



**STRENGTHENING**  
*for* **SUCCESS,**

**INNOVATING**  
*for* **IMPACT**



# Strengthening for Success, Innovating for Impact

At Glenmark, we embody a vision of creating 'A new way for a new world'. Our goal is to democratize healthcare through innovation. Over the years, we have embarked on a journey of strengthening our core business, focusing our endeavors on innovation, and delivering impactful products. Our true measure of success lies in the meaningful differences we make in the lives of patients across the globe.

Our expertise spans our core therapeutic areas of Respiratory, Dermatology, and Oncology, where we have established successful franchises with end-to-end capabilities to meet unmet patient needs. Since our inception, we have been guided by the values of achievement, respect, and knowledge.

Our people have been instrumental in our success. We continue to engage a talented pool of professionals who support our ongoing quest to unlock greater value for patients.

Our dedication to innovation has propelled us up the value chain, transforming us into a leading, research-led, global pharmaceutical Company with a diverse portfolio of advanced drugs.

Through our Ichnos Glenmark Innovation alliance, we are committed to pushing the boundaries of science and creating a meaningful impact in the lives of cancer patients through novel therapies. As we move forward, we anticipate continuous transformation, to stay ahead and set the pace in the industry. We remain focused on our VISION as we progress up the value chain. Our robust, Forward-Looking Strategy encompasses Value Chain Advancement, Innovation, Shareholder Value Creation, Expanding Footprint, Operational Excellence, and Nurturing Sustainability.

Our relentless pursuit of excellence and the potential of scientific achievements enable us to carve a distinct position for Glenmark, ensuring we remain at the forefront of the pharmaceutical industry.



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# About the Report

We are pleased to present Glenmark Pharmaceuticals Limited's (GPL) third Integrated Report for FY 2024, prepared in alignment with the International Integrated Reporting Council's (IIRC) Framework, part of the IFRS Foundation. This report offers a comprehensive overview of our performance across six resource capitals of the <IR> Framework, namely Financial, Manufactured, Intellectual, Human, Social & Relationship and Natural Capital. It delves into GPL's accomplishments, holistic performance assessment, strategic direction, and measures for managing and mitigating risks and its innovative approach to creating long-term value for all our stakeholders. Building upon the foundation laid in our previous Integrated Report for FY 2023, through this year's report we strive to offer comprehensive insights into our financial performance and priorities for value creation.

## Reporting Scope and Boundary

Unless otherwise stated by way of notes in the report, this report is prepared for Glenmark Pharmaceuticals Limited including all its Indian & overseas subsidiaries\* at the group level.

\*We have a divested stake in Glenmark Life Sciences Limited and hence it is not a part of our financial and non-financial numbers.

## Reporting Period

Financial Year beginning in April 2023 and ending in March 2024.

## Reporting Standards and Frameworks

- The content of our Integrated Report adheres to the <IR> framework with the principles and guidelines set forth by the International Integrated Reporting Council's (IIRC).
- We have also prepared this Integrated Report with reference to Global Reporting Initiative (GRI) 2021 standards.
- This report also adheres to the mandatory disclosure requirements of the updated Business Responsibility and Sustainability Reporting (BRSR) mandate of SEBI in FY 2024, it is aligned with the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC) which have been included to enhance the reporting boundaries from the previous Business Responsibility Report (BRR) format.
- We have also drawn reference to the Task Force on Climate-Related Financial Disclosures (TCFD) and United Nations Sustainable Development Goals (UN SDGs); and incorporated some of the requirements of National Voluntary Guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business.

- The financial and statutory information presented in this report, including the Director's Report, Corporate Governance Report, and the Management Discussion, adheres to the Companies Act, 2013, Indian Accounting Standards, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable regulations.

## Restatements of Information

Restatements of information wherever applicable have been clearly stated in the relevant sections followed by an explanation throughout the report.

## External Assurance

Our statutory auditor, Suresh Surana & Associates LLP, has provided assurance on our financial statements, which can be found on pages 276 and 344 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 168 of this report.

## 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, non-financial, operational and sustainability performance of Glenmark Pharmaceuticals Limited for the reporting year FY 2024.

## 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.

## Point of Contact for Queries

For queries, please contact  
[complianceofficer@glenmarkpharma.com](mailto:complianceofficer@glenmarkpharma.com)





# Highlights of FY 2024

## Strong Financial Performance from Continuing Operations

**INR 1,18,131 Mn**

Revenue from operations

**INR 11,953 Mn**

EBITDA

**INR 6,677 Mn**

Net Cash

**INR 2,70,463 Mn\***

Market Capitalization



## Delivering Access to Healthcare

**6**

ANDAs filed with the US FDA

**6**

Innovative assets in clinical development  
(4 in Oncology and 2 in Immunology [Out-licensed])

**1,275+**

Patents granted\*

**3.3 Mn\***

Lives positively impacted



### Demonstrating Environmental Consciousness

#### Silver

Award in Sustainability by EcoVadis for 2023

#### 1,81,759 kL

Wastewater recycled

#### INR 59 Mn

Total capital invested in energy efficiency and conservation in FY 2024

#### B Rating

CDP Climate change and CDP Water Security



### Uplifting our People

#### 14,989

Global employees

#### 14%

Representation of women employees

#### 33%\*

Women on Board

#### 4,90,302 Hours

Total employee training hours

The figures above have been rounded to the nearest decimal.

\*As on 31 March 2024

About Us

# Transforming Healthcare with Impactful Solutions

As a leading, research-led, global pharmaceutical Company, we host a diverse portfolio spanning branded, generics, and OTC segments. Fueled by our relentless pursuit of excellence, we offer specialized and affordable medicines for patients, across our key therapeutic areas like Respiratory, Dermatology and Oncology. This strategic focus not only empowers us to unlock our full potential but also propels us towards new horizons in the dynamic pharmaceutical industry.

Utilizing our extensive research capabilities, we are constantly pushing the boundaries of innovation. Our efforts have not only expanded our presence globally but have also enabled us to tackle unmet medical

needs of the patients and address gaps in treatment paradigms. With 11 top-tier manufacturing facilities, 4 R&D centers, and operations in over 80 countries, supported by a dedicated team of experts, we strive for scientific excellence, consistently advancing pharmaceutical innovation.

At Glenmark, our commitment lies in providing affordable, accessible, and high-quality medicines while adhering to our Environment, Social, and Governance (ESG) commitments, aligning with the UN Sustainable Development Goals (UN SDGs). This approach empowers individuals and communities to lead healthier and happier lives.

## Vision

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



Highlights\*

~60%<sup>#</sup>

Contribution to revenue from branded markets<sup>1</sup>

80+

Countries - Global commercial footprint

95+<sup>#</sup>

Products launched globally

11

Manufacturing sites globally across dosage forms

4

R&D centers covering the entire value chain

USD 300+ Mn

Out-licensing income from NME research till date<sup>2</sup>

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



\*As on 31 March 2024  
<sup>#</sup>Data for FY 2024

<sup>1</sup>Branded includes revenue from India, Rest Of the World (RoW) and part of Europe  
<sup>2</sup>Based on up-front and milestone income received across all NME partnerships, till date



## Milestones

# Our Journey So Far

1970s

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

**1979**  
Forayed into Dermatology therapy with the launch of 'Candid Cream'

1980s

**1980**  
Commenced operations in Russia and CIS

**1983**  
Commissioned first manufacturing unit in Nashik

**1987**  
Entered the Respiratory segment with the launch of Ascoril®, a cough expectorant

1990s

**1999**  
Set up our first Research and Development center at Sinnar

2000s

**2000**  
Went public with a market capitalization of USD 40 Mn on the Indian bourses, NSE & BSE

Set up a second R&D center at Mahape, Navi Mumbai, to focus on Novel Chemical Entities

**2001**  
Commenced production of APIs at the Kurkumbh API manufacturing facility in Maharashtra

**2002**  
Acquired API manufacturing plants at Ankleshwar, Gujarat

**2003**  
Established North American subsidiary, Glenmark Pharmaceuticals, Inc.

2000s

**2004**  
Entered the European market through Glenmark Pharmaceuticals Europe Limited

Signed our first out-licensing agreement for Oglemilast (GRC 3886) with Forest Laboratories for USD 35 Mn (upfront and milestone payments)

**2005**  
Launched front-end commercial sales with first generic product in the U.S.

Set up our first manufacturing facility built to US FDA specifications in Goa, India

Struck our second out-licensing deal for Oglemilast (GRC 3886) with Teijin Pharma, Japan for USD 6 Mn (upfront payment)

**2006**  
Made our debut in the Oncology segment with the launch of Aprecap® (Aprepitant capsules) in India

Established our first R&D Center for New Biological Entities research in Switzerland

Signed our third Out-Licensing deal for Melogliptin with Merck KGaA for USD 31 Mn (total payment)

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

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

2010s

**2010**  
Out-licensed GRC 15300, a first-in-class TRPV3 antagonist, to Sanofi-Aventis for USD 25 Mn (upfront payment)

**2011**  
Out-licensed its our first New Biological Entity, GBR 500, to Sanofi-Aventis for USD 55 Mn (upfront and milestone payments)

2010s

**2012**  
Out-licensed mPEGS-1 Inhibitor to Forest Labs for USD 15 Mn (upfront payment)

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

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

**2015**  
Grew Respiratory portfolio, entered into an agreement with Celon, Poland for generic Seretide Accuhaler in Europe and received approval for our generic version in Russia

**2016**  
Launched differentiated generics, and introduced Ezetimibe, the generic version of Zetia in the U.S.

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

**2019**  
Spun out its API arm, GLS

Created an innovation subsidiary focusing on immuno-Oncology, Ichnos Sciences, Inc. (Ichnos)

2020s

**2020**  
Launched FabiFlu® (Favipiravir) for mild to moderate COVID-19; exported to 24 countries by June 2021

Ichnos out-licensed its IL-1RAP antagonist, ISB 880, to Almirall SA for the for an upfront payment of EUR 20.8 Mn

**2021**  
GLS got listed on the Indian bourses, BSE and NSE

2020s

**2022**  
US FDA approves RYALTRIS®, our first global branded specialty drug for treating symptoms of seasonal allergic rhinitis

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

Continued to expand our Over-The-Counter Portfolio in the U.S. with the acquisition of approved ANDAs from Wockhardt Limited

**2023**  
Partnered asset of Ichnos, in immunology, ISB 880, progressed to Phase 1 studies initiated by our partner Almirall

Became the second Indian pharmaceutical Company to have Green House Gas (GHG) emission reduction targets approved by the SBTi initiative

Announced proposed divestment of majority stake in GLS. Agreed to divest 75% stake in GLS to Nirma Limited

Announced partnership with Cosmo for Winlevi® in Europe and South Africa

Ichnos received 'orphan drug designation' (ODD) from the US FDA for ISB 1442, a first-in-class biparatopic 2+1 BEAT® bispecific antibody and first-in-class Trispecific Antibody, ISB 2001

Ichnos enters into a licensing agreement for OX40 portfolio (ISB 830) with Astra Therapeutics

**2024**  
Became the first to launch a biosimilar of the popular anti-diabetic drug, Liraglutide, in India

Announced the partnership with Jiangsu Alphamab Biopharmaceuticals and 3D Medicines for KN035 (Envafolimab) for multiple geographies around the world

Glenmark and Ichnos announce 'Ichnos Glenmark Innovation' (IGI) alliance to accelerate new drug discovery in cancer treatment

Partnered with Pfizer to launch Abrocitinib in India under the brand name JABRYUS®

Completed divestment of our 75% stake in GLS to Nirma Limited

Entered into an agreement with BeiGene for Marketing and Distribution of Tislelizumab and Zanubrutinib in India

**Geographic Presence**

# Expanding Our Horizons



## Formulation Facilities

- ✓ Goa
- ✓ Baddi
- ✓ Indore
- ✓ Nalagarh
- ✓ Sikkim
- ✓ Nashik
- ✓ Nashik (GHL)
- ✓ Chhatrapati Sambhaji Nagar
- ✓ Monroe
- ✓ Vysoke Myto
- ✓ Pilar



## R&D Centers

- Sinnar
- Mahape
- Taloja
- Lausanne



## IGI Facility

- La Chaux-de-Fonds



## US FDA Approved



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

## FY 2024 Revenue Distribution





Corporate Overview

Statutory Reports

Financial Statements

**4\***

Continents

**80+**

Countries

**50+**

Offices

**11**

State-of the art manufacturing facilities

**4**

Manufacturing facilities approved by US FDA

**4**

R&D Centres

**71%**

Revenue contribution from international markets

**60**

Nationalities represented by our employees

\*State-of-the-art Manufacturing Facilities

## 5 Year Performance Score Card

# Fueling Progress with Stable Financial Growth

Consolidated Financial Highlights	FY 2024**	FY 2023*	FY 2022	FY 2021	FY 2020
<b>Operating Performance (in INR Mn)</b>					
Total Income	1,26,531	1,18,721	1,24,716	1,09,941	1,08,006
Revenue from Operations	1,18,131	1,15,832	1,23,049	1,09,439	1,06,410
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)	11,953	16,350	23,203	20,844	16,981
Profit/(loss) before exceptional items and tax	9,375	10,057	17,022	13,379	10,632
Exceptional items	9,010	7,659	2,609	(445)	(329)
Profit Before Tax	365	2,398	14,412	13,825	10,961
Profit for the year	(18,308)	(896)	9,936	9,701	7,760
<b>Financial Position (in INR Mn)</b>					
Equity Share Capital	282	282	282	282	282
Reserves and Surplus	78,197	94,457	90,584	70,364	60,423
Net Worth	78,475	98,393	94,381	70,643	60,701
Net Debt (Cash)	(6,677)	31,885	22,598	35,493	37,584
Net PPE & Intangible Assets	46,056	63,212	65,880	61,873	59,021
Total Assets	1,43,586	1,93,717	1,70,833	1,56,036	1,46,848
<b>Key Indicators</b>					
Dividend (INR)	2.50	2.50	2.50	2.50	2.50
Basic Earnings Per Share (INR)	(67.30)	(6.01)	33.37	34.38	27.50

\*Restated information

\*\*Continued operations

The profit and loss statement for the period ended FY 2024 represents continuing operations of the business and FY 2023 have been recasted to reflect the same in accordance with the requirements of Ind-AS 105 "Asset Held for Sale and Discontinued Operations" consequent to the successful divestment of a majority stake in Glenmark Life Sciences. Hence, they are not comparable with prior years.

^EBITDA = Profit before tax + Finance Cost + Depreciation – Other Income.

^^Net Worth = Equity + Reserves + Non-controlling interest.

The figures above have been rounded to the nearest decimal.

**Read more in the financial statements on Page 286 and 354**



**Innovation Pipeline**

# Transforming Healthcare Through Innovation and Excellence

Our innovation pipeline serves as a strategic roadmap, guiding the journey from research breakthroughs to market-ready products. It underscores our commitment to scientific excellence, regulatory rigor, and addressing unmet medical needs, while

fostering sustainable growth simultaneously. By integrating innovation into our core strategy, we navigate challenges, seize opportunities, and deliver transformative healthcare solutions globally.

## Oncology Pipeline

The Company's pipeline houses an exciting platform of novel biologics and small molecules targeting the spectrum of hematological cancers and solid tumors.

Molecule Mechanism / Class	Description	Indication	Pre-Clinical	Phase 1	Phase 2	Phase 3
ISB 2001*	(BCMA x CD38 x CD3) TREAT™ trispecific antibody	Relapsed / Refractory Multiple Myeloma				
ISB 1442**	(CD38 x CD47) BEAT® biparatopic bispecific antibody	Relapsed / Refractory Multiple Myeloma Acute Myeloid Leukemia				
GRC 65327	Cbl-b Inhibitor	Solid Tumors				

ISB 1342\* – Phase 1 clinical study is currently suspended; future strategy is to out-license the asset and allow a potential partner to continue further development.

\*\*Orphan drug

## Autoimmune Disease Pipeline

The autoimmune disease assets were out licensed to enable greater focus on Oncology.

Molecule Mechanism / Class	Description	Indication	Alliance Partner	Pre-Clinical	Phase 1	Phase 2	Phase 3
ISB 880 (ALM 27134)	IL-1TRAP Antagonist Monoclonal Antibody	Autoimmune Diseases	Almirall S.A.				
ISB 830 <sup>1</sup>	Telazorlimab OX40 Antagonist Antibody	Atopic Dermatitis	Astria Therapeutics, Inc.				

<sup>1</sup>A U.S. IND for Rheumatoid Arthritis and other autoimmune indications is active.

BEAT®: Bispecific Engagement by Antibodies based on the T cell receptor  
TREAT™: Trispecific Engagement by Antibodies based on the T cell receptor

Message from the Chairman and Managing Director's Desk

# Building for Tomorrow: Glenmark's Path to Success



“

**FY 2024 marked a pivotal year of transformation for Glenmark, anchored by strategic and financial initiatives, aimed at a sustainable business model focused on growth and profitability. A significant milestone was the successful divestment of a majority stake in Glenmark Life Sciences, significantly strengthening our financial position and resulting in a robust net cash-positive outcome.**

”

Dear Stakeholders,

I am pleased to present to you our third Integrated Annual Report, detailing Glenmark's transformative journey through FY 2024 – a year defined by resilience and strategic growth amidst global challenges. Our message, “Strengthening for Success, Innovating for Impact” encapsulates our commitment to sustainable growth, operational excellence and ground-breaking innovation.

The fiscal year unfolded amidst challenging macroeconomic conditions, marked by geo-political uncertainty and persistent inflationary pressures. Despite these hurdles, the global pharmaceutical sector continued to thrive. This is evidenced by the industry's decisive performance, in the past financial year.

## Financial and Business Performance Highlights

FY 2024 marked a pivotal year of transformation for Glenmark, anchored by strategic and financial initiatives, aimed at a sustainable business model focused on growth and profitability. A significant milestone was the successful divestment of a majority stake in Glenmark Life Sciences, significantly strengthening our financial position and resulting in a robust net cash-positive outcome. This strategic move not only bolstered liquidity but also sharpened our focus on core operations.

Amidst the complexities of the global market, our branded markets in Europe and other international regions emerged as pillars of growth. They demonstrated robust expansion, effectively balancing

the challenges encountered in the U.S. market. Our proactive strategies in these regions revitalized our growth momentum and underscored our resilience in adapting to varying market dynamics.

Notably, Europe saw a remarkable growth of **33.7%** ↑

while the RoW grew by **16.1%** ↑

underscoring our strategic investments and market penetration efforts in these regions.

In FY 2024, Glenmark achieved a revenue of INR 1,18,131 Mn, marking a 2% year-on-year growth trajectory. This achievement reflects our strategic agility and strong market positioning, despite the one-time impact on sales due to changes in our distribution model in India during Q3 FY 2024.

Investments in R&D totalled INR 10,830 Mn, constituting 9.2% of our sales (INR 12,258 Mn including capEx and discontinued operations) as compared to the INR 11,342 Mn (INR 12,500 Mn including capEx and discontinued operations). This underscores our commitment towards profitable growth and ROI-focused investments in therapeutic innovations addressing global healthcare needs.



**Overall, FY 2024 exemplifies Glenmark's strategic foresight and operational excellence, positioning us strongly for sustained growth in the competitive pharmaceutical landscape.**”

### Commitment to Excellence

Building on our 47-year legacy, Glenmark continues to set the standard in the pharmaceutical industry, driven by our steadfast commitment to innovation and excellence. Our dedication to focus on key therapeutic areas such as Respiratory, Dermatology and Oncology has resulted in significant advancements, reinforced by strategic partnerships and groundbreaking product launches that redefine patient care and treatment outcomes.

### Market Leadership and Strategic Milestones

Our emphasis on branded markets is yielding impressive results. Branded markets constitute approximately 60% of our overall sales, up from 55% in FY 2019. With a strategic goal to increase this contribution to around 70% over the next five years, Glenmark is committed to enhancing the availability and affordability of high-quality medicines globally.

India remains our largest market, contributing 29% to our global revenues. Glenmark maintains formidable positions in Dermatology (2<sup>nd</sup>), Respiratory (3<sup>rd</sup>), and Cardiac (5<sup>th</sup>) segments, supported by strong brand equity and strategic market positioning.

\*As per IQVIA MAT March 2024

Glenmark ranks

**2<sup>nd</sup> in Dermatology**

**3<sup>rd</sup> in Respiratory**

**5<sup>th</sup> in Cardiac**

in the Indian Pharmaceutical Market (IPM)

Internationally, our RoW markets, which are primarily branded, recorded a robust growth of 16.1%. We maintain a strong foothold in high-potential markets across Latin America, Asia-Pacific, Russia, CIS and the MEA regions. Strengthening our positions in key markets like Russia, Brazil, Mexico, Kenya, South Africa and Saudi Arabia reaffirms our commitment to sustained global growth and expanding access to medicines, to patients globally.

Our flagship product, RYALTRIS<sup>®</sup> has gained significant traction worldwide, expanding into new markets and reinforcing Glenmark's reputation as a pioneer in therapeutic innovation. Strategic alliances, including our exclusive partnerships with BeiGene and Alphamab in Oncology and Cosmo and Pfizer in Dermatology exemplify our dedication to broadening patient access to transformative treatments.

Our European business has achieved remarkable growth, expanding by 50% over the past two years to become our fastest-growing region. This growth, driven by significant expansions in key markets such as the UK, Germany, Spain, and Central and Eastern European markets such as Poland, Czech Republic and Slovakia underscores our strategic priorities. Collaborative efforts in France are further enhancing our market presence, while initiatives aimed at increasing our branded business share and launching new products like Winlevi<sup>®</sup> for Acne treatment are reinforcing our Dermatology franchise.

Glenmark's presence in over 80 countries positions us as a leading force in the global pharmaceutical landscape, dedicated to delivering value to patients, healthcare providers, and stakeholders worldwide.

The past year also tested our resilience, particularly in the challenging U.S. market environment. Focus on organizational quality management, operational excellence and pipeline of complex Respiratory and injectable products will help us mitigate the short-term challenges and bring our U.S. business back on the growth track in the medium term.

### Innovation Pipeline

Harnessing the combined expertise of Ichnos and Glenmark, Ichnos Glenmark Innovation (IGI) stands at the forefront of driving pharmaceutical innovation. Our successful out-licensing of ISB 830 to Astria Therapeutics in FY 2024 serves as a testament to our global capabilities and strategic foresight in expanding market reach.

Our focused approach towards developing biologics (NBEs) and small molecules (NCEs) in the area of

Oncology positions us at the forefront of therapeutic innovation. These efforts place us at the cutting edge of medical breakthroughs, aimed at addressing unmet medical needs and improving patient outcomes.

Strategic milestones anticipated in FY 2025 include achieving clinical Proof of Concept for ISB 1442 and/or ISB 2001, marking significant advancements in patient care and therapeutic efficacy. These milestones would not only validate our research and development efforts but also reinforce our leadership in driving innovation within the pharmaceutical industry. IGI's strategic roadmap outlines clear objectives for the upcoming fiscal years.

“

**By consolidating our expertise in NBEs and NCEs, we are poised to solidify our position as a premier innovator in the area of Oncology bringing novel treatment options aimed at unmet medical needs.**”

### Employee Engagement and Corporate Culture

Our workforce is integral to our success. At Glenmark, we are deeply committed to cultivating talent, promoting gender diversity, and fostering a cohesive global workplace culture that encourages innovation and excellence at every level.

We prioritize creating an inclusive environment where every individual feels empowered to contribute their best. This commitment is reflected in our robust talent development programs, which aim to nurture skills and leadership qualities across all levels of the organization.

Central to our corporate culture is a relentless pursuit of excellence. We foster a collaborative environment that encourages employees to think creatively, take initiative, and continuously improve. This ethos not only enhances our ability to innovate but also strengthens our competitive edge in the dynamic pharmaceutical industry.

### Responsibility Towards the Planet and Society

Glenmark is committed to sustainability, aiming to become water-neutral by 2025, achieve zero waste to landfill by 2027, and attain carbon neutrality by 2030.

Initiatives like Project Kavach for maternal and child health, and Project Jal Kavach for water conservation, address critical environmental and social challenges, positively impacting the lives of the communities we serve. Through our CSR initiatives, we have significantly impacted more than 3 Mn lives over the past decade.

We are dedicated to improving child health and reducing infant and child mortality with our vision

'Healthier Children for a Healthier World'. We promoted child health and nutrition awareness nationwide through the Glenmark Nutrition Awards. This year was a proud moment for us as we wrapped up the 'Impact@45', our longest and biggest employee volunteering program that kicked off last year to commemorate our forty-fifth anniversary.

### Moving up the Value Chain

Glenmark is making significant strides in its branded segments - Respiratory, Dermatology and Oncology. In the Respiratory segment, Glenmark is ranked 3<sup>rd</sup> in India and 2<sup>nd</sup> in Russia expectorants markets respectively. Our specialty product, RYALTRIS<sup>®</sup> is launched in 34 global markets. In Dermatology, partnerships like JABRYUS<sup>®</sup> (Abrocitinib) with Pfizer and expansions with WINLEVI<sup>®</sup> in Europe and South Africa illustrate our growth trajectory. Our innovative Oncology pipeline includes Envafohimab for India and RoW markets, alongside Tislelizumab and Zanubrutinib for the Indian market.

Our first global branded specialty product RYALTRIS<sup>®</sup> has shown robust revenue growth and expanded market share across the markets where it has been launched.

“

**Looking ahead, Glenmark aims to maintain leadership in Dermatology, significantly expand the presence in Respiratory segment, and strengthen the Oncology segment globally through in-house pipeline, strategic partnerships and innovative assets.**”

In the generics business, our focus remains on launching complex products and developing a high-complexity, low-competition pipeline emphasizing on quality and sustainable growth.

To mitigate risks in a volatile global environment, we have adopted strategic de-risking measures. Our capital allocation strategy prioritizes maximizing Return on Capital Employed (ROCE), while minimizing risk exposure. We have actively reduced debt to counter escalating interest rates and to maintain financial stability. Furthermore, significant strides have been made towards operational efficiency enhancements, which are anticipated to improve core EBITDA margins.

In conclusion, I extend my heartfelt gratitude to our stakeholders. Together, we will continue to innovate, excel, and make a meaningful difference in global healthcare.

Regards,

**Glenn Saldanha**

**Forward-Looking Strategy**

# Transforming Ambitions into Reality

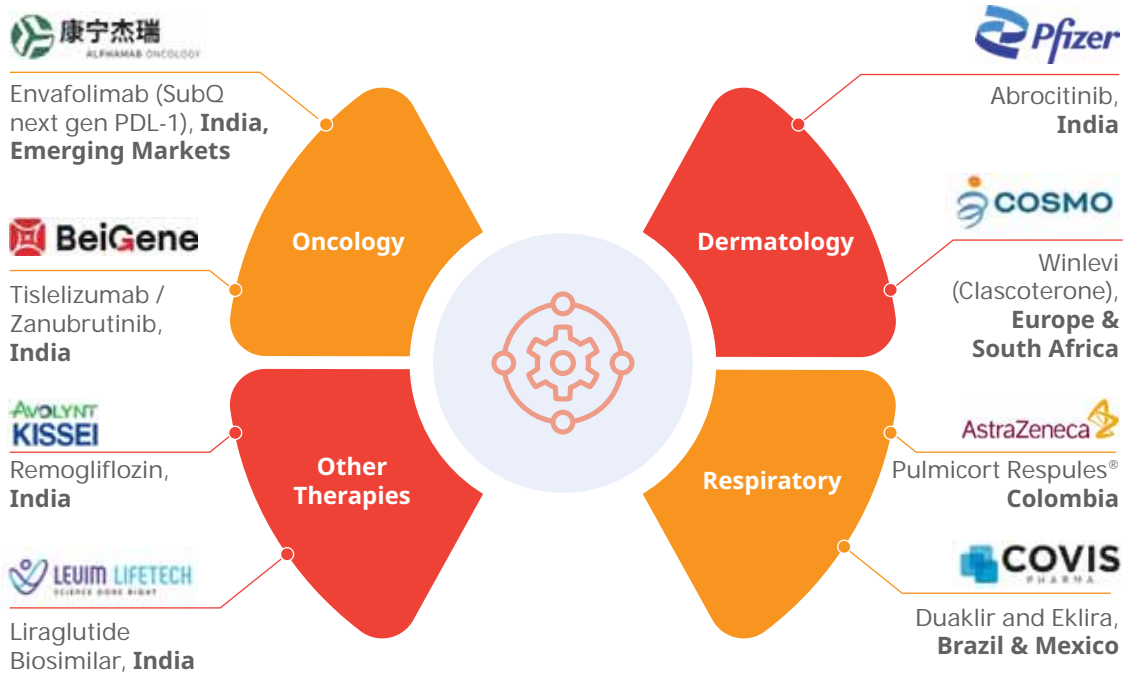
At the core of our strategy lies a relentless pursuit to excellence and innovation. Our commitment to advancing the boundaries of care drives every facet of our operations, from cutting-edge research to expansion in global market. As we navigate a rapidly

evolving industry landscape, our focus remains resolute: to harness our strategic priorities to not only meet but also exceed the expectations of our stakeholders. With a clear vision and strategic intent, we are poised to redefine the future of global healthcare.

