis by mutual consent of both parties. Most of the operating leases provide for a percentage increase in rent, at the end of the original lease terms, for future renewed periods. These leasing arrangements are cancellable by the lessor/lessee with 1 to 3 months' notice except in case of certain leases where there is a lock in period/ non-cancellable period of 4 to 5 years. The Group does not have any lease restrictions and commitment towards variable rent as per the contract.

Particulars	Other Building	Office Equipment	Vehicles	Total
Gross carrying value				
Balance as at 1 April 2022	**4,438.71**	**90.87**	**354.54**	**4,884.12**
- Additions	567.83	31.67	98.96	698.46
- Deletions	(197.61)	-	(32.11)	(229.72)
- Translation adjustment	226.45	0.02	42.33	268.80
Balance as at 31 March 2023	**5,035.38**	**122.56**	**463.72**	**5,621.66**
Accumulated Depreciation				
Balance as at 1 April 2022	**2,193.11**	**16.43**	**183.90**	**2,393.44**
- Depreciation charge for the year	744.50	36.18	122.20	902.88
- Deletions	(125.74)	-	(70.36)	(196.10)
- Translation adjustment	127.26	0.01	25.84	153.11
Balance as at 31 March 2023	**2,939.13**	**52.62**	**261.58**	**3,253.33**
Net carrying value				
As at 31 March 2023	**2,096.25**	**69.94**	**202.14**	**2,368.33**

Particulars	Other Building	Office Equipment	Vehicles	Total
Gross carrying value				
Balance as at 1 April 2021	**3,986.44**	**1.72**	**279.52**	**4,267.68**
- Additions	672.12	89.43	98.90	860.45
- Deletions	(260.66)	(0.27)	(32.80)	(293.73)
- Translation adjustment	40.81	(0.01)	8.92	49.72
Balance as at 31 March 2022	**4,438.71**	**90.87**	**354.54**	**4,884.12**
Accumulated Depreciation				
Balance as at 1 April 2021	**1,500.17**	**0.45**	**115.27**	**1,615.89**
- Depreciation charge for the year	775.85	16.26	97.13	889.24
- Deletions	(93.41)	(0.27)	(32.65)	(126.33)
- Translation adjustment	10.50	(0.01)	4.15	14.64
Balance as at 31 March 2022	**2,193.11**	**16.43**	**183.90**	**2,393.44**
Net carrying value				
As at 31 March 2022	**2,245.60**	**74.44**	**170.64**	**2,490.68**

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

Note 4 - Goodwill

The net carrying amount of goodwill can be analysed as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	600.19	580.11
Addition during the year/effect of translation adjustments	136.00	20.08
Closing balance	**736.19**	**600.19**

Impairment Testing

For the purpose of annual impairment testing, goodwill is allocated to the cash generating unit (CGU) expected to benefit from the synergies of the business combinations in which the goodwill arises, as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Europe	716.41	580.41
Rest of the world	19.78	19.78
Total	**736.19**	**600.19**

At the year end, the goodwill was tested for impairment based on conditions at that date.

The recoverable amount of each CGU was determined based on value-in-use calculations, covering a detailed five-year forecast, followed by an extrapolation of expected cash flows for the remaining useful lives using growth rates determined by management. The present value of the expected cash flows of each CGU is determined by applying a suitable discount rate, reflective of underlying markets.

Particulars	Long term growth rates		Discount rates	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Europe & ROW	2.00%-3.50%	2.00%-3.50%	8.00%-13.00%	8.00%-13.00%

Long term growth rates

The long term growth rates reflect the long-term average growth rates for the product lines and industry. The growth rate is in line with the overall long-term average growth rates because this sector is expected to continue to grow at above average rates for the foreseeable future.

Discount rates

The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of each CGU.

Cash flow assumptions

Management's key assumptions include stable profit margins, based on past experience in this market. The management believes that this is the best available input for forecasting.

Apart from the considerations in determining the value-in-use of the CGU, management is not currently aware of any other probable changes that would necessitate changes in its key estimates. The estimates of recoverable amount are particularly sensitive to the discount rate. If the discount rate used is increased by 1%, it would have no impact on the impairment testing.

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

Note 5 - Other Intangible Assets

Intangible assets comprise of:

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
Gross carrying value				
Balance as at 1 April 2022	**3,766.04**	**40,817.49**	**44,583.53**	**887.78**
- Acquisitions through business combinations	-	11.98	11.98	-
- Additions	160.00	472.03	632.03	695.58
- Disposals/transfers	(19.57)	(138.32)	(157.89)	(309.49)
- Translation adjustment	101.53	3,853.93	3,955.46	86.90
Balance as at 31 March 2023	**4,008.00**	**45,017.11**	**49,025.11**	**1,360.77**
Amortisation and impairment				
Balance as at 1 April 2022	**2,511.07**	**20,706.45**	**23,217.52**	-
- for the year	409.85	1,892.77	2,302.62	-
- on disposals/transfers	(19.75)	(7.56)	(27.31)	-
- Translation adjustment	72.87	1,213.35	1,286.22	-
Balance as at 31 March 2023	**2,974.04**	**23,805.01**	**26,779.05**	**-**
Net carrying value				
As at 31 March 2023	**1,033.96**	**21,212.10**	**22,246.06**	**1,360.77**

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
Gross carrying value				
Balance as at 1 April 2021	**3,037.19**	**37,443.90**	**40,481.09**	**1,638.79**
- Additions	687.22	1,886.64	2,573.86	564.04
- Disposals/transfers	(0.66)	(60.67)	(61.33)	(1,363.45)
- Translation adjustment	42.29	1,547.62	1,589.91	48.39
Balance as at 31 March 2022	**3,766.04**	**40,817.49**	**44,583.53**	**887.78**
Amortisation and impairment				
Balance as at 1 April 2021	**2,092.46**	**17,258.04**	**19,350.50**	**-**
- for the year	392.65	2,861.33	3,253.98	-
- on disposals/transfers	(0.66)	(0.47)	(1.13)	-
- Translation adjustment	26.62	587.55	614.17	-
Balance as at 31 March 2022	**2,511.07**	**20,706.45**	**23,217.52**	**-**
Net carrying value				
As at 31 March 2022	**1,254.97**	**20,111.04**	**21,366.01**	**887.78**

Ageing of intangible assets under development as on 31 March 2023

Particulars	Amount of intangible assets under devlopment for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	588.95	310.87	119.96	340.99	1,360.77
Projects temporarily suspended	-	-	-	-	-
Total	**588.95**	**310.87**	**119.96**	**340.99**	**1,360.77**

Ageing of intangible assets under development as on 31 March 2022

Particulars	Amount of intangible assets under devlopment for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	368.53	179.83	66.63	272.79	887.78
Projects temporarily suspended	-	-	-	-	-
Total	**368.53**	**179.83**	**66.63**	**272.79**	**887.78**

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

There is no Intangible assets under development whose completion is overdue or has exceeded its cost as compare to its original plan as at 31 March 2023 and 31 March 2022.

At the year end, the intangible assets being product developments/brands with indefinite or indeterminable lives were tested for impairment based on conditions at that date. In performing the impairment testing management considers various factors interalia, the size and nature of the target market, competition, and probability of out-licensing arrangements.

The recoverable amount of each assets/CGU was determined based on value-in-use calculations, covering a detailed cashflow forecast, followed by an extrapolation of expected cash flows for the remaining useful lives using growth rates determined by management. The present value of the expected cash flows of each assets/ CGU is determined by applying a suitable discount rate.

Particulars	Long term growth rates		Discount rates	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
India, North America and Europe	2.00%-3.50%	2.00%-3.50%	8.00%-14.50%	8.00%-14.50%

Long-term growth rates
The long-term growth rates reflect the long-term average growth rates for the product lines and industry. The growth rate is in line with the overall long-term average growth rates because this sector is expected to continue to grow at above average rates in the foreseeable future.

Discount rates
The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of each asset/CGU.

Cash flow assumptions
Management's key assumptions include stable profit margins, based on past experience in this market. The management believes that this is the best available input for forecasting.

Apart from the considerations in determining the value-in-use of the assets/CGU, management is not currently aware of any other probable changes that would necessitate changes in its key estimates. However, the estimates of recoverable amount are particularly sensitive to the discount rate. If the discount rate used is increased by 1%, it would have no impact on the impairment testing.

Intangible assets with indefinite or indeterminable life are ₹9,151.00 (2022 - ₹9,061.48).

Note 6 - Non-Current Financial Assets

(i) Investments

Particulars	As at 31 March 2023	As at 31 March 2022
Unquoted		
(i) Equity Shares		
289,832 (2022 - 289,832) Equity Shares of Narmada Clean Tech Ltd. of ₹ 10 each. **(FVTPL)**	2.90	2.90
1 (2022 - 1) Time Share of Dalmia Resorts Limited **(FVTPL)**	0.02	0.02
18,000 (2022 - 18,000) Equity shares of Shivalik Solid Waste Management Ltd of ₹ 10 each. **(FVTPL)**	0.18	0.18
(ii) Preference Shares		
1,176,471 (2022 - 1,176,471) Preferred shares of Napo Pharmaceuticals Inc of USD 0.85 each **(FVTPL)**	42.65	42.65
Nil (2022 - 500,000) 7% cumulative preference shares of ₹ 100 each fully paid up of Marksans Pharma Ltd. **(at amortised cost)**	-	50.00
(iii) Government Securities		
National Savings Certificate - Sixth Issue **(at amortised cost)**	0.02	0.02
(iv) Other Investment		
Investment in Limited Liability Partnership (LLP) - ABCD Technologies LLP **(FVOCI)**	400.00	400.00
Total	**445.77**	**495.77**

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

Particulars	As at 31 March 2023	As at 31 March 2022
Quoted		
(i) Equity Shares (FVTPL)		
9,000 (2022 - 9,000) Bank of India of ₹10 each	0.68	0.42
1,209 (2022 - 1,209) IDBI Bank Limited of ₹10 each	0.05	0.05
Total	**0.73**	**0.47**
Total	**446.50**	**496.24**
Aggregate carrying value of quoted investment	0.73	0.47
Aggregate market value of quoted investment	0.73	0.47
Aggregate carrying value of unquoted investment	445.77	495.77
Aggregate amount of impairment in value of investment in unquoted equity shares	-	-

The fair values of investments in equity and preference shares being carried at ₹445.75 (2022 - ₹445.75) cannot be reliably determined and therefore the group is carrying these investments at cost less impairment charge if any being the management's best estimate of their fair values.

(ii) Other non-current financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considerd good		
Security deposits*	371.90	331.62
Bank deposit including margin money	27.04	60.40
Total	**398.94**	**392.02**

*Security deposits represent rental, utility and trade deposits given in the normal course of business realisable after twelve months from the reporting date.

Note 7 - Taxes

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax expense	5,669.01	5,466.49
Deferred tax expense/(benefit)	(3,384.61)	(868.28)
Minimum Alternate Tax (MAT) credit (Entitlement)/utilisation	2,626.11	(122.24)
Total	**4,910.51**	**4,475.97**

Pursuant to the Taxation Law (Amendment) Ordinance 2019 ('Ordinance') Issued by Ministry of Law and Justice (Legislative Department) on 20 September 2019 which is effective 1 April 2019, Indian companies have the option to pay corporate Income tax rate at 22% plus applicable surcharge and cess subject to certain conditions. The Ordinance has subsequently been enacted as Taxation Laws (Amendment) Act, 2019. The Group made an assessment of the impact and decided to continue with the existing tax structure in respect of Glenmark Pharmaceuticals Limited until utilisation of accumulated minimum alternative tax (MAT) credit and other exemptions. Other Indian group entity Glenmark Life Sciences Limited has opted for the new tax regime prescribed u/s 115BAA of the Income Tax Act 1961. The group has also re-measured its deferred tax liability following the clarification issued by Technical Implementation Group of Ind AS implementation Committee by applying the lower tax rate in measurement of deferred taxes only to extent that the deferred tax liabilities are expected to be reversed in the period during which it expects to be subject to lower tax rate.

