

Glenmark Pharmaceuticals Limited

Statement of unaudited financial results for the quarter ended 30 June, 2019

(Rs. In Millions)

Particulars [Refer notes below]	Standalone (Ind AS)				Consolidated (Ind AS)			
	Quarter ended 30/06/2019 (Unaudited)	Quarter ended 31/03/2019 (Audited)	Quarter ended 30/06/2018 (Unaudited)	Year ended 31/03/2019 (Audited)	Quarter ended 30/06/2019 (Unaudited)	Quarter ended 31/03/2019 (Audited)	Quarter ended 30/06/2018 (Unaudited)	Year ended 31/03/2019 (Audited)
I Revenue from operations								
(a) Net sales	14,552.33	15,307.63	13,606.68	61,311.40	22,836.04	25,260.82	21,293.66	97,050.84
(b) Other operating income	435.60	565.16	451.69	1,737.27	392.75	373.92	362.51	1,603.84
Total revenue from operations	14,987.93	15,872.79	14,058.37	63,048.67	23,228.79	25,634.74	21,656.17	98,654.68
II Other income	685.41	1,683.89	1,655.64	4,756.14	16.69	390.57	1,382.16	2,081.37
III Total income (I + II)	15,673.34	17,556.68	15,714.01	67,804.81	23,245.48	26,025.31	23,038.33	100,736.05
IV Expenses								
(a) Cost of materials consumed	5,193.73	2,548.89	4,084.98	15,858.51	6,086.05	6,144.64	4,951.83	24,447.12
(b) Purchase of stock-in-trade	966.13	476.85	746.72	3,012.95	2,587.00	1,718.19	2,452.52	9,762.98
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(92.84)	3,168.80	440.08	4,718.11	(572.03)	744.39	183.62	(586.68)
(d) Employee benefits expense	2,200.16	2,242.26	2,012.70	9,699.80	4,866.90	4,945.85	4,525.09	20,560.70
(e) Finance costs	680.76	526.08	551.71	2,238.14	930.15	819.11	790.12	3,345.85
(f) Depreciation and amortisation expense	321.65	263.48	273.05	1,062.79	907.31	809.70	793.84	3,259.05
(g) Other expenses	3,634.31	4,748.51	3,598.25	16,484.52	6,841.75	8,440.36	6,074.28	28,612.56
Total expenses (IV)	12,903.90	13,974.87	11,707.49	53,074.82	21,647.13	23,622.24	19,771.30	89,401.58
V Profit/(loss) before exceptional items and tax (III - IV)	2,769.44	3,581.81	4,006.52	14,729.99	1,598.35	2,403.07	3,267.03	11,334.47
VI Exceptional items (Refer note 5)	-	-	-	(3,451.85)	-	-	-	(1,671.82)
VII Profit/(loss) before tax (V - VI)	2,769.44	3,581.81	4,006.52	18,181.84	1,598.35	2,403.07	3,267.03	13,006.29
VIII Tax expense :								
Current tax	604.77	848.44	761.55	3,834.95	959.62	874.25	1,116.28	4,765.42
Deferred tax	(113.76)	(79.51)	(105.20)	(536.14)	(454.08)	(87.80)	(179.15)	(1,009.06)
IX Profit/(loss) for the period from continuing operations (VII - VIII)	2,278.43	2,812.88	3,350.17	14,883.03	1,092.81	1,616.62	2,329.90	9,249.93
X Profit/(loss) before tax from discontinuing operations	-	-	947.07	2,028.34	-	-	-	-
XI Tax expense of discontinuing operations :								
Current tax	-	-	308.53	650.29	-	-	-	-
Deferred tax	-	-	14.80	39.96	-	-	-	-
XII Profit/(loss) for the period from discontinuing operations (X - XI)	-	-	623.74	1,338.09	-	-	-	-
XIII Profit/(loss) for the period for continuing and discontinuing operations (IX + XII)	2,278.43	2,812.88	3,973.91	16,221.12	1,092.81	1,616.62	2,329.90	9,249.93
XIV Other comprehensive income								
A (i) Items that will not be reclassified to profit or loss	18.03	(13.42)	25.10	(54.38)	(38.25)	(274.54)	28.10	(259.39)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(5.57)	4.69	(8.77)	19.00	1.22	38.78	(9.16)	45.80
B (i) Items that will be reclassified to profit or loss	-	-	-	-	412.10	(951.38)	(2,725.02)	(3,710.57)
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	24.99	(300.25)	-	(229.50)
XV Total comprehensive income	2,290.89	2,804.15	3,990.24	16,185.74	1,492.87	129.23	(376.18)	5,096.27
XVI Total comprehensive income attributable to:								
- Non-controlling interests	-	-	-	-	0.28	0.10	(0.04)	0.11
- Owners of the Company	2,290.89	2,804.15	3,990.24	16,185.74	1,492.59	129.13	(376.14)	5,096.16
XVII Other equity	-	-	-	119,138.72	-	-	-	55,769.67
XVIII Earning per share (EPS) (for continuing operations)								
(of Re 1/- each) (not annualised) *								
Basic EPS (in Rupees)	8.07	9.97	11.87	52.75	3.87	5.73	8.26	32.78
Diluted EPS (in Rupees)	8.07	9.97	11.87	52.74	3.87	5.73	8.26	32.78
XIX Earning per share (EPS) (for discontinuing operations)								
(of Re 1/- each) (not annualised) *								
Basic EPS (in Rupees)	-	-	2.21	4.74	-	-	-	-
Diluted EPS (in Rupees)	-	-	2.21	4.74	-	-	-	-
XX Earning per share (EPS) (for continuing and discontinuing operations)								
(of Re 1/- each) (not annualised) *								
Basic EPS (in Rupees)	8.07	9.97	14.08	57.49	3.87	5.73	8.26	32.78
Diluted EPS (in Rupees)	8.07	9.97	14.08	57.49	3.87	5.73	8.26	32.78