**Our Vision:** To emerge as a leading, research-led global pharmaceutical Company.



## Strategic Partnerships and Product Collaborations





## Our Focus Areas Propelling Business Growth



### 1 Value Chain Advancement

We are charting a transformative course up the value chain, focusing on complex generics and innovative products across key therapeutic areas including Respiratory, Dermatology and Oncology.

#### Respiratory Segment: Establishing Global Presence

- The global launch of RYALTRIS® marks a significant milestone in our innovative journey, showcasing our capability to introduce complex products.
- We plan to scale-up RYALTRIS® to a global brand with launches in 15-20 new markets in FY 2025 and drive further market share growth.
- Expansion in India and other emerging markets will see multiple new launches in the chronic sub-segment.
- Over the next 12-18 months, we will introduce four additional Respiratory products in Europe.
- Our U.S. generics market pipeline includes filing additional strengths of gFlovent pMDI and advancing more device-based products, bolstered by strong pipeline of nasal sprays and MDI products.

#### Dermatology Segment: Scaling up the Branded Dermatology Business

- Under the branded Dermatology segment, we aim to maintain our leadership position in key markets, including India and key emerging markets.
- We plan to expand our presence in branded Dermatology segment in Europe and South Africa with launch of Winlevi® (Clascoterone Cream 1%).
- We are scaling-up our novel launch, JABRYUS® (Abrocitinib), a first-of-its-kind advanced oral systemic treatment for moderate-to-severe Atopic Dermatitis (AD), in India.
- We continue to explore new product launches across various markets.
- We are also looking to accelerate the growth in our OTC/DTC business, particularly in India.

#### Oncology Segment: Building Niche Presence via In-House and In-Licensed Pipeline

- We are set to develop and prepare for the launch of Envafolelimab in emerging markets, including India. This marks a pivotal advancement in expanding access to innovative cancer treatments in emerging markets.
- We will introduce and scale-up Tislelizumab and Zanubrutinib in India.
- We continue to broaden our generic product portfolio in Oncology injectables.



### 2 Investing in Innovation

We are optimizing investments in IGI meticulously to achieve transformative milestones.

- We continue to develop select innovative assets in the IGI pipeline which are focused on hematological cancers and solid tumors - ISB 2001, ISB 1442 and GRC 65327.
- Focus on taking ISB 2001 and ISB 1442 to clinical proof-of-concept in the near term.
- Leverage partnerships to drive long-term clinical development and potential commercialization of the pipeline within the next 3-4 years.
- Clear focus on optimizing the investments in IGI so that total R&D spend (including generic R&D) is maintained between 7-7.5% of sales.



### 3 Shareholder Value Creation

We are intensifying our efforts to generate free cash flow and improve shareholder value creation.

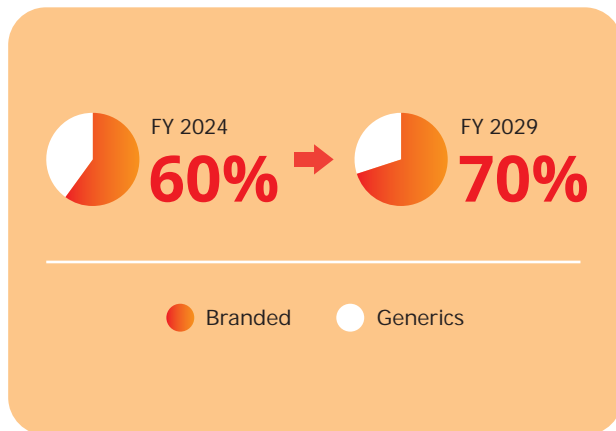
- Boosting revenue and profitability while managing capital expenditures (both tangible and intangible) and R&D expenses with precision.
- Capital expenditure projections shows a decline from INR 12,372 Mn in FY 2019 to INR 7,000 Mn target in FY 2025; we aim to sustain at this level.
- We will ensure a net cash-positive position post capital expenditures, dividends, strategic acquisitions.
- We are targeting minimum 15-20% payout ratio through dividends and/or share buybacks from FY 2026 onwards.



## 4 Increasing Footprint

We are amplifying our presence in global branded markets.

- Our pipeline across key therapeutic areas is poised for commercialization in rapidly growing branded markets.
- We aim to launch differentiated products in core therapeutic areas to expand market share and establish strong regional brands across various markets.
- We are focusing on complex, differentiated portfolio to maximize margins, augmented by strategic in-licensing and broadening our generic and branded product offerings to pursue growth opportunities in high-potential markets.
- Our global branded business is expected to grow at a much faster rate, compared to the generics / tender markets
- We aim to increase the revenue from branded markets to ~70% by FY 2029 (up from ~60% as of FY 2024).



## 5 Operational Excellence

We are dedicated to achieving operational excellence and enhancing efficiency.

- We aim to enhance operational efficiency across the value chain, from procurement to global distribution.
- We aim to optimize processes to manage rising input costs and maintain competitive margins.
- We aim to uphold best-in-class manufacturing practices across all facilities.
- We aim to incorporate advanced filtration, drying techniques, and batch size optimization.
- We aim to prioritize green chemistry, solvent recovery, and waste reduction, and sustainable practices.
- We aim to reduce environmental impact through solvent recovery, waste reduction and adopt sustainable practices.
- We aim to ensure reliable supply chains and consistent quality through backward integration.
- We aim to embrace cutting-edge technologies to boost operational efficiency.

## 6 Nurturing Sustainability

We are committed to advancing Environment, Health, and Safety (EHS) initiatives across our global operations. Our EHS policy not only aims to meet but also to exceed established EHS standards, ensuring compliance with all statutory requirements. We have implemented various initiatives aimed at improving resource efficiency, reducing reliance on non-renewable energy sources, and reducing greenhouse gas emissions from our operations. Additionally, we actively guide and encourage our contractors and suppliers to integrate EHS best practices into their operations.

### Our Goals include:

- Reducing absolute Scope 1 and 2 greenhouse gas emissions by 35% by the end of FY 2035.
- Lowering the intensity of Scope 3 greenhouse gas emissions (per ton of product) by 28% by 2035. This includes emissions from purchased goods and services, fuel and energy-related activities, downstream transportation and distribution, and investments.

### Environmental Commitment Roadmap:

- Achieve carbon neutrality by 2030
- Attain zero waste to landfill by 2027
- Ensure water neutrality by 2025

Additionally, we are committed to the well-being of our stakeholders and have implemented various initiatives to support our employees and the wider community.

## Board of Directors

## Leading with Expertise and Vision

**Mr. Glenn Saldanha**

Chairman &amp; 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 USD 1.5 Bn. Mr. Saldanha envisions discovering, developing and introducing India's first innovative drug for the world. Under his leadership, Glenmark evolved from an Indian-branded generics business into a research-driven and innovation-led global organization.

**Mr. V. S. Mani**

Executive Director &amp; 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 Chief Financial Officer at Cipla.

**Mrs. Cherylann Pinto**

Executive Director – Corporate Services



Mrs. Pinto has been 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 which comprises 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.

**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 was 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.

**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.

**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.



**Mrs. Vijayalakshmi Iyer**

Non-Executive Independent Director

● ● M

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 a diverse range of banking and financial services. She also served as a 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

● C ● M

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 prior to that, he 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.

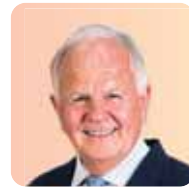
**Expressing our Sincere Gratitude**



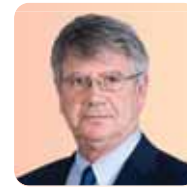
**Mr. D. R. Mehta**



**Mr. Sridhar Gorthi**



**Dr. Brian W. Tempest**



**Mr. Bernard Munos**

As we conclude another successful year, we wish to acknowledge the invaluable contributions of four esteemed directors who have retired at the end of the day on 31 March 2024 due to completion of 2 terms of 5 years as Independent directors.

We extend our deepest appreciation to Mr. D. R. Mehta, Mr. Sridhar Gorthi, Dr. Brian W. Tempest, and Mr. Bernard Munos, whose relentless commitment and exceptional leadership have been instrumental in shaping the success and growth of our organization. We wish them all the best in their future endeavors.



**Our Offerings**

# Dedicated to Offering Specialized, New Treatment Options to the Patients

**Dosage Forms**



**Complex Injectables  
and Biologics**



**Oral Solids**



**Liquids**



**Topical  
Products**



**Respiratory  
MDI<sup>1</sup>/DPI<sup>2</sup>/Nasal  
Sprays**

<sup>1</sup>Metered Dose Inhaler  
<sup>2</sup>Dry Powder Inhaler



**Key Market Highlights<sup>#</sup>**

**India\***

**Ranked 2<sup>nd</sup>**

in the Dermatology therapy area

**Ranked 3<sup>rd</sup>**

in the Respiratory therapy area

**Ranked 5<sup>th</sup>**

in the Cardiac therapy area

**9 Brands**

are part of IPM Top 300

**15 Brands**

have crossed 500 Mn

**27 Products Launched<sup>#</sup>**

**North America\***

**13 Products**

Launched and 6 ANDAs filed

**Ranked 13<sup>th</sup>**

in terms of volume (units)

**Ranked 15<sup>th</sup>**

in terms of total prescriptions in the U.S.

**193 Products**

authorized for distribution<sup>1</sup> and 132 products actively marketed<sup>2</sup>

Ranked<sup>3</sup> in the **Top 3**

for 71% of our portfolio

**Europe<sup>#</sup>**

Glenmark Europe covers

**5 out of 6**

major markets directly

**Fastest**

growing market for Glenmark\*

**24 Products Launched<sup>#</sup>**

**RoW\***

**2<sup>nd</sup> Largest**

Indian Company in Russia

**2<sup>nd</sup>**

in the Russian expectorant market and

**9<sup>th</sup>**

in the Russian Dermatology market

One of the **Top 10**

Companies in the Respiratory covered market of Brazil and Mexico

**3<sup>rd</sup> Largest**

Company and

**1<sup>st</sup>**

in covered market in Kenya

Leadership position in Dermatology &

**1<sup>st</sup>**

in the covered market in APAC region

**35**

**Products Launched**

<sup>1</sup>All marketed products and any products authorized for distribution where Glenmark is the ANDA holder

<sup>2</sup>Excluding products manufactured at our Baddi plant

<sup>3</sup>Ranking based on market share using Extended Units for Preciseness; National Sales Perspective – March 2024

<sup>#</sup>For FY 2024

<sup>\*</sup>IQVIA MAT March 2024

# Respiratory



Our Company's steadfast commitment to addressing the rising incidence of Respiratory Ailments underscores our leadership in the Respiratory segment. From managing simple conditions like cough to chronic diseases such as Allergic Rhinitis, Asthma and COPD (Chronic Obstructive Pulmonary Disease), our Respiratory portfolio aims to meet unmet patient needs globally.

## **FY 2024 Milestones and Global Expansion**

In FY 2024, we bolstered our global Respiratory portfolio with the introduction of several specialized medications. Notably, RYALTRIS® has gained significant momentum, consolidating our position at the forefront of Respiratory care.

## Market Updates and New Product Launches

### India

Our Company continues to lead the Respiratory segment in the IPM, securing the No. 3 position, overall. Our growth trajectory has outpaced industry averages, driven by robust performances from key brands such as Airz™, Nebzmart®, Vilor-F™, Ascoril® and Alex®.

We have strengthened our foothold as the second-largest player in the nebulization market, climbing three ranks this year. The other notable successes include Nindanib's leadership in the Nintedanib market and Vilor-F™'s dominance in the Laba+ICS segment.

Our commitment to innovation is evident through recent launches in India, including:

- Vilor-F™ pMDI [Vilanterol 12.5mcg + Fluticasone Furoate 50mcg and Vilanterol 12.5mcg + Fluticasone Furoate 100mcg] is designed for Asthma and COPD management, ensuring precise medication delivery and improved lung function

- Indactiv®-G [Glycopyrronium (50mcg) + Indacaterol (150mcg) + Mometasone (160mcg)] treating COPD symptoms with improved airflow and reduced inflammation. It addresses Respiratory conditions by enhancing breathing comfort through anti-inflammatory action
- Alex®-BL [Dextromethorphan Hydrobromide 10mg + Bilastine 3.3mg + Phenylephrine 5mg] provides relief from cough and cold symptoms, addressing Respiratory allergies, alleviating symptoms like sneezing and congestion to enhance overall Respiratory health

These launches underline our commitment to providing comprehensive Respiratory care solutions in India.

ASCORIL®-LS, ALEX®, ASCORIL® + and ASCORIL®-D + amongst the TOP 300 brands in Indian Pharma Market (IPM) as of IQVIA MAT March 2024.

**ASCORIL®-LS, ALEX®, ASCORIL® + and  
ASCORIL®-D + amongst the  
TOP 300 brands  
in Indian Pharma Market (IPM) as of  
IQVIA MAT March 2024**



Indactiv®-G



Vilor-F™



Alex®-BL

## North America

In the U.S., we have expanded our portfolio with strategic in-licensed products and filed two ANDAs for generic nasal sprays. We filed ANDA for gFlovent 44mcg pMDI in May 2024 and continue to focus on broadening our Respiratory offerings. We introduced Levocetirizine Dihydrochloride for treating Respiratory allergies, providing effective relief for Allergic Rhinitis symptoms. In partnership with Hikma, our commercial collaborator in the USA, RYALTRIS® has experienced robust growth in both new and repeat prescriptions, particularly during the allergy season nationwide.



Levocetirizine

Filed  
**2 ANDAs**  
 for generic nasal sprays in  
 FY 2024 in the U.S.

## Europe

In the EU, we introduced Pirfenidone film-coated tablets in Germany for Idiopathic Pulmonary Fibrosis (IPF), augmenting our Respiratory portfolio with high-quality, regulatory-compliant treatments. Key brands like RYALTRIS® and SALMEX® / ASTHMEX® continue to maintain robust market shares, and we have filed four Respiratory products, which are awaiting approval.

**4** Device based products  
 commercialized across  
 Europe as of FY 2024



Pirfenidone





**RoW**

**Russia**

Across Russia, we maintain a robust position among the Top-3 players in the commercial Respiratory expectorants market. ASCORIL® LS remains a popular choice, addressing productive cough effectively. We also expanded our OTC portfolio in Russia through introduction of Fenismart® Oral Drops and Phelisans® Ear Drops. It ranks No. 2 in dimetindene gel market with its Fenismart® Gel, based on IQVIA MAT March 2024 data.

**Glenmark ranks 2<sup>nd</sup> in the Russian Expectorants market**



Ascorigl™ LS



Phelisans® Ear Drops



Fenismart® Oral Drops



Fenismart® Gel

**Latin America (LatAm)**

In Brazil, we maintained the top position in the chronic Respiratory segment and launched the first generic Salmeterol + Fluticasone MDI. Additional launches include Infasurf, a lung surfactant in Colombia, to help premature infants breathe easier. In Mexico, Dirnelid AZ®, a combination of Mometasone and Azelastine, has made a significant impact since its launch for treating Allergic Rhinitis symptoms in patients aged 12 and above. In FY 2024, Dirnelid AZ® secured the top position in the combination market and ranked second in the overall nasal rhinitis market.

**Dirnelid AZ® secured the 1<sup>st</sup> position in the combination market and ranked 2<sup>nd</sup> in the overall nasal Rhinitis market**



Salmeterol + Fluticasone MDI



Dirnelid AZ®

**Asia-Pacific (APAC)**

In APAC, our offerings such as Glencet® M and QuazziISO® in Malaysia, and Pecof Dry® (Levodropropizine) syrup in the Philippines cater to local needs for Allergic Rhinitis and cough relief, emphasizing our commitment to advancing Respiratory health globally through innovative products and strategic market expansion.

We continue to drive innovation in Respiratory care globally, with a robust portfolio and strategic expansions reinforcing our commitment to patient-centric healthcare solutions.



Glencet®M



QuazziISO®

# About RYALTRIS®

# Ryaltris®

RYALTRIS®, a nasal spray with a fixed-dose combination of Mometasone Furoate (25 mcg), a steroid, and Olopatadine Hydrochloride (665 mcg), an anti-histamine, 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.

During FY 2024, significant developments for RYALTRIS® included preparations for its launch in new markets and the management of existing partnerships.



## RYALTRIS® Partnerships in Key Markets



**United States**  
Hikma  
Pharmaceuticals PLC.



**South Korea**  
Yuhan  
Corporation



**China**  
Grand Pharmaceutical  
(China) Co. Ltd.



**Canada**  
Bausch Health,  
Canada



**Europe**  
Menarini Group



**Australia**  
Seqirus Pty Ltd.

## RYALTRIS® Global Expansion

RYALTRIS® has expanded its presence in 34 markets in FY 2024, with launches in Canada, Saudi Arabia, Slovakia, Kenya, Zambia, Kazakhstan, and Qatar increasing its availability and accessibility to more patients globally.



Launched in  
**7 Markets**  
Globally in FY 2024



Marketing applications in  
**80+**  
Countries



Presence across  
**34 Markets**



Planned to launch in  
**14 Other Markets**  
in next 12 months

## North America

Our commercial partner in the USA, Hikma Pharmaceuticals PLC, reported substantial growth in FY 2024 driven by increased demand and expanded coverage in major pharmacy chains.

## Europe

RYALTRIS® has maintained a robust growth in partnership with Menarini across EU markets and has secured significant market share and market leadership positions in the eastern European countries. We continue to target new territories and regulatory efforts included national marketing authorization applications in Switzerland and Serbia, reflecting our commitment to expanding market reach.



## RoW

### Asia-Pacific (APAC)

RYALTRIS® demonstrated strong internal growth of 53% in FY 2024 across APAC markets. Strategic partnerships with key collaborators including Grand Pharma and Seqirus are being reinforced to expand RYALTRIS® presence. Our partner in Mainland China, Grand Pharmaceutical (China) Co. Ltd. achieved NDA acceptance in February 2024, with anticipated approval in FY 2026 following the successful Phase 3 clinical studies. Glenmark Malaysia successfully launched RYALTRIS® in March 2023, gaining 70 hospital listings within the first year and becoming a preferred choice among ENT specialists. RYALTRIS® commands a substantial market share in Allergic Rhinitis prescription products in Australia and Korea respectively. Successful filings in Thailand and Hong Kong in FY 2024 will pave the way for further expansions. We continue to engage in post-launch medical education initiatives in collaboration with prominent medical societies such as the Philippines College of Chest Physicians & Philippines Society of Allergy, Asthma & Immunology in Malaysia and the Philippines.

### Russia/CIS

In Russia/CIS, RYALTRIS® maintained 2<sup>nd</sup> position among allergologists in Q3 FY 2024 vs. Q3 FY 2023, with an increase in the share of efficacious visits to healthcare professionals from 55% to 76% in Russia. RYALTRIS® was launched successfully in March 2024 in Kazakhstan.

### LatAm

RYALTRIS® has received approval in Mexico and preparations for launch are underway.

### MEA

In the Middle East and Africa region, RYALTRIS® has gained traction as the leading nasal spray for Allergic Rhinitis in South Africa, and with successful launches in key markets such as Kenya and Saudi Arabia. Further launches are anticipated in other key MEA markets, including the UAE in the upcoming quarters.

### South Africa

#### RYALTRIS® OTC Launch

RYALTRIS® was launched in South Africa in September 2020 and it has revolutionized Allergic Rhinitis treatment by providing rapid onset of action and prolonged relief to patients. Achieving Schedule 2 (OTC) status from SAHPRA in June 2022 has since enabled dispensation of RYALTRIS® without a prescription and bolstered by the RyMoji™ brand ambassador initiative launched in June 2023 it has enhanced consumer awareness and compliance. Included in the South Africa guidelines for allergic rhinitis management, RYALTRIS® continues to resonate among healthcare professionals and patients alike.



### Feedback on RYALTRIS®



#### DR. MEERA PATEL

Ear Nose & Throat (ENT) Surgeon,  
Parkland, Nairobi, Kenya



We have been awaiting RYALTRIS® for the past 2 years since it was introduced to us in KENTS 2022. RYALTRIS® is a game changer in the management of Allergic Rhinitis. A standout feature of RYALTRIS® is its long-lasting action, which allows my patients to enjoy uninterrupted relief from allergy symptoms throughout the day. Additionally, RYALTRIS® does not leave behind any unpleasant aftertaste, nor does it cause a sensation of dryness in the nasal passages.

Lastly, the clinical trials and data that Glenmark has are truly commendable.







**DR. MUGANE SAMSON**

**Paed/Pulmonologist Metropolitan Hospital,  
Nairobi, Kenya**



I was officially introduced to RYALTRIS® in, Nairobi on January 18th, 2024, by the Glenmark team, although I had previously encountered it at my clinic. RYALTRIS® is a superior nasal spray for managing Allergic Rhinitis. What sets it apart is its fast onset of action (due to olopatadine, working within 15 minutes) and long-lasting activity, providing faster symptom relief and improving patients' quality of life. I have already used it for over 50 patients, receiving positive and encouraging feedback.



**DR. VINCENT TAN ENG SOON**

**Consultant ENT, Head and Neck Surgeon,  
KPJ Klang Specialist Hospital, Malaysia**



RYALTRIS® has proven to be an effective solution to address the troublesome symptoms of the ever-common allergic and even non-allergic rhinitis disorders. This latest generation of nasal spray has improved the quality of life in many of my patients, including my son, whom I see great improvement after usage. Compared to the earlier nasal sprays, it has proven to be a cost-effective round-the-clock solution with a fast onset of action with sustained benefits in clinical outcomes.

I have no qualms in prescribing this to my patients who need it most!



**DR. TAN SHI NEE**

**KPJ Rawang Specialist Hospital,  
Malaysia**



The arrival of RYALTRIS® Nasal Spray has been a breath of fresh air for my practice and, more importantly, for my patients struggling with allergic rhinitis. It transcends the limitations of traditional nasal sprays by offering a potent dual-action formula that tackles symptoms at the source. This innovative combination of an antihistamine and a corticosteroid has demonstrably yielded superior results in my experience. Individuals previously burdened by a constant stream of sniffles, unrelenting congestion, and even post-surgical discomfort have found significant relief with RYALTRIS®. The ability to finally sleep soundly through the night, return to daily activities with renewed energy, these positive changes are a result of RYALTRIS®' efficacy, and the impact on their quality of life is truly gratifying. Beyond my own observations, the most compelling evidence of RYALTRIS®' effectiveness comes from the patients themselves.

In conclusion, RYALTRIS® Nasal Spray represents a significant leap forward in managing allergic rhinitis and its associated symptoms. For that, I am truly grateful as nothing is more pleasant than hearing from patients whom we have treated.

Thank you for such a great product, RYALTRIS®.



# Dermatology



We excel in Dermatology, offering a diverse portfolio of products that cater to various therapeutic areas in skincare. Our stronghold in the anti-fungal market is anchored by the renowned Candid range of products. Our portfolio continues to expand with recent additions such as Minym<sup>®</sup> Gel and Elovera<sup>®</sup> AD. Our top brands in the daily skincare segment include Episoft<sup>®</sup>, Elovera<sup>®</sup>, and La Shield<sup>®</sup>. Our key

Dermatology products include Candid-B<sup>®</sup>, Candid<sup>®</sup> Powder, Momate<sup>®</sup>, Tacroz<sup>®</sup>, and Canditral<sup>®</sup> SB.

In FY 2024, we made significant strides in our Dermatology offerings, launching several new products and enhancing existing ones. Our flagship brands have received numerous industry awards, highlighting their excellence.

# Market Updates and New Product Launches

## India

In FY 2024, our Dermatology business achieved exceptional year-over-year growth, outpacing the market with a 1.5x increase compared to the overall market growth\*, with several of our brands experiencing significant sales increases. We secured the No. 1 position in dermatologist prescriptions for protective emollients and derma therapy, underscoring our market leadership. The growth in the Indian market was primarily driven by key products including Candid-B®, Candid® Powder, Canditral® GRP, and Lulican®. Additionally, we ranked 2<sup>nd</sup> in the Itraconazole market, and our Scalpe™+ brand emerged as the leading brand in the anti-fungal shampoo market.

## New Product Launches

We have introduced several new products in the Indian market in FY 2024, including:

- Picspot® 20% (Azelic Acid 20% cream – 15g) prevents Acne and associated Post-inflammatory Hyperpigmentation (PIH).
- Bontress® Pro+ (Bontress® Pro+ Serum) prevents hair loss and stimulates hair growth.
- Bontress® Plus Shampoo (Bontress® Plus Shampoo 250 ml) supports hair growth and prevents hair loss

- Hair4U® Boost (Minoxidil Booster – 60 ml) enhances the effects of Minoxidil for hair re-growth.
- La Shield® Sports Sunscreen Gel SPF 50+ (Mineral based - ZnO & TiO2 sunscreen – 50g and 80g) and La Shield® Kids Sunscreen (ZnO, TiO2, Tocopheryl acetate, Sodium Hyaluronate – SPF 50+ Sunscreen Lotion) provides comprehensive UV and UV-B rays protection
- Episoft® AC SPF 50 is a hydrating sunscreen that shields against UV and UV-B rays and offers optimum skin hydration, ideal for post procedural cases, pigmentary disorders and individuals with high sun exposure.
- Cystee™ (Cysteamine 5% Cream) addresses Hyperpigmentation and uneven skin tone.
- Tobraza® 2% Ointment (Tofacitinib 2% Ointment 30g, 5g tube) treats Dermatitis and hair loss.
- Elovera® Pro Bar (Syndet base, CM Glucan forte, Oat meal 100g & 25g) is a moisturizing bar that caters to diverse skincare needs.

These new product launches reinforce our dedication to offering a full range of dermatological treatments in India.



Elovera® Pro Bar



Episoft® AC SPF 50



La Shield® Sports Sunscreen Gel SPT 50+



Picspot® 20%



Tobraza® 2% Ointment



Bontress® Pro Plus Serum



Bontress® Plus Shampoo



Hair4u® Boost



Cystee™

\* As per IQVIA MAT March 2024

## Performance Highlights

### Anti-fungal Segment

- Candid-B<sup>®</sup>, our anti-fungal cream, achieved a significant market share of 26.4%, the highest in the last four years, while Scalpe<sup>™</sup>+ became the leading brand in the anti-fungal shampoo category.
- Canditral<sup>®</sup> SB remains No.1 Prescribed brand in SB Itraconazole Market. Canditral Portfolio was the 2<sup>nd</sup> highest gainer in category in terms of market share.
- Candid<sup>®</sup> Powder won ICONIC BRANDS OF INDIA 2023 Award by Economic Times (ET). The Syntran portfolio maintained its position as the top prescribed brand by dermatologists.

### Clinical Dermatology

Momate maintained its leadership in treating inflammatory and itchy skin diseases. Candidox<sup>®</sup>, an anti-fungal medicine used in the treatment of fungal skin and nail infections, emerged as the fastest-growing topical anti-fungal in the Ciclopirox market and grew 1.2x faster than the market average. Lulican<sup>®</sup> secured a 10.8% market share, the highest in

five years. Aprezo<sup>®</sup> remained the preferred choice for dermatologists treating Plaque Psoriasis and Psoriatic Arthritis. Tacroz<sup>®</sup>, an ointment for treating Atopic Dermatitis, achieved a remarkable 52.4% market share, the highest in 45 months and Deriva-CMS<sup>®</sup> continued as the top prescribed brand for Acne by dermatologists.

### Consumer Care Brands

Our consumer care brands have surpassed revenue milestones and achieved high ranks within the industry. La Shield<sup>®</sup> emerged as our Company's largest cosmetic brand, offering a range of sunscreens and moisturizers. Bontress PRO+<sup>®</sup>, our hair growth serum, climbed to the third rank in the CVM category. Episoft AC<sup>®</sup> Cream became the top-prescribed emollient brand for Acne. Elovera<sup>®</sup>, a moisturizing cream, entered the top 10 brands in the market, reflecting its growing popularity. Cysteo<sup>™</sup>, India's first de-pigmenting cream formulated with topical Cysteamine, effectively treats Melasma and Hyperpigmentation. Successful pre-launch campaigns complemented products like Episoft<sup>®</sup> AC SPF 50+ Cream, featuring UV Guard Technology and a Blue Light Filter, and Ecocert certified ingredients.