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

The relationship between the expected tax expense based on the applicable tax rate of the Group and the tax expense actually recognised in the consolidated statement of profit and loss can be reconciled as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income tax expense at tax rates applicable to individual entities	**5,546.71**	**8,199.27**
Tax adjustment for tax-exempt income		
- Income exempt from tax	(796.62)	(3,245.56)
Other tax adjustments		
- Additional deduction for R&D expenditure	-	(3.43)
- Unrecognised tax benefit on losses of subsidiaries (net)	378.33	893.88
- Disallowed expenses	509.89	498.09
- Other allowances / disallowances (net)	(727.80)	(1,866.28)
Actual tax expense (net)	**4,910.51**	**4,475.97**

The tax effect of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that create those differences are given below:

Particulars	As at 31 March 2022	Recognised in the consolidated statement of profit and loss	Recognised in other comprehensive income	Effect of translation adjustment	As at 31 March 2023
Deferred tax assets: Non-current					
Provision for credit losses	467.82	23.32	-	4.62	495.76
Unused tax losses	6,602.49	399.45	-	202.10	7,204.04
Difference in right-of-use asset and lease liability	88.72	38.98	-	1.27	128.97
Depreciation and accruals deductible on actual payment	2,373.64	2,882.80	(22.22)	191.76	5,425.98
MAT credit entitlement	9,847.91	(2,626.11)	-	-	7,221.80
Total	**19,380.58**	**718.44**	**(22.22)**	**399.75**	**20,476.55**
Deferred tax liabilities: Non-current					
Other current assets	306.47	(90.74)	-	57.23	272.96
Difference in depreciation on property, plant and equipment	2,353.19	152.85	-	(4.57)	2,501.47
Other taxable temporary difference	174.64	(102.17)	-	-	72.47
Total	**2,834.30**	**(40.06)**	**-**	**52.66**	**2,846.90**
Net deferred tax asset	**16,546.28**	**758.50**	**(22.22)**	**347.09**	**17,629.65**

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

Particulars	As at 31 March 2021	Recognised in the consolidated statement of profit and loss	Recognised in other comprehensive income	Effect of translation adjustment	As at 31 March 2022
Deferred tax assets: Non-current					
Provision for credit losses	390.25	76.04	-	1.53	467.82
Unused tax losses	5,602.44	456.15	-	543.90	6,602.49
Difference in right-of-use asset and lease liability	63.29	25.02	-	0.41	88.72
Depreciation and accruals deductible on actual payment	2,451.81	(29.00)	(48.53)	(0.64)	2,373.64
MAT credit entitlement	9,726.55	122.23	-	(0.87)	9,847.91
Total	**18,234.34**	**650.44**	**(48.53)**	**544.33**	**19,380.58**
Deferred tax liabilities: Non-current					
Other current assets	263.02	42.35	-	1.10	306.47
Difference in depreciation on property, plant and equipment	2,139.30	215.76	-	(1.87)	2,353.19
Other taxable temporary difference	772.83	(598.19)	-	-	174.64
Total	**3,175.15**	**(340.08)**	**-**	**(0.77)**	**2,834.30**
Net deferred tax asset	**15,059.19**	**990.52**	**(48.53)**	**545.10**	**16,546.28**

In assessing the reliability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income including taxable temporary differences in the future periods are reduced.

Deferred income taxes are not provided on undistributed earnings of subsidiaries outside India, where it is expected that earnings of the subsidiaries will not be distributed in the foreseeable future. The Company indefinitely reinvests all the accumulated undistributed earnings of subsidiaries, and accordingly, has not recorded any deferred taxes in relation to such undistributed earnings of its foreign subsidiaries. It is impracticable to determine the taxes payable when these earnings are remitted.

The unrecognised deferred tax for the year ended 31 March 2023 and 31 March 2022 is ₹944.36 and ₹936.82 respectively.

During the year ended 31 March 2023, the group based on probable future taxable profit, has recognized/(reversed) previously unrecognised/recognised deferred tax assets of ₹465.56 in FY 2022-23 and ₹129.50 in FY 2021-22.

Deferred tax assets on unused tax losses will expire within period of 2-7 years, except in a certain jurisdiction where there is no time limit for its expiry.

Note 8 - Other Non-Current Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered good		
Prepaid expenses	7.60	6.55
Capital advances	276.49	418.31
Advance tax (net of provision)	1,254.48	863.88
Total	**1,538.57**	**1,288.74**

Note 9 - Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials	8,166.45	7,031.22
Packing materials	2,988.70	2,692.85
Work-in-process	4,550.55	4,024.81
Stores and spares	1,142.14	1,044.58
Finished goods	10,690.55	8,463.78
Stock-in-trade	2,239.52	1,741.09
Total	**29,777.91**	**24,998.33**

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

Refer note 16(i) for hypothecation of stocks of raw materials, packing materials, finished goods, work-in-process.

Inventory write downs are accounted, considering the nature of inventory, ageing of inventory as well as provisioning policy of the Group. The Group recorded inventory write down (net) of ₹2,277.14 (2022 - ₹1,889.25). This is included as part of cost of materials consumed and changes in inventories of finished goods, work-in-process and stock-in-trade in the consolidated statement of profit and loss, as the case may be.

Note 10 - Current Financial Assets

(i) Trade Receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured		
Considered good	40,986.06	31,011.35
Credit impaired	1,411.91	1,298.64
Allowance for credit impaired/expected credit losses	(1,411.91)	(1,298.64)
Total	**40,986.06**	**31,011.35**

The Group's exposure to credit risk and currency risks are disclosed in note 36.

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a short period from the date of balance sheet. All of the Group's trade receivables have been reviewed for indications of impairment. Certain trade receivables were found to be impaired and an allowance for credit losses of ₹118.72 (2022 - ₹298.74) has been recorded. The movement in the allowance for credit impaired/ expected credit losses is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	1,298.64	1,067.51
Amounts written off/(written back) during the year	(5.45)	(67.61)
Provision for credit loss during the year (net)	118.72	298.74
Closing balance	**1,411.91**	**1,298.64**

Trade receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payments						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	27,738.00	10,984.25	1,142.18	622.25	353.94	83.84	40,924.46
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	23.71	23.71
(iii) Undisputed trade receivables - credit impaired	-	-	14.74	114.16	141.44	1,087.54	1,357.88
(iv) Disputed trade receivables - considered good	-	-	-	-	-	37.73	37.73
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	0.16	-	0.16
(vi) Disputed trade receivables - credit impaired	-	-	6.82	6.05	35.83	5.33	54.03
	27,738.00	**10,984.25**	**1,163.74**	**742.46**	**531.37**	**1,238.15**	**42,397.97**
Less - Provision for credit impaired/ expected credit losses	-	-	-	-	-	-	1,411.91
Total							**40,986.06**

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

Trade receivables ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from due date of payments						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	19,904.47	9,381.12	456.10	365.77	208.77	695.12	31,011.35
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	41.85	61.56	1,165.01	1,268.42
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	30.22	-	-	-	30.22
	19,904.47	**9,381.12**	**486.32**	**407.62**	**270.33**	**1,860.13**	**32,309.99**
Less - Provision for credit impaired/ expected credit losses	-	-	-	-	-	-	1,298.64
Total							**31,011.35**

(ii) Cash and Cash Equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	14,418.97	14,088.32
Cash on hand	11.29	16.94
Total	**14,430.26**	**14,105.26**

(iii) Bank Balances Other than Cash and Cash Equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Other bank balance - Dividend accounts (Refer note 1 below)	266.70	9.89
Total	**266.70**	**9.89**

Note 1 - Dividend accounts represent balances maintained in specific bank accounts for payment of dividends. The use of these funds is restricted and can only be used to pay dividends. The corresponding liability for payment of dividends is included in short term financial liability.

(iv) Other Current Financial Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Security deposits (Refer note 1 below)	318.13	298.95
Export incentives	113.11	271.42
Bank deposit including margin money	90.67	57.33
Other receivables	1,218.18	504.59
Total	**1,740.09**	**1,132.29**

Note 1 - Security deposits represent rental and trade deposits given in the normal course of business realisable within twelve months from the reporting date.

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

Note 11 - Other Current Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Advances recoverable in kind	2,626.39	2,770.97
Input taxes receivable	5,127.37	4,800.18
Advance to vendors	1,506.07	1,796.64
Prepaid expenses	2,276.34	2,198.57
Total	**11,536.17**	**11,566.36**

Note 12 - Equity and Reserves

a) Ordinary shares

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders' meeting, every holder of ordinary shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

The Company has an authorised share capital of 2,370,000,000 equity shares of ₹1 each.

b) Dividends

Indian statutes mandate that dividends be declared out of distributable profits in accordance with the regulations. Should the Company declare and pay dividends, such dividends are required to be paid in INR to each holder of equity shares in proportion to the number of shares held. Dividends are taxable in the hands of the shareholders and tax is deducted by the Company at applicable rates.

c) Reserves

Securities premium reserve – The amount received by the Company over and above the face value of shares issued is shown under this head. It is available for utilisation as per the provisions of the Companies Act, 2013.

Capital redemption reserve – The capital redemption reserve had been created as per the requirement of earlier provisions of Companies Act, 1956. Such reserve is not currently available for distribution to the shareholders. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

General reserve - The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Currency translation reserve - Assets and liabilities of foreign subsidiaries are translated into INR at the rate of exchange prevailing as at date of the balance sheet. Revenue and expenses are translated into INR at the average exchange rate prevailing during the period. The exchange difference arising at the year-end due to translation is debited or credited to currency translation reserve account.

Retained earnings – Accumulated earnings include all current and prior period profits as disclosed in the consolidated statement of profit and loss.

Stock compensation reserve - Stock compensation reserve consists of employee compensation cost allocated over the vesting period of options granted to employees. Such cost is recognised in statement of profit and loss and is credited to the reserve. Upon exercise of options, such reserves are reclassified to equity share capital at the nominal capital value and excess through securities premium as the case may be.

Note 13 - Equity Share Capital

Share capital	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
(I) Authorised				
Equity Shares of ₹1 each	2,370,000,000	2,370.00	2,370,000,000	2,370.00
Cumulative redeemable non-convertible preference shares of ₹100 each	4,000,000	400.00	4,000,000	400.00
Issued, subscribed and fully paid-up equity shares of ₹1 each				
At the beginning of the year	282,168,156	282.17	282,168,156	282.17
Add: Issued during the year	-	-	-	-
At the end of the year	**282,168,156**	**282.17**	**282,168,156**	**282.17**

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

(II)	List of shareholders holding more than 5% shares	As at 31 March 2023		As at 31 March 2022	
		% of Holding	No. of Shares	% of Holding	No. of Shares
	Saldanha Family Trust	45.45	128,241,936	45.45	128,241,936

(III) Details of shareholding of promoters are as below:

Sr. No.	Shares held by promoters as at 31 March 2023 Promoter Name	No.of Shares	% of total shares**	%change during the year
1	Saldanha Family Trust	128,241,936	45.45	-
2	Blanche Saldanha	1,110,327	0.39	-
3	Glenn Saldanha	983,439	0.35	-
4	Cherylann Pinto	758,485	0.27	-
5	Robin Pinto	497,500	0.18	-
6	Neha Saldanha	26,000	0.01	-

Sr. No.	Shares held by promoters as at 31 March 2022 Promoter Name	No.of Shares	% of total shares **	%change during the year
1	Saldanha Family Trust	128,241,936	45.45	0
2	Blanche Saldanha	1,110,327	0.39	0
3	Glenn Saldanha	983,439	0.35	0.01
4	Cherylann Pinto	758,485	0.27	0
5	Robin Pinto	497,500	0.18	0
6	Neha Saldanha	26,000	0.01	0.01

**The percentage shareholding above has been computed considering the outstanding number of shares of 282,168,156 as at 31 March 2023 and 31 March 2022.

(IV) As at 31 March 2023, pursuant to Employee Stock Options Scheme 2016, 78,717 options were outstanding, which upon exercise are convertible into equivalent number of equity shares.

(V) Right, Preference and restriction on shares

The Company presently has only one class of ordinary equity shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary equity shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

(VI) In the period of five years immediately preceeding 31 March 2023, the Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash. Further, the Company has neither issued bonus shares nor bought back any shares during the aforementioned period.