* except for the year ended 31 March 2019



Glenmark Pharmaceuticals Ltd.

Glenmark House, B-1 Sawant Marg, Andheri (E), Mumbai - 400 099, India

91 22 4018 9999 : 91 22 4018 9986 CIN No: L24299MH1977PLC019982 W: www.glenmarkpharma.com

Registered office: Mahalaxmi Chambers, 22 Bhulabhai Desai Road, Mumbai 400 026 E: complianceofficer@glenmarkpharma.com

Notes:

- 1 The Financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5 July, 2016.
- 2 The above results were reviewed by the Audit Committee at its meeting held on 12 August, 2019 and approved at the meeting of the Board of Directors held on 13 August, 2019.
- 3 The results for the quarter ended 30 June, 2019 presented were subjected to a "Limited Review" by statutory auditors of the Company who have issued an unmodified report on the said results.
- 4 The figures for the quarter ended 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures upto the third quarter ended 31 December, 2018.
- 5 Exceptional item:
Exceptional items in the standalone (Ind AS) financial results for the year ended 31 March, 2019, primarily comprises of net gain of Rs. 3,451.85 million towards the sale of Orthopaedic and Pain management India business (Ortho India business). Exceptional items in the consolidated financial results (Ind AS) for the year ended 31 March 2019 primarily comprises of the gain of Rs. 3,451.85 million towards the sale of Ortho India business and effect of de-prioritization of certain intangibles aggregating to Rs. 1,780.03 million.
- 6 Effective 1st April, 2019, the Company has adopted Ind AS 116 "Leases" using the modified retrospective method. The Company has applied the standard to the lease contracts existing on 1st April 2019 with the cumulative impact recognised on the date of initial application. Accordingly, previous period information has not been restated. On initial application date, the Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). Also, the Company has elected not to apply the requirements of Ind AS 116 to short-term leases and certain leases for which the underlying asset is of low value. Accordingly, on transition to Ind AS 116, the Company recognised lease liabilities and corresponding equivalent ROU assets. In the statement of profit and loss for the current period, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for imputed interest on lease liability. The adoption of this standard did not have any significant impact on the profit for the period and earnings per share.
- 7 The list of subsidiaries as of 30 June, 2019 is provided in Annexure A.
- 8 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 Company has only one reportable segment, i.e. Pharmaceuticals.
- 9 As at 30 June, 2019, pursuant to Employee Stock Options Scheme 2016, 459,414 options were outstanding, which upon exercise are convertible into equivalent number of equity shares.
- 10 The Company was publishing consolidated financial results as per International Financial Reporting Standards issued by International Accounting Standards Board, as permitted by SEBI circular CIR/CFD/DIL/1/2010 dated 5 April 2010 and also under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on a voluntary basis. The Company has decided to discontinue the aforementioned with effect from 1 April 2019.
- 11 Diluted EPS has been computed considering the effect of conversion of ESOPs.
- 12 Previous period's figures have been re-grouped/re-classified to render them comparable with the figures of the current period.