## Partnership with Pfizer to Launch Abrocitinib in India

We partnered with Pfizer to introduce Abrocitinib (JABRYUS<sup>®</sup>) in India, a first-of-its-kind advanced oral systemic treatment for moderate-to-severe Atopic Dermatitis (AD).

As a Janus kinase 1 (JAK1) inhibitor, Abrocitinib offers rapid itch relief, sustained disease control, and significantly improves the quality of life for patients. Its introduction marks the first new oral systemic therapy for AD in India in 50 years, addressing a critical unmet medical need.



JABRYUS<sup>®</sup>

## North America

We have launched Tacrolimus ointment 0.03% in the U.S. as a second-line treatment for moderate to severe Atopic Dermatitis in children aged 2 to 15 and non-immunocompromised adults who have not responded to other topical treatments. We have received ANDA approvals for Tacrolimus ointment 0.03%, the generic version of Protopic ointment 0.03% by Leo Pharma AS. Additionally, we introduced Clindamycin Hydrochloride capsules, expanding our Dermatology offerings in the U.S. market.



Tacrolimus Ointment





### Expansion with Winlevi®

Our Company secured distribution and licensing agreements with Cosmo Pharmaceuticals N.V. for Winlevi® (clascoterone cream 1%) in Europe and South Africa. Under this agreement, we secured exclusive rights to commercialize Winlevi® across 15 EU countries, South Africa, and the UK. Cassiopea will handle the Centralized Marketing Authorization at the European Medicines Agency (EMA), while we will be responsible for the product's registration in South Africa and the UK. This partnership underscores our commitment to addressing Acne, a significant dermatological concern, with an innovative treatment option.

## RoW

### Russia

Our Dermatology business achieved a remarkable 25.3% growth, defying market downturns. Key brands like Ofломil® and Keto Plus® maintained robust positions, with Keto Plus® maintaining a strong position at No. 2. It is poised to lead the anti-dandruff market in the near future, boasting a substantial value growth of 29.3% against the market's 15.9%. Klenzit® clinched the top spot in the fiercely competitive Anti-Acne segment. Despite market challenges, Candid® expanded its footprint with a resilient 8.6% growth in a declining market (-4.3%). Ranked 9<sup>th</sup>\* among Dermatology companies in Russia, we have demonstrated consistent upward momentum.

\*According to IQVIA MAT March 2024.

### MEA

New product launches like Zupricin™, used to treat impetigo, Demelan® cream used to treat Melasma, Senile Lentigines, and other skin pigmentation conditions, and Supirocin™, an antibiotic for skin infections such as Impetigo and recurring boils expanding our portfolio for treating skin infections across Saudi Arabia, UAE, Kenya, Uganda, Tanzania, and Nigeria. In the anti-fungal segment, we introduced the Candid® and Candital™ ranges, along with G-warts™, Kozamod™, and Tacroz™.

We witnessed significant sales growth in key markets such as Uganda, which recorded its highest-ever secondary sales growth of 23%. Kenya followed with a 19% increase in sales, Tanzania achieved a record in secondary sales, marking a 16% growth, and Nigeria saw an impressive 67% growth. The growth underscores our commitment to advancing Dermatology solutions.



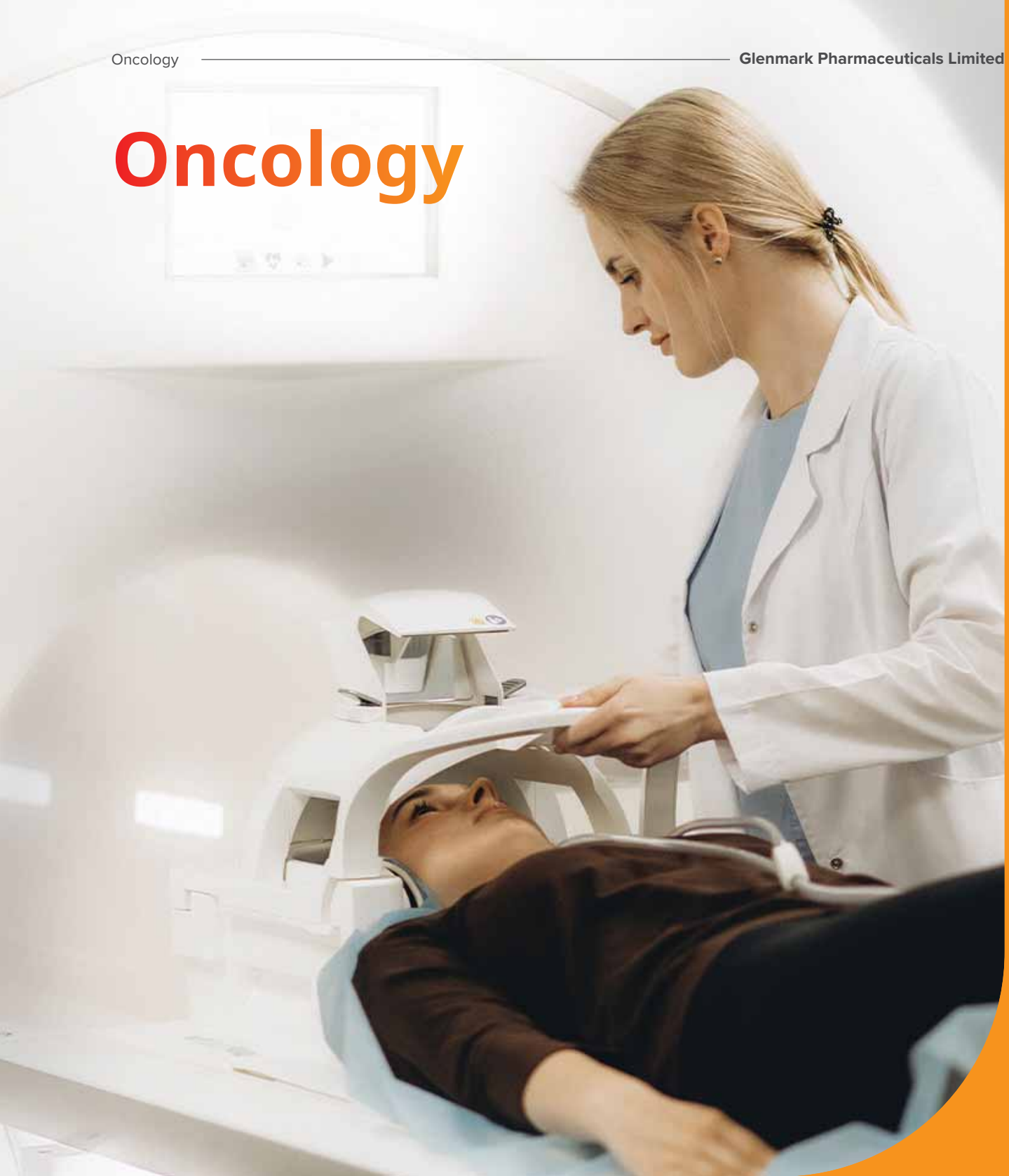
Tacroz™

### APAC

We have made significant strides in our RoW markets. We secured the No. 1 position in the Dermatology market across Malaysia, the Philippines, and Sri Lanka. During the year, we launched Tacroz® in Malaysia, a treatment for moderate to severe Atopic Dermatitis in adults and adolescents. It has seen a strong uptake as the sole generic in the market. Elovera® cream continues to be a key product for managing psoriasis.

In Vietnam, we revamped our strategy to seize market potential, partnering with DKSH in July 2023. By December 2023, sales began with strong demand for Flucort N®, a highly effective treatment for skin infections. In Australia, Supirocin® marked Glenmark's debut as a branded product.

# Oncology



Our journey into the Oncology segment began in 2006 with a commitment to meet the evolving needs of cancer patients and healthcare providers. Our pioneering spirit led to the launch of our first Aprepitant brand, revolutionizing the management of chemotherapy-induced nausea and vomiting, nationwide.

Since then, we have expanded our portfolio to encompass product in supportive cancer care, Prostate Cancer, Breast Cancer, Lung Cancer, and hematological malignancies. Key brands like Glenza<sup>®</sup>, Abirapro<sup>™</sup>, Akynzeo<sup>®</sup> I.V., Akynzeo<sup>®</sup> capsules, and Aprecap<sup>®</sup> exemplify our leadership in this critical therapeutic area.

### Strategic Partnerships

Continuing our dedication to advancing cancer treatment options, we have forged strategic collaborations with Jiangsu Alphamab and 3D Med to advance Evafolimab forward. This groundbreaking subcutaneous injection PD-L1 inhibitor represents a global first for adult patients with previously treated microsatellite instability-high (MSI-H) or deficient Mismatch repair (dMMR) advanced solid tumors, redefining treatment paradigms. We will drive further development, registration, and commercialization of Envafoimab across India, Asia-Pacific, Middle East and Africa, Russia, CIS, and Latin America, with Jiangsu Alphamab as the exclusive supplier.

Additionally, our exclusive marketing and distribution agreement with BeiGene, a global Oncology Company, underscores our commitment to introducing innovative therapies in India. This collaboration includes the registration and commercialization of

BeiGene's Oncology medicines, Tislelizumab and Zanubrutinib in India. Tislelizumab, a novel anti-PD-1 monoclonal antibody, has received approvals from NMPA, EMA and US FDA for Advanced or Metastatic Esophageal Squamous Cell Carcinoma and broad development for the treatment of various types of cancers. Zanubrutinib, a BTK inhibitor approved for certain hematological malignancies with results of several studies reinforcing its favorable efficacy and safety profile, further strengthens our comprehensive Oncology portfolio.

In the APAC region, our strategy includes strategic partnerships such as the out-licensing of Abiraterone Tabs to Viatrix in Australia, alongside ongoing in-licensing initiatives at regional and country levels. These partnerships exemplify our commitment to delivering cutting-edge Oncology treatments to meet unmet medical needs.

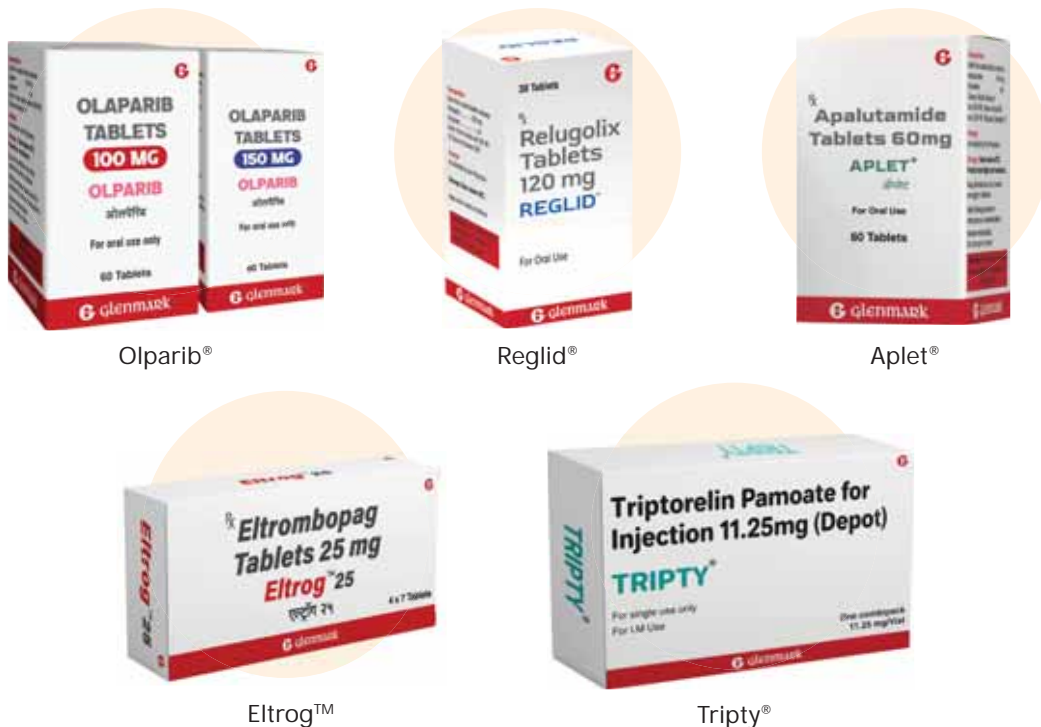
## Market Updates and New Product Launches

### India

We continue to lead in bringing new Oncology therapies to the Indian market, achieving significant milestones with 10% internal growth in our Oncology business. The launch of Akynzeo® I.V. in 2023 has benefited approximately 12,000 patients, by effectively managing Chemotherapy-induced Nausea and Vomiting, earning it the prestigious New Drug of the Year award in India.

In FY 2024, our new Oncology launches include Aplet® (Apalutamide) for advanced Prostate Cancer, Olparib®

(Olaparib), a PARP inhibitor, for Ovarian and Breast Cancers associated with genetic mutations, Reglid® (Relugolix 120 mg) for hormone suppression therapy in Prostate Cancer, and Tripty® (Triptorelin Pamoate) for managing hormonal imbalances in Prostate Cancer. The introduction of Eltrog™ 50mg Tablet, an anti-coagulant drug in the thrombopoietin (TPO) receptor agonist category, further underscores our commitment to enhancing patient outcomes across India.



## Europe

In Europe, we have achieved robust market performance in Oncology, particularly in Germany and Italy. The launch of Abiraterone Glenmark film-coated tablets has provided effective treatment for advanced Prostate Cancer by inhibiting androgen production. In Italy, our portfolio includes key products like Atanto (Aprepitant) for preventing Chemotherapy-induced Nausea and Vomiting, and Azacitidine for addressing Chronic Myelomonocytic Leukaemia (CMML) in patients unable to undergo high-dose treatments. These offerings reflect our dedication to enhancing the quality of life for cancer patients.



Abiraterone





## RoW

### LatAm

In LatAm, we have established a strong presence in Oncology, with plans to enhance our institutional channel through the successful launch of Nintedanib in Colombia. Nintedanib, the generic version of Ofev<sup>®</sup> capsules, addresses idiopathic pulmonary fibrosis (IPF) and Systemic Sclerosis-associated Interstitial Lung Disease (SSc-ILD). In Brazil, Gemcitabine has been launched for treating various cancers such as Pancreatic, Breast, Ovarian, and Non-Small Cell Lung Cancer (NSCLC), while Abiraterone has been introduced in Argentina for managing Metastatic Castration-Resistant Prostate Cancer (mCRPC), expanding treatment options in both countries. These efforts underscore our commitment to advancing cancer treatment options across the region, ensuring access to innovative therapies for patients.

### Glenmark's Path to Global Impact

We remain committed to the global launch of both branded and generic products, ensuring broad access to effective treatments worldwide. Our strategy emphasizes strategic partnerships aimed at advancing our pipeline towards commercialization, leveraging collaborative efforts to bring innovative therapies to market efficiently. Concurrently, we continue to focus on developing selected innovative assets to address unmet medical needs and improve patient outcomes across diverse therapeutic areas. These initiatives underscore our proactive approach to expanding our global footprint and enhancing healthcare accessibility and quality.



# Other Therapies



In addition to product offerings across its core therapy areas, we have built its strong presence in other therapeutic areas including Diabetes, Cardia-vascular and

Women's Health in specific geographies, with a mission to develop effective, accessible, and affordable treatment options for patients.

## Diabetes

We embarked on a mission over a decade ago to combat Diabetes and its associated complications. Building on this strong foundation, we continue to forge ahead, striving to develop effective, accessible and affordable treatment options for diabetic patients. This year marks a significant milestone in our Diabetes portfolio, with the introduction of several groundbreaking products.

In 2015, we pioneered the launch of Tenueligliptin (Zita Plus® and Ziten®), a DPP-4 inhibitor that set a new standard in Diabetes management. Building on this success, we introduced a combination therapy of Tenueligliptin + Metformin (Zita-Met Plus® and Ziten-M®) to enhance treatment efficacy. Later, in 2019, we launched Remogliflozin (Remo® and

Remozen™), a novel SGLT-2 inhibitor. Subsequently, we expanded our offerings with combinations like Remo-V®, Remozen™- V, Remo MV®, and Remozen™ MV, providing comprehensive solutions tailored to diverse patient needs.

In 2022, we introduced Sitagliptin (Sitazit®) and its FDCs, followed by the recent launch in 2024 of Lobeglitazone (LOBG®) and additional FDCs of Tenueligliptin, including its combinations with Pioglitazone (Zita Pio™), Pioglitazone + Metformin (Zita®-PioMet), Dapagliflozin (Zita-D™), and Dapagliflozin + Metformin (Zita® DM), alongside Liraglutide (Lirafit™), a glucagon-like peptide-1 receptor agonist (GLP-1 RA) offering notable benefits.

## Market Updates and New Product Launches

In FY 2024, we introduced several Diabetes care products to our portfolio with key launches aimed at enhancing healthcare accessibility. Notable additions include LOBG®-G1, a combination of Lobeglitazone Sulfate and Glimepiride, designed to effectively manage blood sugar levels. The introduction of Zita® DM, the first triple-drug combination tailored for adults with Type 2 Diabetes and co-morbidities, underscores our commitment to innovation in Diabetes therapy. Additionally, we launched Lirafit™, India's first biosimilar of Liraglutide, aimed at improving glycemic control in diabetic patients. These products reflect our commitment to advancing Diabetes care in the country.



Sitazit®-GM

### Pioneering Affordable Diabetes Treatment in India with Lirafit™

In a significant move, we introduced Lirafit™, a novel and cost-effective biosimilar of Liraglutide in India. This launch not only marks our foray into the injectable anti-diabetic market but also reaffirms our commitment to advancing Diabetes therapy.

Since its launch, Lirafit™ has garnered widespread, and capturing a commanding 66% market share in the liraglutide segment by April 2024.



Lirafit™





### Zita<sup>®</sup> DM: First Triple-Drug Combination for Type 2 Diabetes in Adults with Co-Morbidities

India, home to the world's second-largest diabetic population, faces unique challenges in Diabetes management. Our Company addresses these challenges with Zita<sup>®</sup> DM, the first triple-drug fixed-dose combination (FDC) of Teneeligliptin, Dapagliflozin, and Metformin in India. This combination therapy not only enhances glycemic control in adults with high HbA1c and co-morbidities but also reduces major renal and cardiac risks associated with Diabetes.

Zita<sup>®</sup> DM represents a significant advancement in comprehensive Diabetes care, supporting patient adherence and improving treatment outcomes.

Our Zita<sup>®</sup> portfolio already benefits approximately 1.75 Mn Type 2 Diabetic patients annually in India. With the launch of Zita<sup>®</sup> DM, our robust gliptin range provides a comprehensive solution across all stages of Diabetes management, underscoring our commitment to delivering innovative, effective, and affordable healthcare solutions to enhance the lives of diabetic patients across India.



Zita<sup>®</sup>-DM



## Cardiology

Over a decade ago, we entered the Indian pharmaceutical market with a focused initiative on Cardiac and Anti-hypertensive treatments. Since then, we have introduced a range of affordable medications, cementing our position as leaders in this therapeutic domain. Our product portfolio effectively addresses critical conditions such as Myocardial Infarction (MI), Angina, Heart Failure, Hypertension, and lipid abnormalities. Leading our offerings is our flagship brand, Telma, followed by Telma<sup>®</sup>-H, Telma<sup>®</sup>-AM, Telma<sup>®</sup>-CT, and Eptus<sup>®</sup>.

Our commitment to innovation extends to advanced therapies, including double combinations (TELMA<sup>®</sup>-H, TELMA<sup>®</sup> AM, TELMA<sup>®</sup>-CT, TELMA<sup>®</sup> Beta) and triple combinations (TELMA<sup>®</sup> AMH, TELMA<sup>®</sup> ACT), tailored for patients with uncontrolled hypertension requiring multiple medications. Notably, our latest offering, TELMA<sup>®</sup> BS combines an ARB + Beta blocker, designed specifically for young hypertensive patients with coronary artery disease and sympathetic overdrive. This year, we achieved significant milestones with TELMA<sup>®</sup>, our Telmisartan brand, recognized as a first-line treatment for essential hypertension.



Our Cardiology Portfolio



## Market Updates and New Product Launches

### India

In FY 2024, we emerged as one of the top three players in the Indian Cardiology market, achieving a remarkable 2.1X growth in the Indian market and securing the No. 3 position in the last quarter.

The Telma franchise performed well with TELMA®, TELMA®-H, and TELMA®-AM ranking among the top 50 brands in the IPM, establishing Telma as the 18<sup>th</sup> largest brand in the segment. Our initiatives to raise awareness about hypertension, enhance diagnosis, and improve treatment methodologies have yielded significant results. Telma® Beta saw its market rank from 6<sup>th</sup> to 4<sup>th</sup>, with a 1.8% increase in market share and a robust 55% growth (Source: IQVIA Mar'24).

SACU-V®, which effectively lowers the risk of cardiovascular fatalities and heart failure-related hospitalizations in India, also emerged as the 6<sup>th</sup> largest brand in the generics market for Sacubitril Valsartan market in March 2024 (Source: IQVIA Mar'24). Eptus®, used in the treatment of Heart Failure and high blood pressure, has strong presence in the Indian market, earning the IHW Health and Wellness Award for the Best Patient Centric Brand in HEARTCARE. As of March 2024, Eptus® holds a 48.5% market share with a growth of 34.7% surpassing the covered market's growth of 23% during the financial year.

**Telma® was honored as the Best Patient-Centric Pharmaceutical Company in Cardiology at the IHW Patient First Awards.**



Telma® 80-H



## Women’s Health in the U.S.

At Glenmark, we prioritize women’s health in the U.S., offering a wide range of products to meet diverse health needs. According to recent CDC study, between 2015–2017, 64.9% of the 72.2 Mn women aged 15–49 in the U.S. were currently using contraception, of whom 12.6% used an oral contraceptive pill<sup>1</sup>. Our product lineup includes contraceptive options, such as ALYACEN® 1/35 and 7/7/7, BRIELLYN®, CHARLOTTE® 24 Fe, HAILEY™, MARLISSA® and VIORELE®, and several other generics, available both by prescription and over-the-counter.

We continue to expand our offerings with products such as Estradiol Vaginal Inserts USP and Norethindrone Acetate and Ethinyl Estradiol Tablets USP, catering specifically to menopausal women.

Despite hormonal therapy for menopause symptoms being used by approximately 4% of the U.S. female population aged 50 and older, we see this as an opportunity to promote women’s health comprehensively. We, at Glenmark remain committed to providing women of all ages with a wide range of therapeutic choices, ensuring access to effective and suitable treatments.

In FY 2024, we launched Norethindrone Acetate and Ethinyl Estradiol Capsules and Ferrous Fumarate Capsules (generic Taytulla), further expanding our portfolio in partnership with Cyndea Pharma SL. These additions underscore our commitment to enhancing women’s health options, which now constitute 14% of our total authorized product distribution in the U.S.



Women Health Product Range

<sup>1</sup><https://www.cdc.gov/nchs/products/databriefs/db327.html>





## ICHNOS GLENMARK INNOVATION

*Collaboration propels innovation*



Ichnos Glenmark Innovation (IGI) is an alliance between Ichnos Sciences, Inc. a global fully-integrated clinical-stage biotech Company, developing multispecifics™ in Oncology, and Glenmark Pharmaceuticals Limited (GPL) to accelerate new drug discovery in cancer treatment. IGI combines Ichnos' research and development proficiencies in novel biologics, with GPL's, in new small molecules to continue

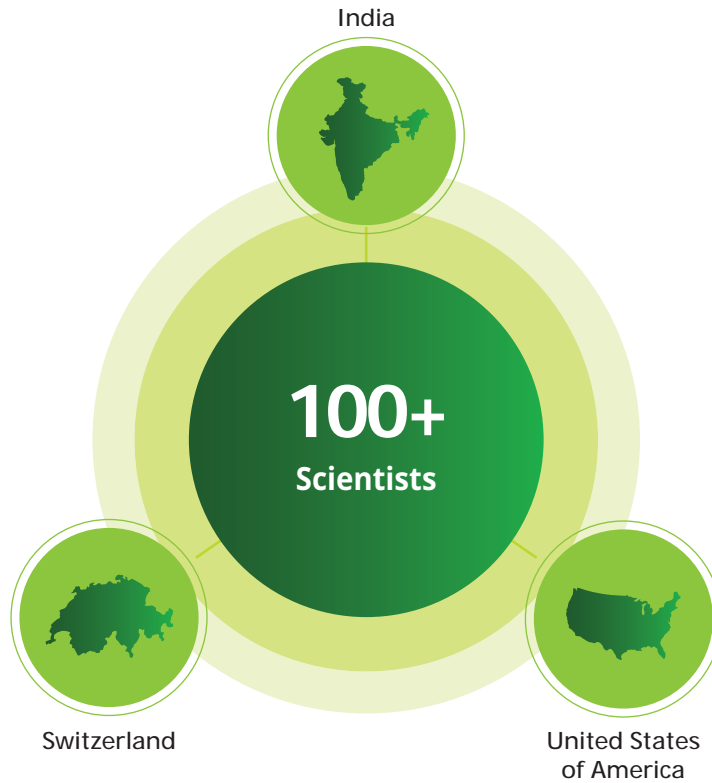
developing cutting-edge therapy solutions that treat hematological malignancies and solid tumors. Harnessing the combined proficiency of over 100 scientists and a robust pipeline of novel molecules, this collaboration leverages the capabilities of its three global centers of innovation spread across the USA, Switzerland and India to propel innovation.



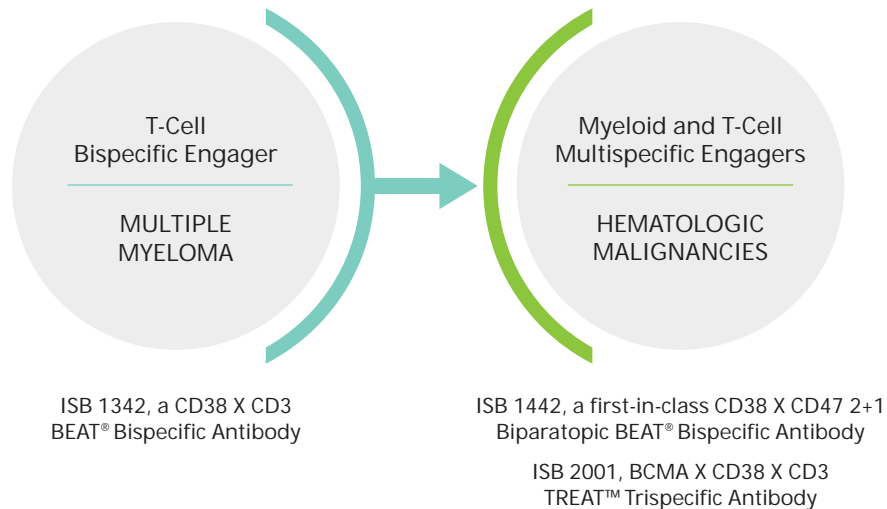
The proprietary BEAT<sup>®</sup> protein engineering platform developed by Ichnos provides a competitive edge to the Company by facilitating the development of highly flexible and manufacturable full-length multispecific<sup>™</sup> antibodies. By leveraging this platform, IGI aims to discover compounds capable of simultaneously targeting multiple antigens on tumor and immune cells, thereby expanding our pipeline and generating long-term value.

IGI is led by President, Executive Director and CEO, Cyril Konto, MD.

IGI has a robust pipeline of innovative molecules, along with nine accomplished academics and executives who possess expertise in drug development, immuno-oncology, and protein engineering.



Our strategy begins by identifying a validated target in Multiple Myeloma and subsequently broadens its scope:



## Sustaining Hope By Leveraging Our Core Strengths

### Oncology

With various Oncology programs targeting different immune cell types, IGI has developed a robust pipeline aimed at treating hematologic malignancies and solid tumors. Our advanced products are currently at different stages of clinical trials.