(VII) Employee Stock Option

(A) Glenmark Pharmaceuticals Limited

The Company has formulated an Employee Stock Option Scheme 2016 ('ESOS 2016') under which it has made grants on various dates from time to time. Each grant has a vesting period which varies from 1-6 years from the date of grant depending on the terms of the grant. The grants are made at the market price of the equity shares of the Company on either the date of the grant or the closing price of the date prior to the day of the grant or the price decided by the Nomination & Remuneration Committee of the Board. Pursuant to ESOS 2016, 78,717 (2022-78,717) options were outstanding as at 31 March 2023, which upon exercise are convertible into equivalent number of equity shares. Employee stock compensation charged during the year is ₹0.18 (2022 - ₹2.28).

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

The aggregate share options and weighted average exercise price under the above mentioned plan are as follows:

Particulars	2022-2023		2021-2022	
	Number	Weighted average price (₹)	Number	Weighted average price (₹)
Outstanding at the beginning of the year	78,717	319.71	404,247	388.45
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(325,530)	405.07
Exercised during the year	-	-	-	-
Outstanding at the end of the year	78,717	319.71	78,717	319.71

Out of above 20,000 (2022 - 20,000) options outstanding as of 31 March 2023 are unvested.

All share based employee payments would be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options.

The fair value of options granted are determined using the Black-Scholes valuation model. Significant inputs into the calculation are:

Particulars	31 March 2023	31 March 2022
Share price (₹)	600	600
Exercise price (₹)	600	600
Weighted average volatility rate	31%	34%
Dividend payout	250%	250%
Risk free rate	7.10%	6.45%
Average remaining life	1-4 months	1-16 months

The underlying expected volatility was determined by reference to historical data, adjusted for unusual share price movements. No special features inherent to the options granted were incorporated into the measurement of fair value.

(B) Ichnos Sciences Inc.

Ichnos Sciences Inc. (Ichnos) has formulated an 2020 Omnibus Incentive Compensation Plan namely Ichnos ESOP 2020 under which it has made grants on various dates from time to time. These awards generally vest over a four-year service period. The grants are made at the fair value of the equity shares of the Ichnos on the date of the grant. Pursuant to Ichnos ESOP 2020 plan, 1,578,853 options were outstanding as at 31 March 2023, which upon exercise are convertible into equivalent number of equity shares. Employee stock compensation charged during the year is USD 442,097 and ₹35.71 (2022 -USD 555,284 and ₹41.90).

The aggregate share options and weighted average exercise price under the above mentioned plan are as follows:

Particulars	2022-2023		2021-2022	
	Number	Weighted average price USD	Number	Weighted average price USD
Outstanding at the beginning of the year	1,645,000	1.35	1,825,002	1.35
Granted during the year	-	-	1,520,000	1.35
Forfeited during the year	66,147	1.35	1,700,002	1.35
Exercised during the year	-	-	-	-
Outstanding at the end of the year	1,578,853	1.35	1,645,000	1.35

Of the aggregate 1,578,853 (2022-1,645,000) options outstanding as of 31 March 2023, 766,552 (2022-179,686) are vested and balance of 812,301 (2022-1,465,314) are unvested.

All share based employee payments would be settled in equity. The company has no legal or constructive obligation to repurchase or settle the options.

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

The fair values of options granted are determined using the Black-Scholes valuation model. Significant inputs into the calculation are:

Particulars	31 March 2023	31 March 2022
Share price (USD)	1.35	1.35
Exercise price (USD)	1.35	1.35
Weighted average volatility rate	75.69% to 78.28%	77.73% to 78.28%
Dividend payout	0%	0%
Risk free rate	0.37% to 0.97%	0.94% to 0.97%
Average remaining life	65 to 73 months	70 to 73 months

The underlying expected volatility was determined by reference to historical data, adjusted for unusual share price movements. No special features inherent to the options granted were incorporated into the measurement of fair value.

(C) Employees Stock Options Schemes 2021

Scheme details

The GLS Board, at its meeting held on 6 April 2021 had approved the Glenmark Life Sciences Limited - Employee Stock Option Scheme, 2021 (ESOS). Further, the Shareholders' of the company also approved the ESOS at the Extra-Ordinary General Meeting held on 9 April 2021.

951,734 ESOP options have been granted to the eligible employees/directors at Nomination and Remuneration Committee meeting held on May 17, 2021. During the financial year 2022-2023, 67,039 (2021-22, 6,983) options were cancelled and no options were issued or exercised under Employees Stock Options Scheme viz. ESOS' 2021. As of 31 March 2023 877,712 (31 March 2022, 944,751) options were outstanding and are due for exercise.

On exercising the options so granted under the ESOS of the Company, the paid-up equity share capital of the Company will increase by a like number of shares. Employee stock compensation charged during the year is ₹31.85 (31 March 2022, ₹ 34.98)

i) The aggregate share options and weighted average exercise price under the above mentioned plan are as follows:

Scheme	Grant	No. of options	Vest 1 10%	Vest 2 20%	Vest 3 30%	Vest 4 40%	Grant date	Exercise price	Weighted average fair value of option at grant date
ESOS 2021	Grant I	539,025	Jul/22	Jul/23	Jul/24	Jul/25	17-May-21	461.0	153.0
ESOS 2021	Grant II	412,709	Jul/22	Jul/23	Jul/24	Jul/25	17-May-21	716.0	84.0

ii) Movement in options duing the year

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	944,751	-
Granted during the year	-	951,734
Terminated/Cancelled	(67,039)	(6,983)
Balance at the end of the year	877,712	944,751

iii) Fair Value of Options

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	31 March 2023	31 March 2022
Dividend yield	0%	0%
Expected volatility	32.90% to 34.70%	32.90% to 34.70%
Risk free interest rate	5.00% to 5.50%	5.00% to 5.50%
Weighted average share price (₹)	444	444
Exercise price (₹)	461 (Grant I), 716 (Grant II)	461 (GrantI), 716 (Grant II)
Expected life of options granted in years	3.21 to 4.71	3.21 to 4.71

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

Note 14 - Non-Current Financial Liabilities

(i) Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured loans (at amortised cost)		
Foreign currency convertible bonds (FCCB)	-	7,286.05
External commercial borrowings (ECB) facility	7,462.18	6,859.10
IFC - ECB facility	2,061.79	1,884.56
Sustainability Linked Syndicated ECB Facility	18,540.03	16,973.78
Term loans from banks	11,913.20	-
	39,977.20	**33,003.49**
Less: Current portion of non-current borrowings	(1,455.82)	(7,286.05)
Total	**38,521.38**	**25,717.44**

(A) U.S. $ 200,000,000, 2.00% resettable onward starting equity-linked securities (Bonds):

The Company had issued Bonds on 28 June 2016. The Bonds become convertible at the option of the holders' of the Bonds (the "Bondholders") after 1 December 2017 and upto the close of business on 18 June 2022 into equity shares. Each Bond will be convertible at the option of the holder thereof into fully paid equity shares at the initial conversion price determined on 30 November 2017.

On 30 November 2017, the Company set the initial conversion price (i.e. the price at which the ordinary shares of the Company will be issued upon conversion of Bonds subject to any further adjustments according to conditions) at ₹861.84 as determined in accordance with condition 6.1.3 of the Trust Deed. As of 31 March 2022, none of the Bondholders have opted for the conversion option.

On 30 November 2017, the Company confirmed the fixed exchange rate as INR 64.5238 in accordance with the condition 6.1.1 (b) of the Trust Deed dated 28 June 2016 which provides that the fixed exchange rate shall be the FX rate (INR per U.S. $ 1) based on Bloomberg's "BFIX" USD/INR spot mid-price rate 12.00 (Hongkong time) on 30 November 2017.

Unless previously converted, redeemed or purchased and cancelled, the Bonds were to be redeemed on 28 June 2022 (Maturity Date) at 126.42% of their principal amount, together with accrued interest (if any), calculated upto but excluding the maturity date. The Company may, at its own discretion, redeem the Bonds in whole, but not in part, subject to satisfaction of certain conditions.

As per the original Trust Deed, each Bondholder has the right to require the Company to redeem in whole or in part, such Bondholder's Bonds, on 28 July 2021 (Put Option Date), at a price equal to 121.78% of its outstanding principal amount of Bonds, together with interest (if any) accrued but unpaid on 28 July 2021. This was amended in April 2021 (see note below on Tender Offer and Consent Solicitation).

The FCC Bonds were partially bought back in October 2018 (see note below on Buyback). In addition to that, the Company approved for tender and consent solicitation for amendment of FCC Bonds in February, 2021 (see note below on Tender Offer and Consent Solicitation). Further, the FCC Bonds were partially bought back in September, 2021 and April 2022 (see note below on Buyback). The balance outstanding FCC Bonds were redeemed in May, 2022.

The FCC Bonds were delisted from the Singapore stock exchange in May, 2022.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity-linked securities due 2022 – October, 2018:

In September 2018, the Company approved the launch of buyback of FCC Bonds ("Buyback FCCBs") from existing holders of FCC Bonds ("Buyback Bondholders"). MUFG Securities Asia Limited and J.P. Morgan Securities Limited were appointed as Dealer Managers, on behalf of the Company to buyback FCC Bonds at a buyback price of 105% of the principal amount outstanding (being U.S. $ 262,500 for each U.S. $ 250,000 of FCC Bonds), up to an aggregate purchase price of U.S. $ 100 million plus accrued and unpaid interest per FCC Bond. In October 2018, the Company agreed to buyback U.S. $ 86.5 million in aggregate principal amount (representing 346 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. These Buyback FCCBs represented 43.25% of the aggregate FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 90,825,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCCBs bought back were cancelled and U.S. $ 113.5 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook buyback to monetize the opportunity available and to push maturity of external debt. The Company utilised proceeds from an unsecured External Commercial Borrowing facility of up to U.S.$ 100 million ("ECB Facility") from MUFG Bank, Ltd., Singapore Branch, to refinance these Bonds.

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

Tender Offer of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 and Consent Solicitation from Bondholders – April, 2021:

In March, 2021, the Company announced a launch of a tender offer of the FCC Bonds. The Hong Kong and Shanghai Banking Corporation Limited was appointed as the Dealer Manager on behalf of the Company to tender an aggregate principal amount of up to U.S. $ 38.5 million at a purchase price of 120.30% of the principal amount of the FCC Bonds **(Tender Offer)** and also invited the holders of the FCC Bonds to approve the amendment of the optional put notice period from not later than 30 days nor more than 60 days prior to the Put Option Date to a minimum of 150 days prior to the Put Option Date by passing an Extraordinary Resolution **(Consent Solicitation).**

Tender Offer: In April, 2021, an aggregate principal amount of U.S. $ 36.75 million (representing 147 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) were validly tendered pursuant to the offer. These tendered FCCBs represented 32.38% of the outstanding FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 44,210,250 plus accrued but unpaid interest. Following settlement, the tendered FCC Bonds were cancelled and U.S. $ 76.75 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook this tender to manage the Company's debt maturity profile by reducing near-term repayable outstanding indebtedness and to reduce interest costs. The Company utilised proceeds from unsecured External Commercial Borrowing facilities from Fifth Third Bank and International Finance Corporation to refinance these Bonds.

Consent Solicitation: An Extraordinary Resolution was duly passed at the Bondholders Meeting held on 12 April 2021, with 99.78% of votes cast in favour of the amendment to the optional put notice period. The Company also executed the Supplemental Trust Deed to make the amendment effective from 12 April 2021.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – September, 2021:

In September 2021, the Company executed a discrete buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 1 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 120.30% of the principal amount (representing 4 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 15 September, 2021, the Company paid an aggregate purchase price of U.S. $ 1,203,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCCBs bought back were cancelled and U.S. $ 75.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity-linked securities due 2022 – April and May, 2022:

In April 2022, the Company executed a buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 75 million. The Hong Kong and Shanghai Banking Corporation Limited acted as dealer manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 125.26% of the principal amount (representing 300 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 7 April 2022, the Company paid an aggregate purchase price of U.S. $ 93,945,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 0.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Following the above buyback in April, 2022, the Company issued a notice of early redemption to the remaining holders of FCC Bonds for principal value of outstanding U.S. $ 0.75 million for redemption in May, 2022. On 9 May, 2022, the Company paid an aggregate amount of U.S. $ 9,42,860.24 for the Buyback FCCBs, plus accrued but unpaid interest and concluded the redemption of FCC Bonds as per the terms of the Trust Deed. Subsequently the FCC Bonds were delisted from the Singapore Stock Exchange.