For and on behalf of the Board of Directors



Glenn Saldanha
Chairman & Managing Director

Mumbai, 13 August, 2019



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Annexure A

List of entities included in the consolidated financial results for the quarter ended 30 June 2019

Sr. No	Name of Entities
1	Glenmark Pharmaceuticals (Europe) R&D Ltd., U.K.
2	Glenmark Pharmaceuticals Europe Ltd., U.K.
3	Glenmark Pharmaceuticals S.R.O.
4	Glenmark Pharmaceuticals SK, S.R.O.
5	Glenmark Pharmaceuticals S. A.
6	Glenmark Holding S.A.
7	Glenmark Pharmaceuticals S.R.L
8	Glenmark Pharmaceuticals SP z.o.o.
9	Glenmark Pharmaceuticals Inc.
10	Glenmark Therapeutics Inc.
11	Glenmark Farmaceutica Ltda
12	Glenmark Generics S.A
13	Glenmark Pharmaceuticals Mexico, S.A. DE C.V.
14	Glenmark Pharmaceuticals Peru SAC
15	Glenmark Pharmaceuticals Colombia SAS, Colombia
16	Glenmark Uruguay S.A.
17	Glenmark Pharmaceuticals Venezuela, C.A
18	Glenmark Dominicana SRL
19	Glenmark Pharmaceuticals Egypt S.A.E.
20	Glenmark Pharmaceuticals FZE
21	Glenmark Impex L.L.C
22	Glenmark Philippines Inc.
23	Glenmark Pharmaceuticals (Nigeria) Ltd
24	Glenmark Pharmaceuticals Malaysia Sdn Bhd
25	Glenmark Pharmaceuticals (Australia) Pty Ltd
26	Glenmark South Africa (pty) Ltd
27	Glenmark Pharmaceuticals South Africa (pty) Ltd
28	Glenmark Pharmaceuticals (Thailand) Co. Ltd
29	Glenmark Pharmaceuticals B.V.
30	Glenmark Arzneimittel Gmbh
31	Glenmark Pharmaceuticals Canada Inc.
32	Glenmark Pharmaceuticals Kenya Ltd
33	Glenmark Therapeutics AG
34	Viso Farmaceutica S.L., Spain
35	Glenmark Specialty SA
36	Glenmark Pharmaceuticals Distribution s.r.o.
37	Glenmark Pharmaceuticals Nordic AB
38	Glenmark Ukraine LLC
39	Glenmark-Pharmaceuticals Ecuador S.A.
40	Glenmark Pharmaceuticals Singapore Pte. Ltd.
41	Glenmark Biotherapeutics SA
42	Ichnos Sciences Inc., USA (w.e.f. 31 May, 2019)
43	Glenmark Life Sciences Limited (Formerly known as Zorg Laboratories Private Limited)

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