Molecule	Mechanism / Class	Indication	Pre-Clinical
ISB 2001	TREAT™ trispecific antibody (BCMA x CD38 x CD3)	Relapsed / Refractory Multiple Myeloma	Phase 1 Orphan Drug
ISB 1442	BEAT® biparatopic bispecific antibody (CD38 x CD47)	Relapsed / Refractory Multiple Myeloma Acute Myeloid Leukemia	Phase 1 Orphan Drug
GRC 65327	Cbl-b Inhibitor small molecule	Solid Tumors	IND-enabling

**\*\*Read more in the Intellectual Capital section on Page 102**

### Oncology Pipeline

IGI's multispecific™ antibody pipeline includes four assets: ISB 2001, ISB 1342, and ISB 1442, which have been designated as orphan drugs by the US Food and Drug Administration (FDA) and are currently in Phase 1 clinical trials for relapsed/ refractory Multiple GRC 65327, is undergoing IND-enabling studies, followed by DCGI submission by end of CY 2024 with FIH expected to start in early 2025 for relapsed/refractory solid tumor. IGI's small molecule research group in India, staffed with experienced researchers and equipped with state-of-the-art facilities, is focused on addressing challenging targets across various classes, including ongoing work on protein degradation.

Additionally, IGI received approvals from the Human Research Ethics Commission (HREC) in Australia, the US FDA and the DCGI in India to conduct the first-in-human clinical studies of ISB 2001, trispecific antibody targeting BCMA, CD38, and CD3, and ISB 1442, biparatopic CD38 x CD3 antibody, for the treatment of patients with relapsed/ refractory Multiple Myeloma.

### Enhancing Efficiency Through Innovation and Awareness

IGI has consistently innovated and expanded our product portfolio to address evolving needs. Initially focused on first-generation 1+1 T-cell bispecific engagers (ISB 1342), IGI has now incorporated myeloid and T-cell multispecific engagers (ISB 1442 and ISB 2001, respectively). This demonstrates IGI's ongoing commitment to innovation and dedication to remaining at the forefront of scientific advancements.

### Enhancing Awareness

To raise awareness in the field of Oncology and reach more patients, we share our latest scientific advancements through publications in peer-reviewed journals and presentations at medical congresses. Our work is featured in oral presentations at the American Society of Hematology and the American Association

of Cancer Research, as well as in prestigious journals such as Nature Communications and Nature Cancer. Through these channels, we aim to showcase our research on potentially transformative biologic and small molecule treatments in immuno-Oncology.

### Oncology Platform in Clinical Development

IGI is currently enrolling patients with relapsed Multiple Myeloma for Phase 1 dose escalation / expansion studies of ISB 2001 and ISB 1442. Despite the challenging nature of Multiple Myeloma, these medications hold promise in addressing resistance observed with current therapies.

IGI is looking for a licensee for ISB 1342 to pursue clinical development in Multiple Myeloma and T-cell Acute Lymphoblastic Leukemia following declaration of Proof-of-Mechanism and Proof-of-Concept in patients presented at the ASH annual meetings (<https://iginnovate.com/publication/> for more information).

### Autoimmune Diseases

IGI developed two monoclonal antibody drug candidates for inflammation and immunity diseases in its pipeline. To streamline the Company's focus on Oncology, future development of both assets will be managed by out-licensing partners.



Molecule	Mechanism / Class	Indication	Pre-Clinical
ISB 880 (ALM 27134)	IL-1RAP Antagonist Monoclonal Antibody	Autoimmune Diseases	Phase 1 Licensed to Almirall S.A.
ISB 830	Telazorlimab OX40 Antagonist Antibody	Atopic Dermatitis	Phase 2b Licensed to Astria Therapeutics, Inc.
		Rheumatoid Arthritis and other Autoimmune Diseases	Active U.S. IND

**\*\*Read more in the Intellectual Capital section on Page 102**

The first candidate, ISB 880, an anti-IL-1RAP antagonist, was licensed to Almirall, S.A. in December 2021. Almirall announced the initiation of dosing in a Phase 1 study of ISB 880/ALM27134 in September 2022.

The second antibody, ISB 830 (telazorlimab), along with its follow-on molecule ISB 830-X8, was licensed to Astria Therapeutics in October 2023. Telazorlimab, an OX40 antagonist, successfully completed a Phase 2b study for moderate to severe atopic dermatitis in 2021. Both compounds exhibit potential across a spectrum of autoimmune diseases.

**Opportunity for Collaboration**

Molecule	Mechanism / Class	Indication	Pre-Clinical
ISB 1342	BEAT® bispecific antibody (CD38 x CD3)	Relapsed/ Refractory Multiple Myeloma; T-Cell Acute Lymphoblastic Leukemia (T-ALL) is also under consideration	Orphan Drug

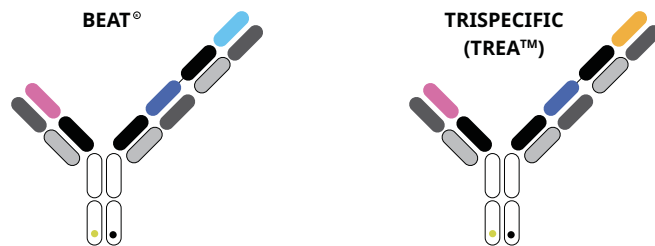
**\*\*Read more in the Intellectual Capital section on Page 102**

**The BEAT® Platform**

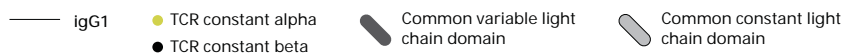
The BEAT® technology platform is foundational to IGI's clinical-stage Oncology pipeline for high-yield heterodimerization of heavy chains. Utilizing this platform alongside the proprietary common light chain library and protein A elucidation, the Company is advancing novel multispecific™ immune cell engagers. These efforts are aimed at fulfilling its mission to develop breakthrough therapies that have the potential to be curative, thereby extending and improving lives while ushering in a new era of healthcare.

BEAT® represents an innovative approach to engineering bispecific antibodies for the treatment of cancer, both current and future. This next-generation immuno-oncology platform is designed to streamline the production of multispecific™ antibodies, enabling simultaneous engagement of multiple targets. This approach enhances the immune system's ability to combat diseases effectively.

Enables design and development of multispecific antibodies that unlock new biology (e.g., T cell, NK cells, macrophage engagers) by optimizing:



Affinity	Epitope	Architecture	Fc function	
Low-medium-High Combinations	Identify best Epitopes to target	Avidity, Immune Synapse size	T Cell: silent; Non T Cell: Active Enhanced	Improved Druggability & Developability Rapid Engineering



**BEAT® and futher developments**

## Awards and Recognitions

# Celebrating our Wins

During the year, we have won various awards for its tenacious performance across corporate, business and ESG initiatives.

## Corporate Awards

Mr. Glenn Saldanha, our Chairman and Managing Director, was honoured with 'Business Icon Award' at the NX Enterprise Excellence Awards.

Mr. V.S. Mani, Executive Director & Global CFO, was recognized at the 14<sup>th</sup> Annual CFO India Awards for his exceptional contribution towards financial stewardship.

ET NOW awarded Glenmark as one of the Best Organizations for Women 2024.

Gold Medal in National Awards for Manufacturing Competitiveness 2022-23 awarded by the International Research Institute for Manufacturing (Glenmark - Indore Unit).

Won the Integrated Marketing Communications at the Corp Comm Vision & Innovation Summit & Awards 2023.

'Best Corporate Communication Team of the Year' at the Corp Comm Vision & Innovation Summit & Awards 2023.

'Best Use of Social Media for Brand Awareness' at the Corp Comm Vision & Innovation Summit & Awards 2023.

## Business Awards (Therapy Areas)

IHW Best Patient Centric Pharmaceutical Company in Derma Care.

IHW Best Patient Centric Pharmaceutical Company in Cardiology.

IHW Digital Health Summit and Award won for the Digital Solutions Public Awareness Campaign.

'Best Use of E-commerce' won at the e4m Health and Wellness Awards 2023.

'Drug of the Year' awarded to Akynzeo® I.V. at ET RE Pharma Awards 2023.

Gold Award won at the XVIII Edition of the ASPIDIberic American Awards Glenmark Mexico won the award for their Dermatology campaign 'The Art of Living a Healthy Skin'.

Ascoril® LS has been recognized as the Trusted Brand of the Year' for 2022-23 at the Indian Pharma Expo & Pharma Excellence Awards.

IHW Health and Wellness Award for the Best Patient Centric Brand in Heart Care for our brand Eptus®.

Tacroz® won the GOLD Award at IHW Best Patient Centric Pharmaceutical Company in Derma Care.

Won the Iconic Brands Award 2023 for Candid® Dusting Powder by The Economic Times.





## Business Awards (Products)

La Shield® felicitated as one of the Power Brands 2022-23 for Brand Excellence by ET Femina.

La Shield® won the Best Consumer Health Digital Marketing Campaign by OPPI.

La Shield®'s campaign Be Sunwise won Content Marketing category 'Silver' awards at Digixx Awards by Adgully.

La Shield®'s campaign #LaShieldProbioticsMoisturizer has won Best Digital Campaign by/for an FMCG/CPG Enterprise category 'Gold' award at mCube Awards by InkSpell Media.

La Shield®'s campaign #LaShieldProbioticsMoisturizer has won Best Performance-driven Social Media Campaign category at Drivers of Digital Awards by InkSpell Media.

La Shield® won the Best Use of Mobile Content, Silver award by ICMA.

Scalpe's campaign #StartWithScalpe campaign, won Most Innovative Marketing Campaign / Strategy category 'Bronze' award at Impact Digital Influencer Awards by e4m.

Scalpe's campaign #StartWithScalpe won Best Brand Awareness Campaign category 'Gold' award at Digixx Awards by Adgully.

Scalpe™ Pro's Digital Marketing Campaign #ItsTimeForScalpePro won the Best Search Marketing Campaign – B2C category 'Gold' award at the National Marketing Excellence Award 2023 by Indian Business Council.

Scalpe's campaign #ItsTimeForScalpePro won Search – SEO/Paid Search category 'Silver' award at Campaign India Digital Crest Awards 2023.

Scalpe's campaign #ItsTimeForScalpePro won Search Media Campaign category 'Gold' award at Datamatix Awards by Adgully.

Scalpe™ Pro won the Best Use of E-Commerce category 'Gold' award at the e4m Health & Wellness Marketing Awards 2023.

## ESG

Won the Sustainable Organization Award 2023 at the Sustainability Summit and Awards 2023.

Won the Economic Times Sustainable Organisations 2023.

Won India's most sustainable companies for 2022-2023 - BusinessWorld's Sustainable World Conclave.

Won the 'Employee Engagement ESG Program of the Year'.

Won the Envirocare Green Awards 2023.

Won the 8<sup>th</sup> IHW Patient Safety First Awards 2023.

Won the 'Excellence in Sustainability' award at the India Pharma Awards 2023.

Winner of the 'Sustainability Initiative of the Year 2024' award at the Net Zero Summit & Awards 2024.

Won the 'Platinum Award' by the Sustainable Development Foundation.

Awarded by the Sustainable Development Foundation, a Unit of 'Ek Kaam Desh Ke Naam' for Outstanding Achievement in Occupational Health and Safety.

Glenmark Goa site was awarded with International Safety Award 2024 from British Safety Council.

## CSR

Glenmark Foundation awarded winner in Promotion of Healthcare Category by GreenTech

Glenmark Pharmaceuticals won the "GOLD" Award at the 10<sup>th</sup> National Corporate Social Responsibility Summit & Awards 2023 by CSR Times

'Excellence in Rural Health Initiative' won at ET RE Pharma Awards 2023

'Excellence in CSR' won at ET RE Pharma Awards 2023

Won the 'Most Impactful Foundation of the Year 2023'

'Best Healthcare Support Initiative of the Year 2023' for the initiative - Project Kavach at the Indian CSR Awards 2023

## Risk Management

# Managing Risks Effectively

At Glenmark, we have established a robust enterprise risk management framework designed to meticulously identify, assess, and mitigate potential risks that could impact our value chain. This proactive approach enables us to anticipate vulnerabilities and devise

strategic action plans aimed at mitigating severe consequences. By integrating risk management into our core operations, we not only safeguard our assets but also foster a culture of continuous improvement and operational excellence.

## Risk Governance Structure

### Board of Directors

- Responsible for reviewing and ratifying the risk management structure, processes and guidelines.



### Risk Management Committee

- Maintain day-to-day oversight of the risk management program
- Ensure effective risk management and internal control systems and processes
- Regularly monitor and evaluate the management's performance in managing risks
- Enable the management and employees to identify and manage risks through tools and resources
- Regularly review and update business risks
- Regularly report on business risks and its mitigation measures to the Board
- Ensure compliance with regulatory requirements and uphold the best risk management practices



### Senior Management

- Responsible for designing and implementing risk management processes and internal control systems that help in identifying and assessing risks
- Implementation of action plans to mitigate business risks
- Regularly monitor and evaluate the effectiveness of the action plan
- Promote and monitor the culture of risk management and compliance
- Regularly report the status and effectiveness of the risk management program to the Committee



### Employees

- Responsible for implementing, managing and monitoring action plans with respect to business risks



## Risk Defense Mechanisms



## Enterprise Risk Management Framework

Identifying and mitigating risks are crucial as we navigate a dynamic landscape, including geopolitical instability, supply chain disruptions, climate change, and evolving ESG risks. These challenges necessitate adept management to sustain our success in an increasingly complex global environment.

One of the critical elements of our Company's risk management framework is the risk appetite - the willingness to take risks in pursuit of the business objectives. Our risk appetite, embedded in our strategic plans, guides decision-making across the organization. The Board of Directors, Committees, and Senior Management continually monitor our risk appetite relative to its actual results to maintain an appropriate level of risk tolerance.

Key determinants of Glenmark's risk appetite include:

- Shareholder and investor preferences and expectations
- Expected business performance
- Capital requirements for risk-taking
- Company Culture
- Management experience in risk and control management
- Long-term strategic priorities

Following the assessment, remaining risks are documented and further discussed with the Committee and the Board. We conduct regular reviews throughout the year to understand market shifts and external landscape changes. These key risks are reviewed during quarterly Risk Management Committee meetings to continually enhance our mitigation strategies. Additionally, role and risk-based trainings are regularly provided to employees



in high-risk roles or geographical regions. Our risk management practices include regular internal and external audits to evaluate the effectiveness of our systems and processes for identifying, assessing, monitoring, and mitigating risks. Internal audits are conducted regularly and annual external audits adhere to all statutory requirements. We also integrate risk considerations into the development of new products or services.

**For more details, please refer to our Risk Management Policy.**

Key Risks

**Risk of R&D not always yielding Commercially Successful Products**

Developing new products involves a lengthy process with uncertain outcomes. Potential failures can occur at any stage, including manufacturing difficulties, efficacy and safety issues, patent challenges, regulatory approval delays, and limited commercial success. These challenges significantly impact our revenues.

**Impact**

Given the substantial R&D investments, setbacks can lead to significant losses, affecting profitability and shareholder value. Major product innovations, technological advancements, and increased price competition from competitors may also impact revenues.

**Mitigation**

To address these risks, we have shifted from a traditional hierarchical R&D model to one based on smaller units to foster greater entrepreneurialism and accountability among its scientists. Collaboration with other pharmaceutical companies enable risk-sharing and access to technical expertise, accelerating product development. Our rigorous screening process and research ensures strategic selection of products based on scientific relevance, market demand, and financial viability.

**Capitals Affected**



**Risk Category**

- Financial Risk
- Strategic Risk

**Risk Movement**



**Risks Related to Substandard Product Quality**

Ensuring product safety is crucial for maintaining consumer trust. Implementing stringent quality controls across manufacturing, labeling, and distribution processes is essential as we introduce new products and expand into new markets.

**Impact**

Failure to uphold product quality can lead to regulatory, legal consequences, and damage our reputation, impacting financial performance.

**Mitigation**

We have established a centralized Quality Management System, accredited with the relevant ISO standards. This system sets quality benchmarks across all operational units, spanning research, manufacturing, supply, and distribution. By comprehensively applying quality management throughout the product lifecycle, we enhance quality performance and operational adherence. The Head of Quality Assurance oversees these activities through Quality Council meetings, providing a platform to address emerging risks. Additionally, we enforce rigorous audit procedures for third-party suppliers providing materials for our products. Moreover, the integration of pharmacovigilance activities allows for continuous monitoring and feedback on product safety and quality, enabling proactive identification and resolution of potential issues. This comprehensive approach enhances the overall quality assurance framework by ensuring prompt resolution of adverse drug reactions and safety concerns.

**Capitals Affected**



**Risk Category**

- Quality Risk

**Risk Movement**





### Risks of Sub-Optimal Product Pricing

Our Company may encounter challenges in securing appropriate pricing for its products or face increasingly stringent pricing regulations. Maintaining a sustainable balance between supply and demand requires staying updated on evolving pricing laws and regulations. Given the varying price control measures and government restrictions affecting pharmaceutical products across regions, it is crucial to develop a Company-specific pricing model that ensures consistency and profitability on a global scale.

#### Impact

Ineffective pricing strategies can disrupt the profitability of our product pipeline. Variations in price control measures across different geographies can adversely affect the financial performance and market competitiveness of our products.

#### Mitigation

Our Company continuously evaluates and optimizes product costs to ensure optimal margins and identifies growth opportunities in new markets. Strategic capacity development initiatives are implemented to maximize the value of our portfolio. Additionally, we focus on launching new, value-added products and enhancing existing ones to achieve better pricing outcomes. Regular assessments of the impact of current and upcoming price control measures ensure that our product pipeline remains profitable.

#### Capitals Affected



#### Risk Category

- Financial Risk

#### Risk Movement



### Risk of Product Liability Litigation

Despite thorough safety evaluations and regulated clinical trials, unforeseen side effects may arise once drugs are widely marketed, potentially leading to product liability litigation.

#### Impact

Product liability lawsuits can severely damage our Company's reputation, eroding consumer trust and confidence in the brand. Legal expenses, settlements, and product recalls can significantly affect our Company's financial health. Additionally, such litigation may attract regulatory scrutiny and increase compliance demands, leading to extra costs and potential penalties.

#### Mitigation

In addition to extensive testing and quality control measures, our Company mitigates these risks by providing clear and comprehensive warnings, instructions, and labels with the products. This helps minimize the likelihood of accidents and misuse, thereby reducing potential liability claims.

#### Capitals Affected



#### Risk Category

- Competition Risk
- Business Risk
- Financial Risk

#### Risk Movement



### Risk of Revenue Concentration

Revenue concentration in specific geographies or products poses a risk of decline due to the natural progression of product life cycles and growing competition. Limited market penetration or lack of early mover advantage can hamper long-term growth and market share. Heavy reliance on a few products exposes our Company to risks such as patent expiration, generic competition, or regulatory challenges. Additionally, changes in healthcare policies, pricing pressures, or shifts in patient preferences can impact sales and overall revenue.

#### Impact

These factors can lead to significant fluctuations, potentially jeopardizing our Company's financial stability and market position.

#### Mitigation

To mitigate this risk, our Company employs a product development strategy aimed at timely delivery of new products to replace those reaching the end of their life cycle or to enter new markets. This strategy considers diverse geographical needs, ensuring a diversified and robust product portfolio that supports sustainable revenue streams.

#### Capitals Affected



#### Risk Category

- Business Risk
- Financial Risk

#### Risk Movement



### Risk of Capital/Credit Risk

This risk involves the potential inability to secure adequate funding for expansion, acquisitions and working capital as well as meeting debt obligations effectively. The risk is magnified by the substantial investment required in research and development, manufacturing facilities, and regulatory compliance within our industry. Factors such as evolving laws, economic fluctuations, currency volatility, and changes in interest rates further complicate access to credit and capital.

#### Impact

These factors can cause significant challenges in securing sufficient capital and managing credit cycles effectively. This may hinder our ability to fund essential operations and strategic initiatives, potentially leading to delays in product development, limitations in expanding manufacturing capacity, and challenges in meeting regulatory standards. Poor capital management can also result in increased borrowing costs, higher debt levels, and potential liquidity or solvency crises.

#### Mitigation

Given our global operations, our Company has substantially reduced its debt position, achieving a net cash positive status in FY 2024. This has strengthened our financial resilience and mitigated risks. To address rising interest rates, we had strategized to reduce our gross debt and aimed to achieve zero net debt by FY 2026, a milestone already achieved in FY 2024. These actions reflect our strong financial position and effective risk management.

#### Capitals Affected



#### Risk Category

- Financial Risk
- Business Risk

#### Risk Movement



## Risk of Political Instability and Regulatory Changes

In navigating a global landscape, our Company faces significant vulnerabilities stemming from political dynamics, including shifts in government policies, trade restrictions, sanctions, and regulatory changes. These factors can impact our operational efficiency in certain regions.

### Impact

Political risks can disrupt product delivery, supply chains, impose regulatory burdens, restrict market access, and increase operational costs. These factors can affect our operations and profitability, leading to delays in product launches, increased compliance costs, and potential loss of market share in affected regions.

### Mitigation

Our Company adopts a proactive approach to mitigate political risks, integrating external uncertainties into our long-term strategic planning. Through strategic diversification of our portfolio and geographic presence, we fortify our resilience against geopolitical volatility. Active monitoring of political developments allow us to engage constructively with local governments and industry associations, ensuring timely responsiveness to regulatory changes. With a flexible supply chain and comprehensive contingency plans in place, we can quickly adapt to changing political environments.

### Capitals Affected



### Risk Category

- Legal/Regulatory Risk
- Financial Risk

### Risk Movement



## Risks Linked to Internal Controls and Ethics

Internal controls and governance are essential elements of our organization, encompassing the implementation of policies and system controls across various departments such as operations, marketing, finance, supply chain etc. These controls play an important role in preventing frauds, identifying improvement areas thereby saving costs across various parameters and financial reporting processes. To successfully implement controls, annual audit plans are prepared and presented to the Audit Committee and all critical findings are reported every quarter to senior management, including the Audit Committee.

### Impact

Breach or failure to implement controls, policies or conduct regular audits can lead to financial loss, regulatory compliance issues, reputational damage, and misrepresentation of our financial standing.

### Mitigation

Our Company has implemented strong internal controls for prevention and detection of any control lapses, ensuring compliance, demonstrating leadership commitment. Regular risk assessments are conducted to enhance control effectiveness. the external auditors have been appointed to provide industry expertise to validate our controls and report their findings directly to the Audit Committee.

### Capitals Affected



### Risk Category

- Business Risk
- Legal/Regulatory Risk

### Risk Movement



## Risk of Economic Fluctuations and Currency Volatility

The dynamic landscape of economic fluctuations, such as declining asset values, liquidity issues in developed economies, and currency devaluations in emerging markets, pose significant challenges to our Company. These factors can influence market stability, consumer purchasing power, and overall demand for pharmaceutical products.

### Impact

Economic risks can erode profits, increase financial commitments, and expose our Company to currency risks. Volatility in exchange rates can affect our Company's revenue and profit margins, particularly when operations span multiple currencies. Economic downturns can also lead to reduced healthcare spending, reducing sales volumes and market penetration.

### Mitigation

Our Company manages currency risk using market tools such as forward contracts to stabilize financial performance against exchange rate fluctuations. By diversifying our portfolio and spreading economic risks across different markets and product segments, we can cushion the impact of economic downturns. External economic uncertainties are incorporated into our strategic planning, bolstering resilience and adaptability. Regular financial reviews and scenario planning exercises help us to anticipate and navigate economic challenges with agility and foresight.

### Capitals Affected



### Risk Category

- Financial Risk
- Foreign Exchange Risk

### Risk Movement



## Risk of Non-Compliance with Laws and Regulations

Given our global operations, strict adherence to applicable laws and regulations is paramount, including anti-bribery, anti-corruption measures, good manufacturing practices, and adherence to taxation laws. Regulatory controls influence product development, pricing, and overall market success. Non-compliance with financial reporting standards or changes in accounting regulations pose significant risks to our financial performance, regulatory standing, and investor confidence.

### Impact

Navigating complex legal requirements across regions impacts our Company's conduct, reputation, and operations. Adhering to stringent quality and manufacturing standards and securing product approvals are critical, as failures in these areas can result in portfolio adjustments, product recalls, and lawsuits that impact revenue. Non-compliance with anti-corruption laws may hinder government contracts, damage reputation, and erode investor trust. Additionally, failing to comply with tax laws can affect financial stability and lead to legal disputes.

### Mitigation

We have implemented a robust internal control framework by a newly strengthened Code of Conduct and Anti-bribery and Anti-Corruption Policy (ABAC) policy, emphasizing our zero tolerance for unethical practices. Enhanced ABAC training is provided to employees, especially in high-risk roles to ensure compliance awareness and adherence. Key executives, including the Head of Regulatory Affairs, General Counsel, Quality and Technical Operations, spearhead compliance efforts and oversee adaptation to evolving regulatory changes across geographies. For tax compliance, advisors review legislation, and we engage with tax authorities to resolve issues promptly and proactively manage tax liabilities and legal disputes. Moreover, we mitigate risks related to reporting of our financial performance through strict adherence to current standards and proactive adjustments.

### Capitals Affected



### Risk Category

- Financial Risk
- Legal/Regulatory Risk

### Risk Movement





## Risk of Talent Attraction and Retention

The pharmaceutical industry relies heavily on highly skilled professionals to drive innovation, ensure regulatory compliance, and maintain operational excellence. The challenge of attracting and retaining talent is a critical factor that can impact our competitive advantage. Therefore, its essential to strategically manage our talent acquisition and retention efforts to sustain our market leadership.

### Impact

Challenges in securing talent can affect our business and operational outcomes. It may hinder our ability to achieve strategic business objectives, limit our competitiveness, and impede innovation within the market.

### Mitigation

We prioritize a holistic approach to talent management throughout the employee's lifecycle. We actively hire talent who not only possess the requisite skills but also align with our organizational culture. Our Campus program aims on nurturing fresh talent through on-the- job learning experiences. We also offer robust career development and learning programs to empower employees to continually enhance their skills and grow within the Company. Our talent management program drives identification of high-potential talent and prepares them for larger roles, thereby fostering a strong succession pipeline and ensuring continuity at all levels. Our focus on inclusion & diversity ensures that we provide equal opportunities for all employees, supported by rewards and robust policies that promote employee well-being and satisfaction throughout their tenure.

### Capitals Affected



### Risk Category

- Human Resource Risk

### Risk Movement



## Risk of Biodiversity

Biodiversity risk refers to the potential negative impact that our Company's manufacturing and business operations may have on the surrounding biodiversity, particularly in ecologically significant areas. Some of our manufacturing sites namely Mahape, Nashik, and Sikkim are in proximity to Protected and Key Biodiversity Areas, critical for the conservation of several species.

### Impact

The impact of our business operations on ecologically significant areas can have direct consequences include habitat destruction and disturbances to local wildlife. This poses risks to our Company's reputation and stakeholder trust, while also exposing us to potential legal and regulatory liabilities if these issues are not effectively addressed.

### Mitigation

To mitigate the biodiversity risks, we have conducted site proximity analyses across our business operations to assess potential impacts. The analysis serves as a basic screening of our sites to understand environmental risks associated with our sites.

Furthermore, we are actively assessing the dependency and impact of our business operations on ecosystem services (Provisioning, Regulating, Cultural and Supporting), which helps us to understand the biodiversity related dependency, impacts and risks. We will also be carrying out the site level impact analysis and risk mitigation plan. Also, we are working towards development of site level Biodiversity Management Plan for our priority sites. These assessments will help us to minimize the environmental footprint and safeguarding Biodiversity.

### Capitals Affected



### Risk Category

- ESG Risk

### Risk Movement



## Risk of Climate-related Events and Natural Disasters

Operating globally exposes our Company to various natural disasters such as earthquakes, floods, hurricanes, and extreme weather events. These environmental risks can significantly disrupt the value chain, impacting both production and distribution capabilities.

### Impact

Natural disasters can disrupt production and distribution channels, leading to delays in the timely delivery of products and potential financial losses. This can lead to shortages in the market, impacting customer trust and satisfaction, and non-compliance with contractual obligations potentially leading to regulatory fines.

### Mitigation

Our Company conducts comprehensive Climate Risk Assessments to evaluate both physical and transition risks across our manufacturing facilities. We implement several mitigation strategies, including supplier base diversification, investment in disaster-resilient infrastructure, and conducting regular structural safety assessments. Emergency response protocols are established to ensure swift and effective actions during crises. Additionally, our Company maintains comprehensive insurance coverage to mitigate financial losses associated with natural disasters. Moreover, we are investing in technologies to reduce energy and water consumption, and transitioning to cleaner fuels to reduce greenhouse gas emissions. For more information on climate risk refer to our TCFD report.

### Capitals Affected



### Risk Category

- ESG Risk
- Emerging Risk

### Risk Movement



## Risk of Supply Chain and Geopolitical Disruptions

Pharmaceutical products must adhere to stringent manufacturing regulations, with compliance necessary across the entire supply chain, including both internal facilities and external suppliers. Compliance failures can lead to product recalls, production halts, delays in new product approvals, and license revocations. Geopolitical instability, such as wars and regional conflicts, further raise uncertainties to our operations.