(B) U.S. $ 90,825,000, MUFG Bank, ECB Facility:

The Company has obtained Loan Registration Number (LRN) from RBI to raise an ECB Facility to the extent of U.S. $ 100 million. In October 2018, the ECB Facility for U.S. $ 90,825,000 was raised and the proceeds were utilized for the purpose of repurchasing the FCC Bonds. The ECB Facility was raised from MUFG Bank, Singapore with an initial maturity of 5 years. The interest rate for the first 3 years is 4.956% p.a and the interest for the subsequent 2 years is 5.25% p.a.

However, in December, 2021, the loan was extended to bullet maturity of December, 2026. The interest rate was fixed at 4.69% p.a. up to September, 2023 and thereafter at an interest margin of 2.15% p.a. over SOFR.

(C) U.S. $ 40,000,000, International Finance Corporation (IFC), ECB Facility:

The Company has obtained LRN from RBI to raise an ECB facility to the extent of U.S. $ 40 million. The ECB facility for U.S. $ 40 million was executed in February, 2021 and the Company availed U.S. $ 16,574,250 in April, 2021 and the proceeds were utilized for the purpose of refinancing the FCC Bonds. The Company further availed U.S. $ 7,500,000 and U.S. $ 1,203,000 in June, 2021 and September, 2021 respectively. The ECB facility was raised from International Finance Corporation with a maturity of 5.7 years. The interest margin over U.S. $ LIBOR was 3.08% p.a. up to September, 2021; 2.83% p.a. upto June 2023 and 3.26% over SOFR thereafter.

(D) U.S. $ 228,000,000, Sustainability Linked Syndication loan, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 228 million. During March 2022, the Sustainability Linked loan for U.S. $ 228 million was raised and the proceeds were utilized for the purpose of refinancing the U.S. $ 200 million Syndication loan and U.S. $ 28 million Fifth Third Bank loan. The ECB facility was raised from 10 foreign banks with a maturity of 5 years. The interest margin is 1.75% p.a. over SOFR.

The Group has availed term loans from banks at interest rates ranging between 2.08% to 8.04% p.a.

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

(E) Maturity profile of non-current borrowings

Year ending	31 March 2023	31 March 2022
2023	-	7,295.60
2024	1,455.82	1,338.16
2025	1,455.82	1,338.16
2026	5,202.31	4,781.87
2027	25,224.02	18,528.40
2028	5,477.33	-
2029	1,369.33	-

As per the loan arrangement, the Group is required to comply with certain financial covenants and the Group was in compliance with such covenants as at 31 March 2023.

(Ii) Lease Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liability (Refer note 32)	1,942.14	1,999.94
Total	**1,942.14**	**1,999.94**

(iii) Other Non-Current Financial Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits from customers	1,318.53	1,213.17
Other liability*	2,644.05	302.67
Total	**3,962.58**	**1,515.84**

* includes liability towards settlement of claims/legal cases.

Note 15 - Other Non-Current Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Other liabilities	13.29	9.20
Total	**13.29**	**9.20**

Note 16 - Current Financial Liabilities

(i) Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured loans		
Loans repayable on demand from banks	-	-
Unsecured loans		
From banks	3,500.00	3,700.00
Current maturity of non-current borrowings (Refer note 14)	1,455.82	7,286.05
Total	**4,955.82**	**10,986.05**

Secured loans includes working capital facilities, secured by hypothecation of stocks of raw materials, packing materials, finished goods, work-in-process, receivables and equitable mortgage on fixed assets at certain locations.

Unsecured loans includes working capital facilities and other short term credit facilities.

The Group has borrowed secured/unsecured loans at interest rates ranging between 4.85% - 8.20% p.a.

The Group has not defaulted on repayment of loan and interest during the year.

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

(ii) Lease Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liability (Refer note 32)	853.04	916.78
Total	**853.04**	**916.78**

(iii) Trade Payables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payable outstanding dues to Micro enterprises and Small enterprises under MSMED Act, 2006 [Refer note (i) below].	722.16	767.08
Trade payable outstanding dues to creditors other than Micro enterprises and Small enterprises.	23,196.45	22,119.54
Total	**23,918.61**	**22,886.62**

The Group's exposure to credit risk and currency risks are disclosed in note 36

Note (i) Dues to Micro enterprises and Small enterprises

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars		As at 31 March 2023	As at 31 March 2022
a)	The principle amount remaining unpaid to any supplier at the end of the year	722.16	767.08
b)	Interest due remaining unpaid to any supplier at the end of the year	-	-
c)	The amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the Group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on request made by the Group. There are no overdue principle amounts/interest payable amounts for delayed payments to such vendors at the Balance sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year, except disclosed above.

Ageing for trade payables as at 31 March 2023

Particulars	Outstanding for following periods from due date of payments					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	722.16	-	-	-	-	722.16
(ii) Others	16,060.24	5,671.61	796.75	409.19	258.66	23,196.45
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**16,782.40**	**5,671.61**	**796.75**	**409.19**	**258.66**	**23,918.61**

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

Ageing for trade payables as at 31 March 2022

Particulars	Outstanding for following periods from due date of payments					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	767.08	-	-	-	-	767.08
(ii) Others	16,081.98	5,085.43	480.39	164.38	307.36	22,119.54
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**16,849.06**	**5,085.43**	**480.39**	**164.38**	**307.36**	**22,886.62**

(iv) Other Current Financial Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due	430.66	135.74
Unclaimed dividend*	11.91	9.89
Employee dues	246.31	203.22
Sundry creditors for capital goods	546.57	284.25
Accrued expenses	11,413.10	4,165.32
Total	**12,648.55**	**4,798.42**

*There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

Note 17 - Other Current Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues	1,869.92	1,339.24
Other liabilities	78.13	122.19
Total	**1,948.05**	**1,461.43**

Other liabilities includes advance from customers and other such adjustable balances.

Note 18 - Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provisions for employee benefits:		
- Compensated absences (Refer note 27)	332.87	348.80
- Defined benefit plan (Refer note 27)	969.66	975.90
Provision for sales return and rebates	3,772.94	3,589.11
Total	**5,075.47**	**4,913.81**

Movement of provision for sales return and rebates	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	3,589.11	3,655.44
Provided during the year	468.83	366.06
Utilised/reversed during the year	(285.00)	(432.39)
Balance at the end of the year	**3,772.94**	**3,589.11**

Note 19 - Revenue from Operations

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	126,601.00	121,657.10
Sale of services	653.33	84.88
Other operating revenue*	2,646.77	1,307.05
Total	**129,901.10**	**123,049.03**

*Other operating revenue primarily comprises of Export incentives, Sale of scrap, Production linked incentive and others.

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

The Group's revenue disaggregated by primary geographical markets is as follows:

Geographical area	For the year ended 31 March 2023 Total revenue	For the year ended 31 March 2022 Total revenue
India	44,674.52	43,808.52
North America	32,484.44	32,035.45
Latin America	7,280.83	6,127.16
Europe	23,047.33	20,046.85
Rest of the World	22,413.98	21,031.05
Total	**129,901.10**	**123,049.03**

Reconciliation of revenue recognised in the consolidated statement of profit and loss with the contracted price:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue as per contracted price	296,376.95	278,045.02
Less: Trade discounts, sales and expiry returns	166,475.85	154,995.99
Sale of product, services and other operating revenue	**129,901.10**	**123,049.03**

Contract liabilities from contracts with customers:

The Group records a contract liability when cash payments are received in advance of its performance.

Particulars	As at 31 March 2023	As at 31 March 2022
Contract liabilities from contracts with customers	42.67	31.66

Note 20 - Other Income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Dividend income	3.52	3.50
Interest income	227.66	94.35
Profit on sale of fixed assets	57.25	-
Exchange gain (net)	2,166.51	880.54
Miscellaneous income	712.92	688.35
Total	**3,167.86**	**1,666.74**

Note 21 - Cost of Materials Consumed

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of raw material and packing material	35,106.76	32,055.51
Consumption of stores and spares	831.14	732.06
Total	**35,937.90**	**32,787.57**

Note 22 - Purchase of Stock-In-Trade

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Purchase of finished goods	12,682.58	11,176.65
Total	**12,682.58**	**11,176.65**

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

Note 23 - Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(Increase)/Decrease in stock of finished goods, work-in-process and stock-in-trade	(3,250.94)	(111.37)
Total	**(3,250.94)**	**(111.37)**
(Increase)/Decrease in stocks		
At the year end:		
Finished goods	10,690.55	8,463.78
Work-in-process	4,550.55	4,024.81
Stock-in-trade	2,239.52	1,741.09
	17,480.62	**14,229.68**
At the beginning of the year:		
Finished goods	8,463.78	8,391.92
Work-in-process	4,024.81	4,394.49
Stock-in-trade	1,741.09	1,331.90
	14,229.68	**14,118.31**
(Increase)/Decrease in stocks	**(3,250.94)**	**(111.37)**

Note 24 - Employee Benefit Expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	25,582.81	22,384.22
Contribution to provident and other funds and retirement benefits (Refer note 27)	1,980.74	1,840.42
Employee stock compensation cost	67.74	79.16
Staff welfare expenses	178.27	170.38
Total	**27,809.56**	**24,474.18**

Note 25 - Finance Costs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expenses on		
- Bank loans	1,407.11	514.34
- Foreign currency convertible bonds	23.84	316.31
- Senior notes and ECB facility	1,470.00	1,450.59
- Lease (Refer note 32)	191.50	205.20
- Others	403.38	494.55
Total	**3,495.83**	**2,980.99**

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

Note 26 - Other Expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Labour charges	1,551.97	1,557.14
Power, fuel and water charges	2,027.73	1,803.67
Repairs and maintenance - plant and machinery	140.16	107.35
Repairs and maintenance - building	82.73	63.44
Repairs and maintenance - others	1,637.50	1,457.40
Rent	560.24	353.54
Rates and taxes	142.24	277.44
Other manufacturing expenses	715.50	744.22
Consumables - lab chemicals & reagents	2,747.76	3,184.64
Selling and Marketing expenses	1,664.49	1,081.93
Sales promotion expenses	5,282.71	4,348.51
Travelling expenses	2,602.49	1,818.90
Freight outward	4,593.84	3,532.63
Telephone expenses	53.07	58.53
Bad-debts written off	15.42	-
Provision for doubtful debts/expected credit loss (net)	118.72	298.74
Insurance	409.57	336.79
Electricity charges	247.51	202.71
Auditors remuneration*		
- Audit fees	90.64	82.56
- Other services	3.65	0.80
- Reimbursement of expenses	0.98	1.33
Corporate social responsibility expense (Refer note 35)	451.76	423.42
Legal and professional charges	2,482.08	3,526.95
Director sitting fees	14.93	12.78
Loss on sale of property, plant and equipments (net)	-	64.64
Other expenses	6,300.61	6,178.95
Total	**33,938.30**	**31,519.01**

* Paid professional fees of ₹NIL (2022 - ₹19.18) to the statutory auditors of subsidiary company for the initial public offer during the year were debited to security premium of the subsidiary company.

Note 27 - Employee Post-Retirement Benefits

The following are the employee benefit plans applicable to the employees of the Group.

a) Gratuity (defined benefit plan)

In accordance with applicable laws, the Group provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lumpsum payment to vested employees on retirement, death, incapacitation or termination of employment of amounts that are based on salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation.

The Group recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	31 March 2023	31 March 2022
Current service cost	287.51	334.88
Curtailment and past service cost	(6.65)	(8.11)
Personnel expenses	**280.86**	**326.77**
Net interest on defined benefit schemes	44.51	43.59
Administration cost (excluding cost for managing plan assets)	0.84	0.76
Amount recognised in profit and loss	**326.21**	**371.12**

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

The remeasurement components recognised in the statement of other comprehensive income for the Group's defined benefit plans comprise the following:

Particulars	31 March 2023	31 March 2022
Actuarial (gains)/losses		
Based on adjustment of demographic assumptions	4.97	(16.67)
Based on adjustment of financial assumptions	(162.43)	(292.47)
Due to liability experience adjustment	(8.19)	(5.68)
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	4.44	(0.20)
Total remeasurement (benefit)/loss recognised in the statement of other comprehensive income	**(161.21)**	**(315.02)**

The following tables show the change in present value of defined benefit obligations, the change in plan assets and the funded status recognised in the consolidated financial statements for the Group's defined benefit plans.