### Impact

Non-compliance can disrupt production, delay product launches, and lead to significant financial losses.

### Mitigation

To mitigate the risk of the supply chain, our Company diversifies its supply chain to reduce dependence on single sources. We maintain business continuity plans, safety stocks, and backup supply arrangements for critical products. Regular monitoring of external suppliers ensures early identification and management of risks. Additionally, we invest in new and upgraded manufacturing facilities to maintain operations during disruptions. Multiple manufacturing sites are registered with regulatory authorities when seeking product approvals. While geopolitical disruptions are beyond our control, we continuously monitor the external environment for changes in the geopolitical landscape and prepare contingency plans to mitigate potential impacts.

### Capitals Affected



### Risk Category

- Business Risk
- Financial Risk
- Operational Risk
- Emerging Risk

### Risk Movement



## Risk of Non-Compliance with evolving EHS and ESG Laws

Adherence to environmental, health, and safety (EHS) laws and broader Environmental, Social, and Governance (ESG) frameworks are essential to avoid the risks associated with non-compliance, including remediation costs, penalties, and reputational damage, especially amid evolving regulatory landscapes.

### Impact

Non-compliance with EHS laws and ESG frameworks can have severe repercussions, extending beyond financial implications affecting people, the natural environment, and overall societal trust. Such violations breach stakeholder expectations and regulatory standards, potentially leading to legal actions, fines, and significant reputational damage. Non-compliance with ESG standards may also diminish investor confidence and limit access to capital.

### Mitigation

Our Company has implemented comprehensive EHS and ESG risk management frameworks across all operations. These frameworks promote an inclusive, safe, and sustainable work culture, incorporating stringent procedures to mitigate hazards and prioritize employee health and well-being. Environmental and social responsibilities are actively managed to ensure sustainability and regulatory compliance, minimizing risks and fostering a sustainable operational model. Moreover, we are ISO 14001:2015 and ISO 45001:2018 certified.

To enhance ESG risk management efforts, we have established an ESG Committee comprising Senior Management. This committee spearheads initiatives to address emerging ESG risks and opportunities, integrating ESG considerations into business functions such as stakeholder engagement, risk management, manufacturing operations, workforce engagement, and supply chain management. This approach facilitates informed business decision-making and strengthens our resilience against evolving regulatory and stakeholder expectations.

### Capitals Affected



### Risk Category

- ESG Risk
- Legal/Regulatory Risk

### Risk Movement



## Risks Linked to Insufficient Cybersecurity and Data Privacy Protocols

The potential for significant disruption to IT systems from cyber-attacks and failure to comply with data privacy regulations presents a critical vulnerability across our global supply chain. Such breaches can compromise sensitive patient or personal data, infringe on intellectual property, result in financial losses, disrupt operations, damage our reputation and hinder business growth. Additionally, non-compliance to local laws on data privacy and security, such as Health Insurance Portability and Accountability Act (HIPAA) in the United States, General Data Protection Regulation (GDPR) in the European Union, may lead to legal actions and imposition of fines.

### Impact

Cybersecurity breaches can be severe, impacting our legal standing, patient confidentiality, clinical results, proprietary research, intellectual property rights, financial performance, and customer trust. Due to climate events, human resources can be strained and there might be increased occurrences of cybercrime.

### Mitigation

We are committed to establishing a robust cybersecurity framework and fostering a security-first culture. This includes proactive measures to detect and prevent cyber-attacks, as well as responsive strategies for incident management. We conduct thorough assessments to ensure compliance with data privacy laws, regularly updating policies, and educating employees on privacy standards with regular training on endpoint and network security.

We implement strong IT management systems featuring multi-factor authentication, web and email security gateways, anti-virus software, and firewalls. Access to confidential information is strictly controlled, and data minimization practices are enforced to mitigate breach risks. Our adherence to GDPR, HIPAA, and other standards is supported by a well-defined incident response plan.

Considering the evolving nature of this risk, we adhere to the highest standards of privacy, safety, and reliability, and regularly evaluate risk exposure through rigorous testing and comprehensive analysis, and continuously upgrading our IT security systems to tackle emerging threats. Additionally, we secure comprehensive insurance coverage to mitigate potential financial impacts. We also integrate climate resilience measures into our cybersecurity protocols to further protect our infrastructure.

### Capitals Affected



### Risk Category

- Technological Risk and Emerging Risk

### Risk Movement



 Social & Relationship Capital

 Natural Capital

 Intellectual Capital

 Human Capital

 Financial Capital

 Manufactured Capital





Corporate Overview

Statutory Reports

Financial Statements

**Stakeholder Engagement**

# Engaging Stakeholders for Sustainable Success

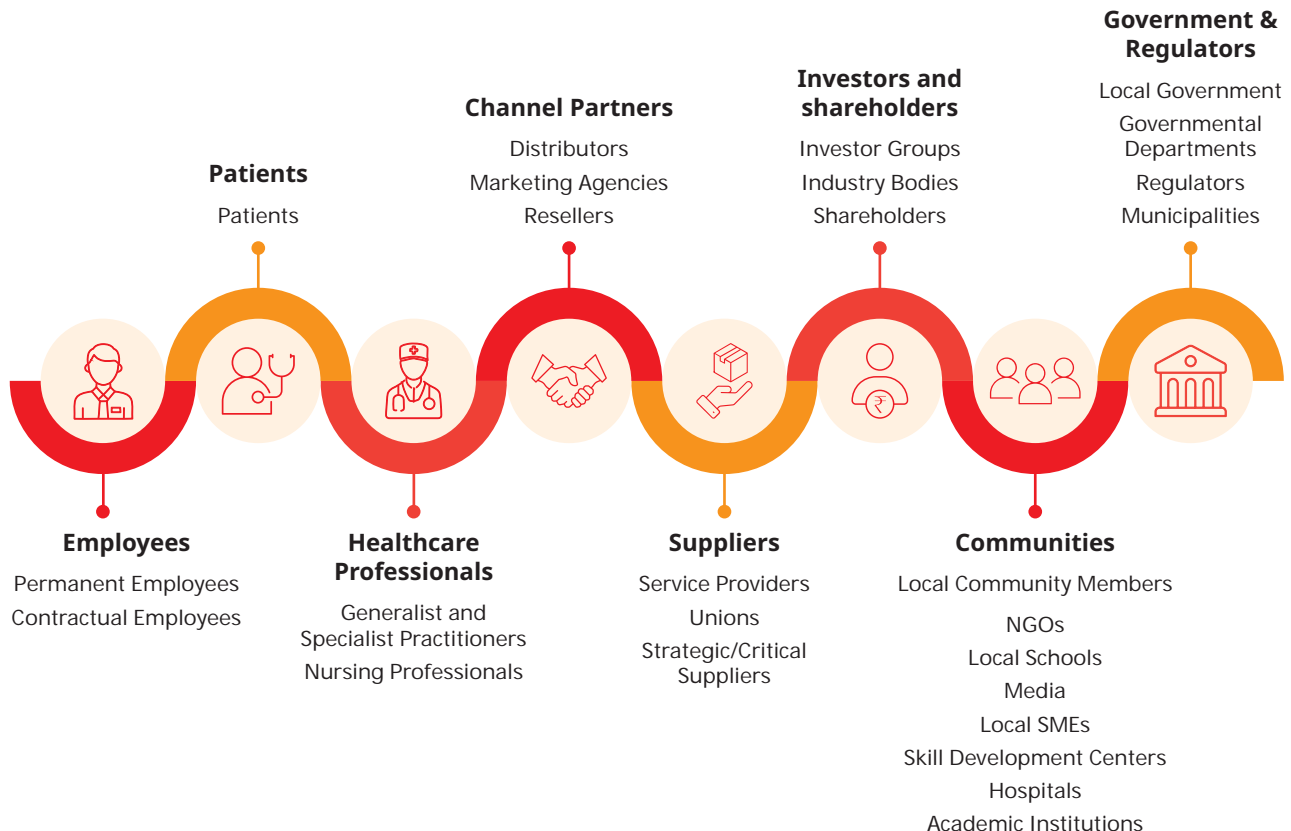
We are committed to understanding and responding to stakeholder needs and expectations, including patients, healthcare professionals, partners in the value chain, investors, employees, and management. Effective engagement enables us to identify market needs, gather insights, build trust, foster collaboration, and create shared value.

We ensure effective stakeholder interactions by assigning clear responsibilities and allocating resources. We actively engage with our stakeholders to address their needs and devise tailored engagement strategies that are designed with transparent goals and measurable outcomes.

## Stakeholder Engagement Process



## Our Stakeholder Universe



## Key Stakeholder Groups

# Employees Our Company's esteemed talent

### Reasons for Engagement

- Seek feedback and address concerns
- Appraise them of strategic organizational developments
- Track KPIs and KRAs and conduct action planning
- Recognize merit and provide professional development opportunities
- Consult with Senior Management on business operations and long-term strategies

### Channels of Engagement

- Town hall meetings
- Senior management interactions
- HR communication
- Employee connects
- Employee engagement survey
- Employee engagement activities
- Reward and recognitions
- Employee focused intranet
- Learning portal for employees
- In-person meetings
- Email communication

### Value Created

- Career development and employee well-being
- 4,90,302 Hours of training provided to employees
- 3,504 New hires in FY 2024

### Frequency of Engagement

Frequent/ Need Basis


### Material Issues


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

### Risks

- Human Resource Risk
- Business Risk

### Capital Linkage



Social & Relationship Capital



Natural Capital



Intellectual Capital



Human Capital



Financial Capital



Manufactured Capital

**Patients** End users utilizing our offerings

**Reasons for Engagement**

- Proactively engage with patients and patient advocacy groups to better understand their needs and requirements
- Develop innovative healthcare solutions that improve patients' therapy outcomes
- Monitor product experiences and any adverse events

**Channels of Engagement**

- Website
- Awareness campaigns
- Various pharmacovigilance touch points

**Value Created**

- Better accessibility and availability of healthcare
- Our Patient Assistance Programs (PAP) have provided critical support to those in need, ensuring access to essential medications and treatments.
- Our innovative approach of offering Drugs on Easy Monthly Installments has alleviated the financial burden for many, allowing patients to receive necessary care without compromising their financial stability.

**Frequency of Engagement**  
Frequent/ Need basis

**Material Issues**

- Product Quality and Safety
- Enhancing Accessibility of Medicines
- Human Rights

**Risks**

- Business Risk
- Quality Risk
- Legal/Regulatory Risk

**Capital Linkage** 



For more information on the programs, please refer to page 134

**Channel Partners** Collaborative partners in pharmaceutical distribution

**Reasons for Engagement**

- Increase product accessibility across different geographies
- Develop product distribution strategies and monitor operations

**Channels of Engagement**

- In-Person Meetings
- Field Visits
- Digital Communication

**Value Created**

- Partnerships and collaborations that increase product accessibility
- Global market reach


**Frequency of Engagement**  
Frequent/Need basis

**Material Issues**

- Product Quality and Safety
- Enhancing Accessibility of Medicines
- Human Rights
- Supply chain management

**Risks**

- Business Risk
- Quality Risk
- Legal/Regulatory Risk
- Commodity Risk

**Capital Linkage** 





# Healthcare Professionals

Cornerstone for comprehending patients' requirements

**Reasons for Engagement**

- Share patient feedback and reviews, including adverse event reporting, if any
- Detail products and collaborate on various scientific and social initiatives

**Channels of Engagement**

- In-person meetings
- Conferences
- Electronic and print media

**Value Created**

- Improving existing solutions and partnering on innovation
- We offer a comprehensive resource hub for the latest medical information and clinical updates to our Healthcare Professionals through the Glenmark Science Registration Platform
- Our programmes, 'Candid Outmatch the Patch' and 'Step Ahead' for Supirocin, have provided valuable educational content and tools, enhancing their ability to make informed decisions and deliver optimal patient care.

**Frequency of Engagement**

Frequent / Need basis

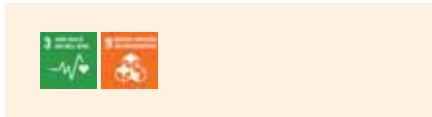
**Material Issues**

- Product Quality and Safety
- Enhancing Accessibility of Medicines
- Human Rights

**Risks**

- Business Risk
- Quality Risk
- Legal/Regulatory Risk

**Capital Linkage** 



For more information on the programs, please refer to page 138

# Government & Regulators

Government bodies and regulatory authorities at local, state, & national levels

**Reasons for Engagement**

- Maintain open communication and comply with regulations
- Contribute to development of healthcare regulations and policies

**Channels of Engagement**

- In-person meetings
- Conferences
- Facility visits
- Official communication
- Statutory publication
- Through industry associations

**Value Created**

- Compliance with all laws and regulations
- INR 18,673 Mn Tax Expense

**Frequency of Engagement**

Need basis

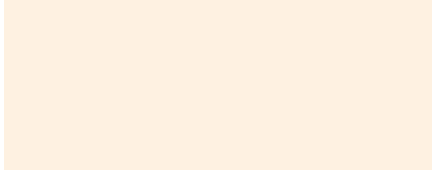
**Material Issues**

- Community Development
- Human Rights



**Risks**

- Legal/Regulator Risk
- Foreign Exchange Risk
- Financial Risk

**Capital Linkage**  



**Suppliers** Providers of input materials & services

<p><b>Reasons for Engagement</b></p> <ul style="list-style-type: none"> <li>• Regular engagement with our suppliers for regular supply of materials</li> <li>• Communicate operational decisions, understand and address their concerns</li> <li>• Promote responsible sourcing practices, uphold ethical standards and drive sustainability across the supply chain</li> </ul>	<p><b>Channels of Engagement</b></p> <ul style="list-style-type: none"> <li>• Vendor meetings</li> <li>• Supplier audit</li> <li>• Facility visits</li> </ul>	<p><b>Value Created</b></p> <ul style="list-style-type: none"> <li>• Developing a responsible supply chain</li> </ul>
<p><b>Frequency of Engagement</b></p> <p>Frequent/Need basis</p>	<p><b>Material Issues</b></p> <ul style="list-style-type: none"> <li>• Product Quality And Safety</li> <li>• Enhancing Accessibility Of Medicines</li> <li>• Human Rights</li> <li>• Supply Chain Management</li> </ul>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Business Risk</li> <li>• Quality Risk</li> <li>• Legal/Regulatory Risk</li> <li>• Commodity Risk</li> <li>• Operational Risk</li> <li>• Financial Risk</li> </ul>
<p><b>Capital Linkage</b></p> 		

**Investors & Shareholders** Providers of financial resources

<p><b>Reasons for Engagement</b></p> <ul style="list-style-type: none"> <li>• Maintain regular and transparent communication</li> <li>• Update them on the corporate strategy and financial updates</li> </ul>	<p><b>Channels of Engagement</b></p> <ul style="list-style-type: none"> <li>• Annual general meetings</li> <li>• Annual report</li> <li>• Financial reports</li> <li>• Investor meetings/conferences</li> <li>• Earnings calls</li> <li>• Issuing specific event related press releases</li> <li>• Grievance mechanism</li> </ul>	<p><b>Value Created</b></p> <ul style="list-style-type: none"> <li>• Enhanced financial performance</li> <li>• INR 2,63,786* Mn Enterprise Value</li> </ul>
<p><b>Frequency of Engagement</b></p> <p>Frequent/Need basis</p>	<p><b>Material Issues</b></p> <ul style="list-style-type: none"> <li>• Corporate Governance</li> <li>• Business Ethics</li> <li>• Policy Advocacy</li> </ul>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Business Risk</li> <li>• Legal/Regulatory Risk</li> <li>• Financial Risk</li> </ul>
<p><b>Capital Linkage</b></p> 		

# Communities A more inclusive society with a shared socially significant characteristic

**Reasons for Engagement**  
 To conduct need assessments, execute community development projects, understand and resolve their concerns on critical incidents, and address community grievances, if any

- Channels of Engagement**
- Interaction with NGO partners for CSR initiatives
  - CSR impact assessment
  - Employee volunteering CSR initiatives
  - Social media and website

- Value Created**
- Giving back to the society through our targeted CSR programmes
  - INR 368 Mn CSR Spend
  - 3.3 Mn Lives impacted

**Frequency of Engagement**  
 Frequent/Need basis

- Material Issues**
- Community Development
  - Human Rights

- Risks**
- Operational Risk
  - Environmental, Social And Governance Risk

**Capital Linkage**



\*As on 31 March 2024

Social & Relationship Capital
 Natural Capital
 Intellectual Capital
 Human Capital
 Financial Capital
 Manufactured Capital

**Materiality Assessment**

# Prioritizing our Material Issues

Materiality assessments are aimed to identify sustainability issues that may affect our ability to preserve and enhance stakeholder value. In FY 2023, we conducted a robust impact materiality assessment and review our material issues every three years to address evolving industry trends, dynamics and stakeholder expectations. We continually monitor, review, and validate economic, environmental, social, and governance topics to stay abreast with volatile market dynamics.

Once our material issues are identified, they are integrated into our enterprise risk management

process and forward-looking strategy. This integration allows us to systematically monitor and assess risks and opportunities, proactively address potential challenges, and leverage emerging opportunities. It also ensures our strategic objectives are aligned with our risk management practices, fostering a cohesive approach to long-term success.

Given a major change in the business structure in FY 2024, we re-evaluated our issues given the changing priorities of our stakeholders and have subsequently revised our material priorities.

## Our Approach to Materiality Assessment



## Material Issues Identified

Environmental	Social	Governance
<ul style="list-style-type: none"> <li>Climate Change</li> <li>Water and Waste Management</li> <li>Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Human Rights</li> <li>Occupational Health and Safety</li> <li>Talent Attraction and Retention</li> <li>Human Capital Development</li> <li>Promoting Diversity</li> <li>Supply Chain Management</li> <li>Innovation and Research</li> <li>Product Quality and Safety</li> <li>Community Development</li> <li>Enhancing Accessibility of Medicines</li> </ul>	<ul style="list-style-type: none"> <li>Risk Management</li> <li>Corporate Governance</li> <li>Business Ethics</li> <li>Policy Advocacy</li> <li>Cybersecurity and Data Privacy</li> </ul>



### Material Issues and its Mapping to Capitals, Strategic Priorities and SDGs

	Material Topics	ESG Classification	Mapping with the Integrated Report	SDG Mapping
<b>Very High</b>	Business Ethics	Governance		
	Corporate Governance	Governance		
	Cybersecurity and Data Privacy	Governance		
<b>High</b>	Product Quality and Safety	Social		
	Human Capital Development	Social		
	Enhancing Accessibility of Medicines	Social		
	Climate Change	Social		
	Talent Attraction and Retention	Social		
	Human Rights	Social		
	Occupational Health and Safety	Social		
	Supply Chain Management	Social		
	Community Development	Social		
	Climate Change	Environment		
Biodiversity	Environment			
<b>Medium</b>	Innovation and Research	Social		
	Promoting Diversity	Social		
	Water and Waste Management	Environment		

Social & Relationship Capital
 Natural Capital
 Intellectual Capital
 Human Capital
 Financial Capital

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**ESG Strategy and Governance**

# Embedding ESG into our Core Strategy

We are committed to integrating sustainability into our core business strategy. Our dedication to ESG principles is fundamental to our business strategy and operations and aims to position us as a leader in sustainability within the pharmaceutical industry.

By embedding ESG considerations into our decision-making processes and corporate culture, we seek to generate measurable ESG impact throughout our business activities and the value chain, fostering a sustainable future.

## Our approach, defined by the 3 P's, encapsulates the core elements and critical aspects of our ESG Strategy



### Plan

Formulate sustainable action plans to meet business goals and sustainability targets.



### Promulgate

Communicate our ESG performance to enhance stakeholder engagement and align expectations with long-term strategic goals.



### Publish

Provide documented evidence of our initiatives, adhering to global standards such as Integrated Reporting (IR), Global Reporting Initiative (GRI), the Dow Jones Sustainability Index (DJSI), CDP, Business Responsibility and Sustainability Report (BRSR), and the Science Based Targets initiative (SBTi) and EcoVadis.

## Core Pillars of Our ESG Strategy



### Environmental Consciousness

We strive to minimize our environmental footprint through sustainable practices in research, manufacturing, and distribution by focusing on reducing greenhouse gas emissions, conserving water, minimizing waste, and enhancing energy efficiency.



### Social Inclusion

We are dedicated to improving global health outcomes and patient safety, emphasizing access to affordable medicines, fostering an inclusive and diverse workforce, and supporting community programs.



### Ethical Governance

We uphold the highest standards of corporate governance to ensure accountability, transparency, and ethical conduct. Our governance framework is designed to foster long-term value creation for all stakeholders.

Pillars	Material Issues	Strategic Focus Areas	Strategic Actions
<b>Environmental Consciousness</b>	<ul style="list-style-type: none"> <li>• Climate Change</li> <li>• Water and Waste Management</li> <li>• Biodiversity</li> </ul>	Climate Action	Monitor usage and conserve energy
		Water Management	Decarbonize operations and supply chain to reduce Green House Gas (GHG) emissions
		Waste Management	Ensure Water Management
			Implement 3 R Principle Promote co-processing of hazardous waste
<b>Socially Inclusive</b>	<ul style="list-style-type: none"> <li>• Human Capital Development</li> <li>• Talent Attraction and Retention</li> <li>• Human Rights</li> <li>• Occupational Health and Safety</li> <li>• Promoting Diversity</li> <li>• Product Quality and Safety</li> <li>• Enhancing Accessibility of Medicines</li> <li>• Community Development</li> <li>• Supply Chain Management</li> </ul>	Employee Wellbeing and Development	Create learning and development opportunities for employees
			Promote employee health & safety
			Promote workforce diversity & commitment to Human Rights
		Product Safety, Quality, and Accessibility	Ensure availability of quality products
			Expand market penetration and access of affordable medicines
		Community Development	Enable access to healthcare and community support programs
Responsible Supply Chain Management	Implement Supplier sustainability protocol and optimize the supply chain		
<b>Ethical Governance</b>	<ul style="list-style-type: none"> <li>• Risk Management</li> <li>• Cybersecurity and Data Privacy</li> <li>• Corporate Governance</li> <li>• Business Ethics</li> <li>• Policy Advocacy</li> <li>• Innovation and Research</li> </ul>	Risk Management	Maintain a robust Enterprise Risk Management framework
		Digital Transformation	Advance digital transformation initiatives.
		Business Ethics	Capacity building on business ethics
		Promoting Innovation	Enhance R&D capabilities
Undertake development of new products, inventions, and patents			

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## ESG Governance

Our ESG governance framework is overseen by the ESG Committee, chaired by the Chairman and Managing Director (CMD).

The Chairman regularly reviews our decarbonization and climate initiatives, including strategy, targets, and quarterly performance. The President of Operations and Supply Chain oversees monthly progress on climate-related initiatives, ensuring effective

implementation and management towards our set targets. The committee evaluates progress on our ESG strategy, focusing on goals and targets that benefit the economy, environment, and society.

We provide regular updates on all ESG-related activities to Glenmark’s Executive Leadership team at least three times a year to ensure the senior-most level oversight and accountability.

### Responsibilities



Furthermore, we are also evolving our governance to better manage climate-related risks and opportunities. These developments will be reflected in our climate-related financial disclosures in alignment with the TCFD Framework.








ESG Targets and Performance

# Progressing on our Sustainability Commitments

We have set robust targets across our ESG focus areas. These targets are aligned with our material issues and our yearly progress is monitored and communicated to all our stakeholders.

	Targets	FY 2024 Performance
<p><b>Environmental</b></p> 	<p>Committed to sustainability across all our operations globally</p> <p>Become a carbon neutral enterprise by 2030 (Covers Scope 1 and Scope 2 emissions only)</p> <p>Achieve water neutral operations by the year 2025</p> <p>Zero waste to landfill at all our plant locations by the year 2027</p>	<p>Scope 1 Emissions : 15,455 tCO<sub>2</sub>e</p> <p>Scope 2 Emissions: 69,632 tCO<sub>2</sub>e</p> <p>Scope 3 Emissions: 1,71,146 tCO<sub>2</sub>e</p> <p>120+ rain water harvesting structures created to enhance water storage capacity</p> <p>Total Waste Generated: 3,608 MT (Hazardous + Non-Hazardous waste)</p> <p>Total Waste Landfilled: 4%</p>
<p><b>Social</b></p> 	<p>16 global safety programs to be successfully launched by 2023</p> <p>Aspire to impact 3 Mn lives by 2025 and further impact 5 Mn lives by 2030</p> <p>Deepen global presence and deliver quality affordable in new markets</p> <p>Continue focus on gender equality and diversification</p>	<p>All 16 global safety programmes successfully launched and implemented*</p> <p>Successfully impacted 3.3 Mn lives over the years</p> <p>Global presence in 50+ Countries</p> <p>Gender Diversity:</p> <ul style="list-style-type: none"> <li>• 14% Women in the Global Workforce</li> <li>• 33% Women members on the Board**</li> <li>• 158 Women in STEM roles</li> </ul>
<p><b>Governance</b></p> 	<p>Maintain an ethical business culture to drive robust governance practices beyond compliance</p> <p>Continue maintaining high quality products and product transparency</p>	<p>Continued to maintain an ethical business culture</p> <p>Continued to maintain high quality products</p>

**\*Self-assessments for the safety programmes are carried out by sites half yearly and the corporate office conducts yearly assessments)**

\*\*As on 31 March 2024



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**Governance Framework**

# Upholding the Highest Standards of Governance

Our robust governance framework serves as a cornerstone of our institution, ensuring resilience and adaptability as we embark on strategic realignment. Transitioning from generic drugs to branded generics and, ultimately, incorporating a larger share of specialty medicines into our product mix demands effective governance to guide us through this evolution while upholding excellence in all aspects of our operations.

## Our Board Philosophy

The fundamental principle of 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.

We maintain and ensure ethical, fair, and transparent governance practices. Aligned with international standards, the Board and its committees follow transparency and independence in all decisions, reflecting our commitment to sound corporate governance.



### Board of Directors

Our Board strikes a balance between executive and non-executive, independent and diverse representation, who also ensure strengthened business performance and sustainable operations.



### Board Committees

We operate through 7 Board-level committees, each dedicated to monitoring key focus areas, we ensure comprehensive oversight and strategic direction across all operational facets. These committees guide strategic decision-making, assess effectiveness, review corporate performance, advise on risk management strategies, and oversee policy implementation.



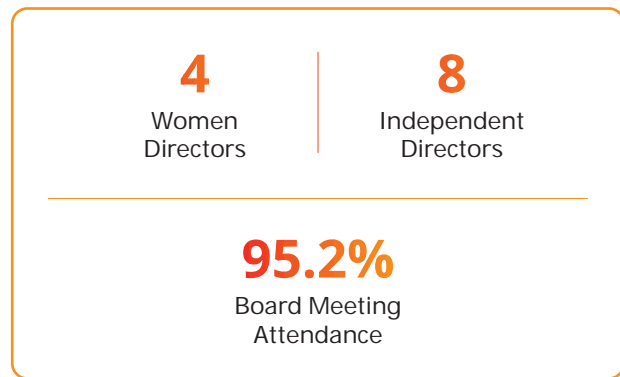
### Senior Management

Members of the core management team



### Board Composition and Diversity\*

Our Board has a strong mix of executive and non-executive representation. We prioritize an optimal blend of skills, gender, industry experience, geographic backgrounds, and age to foster diverse perspectives in decision-making, enhancing oversight and long-term sustainability.



#### Gender Diversity (%)



**67**  
Number of Male Directors

**33**  
Number of Female Directors

#### Executive vs. Non-Executive Directors (%)



**25**  
Executive Directors

**75**  
Non-Executive Directors

#### Independent vs. Non-Independent Directors (%)



**67**  
Independent Directors

**33**  
Non-Independent Directors

For more details, Read our Board Diversity Policy.

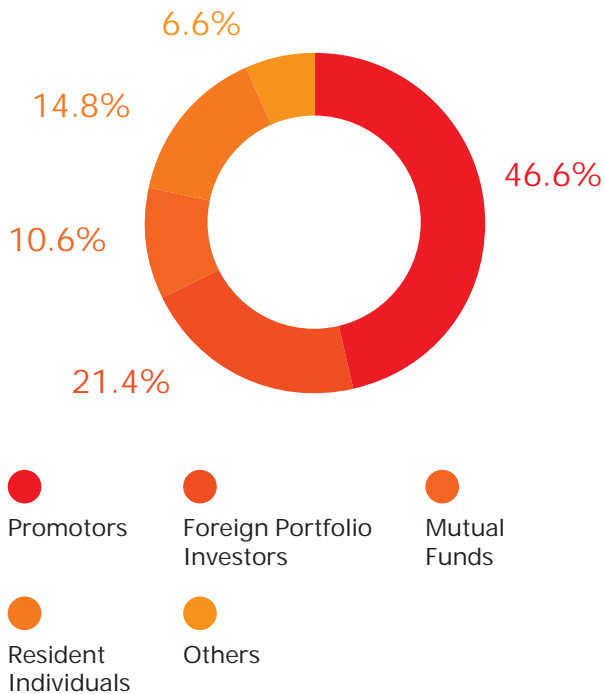
#### Board/ Committee Meeting and Attendance (FY 2024)

	Attendance	Members	Meetings
<b>Board</b>	<b>95.2%</b>	<b>12</b>	<b>7</b>
<b>Audit Committee</b>	100%	4	5
<b>Stakeholders Relationship Committee</b>	91.7%	3	4
<b>Nomination and Remuneration Committee</b>	100%	3	4
<b>Risk Management Committee</b>	100%	4	4
<b>Corporate Social Responsibility Committee</b>	91.7%	3	4
<b>ESG Committee</b>	91.7%	3	4
<b>Operations Committee</b>	100%	3	7

\*As of 31 March 2024

### Shareholding Pattern (% of Equity) (As of 31 March 2024)

With over 53% of public shareholding, our relatively dispersed shareholding structure enhances market depth and liquidity, facilitating fair share price discovery and reinforcing investor confidence.



### Overview of Glenmark’s Policies

Operating in a highly regulated environment, we adhere to stringent compliance frameworks encompassing Good Manufacturing Practices (GMP), Good Clinical Practices (GCP), and Good Pharmacovigilance Practices (GVP), among others.

Ethical considerations underpin our decision-making processes at every stage of drug development and commercialization. We uphold the principles of patient autonomy, beneficence, and justice, ensuring that our products contribute positively to healthcare outcomes. Our interactions with healthcare professionals, patients, and other stakeholders are governed by ethical guidelines that prioritize patient welfare and scientific integrity over commercial interests.

We continuously refine our Compliance Framework to uphold robust governance practices that deliver lasting value to stakeholders. Over the years, we have strengthened our Compliance Program through targeted interventions. This includes enhancing written guidelines, refining training structures, reassessing compliance communication strategies, reinforcing our EthicsLine for confidential reporting, and bolstering risk assessment, monitoring, and mitigation efforts.

At Glenmark, adherence to ethical standards is paramount. Our employees undergo mandatory compliance training covering crucial areas such as our Code of Conduct, Anti-Bribery & Anti-Corruption measures, Conflict of Interest guidelines. Induction training provided at onboarding and annually thereafter, includes role and risk-specific sessions. Our communication strategy reinforces policy awareness through various channels, including videos, posters, and emails.

### Board Effectiveness and Evaluation

The effectiveness of our Board of Directors is paramount to our success, underpinning strong internal controls and governance standards. Aligned with global best practices, our Board undergoes regular evaluations based on diverse criteria.

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:**
  - Contribution to the Board and Board Committee meetings
  - Preparation on the issues to be discussed
  - Number of meetings attended as well as the nature of their contributions

**Read more in the Corporate Governance Report on page 208**



### Code of Conduct

Our globally applicable Code embodies our core values and principles, guiding behaviors for all individuals associated with Glenmark, spanning employees, officers, and our Board of Directors.

Upholding integrity and ethical standards, our Code serves as a roadmap for sound decision-making, reinforced through comprehensive training and regular sessions.

#### Our Code directs us in:



Read our Code of Conduct here.

### Policies

Our global policies, including Anti-Bribery and Anti-Corruption, Conflict of Interest, and Whistleblowing, underscore our commitment to ethical business conduct and legal compliance.

We continuously strengthen our Compliance framework through interventions and improvements, ensuring value creation for all stakeholders.



**Global Anti-Bribery and Anti-Corruption (“ABAC”) Policy** sets out our commitment to zero tolerance towards bribery and corruption. It ensures Glenmark conducts business in a legally compliant and socially responsible manner, aligning with all relevant international and local ABAC laws.



**Global Conflict of Interest Policy** is designed to prevent actual, potential or perceived conflicts of interest. Our policy provides clear guidance for day-to-day business conduct. We have bolstered our disclosure mechanisms to swiftly identify and mitigate conflicts, ensuring integrity and transparency across all operations.



**Global Whistleblowing Policy** encourages the reporting of misconduct or unethical behaviour through proper channels for prompt investigation and resolution. This policy underscores our commitment to accountability and ethical conduct at every level.

For more details, Read our publicly available policies.

### Data Security

At Glenmark, safeguarding stakeholder data has always been a core aspect of our operations. We are deeply committed to protecting data privacy, recognizing the trust that patients and

other stakeholders place in us. Our dedication is demonstrated through our Data Privacy Policy and Data Privacy Charter, which set forth rigorous standards for data security through which we protect our business and our stakeholders.

Read more in the Social and Relationship Capital on Page 151

Value Creation Model

# Designed to Deliver Impactful Value

Inputs



**Financial Capital**

Allocating financial resources to high-impact growth opportunities and investing in high-value products to boost margins and drive sustainable long-term value.

- CapEx: INR 8,964 Mn
- Equity Share Capital: INR 282.19 Mn



**Manufactured Capital**

Harnessing advanced technologies and digital solutions, we drive productivity while upholding the highest standards of safety and reliability.

- 11 State-of-the-art manufacturing facilities
- Over 100 digital and automation use cases have been deployed



**Intellectual Capital**

Innovation is at the heart of Glenmark's strategy, propelling us to lead and redefine healthcare solutions.

- R&D expenditure: INR 10,830 Mn\*
- R&D centres: 4
- R&D employees: 1,000+
- Strategic investment in advanced IT systems and digital technologies



**Human Capital**

We invest in future-ready workforce capabilities, prioritizing skill development, health, safety and well-being to attract, retain, and engage our people.

- Strong team of 14,989 people
- Training provided: 4,90,302 Hours



**Social & Relationship Capital**

Through nurturing collaborative partnerships with communities, supply chain partners, and customers, we solidify our standing as the partner of choice for sustainable, long-term relationships, further enhancing our corporate reputation.

- Total CSR spending is INR 368 Mn
- 1,07,000+ volunteer hours on CSR activities by 7,500+ employees
- Community and Patient outreach initiatives



**Natural Capital**

Committed to water neutrality by 2025, we use renewable and non-renewable resources to drive social and economic value while managing environmental impacts

- INR 59 Mn invested in energy efficiency
- EHS training hours: 63,967 hours
- 4,87,153 GJ Non-RE Consumption
- 27,439 GJ RE Consumption
- 4,80,862 KL Water Consumption

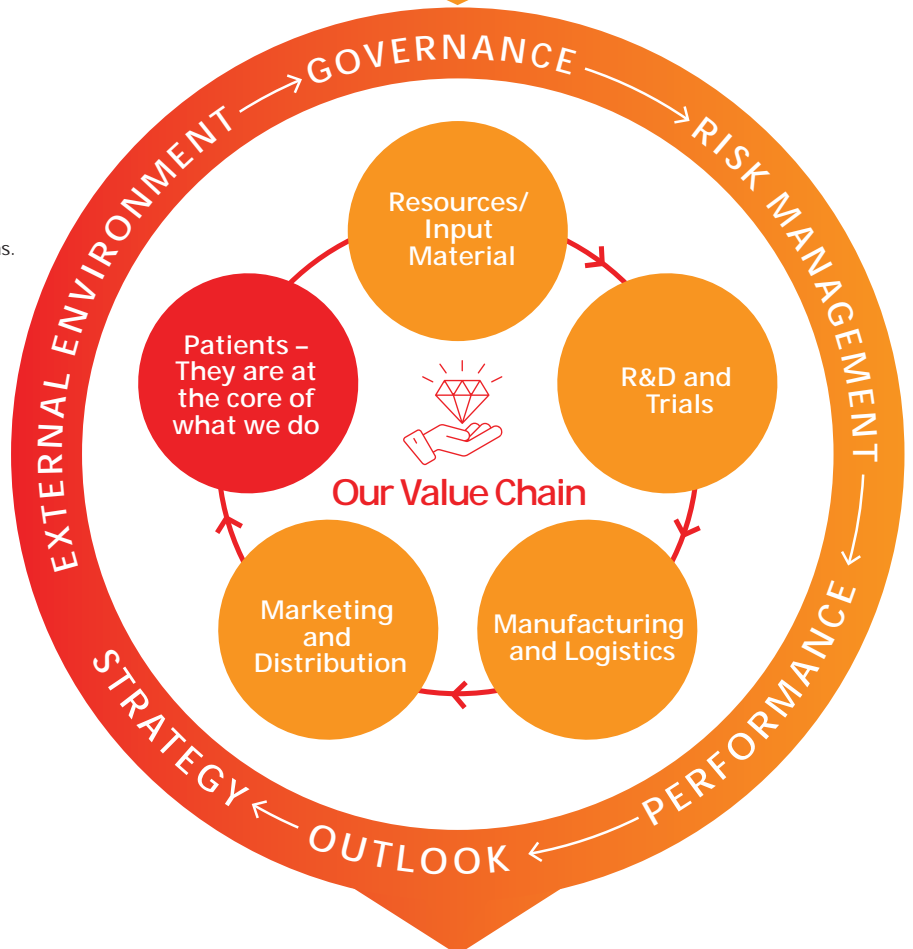
Value Creation Approach

**Vision**

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

**Our Business**

Formulations | Specialty & Innovative Products



**Supported by our values**

Achievement | Respect | Knowledge

Outputs	Outcomes	SDG Alignment
<ul style="list-style-type: none"> <li>Total Income: INR 1,26,531 Mn</li> <li>Revenue from operations: INR 1,18,131 Mn</li> <li>EBITDA: INR 11,953 Mn</li> <li>Enterprise Value: INR 2,63,786 Mn</li> <li>Net Cash Positive: INR 6,677 Mn</li> <li>~60% Contribution to revenue from branded markets</li> </ul>	<ul style="list-style-type: none"> <li>Entered new markets by launching products and establishing a strong presence in key regions like India, the U.S., and Europe</li> <li>Reinvested profits into R&amp;D to drive our innovative and specialty product pipeline</li> <li>Strategic cost management and rigorous governance have led to a robust balance sheet and optimal capital allocation</li> </ul>	
<ul style="list-style-type: none"> <li>Quality products across 25+ dosage forms and multiple therapeutic categories</li> <li>9 Manufacturing sites are ISO 14001 and 45001 certified globally</li> <li>10,876 Mn Total Formulation Units Manufactured</li> <li>1 New manufacturing facility commenced operations</li> </ul>	<ul style="list-style-type: none"> <li>Expanded market presence and operational efficiency through increased capacity and strategic partnerships</li> <li>Strengthened workplace safety</li> <li>Leveraged patents and intellectual properties to develop valuable, marketable assets</li> </ul>	
<ul style="list-style-type: none"> <li>95+ New products launched in FY 2024</li> <li>1,275+ patents and 1,400+ inventions as on 31 March 2024</li> <li>6 ANDAs filled in FY 2024</li> <li>6** Innovative assets in clinical development</li> <li>49 Publications across reputed scientific journals</li> </ul>	<ul style="list-style-type: none"> <li>Advanced healthcare research by addressing unmet treatment needs</li> <li>Secured longer exclusivity and patent protection, reducing competition in specialty markets</li> <li>Enhanced manufacturing with strategic efficiencies and advanced technologies</li> <li>Broadened institutional knowledge through in-house R&amp;D and key research partnerships</li> </ul>	
<ul style="list-style-type: none"> <li>14% Women Employees</li> <li>69 Differently Aabled Employees</li> <li>82% Retention Rate</li> <li>100% Return to work Rate that took parental leave</li> <li>0.01 Lost Time Injury Frequency Rate (LTIFR)</li> <li>ISO 45001 Certified</li> <li>GPTW Certified***</li> <li>Zero Fatalities</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced employee capabilities with comprehensive training and development programs across all divisions</li> <li>Curated approach towards succession planning through talent management interventions</li> <li>Sustained a strong focus on employee engagement by prioritizing comprehensive care and support</li> <li>Actively collected employee feedback through diverse channels, including engagement surveys</li> </ul>	
<ul style="list-style-type: none"> <li>3.3 Mn lives positively impacted through CSR programs</li> <li>78% Local Sourcing</li> <li>Several affordable medicines launched, making healthcare more accessible</li> <li>Responsible public policy advocacy</li> <li>Collaborations with other companies, enhancing access of our products</li> </ul>	<ul style="list-style-type: none"> <li>Increased market penetration via industry collaborations</li> <li>Improved supplier diversification to mitigate supply chain risks</li> <li>Enhanced employee engagement through volunteering and community outreach</li> <li>Achieved better sustainability outcomes through strengthened community engagement</li> </ul>	
<ul style="list-style-type: none"> <li>Reduced Scope 3 emissions to 1,71,146 tCO<sub>2</sub>e</li> <li>Recycled 145 MT of hazardous waste and co-processed 772 MT, with only 4% sent to landfill</li> <li>Recycled 1,81,759 kL of wastewater</li> <li>Achieved 82% ISO 14001 certification across manufacturing sites and implemented Zero Liquid Discharge (ZLD) in 3 plants</li> <li>15,066 Trees Planted</li> </ul>	<ul style="list-style-type: none"> <li>Achieved 100% of Extended Producer Responsibility targets, including for post-consumer plastic packaging</li> <li>Reduced costs due to improved energy efficiency</li> <li>Demonstrated excellence in environmental stewardship</li> <li>Continued progress towards achieving water neutrality and zero waste to landfill for our Manufacturing operations</li> </ul>	

\*12,258 Mn including capEx and discontinued operations

\*\*4 in Oncology and 2 in Immunology [out- licensed]

\*\*\*Certification valid till Feb 2024, covering most of FY 2024.



# Financial Capital



# Empowering Growth, Embracing Change

Effective financial management is crucial for us, supporting sustainable growth, R&D funding, and operational efficiency. We are committed to employing sound financial practices to allocate resources effectively, invest in innovative drug development, and navigate the rigorous process of bringing new medications to market. Robust financial health attracts investors, ensures regulatory compliance, and mitigates market and competitive risks. Ultimately, it enables us to deliver high-quality, life-saving medications while achieving long-term profitability and stability.



## Material Topics



**Innovation & Research**



**Risk Management**



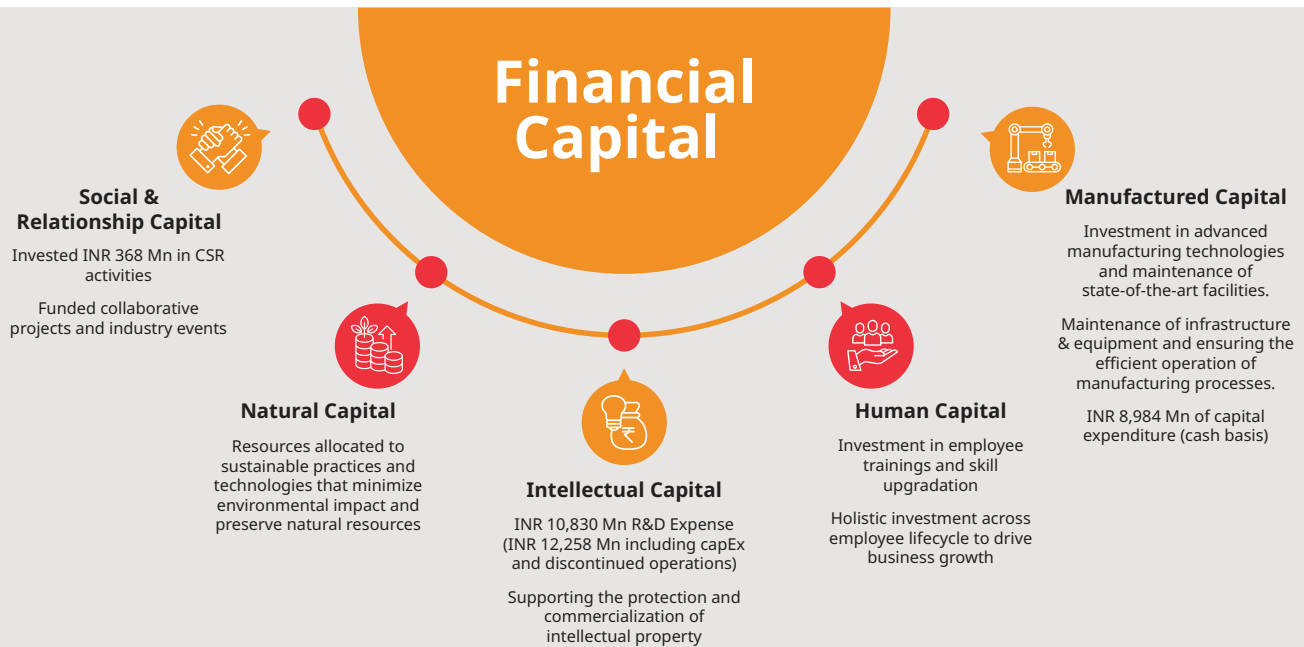
**Enhancing Accessibility of Medicines**



## Stakeholders in Focus

- Investors and Shareholders
- Employees
- Government and Regulators

## Interlinkages with Other Capitals



## Key Highlights for FY 2024

**INR 1,18,131 Mn**  
 Revenue from operations

**INR 11,953 Mn**  
 EBITDA

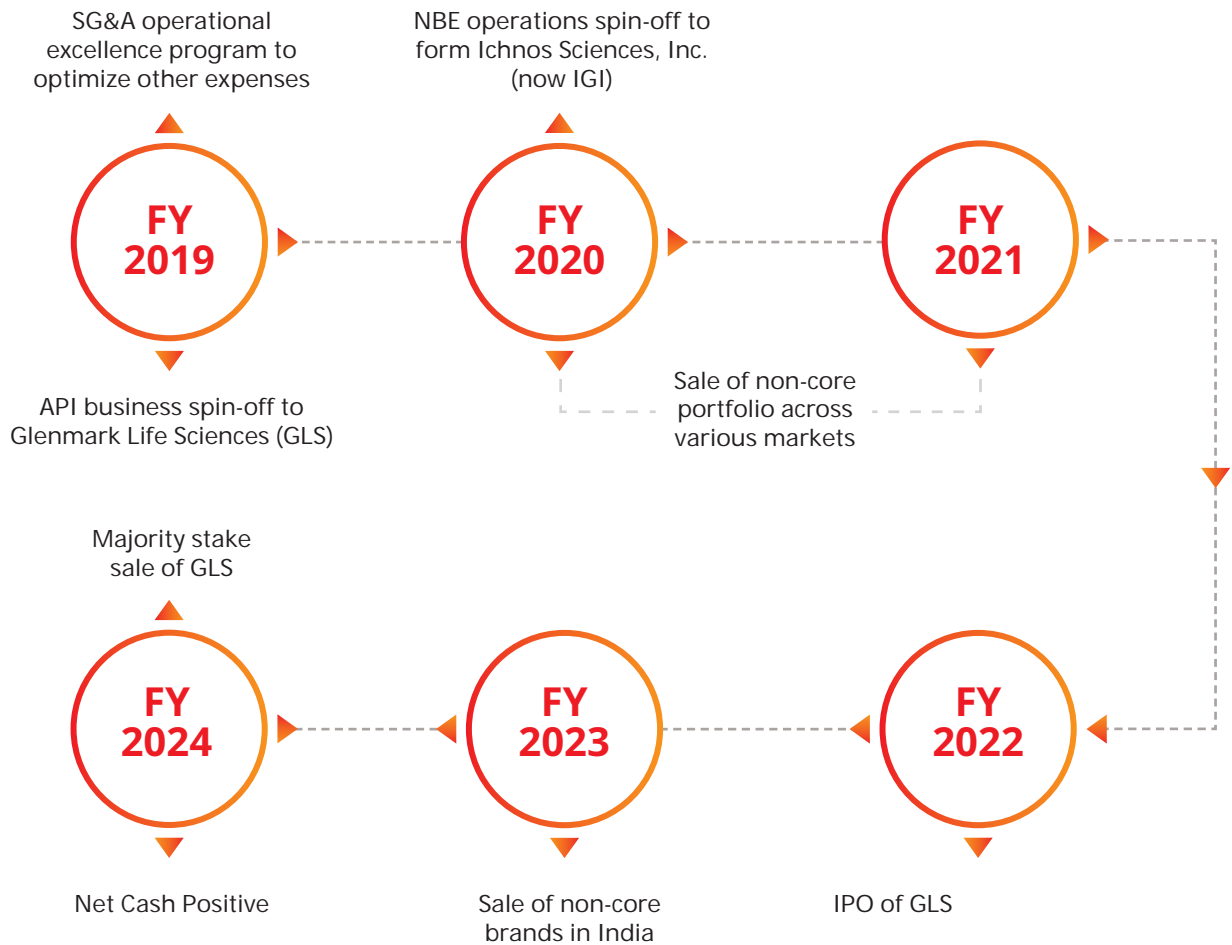
**INR 6,677 Mn**  
 Net Cash Positive

## Mapping with NGRBC Principles

**Principle 1:** Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

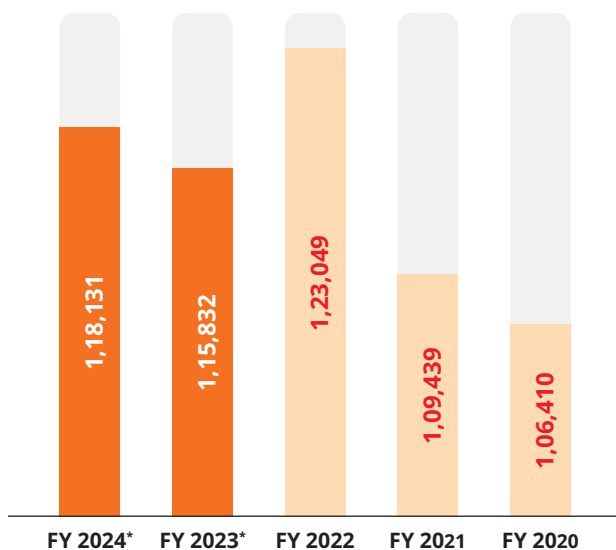
**Principle 8:** Businesses should promote inclusive growth and equitable development.

### Strengthening Balance Sheet Fortitude and Investor Confidence via Strategic Imperatives

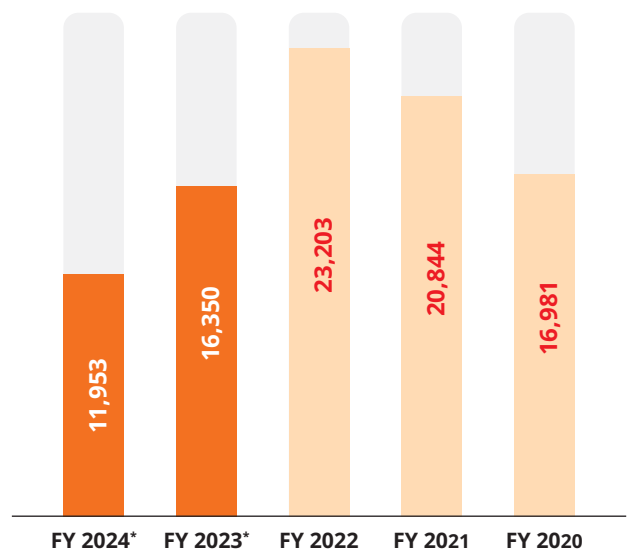


### Key Performance Indicators (INR Mn)

#### Revenue from Operations

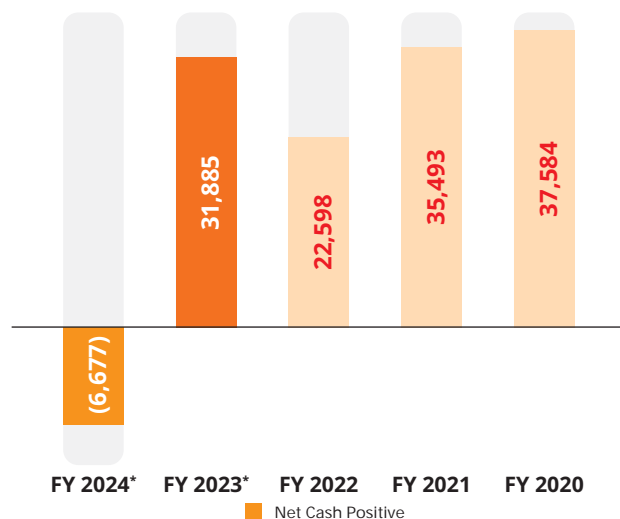


#### EBITDA



\* Continuing Operations consequent to the successful divestment of a majority stake in Glenmark Life Sciences

## Net Debt (Cash)



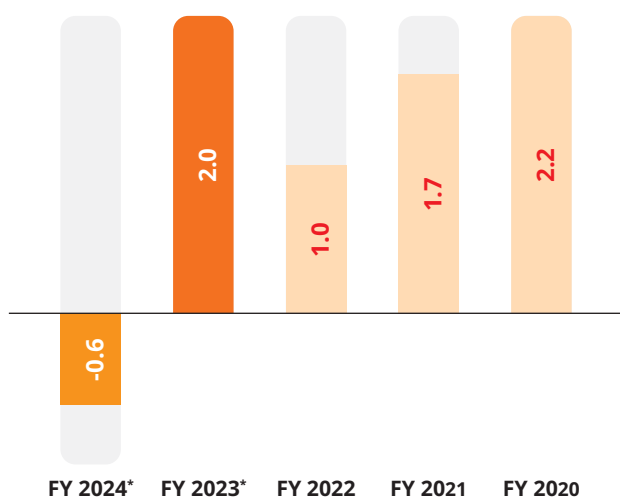
## Strengthening our Financial Position

We have strategically invested in both tangible and intangible opportunities to strengthen its innovative capabilities to create long term impact. These investments are guided by our commitment to generating value for shareholders while maintaining ethical business practices and meeting regulatory obligations consistently.

We recognize the diverse impacts of wealth distribution on various stakeholder groups. To fulfill our responsibilities, we contribute significantly to societal development through tax payments in the regions where we operate. We also deliver financial returns to our investors, acknowledging their trust and support in our business.

Our financial capital encompasses the funds we generate and utilize to drive strategic initiatives, foster innovation, and deliver sustainable value to stakeholders. This includes equity, debt, and retained earnings, which allow us to invest in new opportunities, manage risks effectively, and support our long-term objectives. Maintaining a robust financial position reinforces our ability to meet current obligations and seize future opportunities, reinforcing our commitment to creating lasting economic value.

## Net Debt/EBITDA



## Income from Continuing Operations

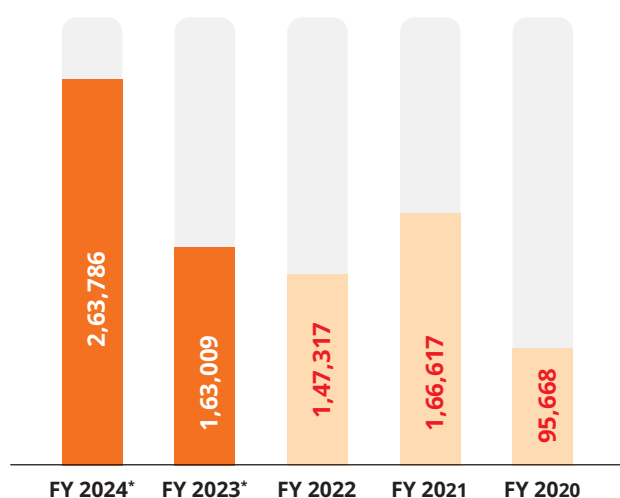
Following the successful divestment of a majority stake in Glenmark Life Sciences, the Company has been reclassified as discontinued operations under Ind-AS 105 "Asset Held for Sale and Discontinued Operations." This reclassification was implemented after the elimination of intercompany transactions and the inclusion of pertinent disclosures in the financial results.

Over the past four decades, we have organically expanded our a commercial presence in over 80 countries. Glenmark 's India business continues to be ranked 14<sup>th</sup> and one of the fastest-growing companies in the Indian Pharmaceutical Market. Additionally, we rank as the 15<sup>th</sup> largest generic Company by prescriptions filed in the U.S. Our strong performance during the reporting period is directly attributable to our robust capabilities in R&D and manufacturing.