Particulars	31 March 2023	31 March 2022
Present value of funded obligations	3,005.15	2,704.61
Fair value of plan assets	(2,035.49)	(1,728.71)
Net defined benefit liability	**969.66**	**975.90**
Being:		
Retirement benefit liabilities	**969.66**	**975.90**

The movements in the net defined benefit liability recognised within the consolidated balance sheet are as follows:

Particulars	31 March 2023	31 March 2022
Beginning balance	975.90	1,153.59
Addition during the year	-	-
Cost recognised in income statement	326.21	371.12
Remeasurement (gains)/losses recognised in other comprehensive income	(161.21)	(315.02)
Actual employer contributions	(140.70)	(157.77)
Benefits paid	(133.06)	(104.44)
Exchange differences	102.52	28.42
Closing balance	**969.66**	**975.90**

The change in the present value of defined benefit obligations are as follows:

Particulars	31 March 2023	31 March 2022
Beginning balance	2,704.61	2,481.88
Addition during the year	-	-
Current service cost	287.51	334.88
Interest cost on the defined benefit obligations	97.83	74.70
Actual employee contributions	100.13	80.25
Curtailment and past service cost	(6.65)	(8.11)
Actual benefit payments	(188.94)	(24.99)
Actuarial (gains)/losses - Demographic assumptions	4.97	(16.67)
Actuarial (gains)/losses - Financial assumptions	(162.43)	(292.47)
Actuarial (gains)/losses - Liability experience	(8.19)	(5.68)
Administration cost (excluding cost for managing plan assets)	0.84	0.76
Exchange differences	175.47	80.06
Closing balance	**3,005.15**	**2,704.61**

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

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2023	31 March 2022
Beginning balance	1,728.71	1,328.29
Added during the year	-	-
Interest income on plan assets	53.32	31.11
Actual employer contributions	140.70	157.77
Actual employee contributions	100.13	80.31
Actual benefit (paid)/deposited	(55.88)	78.85
Actual return on assets (excluding interest income on plan assets)	(4.44)	0.20
Exchange differences	72.95	52.18
Closing balance	**2,035.49**	**1,728.71**

The Group expects to contribute ₹651.86 to its defined benefit plans in FY 2023-2024.

The principal actuarial assumptions used for the defined benefit obligations are as follows:

Particulars	31 March 2023	31 March 2022
Discount rate (weighted average)	2.10%-9.40%	0.35%-8.87%
Rate of compensation increase (weighted average)	1.50%-5.57%	1.50%-5.57%
Inflation rate (weighted average)	1.00%-3.75%	1.00%-3.75%

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2023	31 March 2022
Assets administered by respective insurance companies	100%	100%

A breakup of the defined benefit plan related balance sheet amounts as are as follows:

Particulars	31 March 2023	31 March 2022
Present value of funded obligations	3,005.15	2,704.61
Fair value of plan assets	(2,035.49)	(1,728.71)
Net defined benefit liability	**969.66**	**975.90**

A feature all plans have in common is that the discount rate has a significant impact on the present value of obligations. The other assumptions have varying impacts on the different plans in different geographic regions. In the breakup presented below, the varying impact of changes in the key assumptions is shown as below.

Particulars	31 March 2023	31 March 2022
Discount rate +0.25%/+0.50% p.a.	(115.56)	(114.86)
Discount rate -0.25%/-0.50% p.a.	95.42	96.59
Rate of compensation +0.25%/+0.50% p.a.	44.17	44.19
Rate of compensation -0.25%/-0.50% p.a.	(70.06)	(68.12)

b) Compensated absence plan (other long term benefit plan)

The Group permits encashment of leave accumulated by their employees on retirement and separation. The liability for encashment of privilege leave is determined and provided on the basis of actuarial valuation performed by an independent actuary at reporting date.

The Group recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	31 March 2023	31 March 2022
Current service cost	87.11	102.55
Personnel expenses	**87.11**	**102.55**
Net interest on defined benefit schemes	23.54	20.67
Actuarial (gains)/losses		
Based on adjustment of demographic assumptions	-	-
Based on adjustment of financial assumptions	(18.68)	(27.04)
Due to liability experience adjustment	(3.81)	(0.68)
Return on plan assets (excluding amounts in net interest on long term benefit schemes)	0.55	(0.85)
Amount recognised in profit and loss	**88.71**	**94.65**

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

The following tables show the change in present value of long term benefit obligations, the change in plan assets and the funded status recognised in the consolidated financial statements for the Group's long term benefit plans.

Particulars	31 March 2023	31 March 2022
Present value of funded obligations	531.50	535.05
Fair value of plan assets	(198.63)	(186.25)
Net long term benefit liability	**332.87**	**348.80**
Being:		
Retirement benefit plan assets	-	-
Retirement benefit plan liabilities	**332.87**	**348.80**

The movements in the net long term benefit liability recognised within the consolidated balance sheet are as follows:

Particulars	31 March 2023	31 March 2022
Beginning balance	348.80	334.31
Added during the year	-	-
Cost recognised in income statement	88.71	94.65
Remeasurement (gains)/losses recognised in other comprehensive income	-	-
Actual employer contributions	-	-
Benefits paid	(105.64)	(80.44)
Exchange difference	1.00	0.28
Closing balance	**332.87**	**348.80**

The change in the present value of long term benefit obligations are as follows:

Particulars	31 March 2023	31 March 2022
Beginning balance	535.05	508.65
Addition during the year	-	-
Current service cost	87.11	102.55
Interest cost on the long term benefit obligations	36.47	31.73
Actual benefit payments	(105.64)	(80.44)
Actuarial (gains)/losses - Demographic assumptions	-	-
Actuarial (gains)/losses - Financial assumptions	(18.68)	(27.04)
Actuarial (gains)/losses - Liability experience	(3.81)	(0.68)
Exchange difference	1.00	0.28
Closing balance	**531.50**	**535.05**

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2023	31 March 2022
Beginning balance	186.25	174.34
Interest income on plan assets	12.93	11.06
Return on plan assets	-	-
Actual employer contributions	(0.55)	0.85
Closing balance	**198.63**	**186.25**

The Group expects to contribute ₹392.25 to its long term benefit plan in FY 2023-2024.

The principal actuarial assumptions used for the long term benefit obligations are as follows:

Particulars	31 March 2023	31 March 2022
Discount rate (weighted average)	5.45%-7.40%	3.00%-6.35%
Rate of compensation increase (weighted average)	3.00%-5.00%	3.00%-5.00%

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2023	31 March 2022
Insurance contracts	100%	100%

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

A breakup of the long term benefit plan related balance sheet amounts are as follows:

Particulars	31 March 2023	31 March 2022
Present value of obligations	531.50	535.05
Fair value of plan assets	(198.63)	(186.25)
Net long term benefit liability	**332.87**	**348.80**

The present value of long term benefit obligations by category of members are as follows:

Particulars	31 March 2023	31 March 2022
Active number of employees	13,437	14,214
Present value of obligations	531.50	535.05

A feature all plans have in common is that the discount rate has a significant impact on the present value of obligations. The other assumptions have varying impacts on the different plans in different geographic regions. In the breakup presented below, the varying impact of changes in the key assumptions is shown as below.

Particulars	31 March 2023	31 March 2022
Discount rate +0.50% p.a.	(20.45)	(20.73)
Discount rate -0.50% p.a.	21.90	22.24
Rate of compensation increase +0.50% p.a.	22.72	22.97
Rate of compensation decrease -0.50% p.a.	(21.36)	(21.57)

c) Provident fund and others (defined contribution plan)

Apart from being covered under the Gratuity Plan described earlier, employees of the Indian companies participate in a provident fund plan; a defined contribution plan. The Group makes annual contributions based on a specified percentage of salary of each covered employee to a government recognised provident fund. The Group does not have any further obligation to the provident fund plan beyond making such contributions. Upon retirement or separation an employee becomes entitled for this lumpsum benefit, which is paid directly to the concerned employee by the fund. The Group contributed ₹1,565.82 (2022 - ₹1,374.65) towards the provident fund plan and others during the year.

Note 28 - Research and Development Expenditure

During the year, the Group expenditure on research and development is ₹12,500.35 (2022 - ₹12,787.08).

Note 29 - Related Party Transactions

Related parties with whom the Group has transacted during the year

Key Management Personnel

Mr. Glenn Saldanha (Chairman & Managing Director)

Mrs. Cherylann Pinto (Executive Director)

Mr. V S Mani (Executive Director & Global Chief Financial Officer)

Mrs. B. E. Saldanha (Non-executive Director)

Mr. Rajesh Desai (Non-executive Director)

Mr. D.R.Mehta (Non-executive Director)

Mr. Bernard Munos (Non-executive Director)

Dr.Brian W. Tempest (Non-executive Director)

Mr. Sridhar Gorthi (Non-executive Director)

Mrs. Vijayalaksmi Iyer (Non-executive Director with effect from 10th February, 2023)

Mr. Dipankar Bhattacharjee (Non-executive Director)

Ms. Sona Saira Ramasastry (Non-executive Director)

Mr. Harish Kuber (Company Secretary & Compliance Officer)

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

Enterprises over which significant influence exercised by key management personnel/directors

Glenmark Foundation

Glenmark Aquatic Foundation

Trilegal

Other related party in which directors are interested

Piramal Pharma Limited

Transactions with related parties during the year

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Purchase of services		
Trilegal	2.38	14.05
Piramal Pharma Limited	182.76	-
Expenditure incurred for CSR activities:		
Glenmark Foundation	169.68	164.00
Glenmark Aquatic Foundation	62.45	50.50
Transactions with key management personnel:		
Remuneration		
- Mr. Glenn Saldanha	161.85	157.92
- Mrs. Cherylann Pinto	45.86	46.60
- Mr. V S Mani	102.47	78.73
- Mr. Harish Kuber	5.71	4.75
Sitting fees paid to Non-executive Directors	9.10	7.50

The directors are covered under the Group's gratuity policy and ESOP scheme along with other employees of the Group. Proportionate amount of gratuity and stock compensation expense is not included in the aforementioned disclosures as it cannot be separately ascertained.

Note 30 - Earnings Per Share (EPS)

The basic earnings per share has been calculated using the profits attributable to the equity shareholders.
Calculation of basic and diluted EPS is as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit attributable to shareholders of Glenmark Pharmaceuticals Ltd, for basic and diluted	2,972.45	9,417.11
Weighted average number of shares outstanding during the year for basic EPS	282,168,156	282,168,156
Effect of dilutive potential ordinary shares:		
Employee stock options	-	-
Weighted average number of shares outstanding during the year for diluted EPS	282,168,156	282,168,156
Basic EPS, in ₹	10.53	33.37
Diluted EPS, in ₹	10.53	33.37

Note 31 - Commitments and Contingencies

	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	**Contingent Liabilties**		
	Claims against the group not acknowledged as debts		
	Disputed taxes and duties	1,097.92	1,276.95
	Labour disputes	55.98	41.46

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

The Group's pending litigations comprise of proceedings pending with various direct tax, indirect tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

(a) In January 2014, the National Pharmaceutical Pricing Authority (NPPA) issued a demand notice of ₹12.24 Crs as overcharging liability of product "Doxovent 400 mg tab" for the period February 2010 to May 2013. The notice also envisaged a payment of ₹3.33 Crs towards interest @15% p.a. on the overcharged amount up to 31 January, 2014. The Company had filed a petition under Article 32 with the Hon'ble Supreme Court of India (Hon'ble Court), challenging the issue of the above mentioned demand notice on various grounds. This petition was tagged along with other petitions filed by other pharmaceutical companies, pending before Hon'ble Court relating to the inclusion criteria of certain drugs including "Theophylline" in the schedule of the DPCO, 1995. The Hon'ble Court passed an ad-interim order stating that no coercive steps be taken against the Company towards the said demand. Whilst the matter was pending before the Hon'ble Supreme Court, in October 2015, NPPA issued a fresh demand notice of ₹ 12.24 Crs as overcharging liability and ₹6.39 Crs as interest thereon calculated upto 30 September, 2015 to which the Company has responded stating that the matter was sub-judice. On 20 July, 2016 Hon'ble Supreme Court heard the Company's petition and ordered the petition to be transferred back to Hon'ble Delhi High Court to be heard on merits subject to deposit of 50% of the overcharged claimed amount. The Company has deposited ₹6.12 Crs (50% of the overcharged claimed amount). The pleadings have been completed and matter is pending for final hearing before Hon'ble Delhi High Court.

b) On March 10, 2016 Ministry of Health and Family Welfare (MoH) issued notifications prohibiting manufacture for sale, sale and distribution for human use of several Fixed Dose Combination ("FDC") with immediate effect. Several products of the Company were also covered in the notified prohibited "FDC's". The Company had filed five writ petitions in Hon'ble Delhi High Court challenging the notifications issued. The Hon'ble Delhi High Court granted interim relief to the Company by staying the notifications banning the FDC's. The matter was clubbed with petition of other companies before the Supreme Court of India (Hon'ble Court). The Hon'ble Court directed the Drug Technical Advisory Board (DTAB) sub-committee to examine the ban of FDCs. DTAB appointed an expert committee under the chair of Dr. Nilima Kshirsagar (the Committee) to examine the list of banned FDCs. Company made due written and oral representations before the Committee in relation to its affected products. The Committee submitted its report to the Ministry of Health. Meanwhile, taking proactive approach the Company revised the composition of the affected FDC's for its domestic market. Based on the Committee Report, MoH on 7 September, 2018 issued series of notification which prohibited the manufacture for sale, sale or distribution for human use of 328 FDCs with immediate effect. The Company filed writ petitions in the Delhi High Court against the 7 notification/s in respect of its affected FDCs which were still circulating in the market and obtained an ad interim stay, on the notifications allowing the Company to liquidate its affected FDCs. The Company on 27 March, 2019, withdrew its Writs except for one product meant for exports and for which the Company continues to enjoy an ad-interim protection.

(c) In October 2019, National Pharmaceutical Pricing Authority (NPPA) issued a Show Cause Notice alleging that the Company had violated DPCO 2013 by self-invoking Para 32 in respect of its product Remogliflozin Etabonate + Metformin by not seeking approval for exemption from the Government. Although the Company has responded to the Show cause notice, on 2 January, 2020, NPPA issued a letter seeking production of documents /records under Para 29. The Company challenged the decision of NPPA by filing a writ petition before Hon'ble Delhi High Court. In January 2020, Hon'ble Delhi High Court was pleased to note NPPA's submission that without prejudice to the rights of the parties, NPPA will grant a hearing to the Company, to decide on the Company's entitlement under paragraph 32 of the DPCO, 2013 and dispose of the petition, with a noting that in view of the personal hearing, the impugned orders will not be given effect to. Although NPPA granted the Company personal hearing, it issued a ceiling price notification in March 2020 notifying the price of Remolifozin Etabonate + Metformin Hydrocloride without deciding the entitlement under paragraph 32 of the DPCO, 2013. The Company thereafter challenged various orders passed by NPPA by filing a fresh writ petition. After hearing both Parties, Hon'ble Delhi High Court was pleased to grant interim relief that no coercive action, based on the Impugned Orders dated 3 March, 2020 and 20 March, 2020, be taken against Company. The matter is currently sub-judice.

(d) On a complaint by a stockiest with the Competition Commission of India ("CCI") in July 2015 against pharma co.'s (including the Company and its C&F agent) and the Trade associations, alleging refusal to supply medicines to it in spite of having all valid licenses and documents, CCI ordered the Director General ("DG") to investigate and submit a report. CCI clubbed this matter with other matters on a similar complaint against other pharmaceutical co.'s and local Trade associations. On submission of DG's report CCI issued notices to the Company and some of its employees to submit their objections to the said Report. Despite having contested DG's claim, CCI in its order has found the Company and concerned employees guilty as having contravened provision 3(1) of the Competition Act, 2002 and has levied penalty under the Act. The Company and the concerned employees have appealed the said Order at National Company Law Tribunal ("NCLAT"). The appeals is pending for final hearing.

(e) The Department of Justice ("DOJ") of United States of America, as part of its investigation into various generic pharmaceutical companies regarding antitrust violations, filed an indictment in the United States District Court for the Eastern District of Pennsylvania, which charges Glenmark Pharmaceutical Inc. (GPI) with one count of conspiracy to restrain trade. The indictment asserts that GPI engaged in a conspiracy to suppress and eliminate competition by agreeing to increase and maintain prices of pravastatin and other unspecified generic drugs sold in the United States. A trial date is set May 6, 2024. These charges run contrary to the very essence of GPI's motto i.e. to drive down drug prices and improve patient access to medications. GPI will continue to vigorously defend against these charges.

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

(f) Glenmark Pharmaceutical Inc. (GPI) and 76 co-defendants, including distributors and manufacturers of generic drugs as well as multiple individuals have been sued by private and governmental entity plaintiffs in a multi-district litigation (MDL) proceeding pending in United States federal court for allegedly agreeing to fix the prices and allocate markets and customers of various generic drugs. Plaintiffs in these cases seek multiple forms of monetary relief, including disgorgement of alleged ill-gotten gains and compensatory damages. GPI disputes the allegations and is vigorously defending itself through motions to dismiss and discovery requests directed to the plaintiffs. Further, the Court issued an order selecting the State AG dermatology-centric complaint as the overarching conspiracy bellwether case.

(g) In response to FDA action on Zantac and its generic equivalent (ranitidine) in late 2019 and early 2020, lawsuits were filed in various jurisdictions against brand-name and generic manufacturers, distributors, and retailers of Zantac and ranitidine, a number of which were consolidated in a Multidistrict Litigation (MDL) in the Southern District of Florida. Plaintiffs in all of the lawsuits allege that ranitidine potentially contains a probable human carcinogen, N-Nitrosodimethylamine (NDMA), that they have developed or will develop cancer as a result of their ingestion of ranitidine, and/or that they were otherwise injured. Glenmark Pharmaceuticals Ltd. (GPL) and Glenmark Pharmaceuticals Inc., USA (GPI) were named in the MDL but all claims against them were dismissed in June 2021 on the basis of federal preemption. Plaintiffs are appealing those dismissals in the United States Court of Appeals for the Eleventh Circuit, and those appeals remain pending. In addition to the MDL, GPI has also been named in several non-MDL cases that are proceeding in state court (New Mexico, Illinois, and Pennsylvania); such cases are in the early stages. GPL and GPI will continue to defend these cases vigorously.

(h) From time to time the Company and its certain subsidiaries are involved in various intellectual property claims and legal proceedings, which are considered normal to its business. Some of this litigation has been resolved through settlement agreements with the plaintiffs.

i. A multiple putative class and individual action were filed in 2018 by purchasers of branded Zetia and generic Zetia (ezetimibe) against Glenmark Pharmaceuticals Ltd and Glenmark Pharmaceuticals Inc., before the United States District Court for the Eastern District of Virginia seeking relief under the US antitrust laws. The Plaintiffs allege that Glenmark Pharmaceuticals Ltd and Glenmark Pharmaceuticals Inc. and Merck & Co Inc. ("Merck") violated the federal and state antitrust laws by entering into a so-called reverse payment patent settlement agreement in Hatch-Waxman patent litigation in May 2010 related to Merck's branded Zetia product. The lawsuits allege that the patent settlement agreement delayed the entry of generic which caused purchasers to pay higher prices. The Company and its US subsidiary (Glenmark Pharmaceuticals Inc., USA) have, subject to final documentation and approval of the Court, after the end of the accounting year, arrived at a settlement with Three Plaintiff Groups collectively representing all of the claims against the Company and Merck in relation to multiple antitrust and consumer protection lawsuits, including a class action, consolidated in the Eastern District of Virginia, US (the "Court") for a total amount of US$ 87.5 million, payable over two financial years The final settlements will be in accordance with the separate agreements entered into with each of the plaintiff groups and will be subject to the final approval by the Court. The settlements will make clear that the settlements are commercial settlements or civil liabilities and not on the basis of the Company having conceded or admitted any liability, offence, wrongdoing or illegality. Opt-out cases are still pending and timelines are yet to be determined.

ii. Multiple putative class and individual actions were filed in July 2020 by purchasers of branded Bystolic (nebivolol) against Glenmark Pharmaceuticals Ltd.,Glenmark Pharmaceuticals Inc. and Glenmark Pharmaceuticals S.A. (n/k/a Ichnos Sciences S.A.) (collectively, "Glenmark") in the United States District Court for the Southern District of New York. The Plaintiffs allege that Glenmark and Forest Laboratories, Inc. ("Forest") violated federal and state antitrust laws by entering into a so-called reverse-payment patent settlement agreement in Hatch-Waxman patent litigation in December 2012 related to Forest's Bystolic product. The lawsuits allege that the patent settlement agreement and mPEGS-1 collaboration agreement delayed the entry of Glenmark's generic nebivolol, which caused purchasers of branded Bystolic to pay higher prices. The Court granted Glenmark and defendants motion to dismiss with prejudice. Plaintiffs have filed appeals. Glenmark believes that its patent settlement agreement and mPEGS-1 collaboration agreement are lawful and will continue defending the case vigorously.

(ii) Commitments

Estimated amount of contracts remaining to be executed on capital account, net of advances, not provided for as at 31 March 2023 aggregate ₹1,408.86 (2022 - ₹1,984.45)

(iii) Others

Particulars	As at 31 March 2023	As at 31 March 2022
Bank Guarantees	2,213.02	2,294.68

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

Note 32 - Leases

Group as lessee

The Group's leased assets primarily consist of leases for office premises and godowns. Leases of office premises and godowns generally have lease term between 2 to 12 years. The Group has applied low value exemption for leased laptops, lease lines, furniture and equipment and accordingly are excluded from Ind AS 116. The leases includes non-cancellable periods and renewable option at the discretion of lessee which has been taken into consideration for determination of lease term. The weighted average incremental borrowing rate applied to lease liabilities recognised was 3.30% to 10.40% p.a.

There are several lease agreements with extension and termination options, management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonable certain to exercise extension option and not to exercise termination option, the Group has opted to include such extended term and ignore termination option in determination of lease term.

i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	2022-23	2021-22
As at April 1	2,490.68	2,651.79
Additions	698.46	860.45
Termination/modification	(33.62)	(167.40)
Translation difference	115.69	35.08
Depreciation expenses	(902.88)	(889.24)
As at March 31	**2,368.33**	**2,490.68**

ii) Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

Particulars	2022-23	2021-22
As at April 1	2,916.72	2,982.89
Additions	698.46	860.45
Termination/modification	(33.62)	(167.40)
Accretion of interest	191.50	205.20
Translation difference	87.64	45.09
Payments	(1,065.52)	(1,009.51)
As at 31 March	**2,795.18**	**2,916.72**
Current	853.04	916.78
Non-current	1,942.14	1,999.94

iii) The following are the amounts recognised in profit or loss for the year ended:

Particulars	31 March 2023	31 March 2022
Depreciation expense of right-of-use assets	902.88	889.24
Interest expense on lease liabilities	191.50	205.20
Expense relating to short-term leases and low value assets	560.24	353.54
Total	**1,654.62**	**1,447.98**

The Group had total cash outflows for leases of ₹1,625.76 (2022- ₹1,363.05).

iv) The undiscounted maturity analysis of lease liabilities is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
within 1 year	962.22	983.57
1-5 years	2,059.08	2,041.49
5 years and above	193.53	287.73
Total	**3,214.83**	**3,312.79**

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

Note 33 - Segment Reporting

Business segment:

The Chief Operating Decision Maker ("CODM") reviews the financial performance at pharmaceutical business level, comprising of generics and active pharmaceutical ingredient components, which are interlinked and inter-dependent, therefore, the Group has only one reportable segment, i.e, Pharmaceuticals.

Geographical information:

Geographical segment disclosure given below are based on location of the Group`s customers in case of revenue. The disclosure of carrying amount of segment assets are based on geographical location of segment assets.