Our consolidated revenue from operation for the year ending 31 March 2024 stood at INR 1,18,131 Mn with respect to INR 1,15,832 Mn in financial year ending 31 March 2023.

Despite the Indian pharmaceutical sector reporting single-digit growth in the reporting period, primarily due to a high base effect and ongoing challenges in volume growth, global economic slowdown and geopolitical tensions in Europe, our revenue has steadily increased owing to our product launches, focus on R&D, increasing market presence, partnerships and resulting in a 2% YoY revenue growth.

## Enterprise Value (EV)\*\*



\* Continuing Operations consequent to the successful divestment of a majority stake in Glenmark Life Sciences

\*\* Market cap as on 31 March, 2024 + Total Debt - Cash and Cash Equivalents

INR Mn	For the twelve months ended 31 March 2024		
	FY 2024	FY 2023	Growth (%)
<b>India*</b>	33,994	40,463	-16.0%
<b>North America</b>	30,943	31,481	-1.7%
<b>Europe</b>	24,205	18,097	33.7%
<b>Rest of the World</b>	27,666	23,834	16.1%
<b>Total</b>	<b>1,16,807</b>	<b>1,13,876</b>	<b>2.6%</b>
<b>Other Revenue</b>	1,324	1,957	-32.3%
<b>Consolidated Revenue</b>	<b>1,18,131</b>	<b>1,15,832</b>	<b>2.0%</b>

\*Due to one time restructuring in overall distribution model

# 33.7%

Europe business growth

# 16.1%

ROW business growth

Moving forward, we will continue to focus on optimizing our cost structure and enhancing operational efficiency to ensure sustainable profitability.

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

The Company reported Earnings Before Interest, Tax Depreciation and Amortization (EBITDA) of INR 11,953 Mn. The decline in EBITDA was predominantly attributed to a one-time sales impact specific to the India Business in Q3 FY 2024.

As we continue to move up the value chain and enhance our product mix, we are confident of achieving significant improvement in our operating margins going forward.

## Debt Utilization and Servicing

### Net Cash Positive

Achieving a net cash positive position of INR 6,677 Mn marks a significant achievement for our Company. This accomplishment aligns with our goal of becoming a zero net debt Company by FY 2026. Through effective debt management, including prepayment of long-term loans by divesting a majority stake in Glenmark Life Sciences, we achieved substantial de-leveraging of the balance sheet. This approach

supports our financial stability while allowing us to deliver innovative healthcare solutions and create sustainable value for our stakeholders.

This significant milestone highlights our unwavering dedication to financial responsibility, strategic foresight, and operational proficiency, showcasing our financial strength, resilience, and numerous avenues for expansion.

### Strengthening through Sustainable Finance

Recognizing the long-term benefits of integrating ESG objectives, we have strategically invested in sustainable initiatives. These efforts not only advance our ESG goals but also enhance operational efficiency and reduce costs.

Our sustainable finance practices contributes to a more responsible business model, driving financial performance and ensuring long-term value creation for our shareholders.

In March 2022, our Company availed a sustainability-linked loan (SLL) of USD 228 Mn, marking a first for an Indian pharmaceutical Company, which was prepaid in March 2024.



**Elevated Financial Health Rating**

Our commitment to maintain low leverage has enhanced our credit profile, reflecting our conservative financial policy. Our continued strong and reliable performance has been recognized by global credit rating agencies, resulting in improved ratings over the years.

The upgrade is a testament our strong research pipeline, innovative products, and strategic partnerships. This credit rating upgrade not only reduces borrowing costs but also enhances the Company's credibility for future collaborations and acquisitions. It symbolizes financial health and stability, making the Company an attractive investment option for stakeholders worldwide.

**2021**

**AA-, Positive**  
India Rating

**BB-, Stable**  
S&P

**AA-, Positive**  
CRISIL

**BB, Stable**  
Fitch

**2024**

**AA, Stable** ↑  
India Rating

**BB+, Stable** ↑  
S&P

**AA, Stable** ↑  
CRISIL

**BB, Stable** ↔  
Fitch



## R&D Investments

Research and development (R&D) are crucial to our growth, enabling the discovery and development of new therapies that address unmet medical needs. Our R&D investments enable us to stay at the forefront of scientific advancements, enhance our product pipeline, and maintain a competitive edge in the market. By prioritizing R&D, we ensure the continual improvement of our existing products and the creation of groundbreaking therapies that improve the quality of life for patients worldwide. This commitment to innovation not only fuels our business growth but also underscores our dedication to advancing global healthcare.

**Our R&D expense for the FY 2024 stood as  
INR 10,830 Mn\***

\*INR 12,258 Mn including capEx and discontinued operations

## Dividends

We are delighted to announce to our esteemed shareholders that our Board of Directors has recommended a dividend for the reporting period, reaffirming our steadfast dedication to enhancing shareholder value. Aligned with our unwavering commitment to sustainability and responsible corporate citizenship, the Board has recommended a final dividend of 250 % i.e. INR 2.50 per equity share of face value of INR 1 each for the FY 2024 to be allocated from the profits accrued during the FY 2024, pending approval by our discerning shareholders at the forthcoming Annual General Meeting (AGM). This proposed dividend, upon ratification, will result in a total outflow of INR 705.47 Mn.

## Promoting Tax Transparency and Accountable Reporting

We uphold the highest standards of accountability and transparency in its tax practices, ensuring compliance with all relevant laws and regulations. We approach taxation with a profound sense of responsibility, understanding that our tax practices not only impact our business but also contribute to the broader societal fabric.

Transparency is paramount in our tax policy designed to ensure that we comply with tax laws and regulations applicable to our business.

Our commitment to accountability extends beyond mere adherence to legal requirements; it encompasses proactive engagement with tax authorities to address any potential discrepancies or disputes swiftly and amicably. Through open and transparent communication channels, we strive to cultivate a relationship of mutual respect and cooperation with tax authorities, underpinned by a shared commitment to upholding tax integrity.

Our Tax policy, serves as a testament to our unwavering dedication to transparency and ethical conduct in all tax-related matters. By embracing accountability and transparency as guiding principles in our tax practices, we reaffirm our commitment to responsible corporate citizenship and sustainable business practices.

**For further details refer to our Tax Transparency Report for FY 2024.**

## Capital Expenditure

In FY 2024, our capital expenditure amounted to INR 8,964 Mn. These strategic investments are foundational in achieving our organizational objectives, including market expansion, optimized capacity utilization, and the seamless continuity of operations. They foster innovation, sustainable practices, and the development of a value chain with minimal carbon footprint and environmental impact. Additionally, these investments emphasize holistic stakeholder well-being, ensuring sustainable growth and long-term prosperity for the Company.

**CapEx  
INR 8,964 Mn**

## Creating Sustainable Value for Long-Term Success

In the dynamic global pharmaceutical landscape, our robust presence stands out, driven by remarkable growth and innovation. This rise is fueled by pioneering R&D initiatives and increasing global demand due to shifting demographics and escalating healthcare needs. We seize this opportunity, focusing on innovation and leading breakthroughs in healthcare solutions worldwide.

### De-risking the Business in a Challenging Global Environment

Reduction in gross debt to counter rising interest rates

Operational efficiency improvements leading to better core EBITDA margins



Substantial progress in closing of key U.S. litigations

Capital allocation decisions driven to maximize ROCE and minimize risk

As the industry continues to evolve, characterized by rapid technological advancements and regulatory shifts, we remain steadfast in its resolve to uphold the highest standards of integrity and accountability. With a rich tapestry of achievements in R&D, coupled

with transformative initiatives aimed at enhancing operational efficiency and sustainability, we are poised to navigate the complexities of the pharmaceutical landscape with confidence and resilience.





## Manufactured Capital



# Crafting Sustainability, Engineering Tomorrow's Innovations

At Glenmark, we are steadfast to leveraging our advanced facilities and research capabilities to produce pharmaceutical products of the highest quality. Our commitment spans across more than 80 countries, where we strive not only to meet stringent global regulations but also enhance patient health outcomes through an affordable and expansive portfolio of drugs. Our robust supply chains and delivery models ensure patients receive our products reliably and on time.



### Material Topics



**Product Quality and Patient Safety**

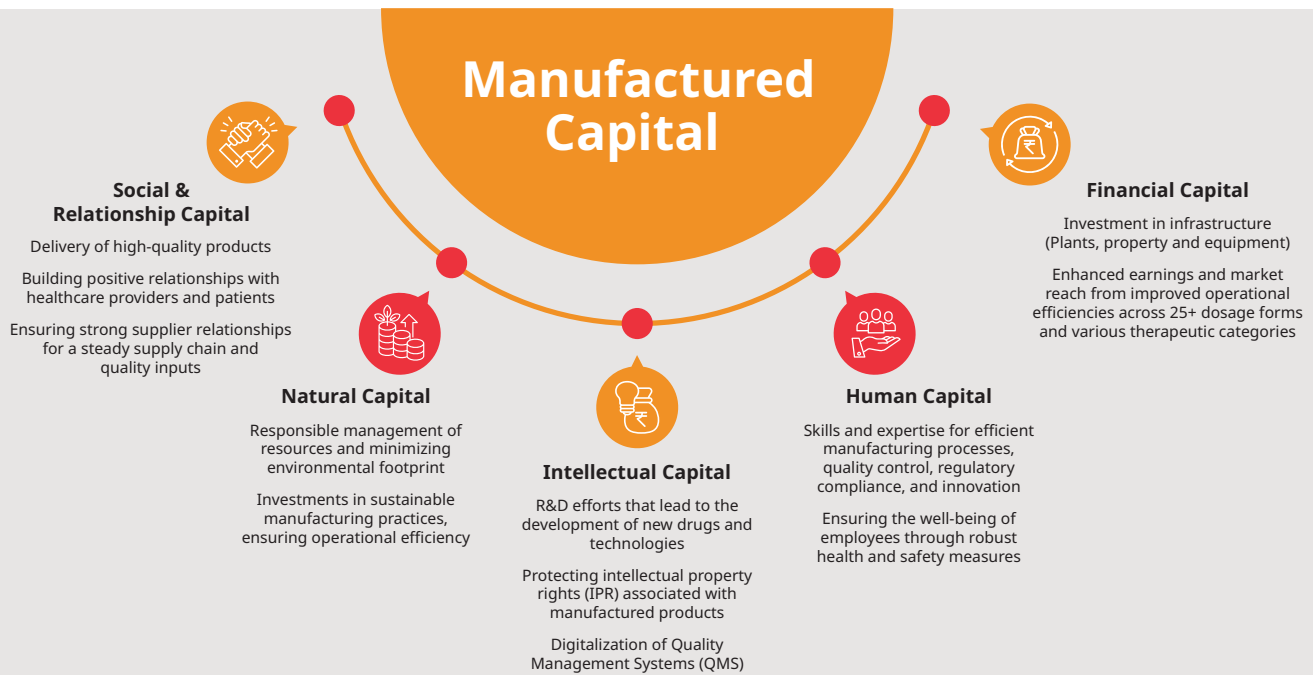


**Supply Chain Management**

## Stakeholder in Focus

- Employees
- Patients
- Government and Regulators
- Suppliers
- Communities

## Interlinkages with Other Capital



## Key Highlights

<b>11</b> State-of-the-art manufacturing facilities globally	<b>82%</b> of our Manufacturing sites are certified with ISO 14001 (Environmental Management System) & ISO 45001 (Occupational Health & Safety)	<b>INR 8,964 Mn</b> CapEx
<b>10,876 Mn</b> Total Formulation Units Manufactured	<b>04</b> Continents	<b>04</b> US FDA-Approved Facilities

## 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.



We are strengthening our operations forward through strategic investments in cutting-edge manufacturing technologies. These investments have bolstered our production capabilities, streamlined our supply chain, and accelerated our time to market for our products.

Central to our strategy is a relentless pursuit of continuous quality improvement. This commitment empowers our teams to innovate and develop robust control mechanisms that uphold the highest standards of patient health and safety.

### Our Cutting-Edge Manufacturing Facilities

Strategically positioned across 11 sites globally, our advanced manufacturing facilities stand as a testament to our dedication to excellence. Each facility is equipped with cutting-edge technologies designed to not only meet stringent regulatory standards and enhance production efficiency and product quality.



#### GPL India sites

- Goa
- Indore
- Baddi
- Chhatrapati Sambhaji Nagar
- Nashik
- Sikkim
- Nalagarh
- Nashik (GHL)



#### GPL International sites

- Pilar
- Vysoke Myto
- Monroe

Plant	Dosage Category
<b>Goa, India</b>	Oral Solids Semi Solids Sachet
<b>Indore, India</b>	Oral Solids Semi Solids Immuno Suppressant Block
<b>Baddi, India</b>	Oral Solids Oral Liquids Semi Solids Inhaler Nasal Spray
<b>Chhatrapati Sambhaji Nagar (Aurangabad), India</b>	Oral Solids Inhaler (MDI) Nasal Spray Topical Foam
<b>Nashik, India</b>	Oral Solids Oral Liquids Semi Solids (Lotion & Ointment) Shampoo Powder

Plant	Dosage Category
<b>Sikkim, India</b>	Oral Solids
<b>Nalagarh, India</b>	Oral Liquids Semi Solids (Ointments, Creams and Cosmetics)
<b>Nashik, India (Glenmark Healthcare Limited)</b>	Oral Liquids
<b>Pilar, Argentina</b>	Liquid and Lyophilized Injections
<b>Vysoke Myto, Czech Republic</b>	Oral Solids
<b>Monroe, USA</b>	Injectables

### Expansion of Manufacturing Capacities

In **Indore**, our infrastructure has been upgraded with the implementation of a new SSD block facility, further enhancing our service capabilities.

In **Baddi**, we are expanding with a new MDI manufacturing area and Nasal Manufacturing-III to meet rising demand for RYALTRIS® production.

### Transforming Operations for Optimal Performance

We are committed to enhancing productivity through strategic initiatives focused on upgrading equipment and facilities. We continually invest in state-of-the-art machinery and technology upgrades across all our manufacturing units to optimize production processes and increase throughput. Our focus on operational efficiency allows us to streamline workflows, minimize

waste, and reduce lead time, resulting in cost savings and improved responsiveness to market demands.

To empower our workforce to leverage these operational efficiencies effectively, we have developed a series of capacity building and training programs based on the complexity and requirement of each manufacturing plant. The details of such trainings have been provided below:

### Training for Enhancing Operational Efficiency

Location	Training Programs
<b>Goa</b>	<ul style="list-style-type: none"> <li>Leadership Development</li> <li>Idea Generation Workshops</li> <li>Capacity Planning Workshops</li> </ul>
<b>Indore</b>	<ul style="list-style-type: none"> <li>Technical Trainings</li> <li>Lean Six Sigma</li> <li>GMP Training</li> </ul>
<b>Baddi</b>	<ul style="list-style-type: none"> <li>“SANYUKT SANKALP” for fostering a collaborative culture and employee engagement</li> <li>Operations Excellence Training</li> <li>cGMP Training</li> <li>Safety Training</li> </ul>

Location	Training Programs
<b>Sikkim</b>	Booster Capability Building sessions covering engineering practices, granulation techniques, packaging defects remedies, compression tools, warehouse practices, pharmaceutical product development, and Schedule M revisions
<b>Nalagarh</b>	<ul style="list-style-type: none"> <li>cGMP Training</li> <li>Global Safety Programs</li> <li>Six Sigma &amp; Lean Management Training</li> </ul>
<b>Pilar, Argentina</b>	<ul style="list-style-type: none"> <li>Risk Management COOPERALA Training</li> <li>Equipment Qualification Process Training</li> <li>Empower Software for HPLC</li> <li>LAL Turbidimetric Process Training</li> </ul>



### Operations Strategy: Driving Efficiency and Innovation

We have transformed our operational approach to bolster capacity and streamline efficiency, demonstrating our commitment to optimizing performance and fostering sustainable growth.

### Ensuring Compliance and Quality

We uphold stringent **Good Manufacturing Practices (cGMP)** across all facilities, conducting rigorous internal audits to ensure compliance and system effectiveness.

**Good Manufacturing Practices (cGMP)**

**Enhancing Operational Capabilities**

**Advancing Through Digital Automation**

### Enhancing Operations Capabilities

Our facilities are advancing their capabilities through strategic technological upgrades and automation initiatives, aimed at achieving operational excellence.



## Advancing Operations through Digital Automation

Recognizing the transformative potential of automation and digitization, we are leveraging cutting-edge technologies and digital solutions to optimize our manufacturing processes. This enhances operational efficiency, ensuring the delivery of high-quality pharmaceutical products globally. By embracing automation and digitization, we streamline workflows, reduce human errors, and enhance operational speed and accuracy.



### Quality and Compliance Management:

- Implementing LIMS and trackWise for QMS modules (Change control, Deviation, CAPA, etc.) ensures streamlined compliance and faster resolution of quality issues.
- eBMR and Warehouse Automation enhance traceability and accuracy in quality control, reducing errors in instrument and chemical usage logging.



### Operational Efficiency and Cost Reduction:

- Advanced compression machines with Automated Weight Checking (AWC) improve production efficiency and reduce material wastage.
- Digitalization of HVAC systems optimizes energy usage and maintenance costs.



### Production and Packaging Optimization:

- Upgraded nasal crimping heads, capsule filling, and blister packing machines in the DPI area enhance production capacity and packaging efficiency.
- Implementation of automatic case packer machine improves throughput and reduce labor costs.



### Enhanced Product Security and Traceability:

- Elite foil and QR code printing on products, including QR codes on liquid oral product labels, enhance brand protection and consumer safety.
- Upgraded Serialization System enhances traceability and compliance with local market regulations.



### Technology and Infrastructure Upgrades:

- Upgraded Human Machine Interface (HMI) of Roll Compactor improves operator efficiency and reduces downtime.
- Expansion of Quality Lab with new HPLCs enhances analytical capabilities and facilitates faster product release.



### Environmental and Operational Safety:

- ZLD projects and security seal machines support sustainability goals while ensuring environmental compliance.
- SCADA upgrades and installation of inspection systems improve operational visibility and ensure product quality.



## Supply Chain Sustainability

Efficient supply chain management lies at the core of our operational strategy. We maintain strategic partnerships with a diverse global network of suppliers and distributors to ensure a seamless flow of raw materials and components. Our agile supply

chain practices empower us to respond swiftly to market demands while maintaining product integrity and reliability. Through rigorous quality control measures and sustainability initiatives, we minimize environmental impact and enhance supply chain resilience.

During the Red Sea crisis, our Company faced significant disruptions in our supply chain operations across India, Europe, and the U.S. Geopolitical tensions and attacks on shipping vessels in this critical trade corridor disrupted the smooth flow of goods, including essential pharmaceutical products.

These disruptions caused delays in receiving raw materials and finished products, potentially leading to shortages of critical medications. Rerouting shipments and increased insurance premiums further strained the operational expenses. Port congestions along alternative routes also posed challenges, causing additional delays in the delivery of pharmaceutical products to market.

To mitigate these challenges, we implemented

a series of strategic initiatives. This included accelerating digital transformation efforts to enhance supply chain visibility and agility, enabling real-time monitoring of shipment statuses and proactive risk management.

We diversified our supplier base and collaborated closely with logistics partners to optimize routes and minimize disruptions. Advanced forecasting and demand planning tools were deployed to adjust inventory levels, ensuring continuous availability of essential medicines.

Through these proactive measures, we successfully maintained supply continuity, minimized operational disruptions, and upheld our commitment to providing critical healthcare products globally during the Red Sea crisis.





## Quality Assurance

At Glenmark, quality is ingrained in our culture. Our dedicated quality assurance teams ensure compliance with global regulatory standards at every stage of the manufacturing process. From rigorous testing of raw materials to meticulous monitoring of production and distribution, we uphold the highest standards of quality and reliability. This commitment to excellence fosters trust among healthcare providers and patients, reinforcing our reputation as a leader in pharmaceutical manufacturing.

## Quality Management Systems

Through our robust Quality Management System (QMS), we foster a culture of continuous improvement, proactive risk management, and adherence to industry best practices, underscoring our commitment to patient safety and the delivery of exceptional healthcare solutions. Our quality management supports operations for pre-clinical, clinical, and pharmacovigilance stages, ensuring compliance with Good Clinical Practices, Good Laboratory Practices, and Good Pharmacovigilance practices.

### Total Quality Management implementation at our Company encompasses:

- Implementation of Standard Operating Procedures
- Perform Validations and Qualifications
- Continued Process Verification
- Testing and release of Raw Materials, Packaging Materials, Finished Products
- Conduct regular Internal Audits to ensure all-time readiness for external audits
- Risk Assessment and Management.

The site-specific quality systems adhere to local and international drug regulations and regulatory requirements. These quality systems include change management systems, deviations handling, incidence handling, investigation of Out of specification and Out of Trend results, implementing corrective and preventive actions, investigating market complaints, analysis of trends of results of testing, creation and implementation of CAPA.



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

- Enhancing Leadership Capability
- Global Harmonization and Simplification of Procedures
- Strengthening of Quality Management Review and Escalation Process
- Implementation of Global Investigation Framework
- Comprehensive Product Review
- Digitalization initiatives
- Enhancing Data Integrity and Reliability Procedures
- Engaged external experts for various quality aspects



## Product Life Cycle Management

### Quality Control

Quality testing of APIs, raw materials, and finished products is conducted in-house at our Company according to approved analytical methods and specifications. Each of our manufacturing units has a dedicated quality control laboratory compliant with cGMP standards, which houses state-of-the-art equipment for product testing. Our capabilities include high-performance liquid chromatography, ultra-performance liquid chromatography, gas chromatography, dissolution testers, and specialized equipment for Respiratory drug devices like Spraytech, Sprayview, and Nasal Spray Product Universal Actuator (NSPUA). For some specialized testing such as Nitrosamines and Elemental Impurities, we have qualified external testing laboratories.

We ensure that our testing methods follow pharmacopoeia guidelines and relevant regulatory requirements to maintain the highest quality standards. Our products are tested for Assay, Impurities, Dissolution, Content Uniformity, and other critical performance parameters based on the dosage form. Moreover, we have also initiated testing our products for any Nitrosamines or Diethylene Glycol/Ethylene Glycol (DEG/EG) risks wherever relevant as

per regulatory guidelines.

### Intellectual Property Protection

Combatting is a top priority for us to safeguard patient health and safety. We employ stringent measures such as serialization, and barcodes for improved tracking of our drug products, and incorporating unique features like holograms and QR codes to enhance traceability and deter counterfeiters.

Continuous vigilance allows us to promptly identify and analyze suspected counterfeit samples against our reserves. Any confirmed counterfeit cases are immediately reported to relevant authorities and customers to prevent further risks.

### Product Destruction

Effective product destruction is crucial for maintaining quality standards, protecting consumers, safeguarding intellectual property, and managing inventory ethically. We adhere rigorously to established procedures and SOPs for secure product disposal, ensuring compliance with regulations and reinforcing our commitment to responsible business practices.

### Product Design Criteria

Sustainability is integral to our product life cycle management. We prioritize environmentally friendly raw materials, efficient production processes, optimized distribution, and durable product design to minimize environmental impact throughout each product's life cycle. Responsible end-of-life management ensures sustainability remains at the core of our operations.

### Life Cycle Assessment

At Glenmark, we conduct comprehensive Life Cycle Assessments (LCAs) to evaluate the environmental impacts across our products from cradle to grave. These assessments meticulously analyze each product's life cycle phase, including raw material extraction, manufacturing, distribution, use, and end-of-life disposal or recycling.

We have conducted LCAs for two of our products in this FY 2024, Soprobe pMDI and Tiogiva18 DPI significantly contribute to our green agenda, aiming for achieving net zero emissions. Moving forward, we are expanding our coverage to additional products, reinforcing our commitment to sustainable practices and environmental stewardship.

### Glenmark Brand Protection Program

Counterfeits pose significant risks to patient safety and undermine brand integrity. At Glenmark, we have implemented a comprehensive Brand Protection Program aimed detecting, disrupting, and deterring counterfeit activities:



#### Detect:

- We integrate advanced technologies into our flagship brands to prevent counterfeiting and facilitate easy identification
- Regular market surveys and on-ground investigations provide crucial insights into potential counterfeit activities
- Dedicated online anti-counterfeiting experts employ sophisticated computer algorithms to monitor and take down suspicious online sales promptly



#### Disrupt:

- Our extensive investigator network across India conducts thorough market surveillance to identify illicit manufacturers and distributors
- Proactive enforcement actions are facilitated to disrupt counterfeit operations swiftly



#### Deter:

- Collaboration with law enforcement agencies including FDA and police, enables proactive measures against counterfeiters
- We actively aids law enforcement agencies in dismantling counterfeit operations nationwide, protection patients and customers

### Quality Audits

In the reporting year, Glenmark's manufacturing operations have maintained a strong commitment to audit readiness and regulatory compliance. Our facilities underwent a rigorous series of audits, including 25 internal audits and 32 regulatory inspections conducted by various regulatory bodies across different regions.

At Glenmark, we prioritize adherence to regulatory standards through proactive measures such as implementing strong internal controls, meticulous documentation practices, and comprehensive quality assurance protocols. These initiatives underscore our dedication to earning the trust of regulatory authorities, stakeholders, and the patients who depend on our products.

#### Corporate Internal Audit:

Governed by our corporate internal audit framework, all sites undergo audits at least once every six months, supplemented by surprise and for-cause audits as required.

#### Site Internal Audit (Self-Inspection):

Each site adheres to a periodically scheduled audit frequency for quality systems, ensuring continuous compliance and operational efficiency.

Regulatory Inspections	Number of Inspections
FY 2024	32
FY 2023	29
FY 2022	16
FY 2021	16

### Pharmacovigilance (PV)

At Glenmark, our Pharmacovigilance practices as a Marketing Authorization Holder (MAH) and Clinical Trial Sponsor (CTS) prioritizes, a quality-centric approach and has a strong PV function that adheres to national and international regulations. We have implemented robust systems, continuous monitoring, and proactive risk management strategies to safeguard patient safety and maintain the quality of our pharmaceutical products.

#### Purpose of Pharmacovigilance

- Ethical Responsibility
- Regulatory Compliance
- Legal Obligations
- Continuous Benefit-Risk Assessment
- Risk Mitigation and Patient Safety

#### Channels of Communication for Pharmacovigilance

- Toll-free numbers
- Online platforms and email for reporting adverse events directly
- Localized mailboxes
- Specialized training for our staff, including sales and medical representatives, to ensure effective reporting of adverse events

#### Compliance with Adverse Event Reporting Requirements and Global Safety Benchmarks

We ensure compliance through several measures:

- **Establishment of PV Systems** to capture, evaluate, and report adverse events
- **Continuous Adverse Event Monitoring** from various sources
- **Comprehensive Training and Education** programs for employees on pharmacovigilance responsibilities

- **Detailed Standard Operating Procedures (SOPs)** for adverse event reporting aligned with global and national PV regulations
- **Adherence to Global Regulatory** requirements across regions
- **Regular Quality Assurance and Audits** to ensure compliance. PV department also undergoes audits from partners collaborating with our Company about the PV agreement or safety data exchange agreements
- **Risk Management Plans (RMPs)** for risk minimization and ongoing monitoring through routine pharmacovigilance activities, additional risk minimization measures and additional PV activities as applicable
- **Collaboration with Stakeholders** for exchange of safety information

#### Training Initiatives

- Onboarding and annual training sessions for all employees involved in pharmacovigilance
- Localization of mandatory annual Pharmacovigilance training module in 8 languages, achieving a global training compliance rate of 97%.

#### PV Audits

To meet regulatory authority requirements and ensure compliance with PVQA policy and internal standards, the PV department conducts a range of internal audits, including global system, local affiliate, partner, and vendor audits. In FY 2024, a total of 14 PV audits were conducted across different geographical regions, partners, service providers, internal PV functions, and our departments. Our PV systems underwent evaluation by two business partners to assess PV performance as stated in the Safety Data Exchange agreement. All audits concluded successfully, and necessary Corrective and Preventive Actions (CAPAs) were implemented with a commendable 99% timely closure rate. In FY 2024, our Company underwent successful inspections of its pharmacovigilance function by various global health authorities.





## Intellectual Capital



# Redefining Pharmaceutical Excellence Through Innovation

In the realm of pharmaceutical excellence, our Company stands as a beacon of innovation and dedication to advancing healthcare solutions. With a robust foundation in meticulous research, strategic partnerships, a talented pool of talented scientists, and a relentless pursuit of excellence, we aim to redefine healthcare delivery and solutions, ensuring a healthier future for all.