1. India
2. North America
3. Latin America
4. Europe
5. Rest of the World

Information about revenues by geography:

Segmental Revenue	Year ended 31 March 2023	Year ended 31 March 2022
India	44,674.52	43,808.50
North America	32,484.44	32,035.45
Latin America	7,280.83	6,127.16
Europe	23,047.33	20,046.85
Rest of the world	22,413.98	21,031.07
Total	**129,901.10**	**123,049.03**

Analysis of assets by geography:

As at 31 March 2023	India	North America	Latin America	Europe	ROW	Total
Tangible Assets	23,776.28	20,891.96	1,131.28	1,212.88	812.68	47,825.08
Intangible Assets	2,885.45	1,332.80	467.23	18,838.95	82.40	23,606.83
Total	**26,661.73**	**22,224.76**	**1,598.51**	**20,051.83**	**895.08**	**71,431.91**

As at 31 March 2022	India	North America	Latin America	Europe	ROW	Total
Tangible Assets	21,886.05	18,737.42	1,047.48	1,145.02	810.54	43,626.51
Intangible Assets	2,118.84	1,212.36	307.32	18,515.74	99.53	22,253.79
Total	**24,004.89**	**19,949.78**	**1,354.80**	**19,660.76**	**910.07**	**65,880.30**

Note 34 - Fair Value Measurements

Financial instruments by category

Particulars	As at 31 March 2023				As at 31 March 2022			
	FVTPL	FVOCI	Amortised cost	Total carrying value	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial assets								
Non current financial assets	-	-	398.94	398.94	-	-	392.02	392.02
Investments	46.48	400.00	0.02	446.50	46.23	400.00	50.01	496.24
Trade receivables	-	-	40,986.06	40,986.06	-	-	31,011.35	31,011.35
Cash and cash equivalents	-	-	14,430.26	14,430.26	-	-	14,105.26	14,105.26
Bank balances other than cash and cash equivalents	-	-	266.70	266.70	-	-	9.89	9.89
Others current financial assets	-	-	1,740.09	1,740.09	-	-	1,132.29	1,132.29
Total	**46.48**	**400.00**	**57,822.07**	**58,268.55**	**46.23**	**400.00**	**46,700.82**	**47,147.05**
Financial Liabilities								
Long term borrowings	-	-	38,521.38	38,521.38	-	-	25,717.44	25,717.44
Non current financial liabilities	-	-	5,904.72	5,904.72	-	-	3,515.78	3,515.78
Short term borrowings	-	-	4,955.82	4,955.82	-	-	10,986.05	10,986.05
Trade payables	-	-	23,918.61	23,918.61	-	-	22,886.62	22,886.62
Other current financial liabilities	-	-	13,501.59	13,501.59	-	-	5,715.20	5,715.20
Total	**-**	**-**	**86,802.12**	**86,802.12**	**-**	**-**	**68,821.09**	**68,821.09**

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

Trade receivables comprise amounts receivable from the sale of goods and services.

The management considers that the carrying amount of trade and other receivables approximates their fair value.

Cash and cash equivalent and other bank balances comprise cash and short-term deposits held by the Group. The carrying amount of these assets approximates their fair value.

Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. The management considers that the carrying amount of trade payables approximates to their fair value.

The Bonds are interest bearing instruments with an embedded derivative instrument of conversion option. The instrument's value predominately consist of liability measured at amortised cost; the embedded derivative is measured at FVTPL.

Fair value hierarchy:
Level 2: All FVTPL and FVOCI financial assets and liabilities are classified under level 2 of fair value hierarchy except quoted investments amounting to ₹0.73 (2022 - ₹0.46) which are classified as level 1 inputs.

Note 35 - Note on Expenditure on Corporate Social Responsibility

Following is the information regarding projects undertaken and expenses incurred on CSR activities during the year ended:

i Gross amount required to be spent by the Group during the year ₹451.76 (2022 - ₹423.42)

ii Amount spent during the year on CSR activities by way of contribution to the trusts and projects undertaken

2022-2023

Particulars	Amount paid in cash	Amount carried forward to next year	Total amount
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above:			
Promoting education	51.83	-	51.83
Promoting healthcare including preventive healthcare and community development, skill development and livelihood	222.61	-	222.61
Water Management - Conservation of natural resources and maintaining quality of soil, air and water	30.82	-	30.82
Training to promote olympic sports	62.45	-	62.45
Others	0.02	-	0.02
Impact assessment expenses	1.49	-	1.49
Surplus arising out of the previous financial years	91.67	-	91.67
Surplus carried forward to next year	-	(9.13)	(9.13)
Total	**460.89**	**(9.13)**	**451.76**

2021-2022

Particulars	Amount paid in cash	Amount carried forward to next year	Total amount
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above:			
Promoting education & livelihood	168.46	-	168.46
Promoting healthcare including preventive healthcare	12.29	-	12.29
Reducing child mortality and improving maternal health	35.90	-	35.90
Training to promote olympic sports	50.50	-	50.50
Disaster response (including COVID-19)	59.33	-	59.33
Impact assessment expenses	1.49	-	1.49
Surplus arising out of the previous financial years	187.12	-	187.12
Surplus carried forward to next year	-	(91.67)	(91.67)
Total	**515.09**	**(91.67)**	**423.42**

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

Note 36 - Risk Management Objectives and Policies

The Group is exposed to a variety of financial risks which results from the Group's operating and investing activities. The Group's risk management is coordinated by its parent company, in close co-operation with the board of directors and the core management team of the subsidiaries, and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Financial assets that potentially subject the Group to concentrations of credit risk consist principally of cash equivalents, trade receivables, other receivables, investment securities and deposits. By their nature, all such financial instruments involve risk including the credit risk of non-performance by counter parties.

The Group's cash equivalents and deposits are invested with banks.

The Group's trade and other receivables are actively monitored to review credit worthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

The Group's interest-rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk.

Foreign currency sensitivity

The overseas entities of the Group operate in different countries. The functional currency of such entities is the currency being used in that particular country. The bulk of contributions to the Group's assets, liabilities, income and expenses in foreign currency are denominated in US Dollar and EURO. Apart from US Dollar, foreign currency transactions are entered into by entities in several other currencies as applicable in the country in which the particular entity operates. However, the size of these entities relative to the total Group and the volume of transactions in such currencies are not material.

Thus, the foreign currency sensitivity analysis has been performed in relation to US Dollar (USD) and Euro (EUR).

US Dollar conversion rate was ₹75.52 at the beginning of the year and scaled to a high of ₹82.92 and to low of ₹75.14. The closing rate is ₹82.16. Considering the volatility in direction of strengthening dollar upto 10%, the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into USD at the closing rate, are as follows:

Particulars	31 March 2023		31 March 2022	
	USD (million)	INR	USD (million)	INR
Short-term exposure				
Financial assets	105.72	8,685.71	122.05	9,216.98
Financial liabilities	(116.67)	(9,585.96)	(116.27)	(8,780.82)
Total	**(10.95)**	**(900.25)**	**5.78**	**436.16**
Long term exposure				
Financial assets	-	-	-	-
Financial liabilities	(355.68)	(29,222.85)	(344.10)	(25,986.60)
Total	**(355.68)**	**(29,222.85)**	**(344.10)**	**(25,986.60)**

If the INR had strengthened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2023	31 March 2022
	INR	INR
Net results for the year (loss)/gain	3,012.31	2,555.04
Equity	-	-

If the INR had weakened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2023	31 March 2022
	INR	INR
Net results for the year (loss)/gain	(3,012.31)	(2,555.04)
Equity	-	-

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

EUR conversion rate was ₹83.93 at the beginning of the year and scaled to a high of ₹89.83 and to low of ₹78.21. The closing rate is ₹89.37. Considering the volatility in direction of strengthening EUR upto 10%, the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into EUR at the closing rate, are as follows:

Particulars	31 March 2023		31 March 2022	
	EUR (million)	INR	EUR (million)	INR
Short term exposure				
Financial assets	13.54	1,210.44	17.11	1,435.73
Financial liabilities	(19.08)	(1,705.47)	(14.16)	(1,188.74)
Total	**(5.54)**	**(495.03)**	**2.95**	**246.99**
Long term exposure				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

If the INR had strengthened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	49.50	(24.70)
Equity	-	-

If the INR had weakened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	(49.50)	24.70
Equity	-	-

Interest rate sensitivity

The Group's policy is to minimise interest rate cash flow risk exposures on long-term borrowings. The Group has taken several short term borrowings on fixed rate of interest. Since, there is no interest rate risk associated with such fixed rate loans, an interest rate sensitivity analysis has not been performed.

The Group has outstanding borrowings of USD 398.28 million (2022 - USD 253.28 million) which are linked to LIBOR/Benchmark prime lending rate (BPLR).

In case of LIBOR/Benchmark prime lending rate (BPLR) increases by 25 basis points then such increase shall have the following impact on:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	(81.81)	(47.82)
Equity	-	-

In case of LIBOR/Benchmark prime lending rate (BPLR) decreases by 25 basis points then such decrease shall have the following impact on:

Particulars	31 March 2023 INR	31 March 2022 INR
Net results for the year (loss)/gain	81.81	47.82
Equity	-	-

The bank deposits are placed on fixed rate of interest of approximately 3.50% to 7.15%. As the interest rate does not vary unless such deposits are withdrawn and renewed, sensitivity analysis is not performed.

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

Credit risk analysis

The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised as at the date of the balance sheet is summarised below:

Particulars	As at 31 March 2023	As at 31 March 2022
Cash & cash equivalents	14,430.26	14,105.26
Bank balances other than cash and cash equivalents	266.70	9.89
Trade receivables	40,986.06	31,011.35
Investments	446.50	496.24
Other current financial assets	1,740.09	1,132.29
Other non-current financial assets	398.94	392.02
Total	**58,268.55**	**47,147.05**

Trade receivables are usually due within 60-180 days. Generally and by practice most customers enjoy a credit period of approximately 180 days and are not interest bearing, which is the normal industry practice. All trade receivables are subject to credit risk exposure. However, the Group does not identify specific concentrations of credit risk with regard to trade and other receivables, as the amounts recognised represent a large number of receivables from various customers.

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, credit default swap quotes, credit ratings from international credit rating agencies and historical experience for customers.

Given below is ageing of trade receivables:

Particulars	As at 31 March 2023	As at 31 March 2022
Outstanding for more than 6 months	2,263.81	1,725.76
Others	38,722.25	29,285.59
Total	**40,986.06**	**31,011.35**

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all the above financial assets that are not impaired at each of the reporting dates and are of good credit quality, including those that are past due. None of the Group's financial assets are secured by collateral or other credit enhancements.

In respect of trade and other receivables, the Group's credit risk exposure towards any single counterparty or any groups of counterparties having similar characteristics is considered to be negligible. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk analysis

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly.

The Group maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding in regards to long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Group's liabilities have contractual maturities which are summarised below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current within 1 year	Non-Current 1 to 5 years	Current within 1 year	Non-Current 1 to 5 years
Trade payable	23,918.61	-	22,886.62	-
Financial liabilities	13,501.59	-	5,715.20	-
Short term borrowings	4,955.82	-	10,986.05	-
Long-term borrowings	-	38,521.38	-	25,717.44
Other non-current financial liabilities	-	5,904.72	-	3,515.78
Total	**42,376.02**	**44,426.10**	**39,587.87**	**29,233.22**

For Long term borrowings refer note 14 and for Lease obligations refer note 32 for further details

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

Note 37 - Capital Management Policies and Procedures

The Group objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the Capital structure, the group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell new assets to reduce debt.

Net Debt = total borrowings less cash and cash equivalent. Total 'equity' as shown in the the balance sheet including non-controlling interest

Particulars	31 March 2023	31 March 2022
Total debt	43,477.20	36,703.49
Less: Cash & cash equivalents	14,430.26	14,105.26
Net debt (A)	**29,046.94**	**22,598.23**
Total equity (B)	**98,392.59**	**94,381.20**
Net debt to equity ratio (A/B)	**29.52%**	**23.94%**

Dividends	31 March 2023	31 March 2022
(i) Equity shares		
Final/Interim dividend paid during the year ended (including dividend distributed by Glenmark Lifesciences Ltd.)	1,367.62	926.15

(ii) Dividends not recognised at the end of the reporting period :

In addition to the above dividends, since year end the Board of Directors of the Company have recommended the payment of a final dividend of ₹2.50 (31 March 2022 - ₹2.50) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

Note 38 - Additional information required by Schedule III

Name of the entity in the group	Net assets (total assets minus total liablities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Glenmark Pharmaceuticals Limited	188.70%	1,78,774.63	320.29%	12,087.69	0.41%	6.32	227.70%	12,094.01
Glenmark Pharmaceuticals (Kenya) Limited	0.06%	57.56	-4.10%	(154.81)	0.09%	1.33	-2.89%	(153.48)
Glenmark Pharmaceuticals (Australia) Pty.Ltd.	0.00%	(3.28)	-0.55%	(20.58)	-0.02%	(0.26)	-0.39%	(20.84)
Glenmark Impex L.L.C	4.51%	4,273.48	23.06%	870.13	23.34%	358.86	23.14%	1,228.99
Glenmark Pharmaceuticals Malaysia Sdn Bhd	0.31%	290.24	1.05%	39.48	0.66%	10.11	0.93%	49.59
Glenmark Pharmaceuticals (Nigeria) Ltd	-0.23%	(221.66)	-0.92%	(34.87)	0.00%	(0.02)	-0.66%	(34.89)
Glenmark South Africa (pty) Ltd	0.54%	509.84	0.00%	(0.06)	-3.51%	(53.89)	-1.02%	(53.95)
Glenmark Philippines Inc.	0.37%	350.85	0.92%	34.79	0.23%	3.57	0.72%	38.36
Glenmark Pharmaceuticals FZE	0.62%	589.21	2.40%	90.58	2.76%	42.47	2.50%	133.05
Glenmark Pharmaceuticals Egypt S.A.E.	-0.19%	(182.61)	-4.56%	(172.18)	5.13%	78.80	-1.76%	(93.38)
Glenmark Pharmaceuticals South Africa (pty) Ltd	-0.15%	(145.34)	0.48%	17.94	1.28%	19.68	0.71%	37.62
Viso Farmaceutica S.L.U., SPAIN	0.16%	154.69	0.78%	29.41	0.06%	0.91	0.57%	30.32

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

Name of the entity in the group	Net assets (total assets minus total liablities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Glenmark Therapeutics Inc.	0.90%	850.43	-0.46%	(17.44)	4.52%	69.52	0.98%	52.08
Glenmark Uruguay S.A.	0.86%	816.85	-0.03%	(1.04)	4.27%	65.70	1.22%	64.66
Glenmark Pharmaceuticals Mexico, S.A. DE C.V.	0.96%	910.90	3.15%	118.73	7.42%	113.99	4.38%	232.72
Glenmark Pharmaceuticals Venezuela, C.A	-1.64%	(1,551.70)	0.00%	-	0.00%	-	0.00%	-
Glenmark Pharmaceuticals Peru SAC	0.14%	128.00	-0.07%	(2.80)	0.20%	3.08	0.01%	0.28
Glenmark Farmaceutica Ltda	2.35%	2,222.55	-14.89%	(561.76)	1.94%	29.80	-10.02%	(531.96)
Ichnos Sciences SA	9.42%	8,923.46	-163.06%	(6,154.05)	49.44%	760.02	-101.56%	(5,394.03)
Glenmark Holding S. A.	51.13%	48,436.93	20.26%	764.43	-310.09%	(4,766.88)	-75.36%	(4,002.45)
Glenmark Pharmaceuticals Nordic AB	0.16%	154.74	0.65%	24.37	0.43%	6.65	0.58%	31.02
Glenmark Pharmaceuticals SP z.o.o.	0.07%	66.88	1.22%	46.13	-0.92%	(14.20)	0.60%	31.93
Glenmark Pharmaceuticals SK, S.R.O.	0.18%	168.40	1.82%	68.55	-1.07%	(16.51)	0.98%	52.04
Glenmark Pharmaceuticals S.R.O.	5.20%	4,921.80	8.18%	308.79	23.36%	359.16	12.58%	667.95
Glenmark Pharmaceuticals Colombia SAS	0.19%	178.98	-0.09%	(3.39)	0.00%	-	-0.06%	(3.39)
Glenmark Pharmaceuticals (Thailand) Co. Ltd	-0.01%	(7.33)	0.02%	0.73	-0.03%	(0.43)	0.01%	0.30
Glenmark Dominicana SRL	0.00%	(0.15)	0.00%	-	0.00%	(0.02)	0.00%	(0.02)
Glenmark Pharmaceuticals Inc.	44.49%	42,150.62	-17.54%	(661.83)	178.26%	2,740.30	39.13%	2,078.47
Glenmark Pharmaceuticals Europe Ltd.	1.79%	1,698.18	6.69%	252.53	-0.69%	(10.65)	4.55%	241.88
Glenmark Pharmaceuticals B.V.	0.21%	201.05	1.32%	49.74	-0.61%	(9.41)	0.76%	40.33
Glenmark Arzneimittel Gmbh	1.42%	1,341.13	5.02%	189.52	1.75%	26.94	4.08%	216.46
Glenmark Generics SA	1.50%	1,418.22	-17.09%	(644.81)	16.46%	253.06	-7.38%	(391.75)
Glenmark Pharmaceuticals Distribution S.R.O.	3.10%	2,934.51	7.01%	264.39	11.81%	181.57	8.40%	445.96
Glenmark Specialty SA	2.35%	2,228.44	2.33%	87.77	10.74%	165.07	4.76%	252.84
Glenmark Ukraine LLC	0.16%	154.99	-1.38%	(52.24)	-0.57%	(8.72)	-1.15%	(60.96)
Glenmark Pharmaceuticals Ecuador S.A.	0.12%	110.47	-0.49%	(18.46)	0.45%	6.94	-0.22%	(11.52)
Glenmark Pharmaceuticals Singapore Pte. Ltd.	0.07%	63.68	0.03%	1.26	0.40%	6.14	0.14%	7.40
Glenmark Lifesciences Ltd	22.57%	21,382.07	123.73%	4,669.61	-0.19%	(2.90)	87.86%	4,666.71

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

Name of the entity in the group	Net assets (total assets minus total liablities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Ichnos Sciences Biotherapeutics SA	0.87%	820.51	6.34%	239.15	7.69%	118.19	6.73%	357.34
Ichnos Sciences Inc.	32.77%	31,049.27	-12.88%	(486.03)	17.18%	264.03	-4.18%	(222.00)
Sintesy Pharma S.R.L	0.00%	(1.36)	-0.32%	(12.06)	0.29%	4.43	-0.14%	(7.63)
Glenmark Pharmaceuticals Canada Inc.	0.13%	119.97	-0.05%	(1.83)	0.01%	0.16	-0.03%	(1.67)
Subtotal		**356,340.10**		**11,255.48**		**812.91**		**12,068.39**
Intercompany elimination and consolidation adjustments		(261,600.87)		(7,481.48)		724.36		(6,757.12)
Grand total		**94,739.23**		**3,774.00**		**1,537.27**		**5,311.27**
Minority interest in subsidiary		3,653.36		801.55		(0.72)		800.83

Interests in unconsolidated structured entities

The Group has no interests in unconsolidated structured entities

Note 39 - Reclassification

Certain prior year amounts have been reclassified for consistency with the current year presentation. As a result, certain line items have been amended in the consolidated financial statements. These reclassifications had no effect on the reported results of operations.Comparative figures have been adjusted to conform to the current year's presentation.

Note 40 - Exceptional Items

31 March 2023:

The Company and its US subsidiary (Glenmark Pharmaceuticals Inc., USA) have, subject to final documentation and approval of the Court, after the end of the accounting year, arrived at a settlement with Three Plaintiff Groups collectively representing all of the claims against the Company and Merck in relation to multiple antitrust and consumer protection lawsuits, including a class action, consolidated in the Eastern District of Virginia, U.S. (the "Court") for a total amount of US$ 87.5 million (US Dollar Eighty Seven Point Five million), payable over two financial years. The final settlements will be in accordance with the separate agreements entered into with each of the plaintiff groups and will be subject to the final approval by the Court. The settlements will make clear that the settlements are commercial settlements of civil liabilities and not on the basis of the Company having conceded or admitted any liability, offence, wrongdoing or illegality.

In view of the above and as a prudent measure, the Company has made a provision for the estimated settlement amount of ₹ 8,010.53 (equivalent of US$ 87.5 million and related costs) and charged the same to profit and loss account for the year ended 31 March 2023. Due to the non-recurring nature of the provision, the Company has classified this provision as an exceptional item in the financial statements for the quarter and year ended 31 March 2023. The resultant deferred tax asset of ₹ 2,799.20 has also been recognised. On finalisation of settlement agreements and final approval of the Court, the crystallized liability will be accounted after adjusting the provisions in this respect in the year of final settlement and Court approval.

Exceptional item in the consolidated financial for the year ended 31 March 2023 includes a net gain of ₹351.99 arising from the divestment of select tail brands and sub-brands from the dermatology segment (India and Nepal business), sale of cardiac brand Razel (India and Nepal business), net of trade expenses, trade receivables, inventory write-off, other reimbursable expenses and remediation cost of Monroe manufacturing site (USA) and India manufacturing sites.

31 March 2022:

Exceptional item of ₹2,609.13 for the year ended 31 March 2022 comprises of impairment of certain intangible assets and recall of products and related remediation cost of Monroe manufacturing site (USA).

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

Note 41 - Accounting Ratios

		Numerator	Denominator	FY 2022-23	FY 2021-22	% variance	Reason for variance
a)	Current Ratio	Current Assets	Current Liabilities	1.96	1.77	11%	
(b)	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.44	0.39	14%	
(c)	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.21	0.50	141%	Mainly on account of repayment of borrowings in FY 2021-22
(d)	Return on Equity Ratio	Net profit - preferred dividends	Average shareholder equity	3.92%	12.04%	-67%	Profit of FY 2022-23 has reduced owing to Exceptional item - expenses resulting in lower ROE ratio
(e)	Inventory turnover ratio	Sale of products	Average inventory	4.62	5.09	-9%	
(f)	Trade Receivables turnover ratio	Net sale of products and services	Average trade receivables	3.53	4.29	-18%	
(g)	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	0.54	0.49	10%	
(h)	Net capital turnover ratio	Net sale of products and services	Working Capital	2.64	3.39	-22%	
(i)	Net profit ratio	Net profit	Net sale of products and services	2.97%	8.16%	-64%	Profit of FY 2022-23 has reduced owing to Exceptional item - expenses resulting in lower NP ratio
(j)	Return on Capital employed	Earning before interest and taxes	Capital employed	14.05%	16.80%	-16%	
(k)	Return on investment	Gain on sale of Investment	Average investment X Holding period	-	32.59%	Not applicable	
(l)	Return on investment	Change in fair value of quoted investment (except subsidiary)	Average investment X Holding period	42.73%	-35.71%	228.43%	Change in fair value of quoted investment

(a) Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc.

(b) Debt service = Interest & Lease Payments + Principal Repayments

(c) Average inventory = (Opening inventory balance + Closing inventory balance)/2

(d) Net credit sales = Net credit sales consist of gross credit sales minus sales return

(e) Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance)/2

(f) Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return

(g) Average trade payables = (Opening trade payables balance + Closing trade payables balance)/2

(h) Working capital = Current assets - Current liabilities.

(i) Earning before interest and taxes = Profit before exeptional items and tax + Finance costs - Other Income

(j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

(k) Return on investment = Gain on sale of investment / (Average investment x holding period)

(l) Return on investment = Change in fair value of quoted investment (except subsidiary)/(Average investment x holding period)

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

Note 42 - Other Statutory Information

a) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.

b) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

c) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or/on behalf of the Group (ultimate beneficiaries) or

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

d) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

e) The Group is not declared wilful defaulter by any bank or financials institution or lender during the year.

f) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

g) The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.

h) The Group does not have any transactions with companies which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

i) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

   ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Note 43 - Authorisation of Financial Statements

The consolidated financial statements for the year ended 31 March 2023 were approved by the Board of Directors on 19 May 2023.

As per our report of even date.

For Suresh Surana & Associates LLP

Chartered Accountants

Firm's Registration No.: 121750W / W100010

Vinodkumar Varma

Partner

Membership No. 105545

Place: Mumbai

Date : 19 May 2023

For and on behalf of the Board of Directors

Glenn Saldanha

Chairman & Managing Director

DIN : 00050607

V S Mani

Executive Director &
Global Chief Financial Officer

DIN : 01082878

Place: Mumbai

Date : 19 May 2023

Cherylann Pinto

Executive Director

DIN : 00111844

Harish Kuber

Company Secretary &
Compliance Officer

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