## Material Topics



Innovation & Research

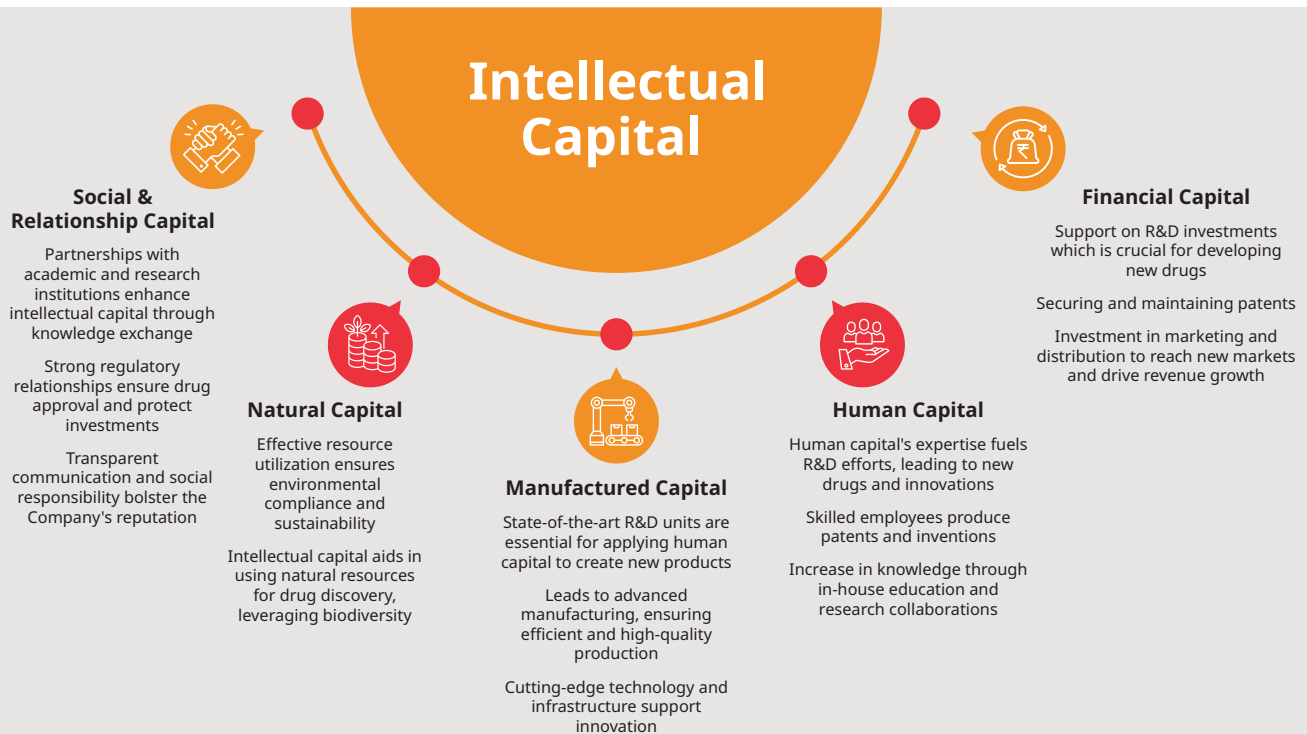


Enhancing Accessibility of Medicines

## Stakeholder in Focus

- Patients
- Healthcare Professionals
- Employees
- Communities
- Government and Regulators

## Interlinkages with Other Capitals



## Key Highlights

<b>4</b> R&D units	<b>1,000+</b> R&D Personnel	<b>INR 10,830 Mn*</b> R&D Expense
<b>1,275+</b> Patents granted till 31 March 2024	<b>1,400+</b> Inventions till 31 March 2024	<b>6</b> ANDAs filed during FY 2024
<b>27</b> Developed market filings	<b>161</b> Emerging market filings	<b>95+</b> New product launched in FY 2024
<b>6**</b> Innovative assets in Clinical Development	<b>49</b> Publications across reputed scientific journals across topics such as Cancer, Antibiotics, Cardiology Research and Drug design among others	

\* INR 12,258 Mn including capEx and discontinued operations

\*\* 4 in Oncology and 2 in Immunology [out-licensed]

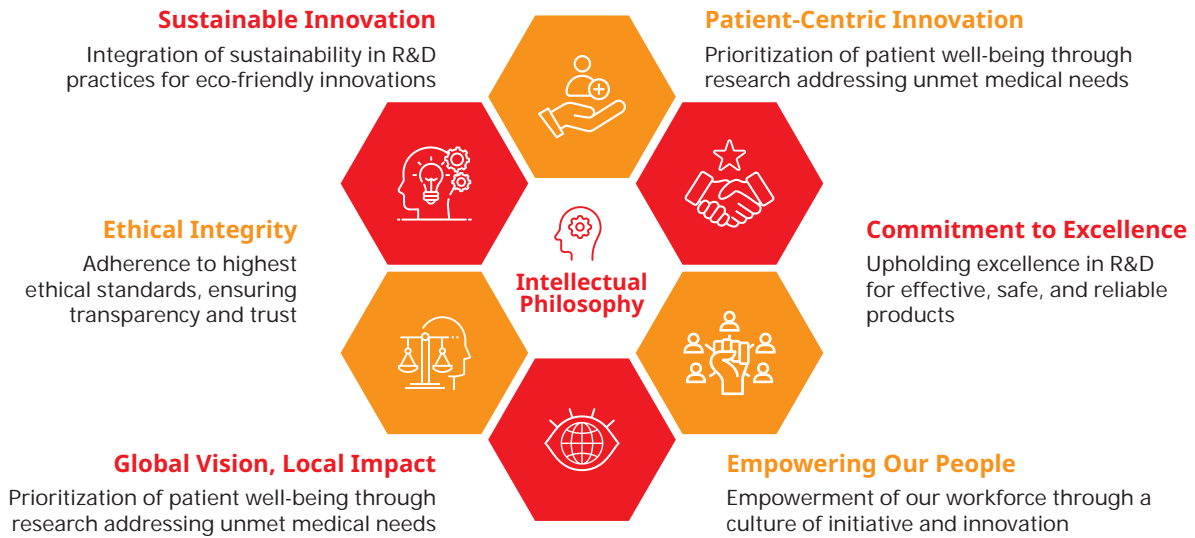
## Mapping with NGRBC Principles

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



## Our Intellectual Philosophy: The DNA of Our Success

At the core of our transformation lies a deeply ingrained intellectual philosophy guiding our innovation. It shapes our approach to research, development, and the creation of life-changing therapies, ensuring:



### Management Approach to R&D

Our expertise spans key therapy areas including Respiratory, Dermatology, and Oncology, driven by a relentless pursuit of excellence. Aligned with strategic focus areas, our R&D integrates cutting-edge technologies to drive progress and deliver impactful solutions. In FY 2024, our R&D expenditure totaled INR 10,830 Mn (INR 12,258 Mn including capEx and discontinued operations), with INR 6,113 Mn allocated to Ichnos Glenmark Innovation (IGI), reflecting our commitment to responsible practices, global expansion, and enhancing product offerings across diverse markets through our subsidiaries' collective strengths.

### Recent Developments in R&D

Strategically, we are reinforcing our portfolio in Respiratory and complex injectable products for the U.S. market, focusing on high-value products with high entry barriers.

Strategic collaborations with external agencies and institutions enhance manufacturing efficiencies and advance the development of drug-device combination products. We have partnered with well-known firms for manufacturing efficiency, along with academic partnerships with MIT-World Peace University underscore our commitment to innovation leadership.



## Strengthening our Intellectual Property

At Glenmark, we safeguard and leverage our innovations through rigorous global patent filings and proactive risk mitigation strategies, ensuring sustained competitive advantage.



## Advancing Healthcare Solutions with our State-of-the-Art R&D Facilities

Our cutting-edge R&D facilities catalyze conceptual research and refine manufacturing methodologies, enhancing our ability to innovate and deliver impactful healthcare solutions globally.

### FY 2024 R&D Facility Milestones: Bioequivalence Studies

Conducted **21** in-vivo pivotal BE studies, **47** in-vivo pilots BE studies

**5** in-vitro BE studies **5** in-vitro BE studies new method validation were done



## Taloja

Navi Mumbai



### Objective

Focus on developing cost-effective and patent-driven generic formulations

### Specialization

- **Expertise in diverse dosage forms:** Oral solids, Semi-solids, Parenteral (Complex Injectable), Drug Device & Aerosols.
- **Recent capacity enhancement** for Hormone Products & High potent oncology molecules.
- **Small scale GMP**-approved area for Oral solids; GMP upgrade for Respiratory products in progress.

### Capabilities

- **Advanced analytical division:** HPLC, LCMS, NGI supporting formulation development.
- **Leading Aerosol research:** MDIs & DPIs, top experimental apparatus.
- **Advanced Clinical Research & Pharmacokinetics facility:** 105 Clinical Beds, ICU, Bioanalytical Lab for BA/BE studies.
- ISO 14001:2015 Certified.



## Mahape

Navi Mumbai



### Objective

Pharmacokinetics department and In-vitro Release Test (IVRT) studies for topical formulations.

#### Antibody Discovery Lab

Lead optimization of antibody arms to increase affinity to molecular targets. Reagent generation in terms of Phage Display Libraries and helper phage lots to be used by NBE Antibody Discovery and Engineering (ADE) department.

#### New Chemical Entity (NCE) Research

Focus on developing new small molecule to address unmet needs in Oncology (solid tumors). Recently we developed Targeted Protein Degradator (TPD) platform in NCE, Mahape. The platform is designed to eliminate disease causing proteins.

### Specialization

- Specialized in conducting Pharmacokinetic studies across various dosage forms.
- Specialized in Affinity Maturation of antibody leads using Phage Display technology (contributing in all binding arms of current clinical candidates with few exceptions). Expertise in generation of very large high quality Phage Display Libraries (banking Ichnos's second generation library, size ~ 10<sup>11</sup>).
- Capability to develop Targeted protein degraders which are bifunctional molecules that hijack the cell's protein degradation machinery and remove rogue proteins.

### Capabilities

- Leveraging sophisticated instruments like Franz diffusion cell, HPLC, LCMS, among others.
- A fully equipped molecular biology/microbiology lab.
- Aiming to transform basic research into potential new treatments for patients.
- Bio-analytical Lab for BA/BE studies.



**Sinnar**  
Nashik

**Objective**

Focus on formulations development & analytical research of Specialty and branded formulations for global markets across dosage forms for therapeutic areas like Respiratory, Dermatology, Oncology, Cardiovascular, Anti-diabetes etc.

**Specialization**

Facilitates the research of Aerosols of various indications (MDIs, DPIs, Nebulizers and Nasal sprays).

**Capabilities**

Equipped with state-of-the-art experimental apparatus, ensuring innovative and effective formulation solutions.



**Lausanne**  
Switzerland, New Biologic Entity (NBE) Research

**Objective**

Focus on the discovery and development of NBEs, including GBR 830, an anti-OX40 monoclonal antibody under development for atopic dermatitis, and other monoclonal antibodies based on Glenmark's BEAT® [Bispecific Engagement by Antibodies based on the T-cell receptor platform.

**Specialization**

End-to-end capabilities in discovering and developing NBEs from inception through preclinical and clinical studies.

**Capabilities**

Our team conducts the scientific investigation supporting the clinical development of our product candidates, translating basic research into potential new therapies that may one day benefit patients.

**Our Latest Breakthroughs**

As part of our ongoing efforts to streamline our product development process, in FY 2024, we focused our resources on developing high-value products that have the potential to make a difference in the lives of our customers.

**FY 2024 Product Launches**

**27**

India

**13**

North America

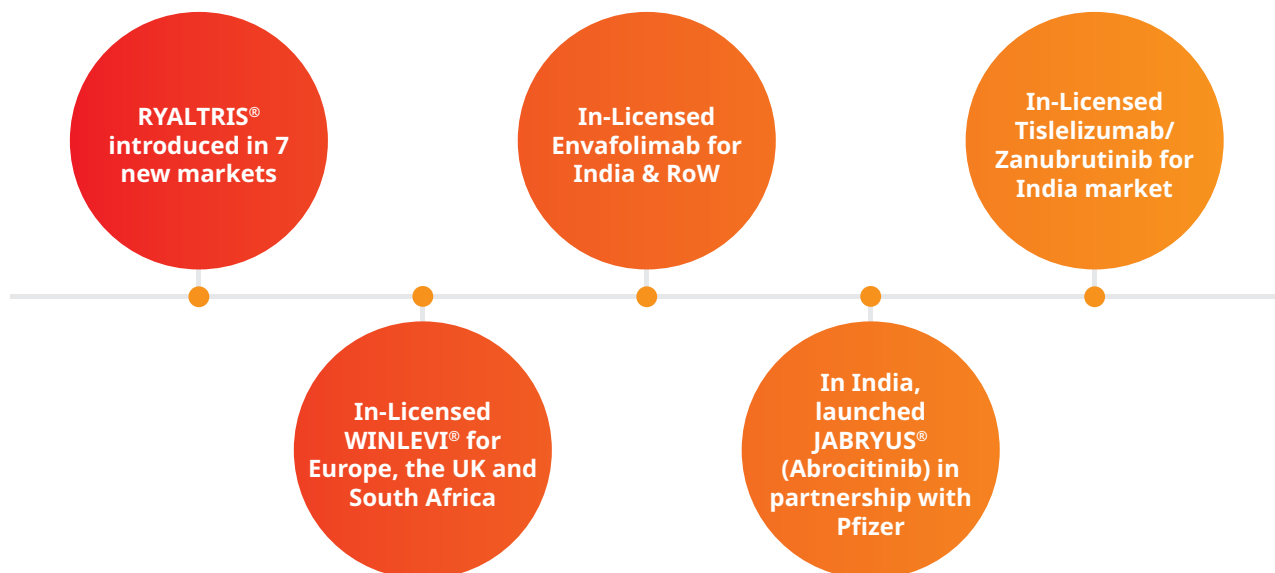
**24**

Europe

**35**

RoW

## Our Wins



## Key Product Launches

### India

- Lirafit™
- Lulican® Plus
- Picspot® 20%
- Eltrog™
- IndaMet™ G
- Alex®-BL
- Ascoril® LD
- Hair4U® Boost
- La Shield® Sports Sunscreen Gel
- Zita®-DM
- Vilor-F™ pMDI
- Cysteo™

### Europe

- Abirateron Glenmark 500 mg film-coated tablets (60s & 112s)
- Capecitabine Glenmark 500 mg x 120 t.p.
- Farpenta®
- SALMETEROL/FLUTICASONE MDI 25/250 mcg 120s
- CEFIXIME TAB 400MG 7s INN FARM SK
- Pirfenidon Glenmark film-coated tablets
- RYALTRIS® 240 MD SK
- DULOXETINE CAP GR 90MG 98B DE
- METFORMIN TAB 1000mg 28s UK

### North America

- Prochlorperazine Maleate Tablets USP
- Fosphenytoin Sodium Injection USP (*In-Licensed*)
- Fluphenazine Hydrochloride Tablets USP
- Benazepril HCl and HCTZ Tablets USP (*In-Licensed*)
- Octreotide Acetate Injection, 100 mcg/mL and 500 mcg/mL (*In-Licensed*)
- Ketorolac Tromethamine Injection USP, 15 mg/mL and 30 mg/mL (*In-Licensed*)
- Posaconazole Injection, 300 mg/16.7 mL (18 mg/mL) (*In-Licensed*)
- Levocetirizine Dihydrochloride Tablets USP
- Clindamycin Hydrochloride Capsules

### RoW

- RYALTRIS®
- GEMCIT 1G/25ML RFU
- Tacros™ Capsules
- Tigecycline
- Glencet® M
- QuazziSO® NS
- Pecof Dry®
- Dirnelid AZ® Mexico
- Dapaglifozin
- Voriconazole
- ABIRATERONA 250 MG Private
- Lung Surfactant 3 ml
- Ascoril® LS : Ambroxol + Levosalbutamol + Guaifenesin
- Fenismart®: Dimetindene
- Phelisans®: Lidocaine + phenasone



## ANDA Approvals and Submissions

In FY 2024, we received final approval for three Abbreviated New Drug Applications (ANDAs): Saxagliptin Tablets, Apremilast Tablets, and Tacrolimus Ointment, 0.03%. Additionally, the Company filed a total of six ANDA applications to the US FDA throughout the fiscal year.

As of 31 March, 2024, our marketing portfolio encompasses 193 generic products authorized for distribution in the U.S. market. Currently, the Company has 52 applications pending with the US FDA, including 21 Paragraph IV applications. In Canada, we have launched Dapagliflozin Tablets and Posaconazole Delayed-Release Tablets, further expanding its presence in diabetes and fungal infection treatments. During FY 2024, we have filed four ANDS applications with the Canadian Health Authorities. Additionally, in Europe, we have introduced Cyanocobalamin Tablets, 50 mcg, underscoring Glenmark's ongoing commitment to advancing global healthcare.

### Key Launch Highlights

#### Lirafit™

- Introduced as India's first biosimilar of Liraglutide
- Enhances glycemic control in adult patients with type 2 diabetes mellitus
- Lirafit™ significantly reduces daily cost of therapy by approximately 70%, priced around INR 100, expanding access to a larger patient population with type 2 diabetes mellitus

#### Zita® DM

- Unveiled as India's first triple-drug FDC of Teneigliptin, Dapagliflozin, and Metformin in India
- Improves glycemic control, especially in patients with high HbA1c or co-morbidities.
- Priced at INR 14 per tablet per day, it lowers the daily cost of therapy by 30%, ensuring affordability and accessibility

## Transforming R&D Operations through Expansion and Innovation

At Glenmark, we are advancing generic product development through cutting-edge technologies such as fluid bed processing, hot melt extrusion and spray, solid dispersion, osmotic drug delivery, MUPS, nasal spray, dry powder inhalers, and metered dose inhalers. Looking ahead, our focus extends to specialty products and complex technologies, including respiratory devices, iron complexes, and microsphere technology. Clinical trials play a pivotal role in establishing equivalence for many of these products, reflecting our commitment to enhancing our capabilities.

We are continuously exploring new technologies to maintain our leadership position. At our Taloja R&D facility, several expansion initiatives have been implemented. Our IVRT lab has been expanded and equipped with advanced instruments such as HPLC and IVRT Franz cell diffusion apparatus, enabling us to conduct a greater number of studies.

Furthermore, a dedicated lab for Nitrosamines identification and evaluation has been established, equipped with LCMS/MS & GC/MS. Our scientists have developed analytical methods to detect these impurities in drug products, resulting in significant cost savings. Additionally, our Hormone lab, previously located at Mahape, has been relocated to Taloja, enhancing our capability to handle high-potency oncology molecules. We are also in the process of upgrading our GMP facility for Respiratory products, underscoring our commitment to quality and compliance.

At Glenmark, innovation and expansion are integral to our strategy as we continue to pioneer advancements in pharmaceutical research and development.



### Sustainable Innovation

We are actively researching low global warming potential (GWP) propellants for pressurized metered-dose inhalers (pMDIs). We are proposing the use of HFA 152a as the propellant in inhalers designed to treat respiratory disorders such as Asthma and COPD. This initiative aims to achieve a reduction in GWP by over 90% compared to some current propellants, thereby significantly decreasing the carbon footprint associated with our MDI products. GWP measures the atmospheric warming potential of a propellant upon its release into the atmosphere.



### R&D Diversification Strategy

Our R&D diversification strategy is aimed at driving innovation and addressing critical healthcare needs across various therapeutic areas. We focus on developing generic products in Dermatology, pain management, hypertension, respiratory conditions, gynecology, and central nervous system (CNS) therapies.

Key highlights from the past year include the filing of two respiratory nasal spray products in the U.S. and positive outcomes from bioequivalence studies for Fluticasone pMDI. Additionally, we have successfully addressed nitrosamine impurities in commercial products as per US FDA recommendations.

Markets	Focus
U.S.	We are progressing with the development of complex injectables drug-device combinations and respiratory products.
Canada	We are expanding into Respiratory and topical formulations, marking a strategic entry into a new therapeutic area.
EU	We are actively exploring alternative pathways for introducing a topical formulation to the market, leveraging approved products from the U.S. and Canada for expedited launch in the UK.

## Digital Innovation

Digital tools play a pivotal role in enhancing efficiency and quality across our R&D operations. Our key platforms and tools include:

- **Minitab:** Used for data interpretation, shelf-life prediction, capability analysis, and control charts, optimizing products and processes with Six Sigma tools
- **Gastroplus:** Enables in vivo-in vitro correlations, enhancing product behavior and absorption kinetics understanding
- **R&D Workbench (KYTES):** Facilitates project tracking and management information system dashboards, providing comprehensive traceability and portfolio oversight
- **Analytical QbD and ICH-Q14 Implementation:** Ensures product quality and efficacy throughout their lifecycle, aligning with regulatory standards and fostering continuous improvement
- **MixIT:** Provides process simulation and optimization capabilities
- **Empower:** Supports analytical data processing needs efficiently

These digital innovations streamline our operations, drive efficiency, and ensure high-quality outcomes in our R&D efforts, revolutionizing pharmaceutical research, development, and regulatory compliance.

## Clinical Trials

Ensuring ethical and respectful treatment of clinical trial participants is paramount to us. Our commitment is supported by rigorous oversight and monitoring.

Our key stakeholders, including Glenmark Project Leads, Clinical Leads, Monitors, and Quality Assurance teams, play pivotal roles in safeguarding participant well-being and rights. Upholding ethical conduct, we employ a comprehensive review process. Clinical trial data from participating sites undergo periodic review by project leads, clinical leads, monitors, and quality assurance teams to ensure compliance with ethical standards and regulatory requirements. Investigators are evaluated to guarantee participants are adequately informed and provide consent for their participation.

- **Participant Safety and Reporting**  
We prioritize participant safety through continuous monitoring and reporting of adverse events. Our Medical Monitor reviews adverse events reported by investigators, especially serious adverse events, which are promptly reported to regulatory authorities. Clinical study reports are shared with investigators and regulatory bodies, with additional data disseminated through publications where possible.

- **Clinical Trial Overview**

Throughout the year, all clinical trials were conducted in collaboration with 1,700 patients from nearly 90 hospitals/clinics. There are currently 14 ongoing and 17 completed clinical studies, primarily post-authorization/phase IV studies, encompassing regulatory, investigator-initiated, proof of concept, and real-world evidence generation studies. Around 12,000 patients participated in the 17 completed studies. Clinical trials were conducted in partnership with hospitals across India and the U.S., ensuring a diverse patient populations.

- **Compliance and Guidelines**

We adhere to all applicable local and global regulations and guidelines, including India's New Clinical Trial Rules-2019, ICH GCP guidelines, the Declaration of Helsinki, and other pertinent local rules and guidelines.

- **Technological Initiatives**

We engaged multiple vendors for centralized assessments, including ECG, Echo, Central Imaging, and Spirometry, across various studies during the year.

- **Health Outcomes and Transparency**

Transparency is fundamental to our approach. Patient outcome data from clinical trials and post-launch observational studies are disclosed to payors, regulators, health technology assessment bodies, healthcare professionals, patient advocacy groups, and patients.

- **Collaboration**

Under the PLI scheme, we are collaborating with the Government of India to bring new products that address unmet needs in the market.





## Ichnos Glenmark Innovation

IGI's innovative pipeline currently includes multiple promising molecules at various stages of clinical development. These molecules signify significant advancements in medical research with the potential to substantially impact patient care. By undergoing clinical trials, each molecule aims to demonstrate its superiority in terms of safety and effectiveness compared to the therapies that are currently available on the market. Successful outcomes could lead to improved health outcomes for patients, addressing unmet medical needs and potentially establishing new standards in medical practice. This progress underscores IGI's commitment to advancing healthcare through innovative and more effective therapeutic options.

### Novel Assets for Oncology

IGI's multispecific™ antibody pipeline features four assets. This includes ISB 2001, ISB 1442, and ISB 1342 - all designated as orphan drug by the U.S. Food and Drug Administration (FDA) undergoing Phase 1 clinical studies for relapsed/refractory Multiple Myeloma. GRC 65327, is undergoing IND-enabling studies, followed by DCGI submission by end of CY 2024 with FIH expected to start in early 2025 for Relapsed/Refractory Solid Tumor.

ISB 2001 is an innovative trispecific antibody designed by IGI, targeting BCMA and CD38 on Multiple Myeloma cells using their proprietary BEAT® platform. This first-in-class T cell-engaging antibody incorporates three antigen-binding arms: one binds to the CD3 epsilon chain on T cells, while the others target BCMA and CD38. By silencing its Fc domain, ISB 2001 enhances tumor cell killing without activating Fc effector functions. It promises enhanced efficacy against Multiple Myeloma by overcoming antigen escape mechanisms observed with conventional therapies. Preclinical studies have demonstrated superior cytotoxicity compared to current treatments, leading to its progression into Phase 1 clinical trials, supported by recent FDA and international approvals. These advancements underscore ISB 2001's potential as a significant therapeutic option for relapsed/refractory Multiple Myeloma patients globally.

ISB 1442, a novel biparatopic bispecific antibody developed by IGI, targets CD38 and CD47 to enhance immune response against CD38-expressing tumor cells. Engineered at IGI's labs in Lausanne and Mahape, it aims to boost antibody-dependent cellular phagocytosis (ADCP), antibody-dependent cellular

cytotoxicity (ADCC), and complement-dependent cytotoxicity (CDC) by blocking the CD47-SIRPα axis. Recently approved for Phase 1/2 trials in relapsed/refractory Multiple Myeloma in Australia, the U.S., and India, ISB 1442 has demonstrated potent efficacy in preclinical models, surpassing daratumumab in both high and low CD38 expression scenarios. It holds promise for future applications in acute myeloid leukemia (AML) and has received Orphan Drug Designation from the FDA for multiple myeloma. Ongoing clinical studies have shown manageable side effects, positioning ISB 1442 as a potential





breakthrough in hematologic malignancy treatment.

ISB 1342, a CD38 x CD3 bispecific antibody developed by IGI, is currently undergoing a Phase 1 clinical trial for relapsed/refractory Multiple Myeloma.

The study has demonstrated initial promising responses, including partial responses observed in higher dose cohorts, supported by increased T-cell activation observed in translational data. However, due to strategic reprioritization, the study has been suspended and is available for out licensing, allowing potential collaborators to continue its development.



ISB 1342 has shown acceptable safety and proof-of-concept in treating Multiple Myeloma. It has received Orphan Drug Designation from the FDA, underscoring its potential therapeutic value.

GRC 65327, The Casitas B-lineage Lymphoma b (Cbl/b) program focuses on inhibiting the E3 ubiquitin ligase Cbl-b, a critical regulator of T cell activation and immune tolerance. By targeting Cbl/b, GRC 65327 aims to activate broad immune responses independently of upstream checkpoint signals like PD-1 and CTLA-4, potentially enhancing anti-tumor immunotherapy. GRC 65327, identified as a potent and orally bioavailable clinical candidate, is currently undergoing IND-enabling studies. The clinical formulation will be ready by mid-October 2024 and the submission to the Drugs Controller General of India (DCGI) is planned at the end of CY 2024 and the FIH trial is expected to start in early 2025 and enroll patients with relapsed/refractory solid tumor indications.

### Assets for Autoimmune Diseases

IGI's pipeline includes two monoclonal antibody drug product candidates addressing autoimmune diseases. The first asset, ISB 880, an anti-IL-1RAP antagonist and the second antibody, ISB 830 (telazorlimab) and its follow-on molecule ISB 830-X8. To enhance the Company's focus on Oncology, future development of both assets will be overseen by out licensing partners.

ISB 880, also known as ALM27134, is an IL-1RAP antagonist developed by IGI, now under an exclusive global licensing agreement with Almirall since December 2021. Almirall has taken over full responsibility for the compound's global development and commercialization in autoimmune diseases.

#### (Read more on [almirall.com](https://almirall.com))

ISB 830, also known as Telazorlimab, is an OX40 antagonist developed by IGI, now under an exclusive global licensing agreement with Astria Therapeutics since October 2023. Cleared by the FDA for studies in various seropositive autoimmune diseases, including Rheumatoid Arthritis and Multiple Sclerosis, ISB 830 holds promise in treating immune-related conditions.

Read more on <https://IGInnovate.com/contact/>



Human Capital



# Nurturing Talent for Sustainable Growth

At Glenmark, we recognize that the skills and dedication of our teams are crucial for achieving operational excellence, driving innovation, and fostering sustainable growth. Our commitment to nurturing and harnessing the inherent talent of our workforce strengthens our competitive advantage, enhances our position in the value chain, and fosters a culture of excellence.



## Material Topics



Talent Attraction and Retention



Human Capital Development



Promoting Diversity



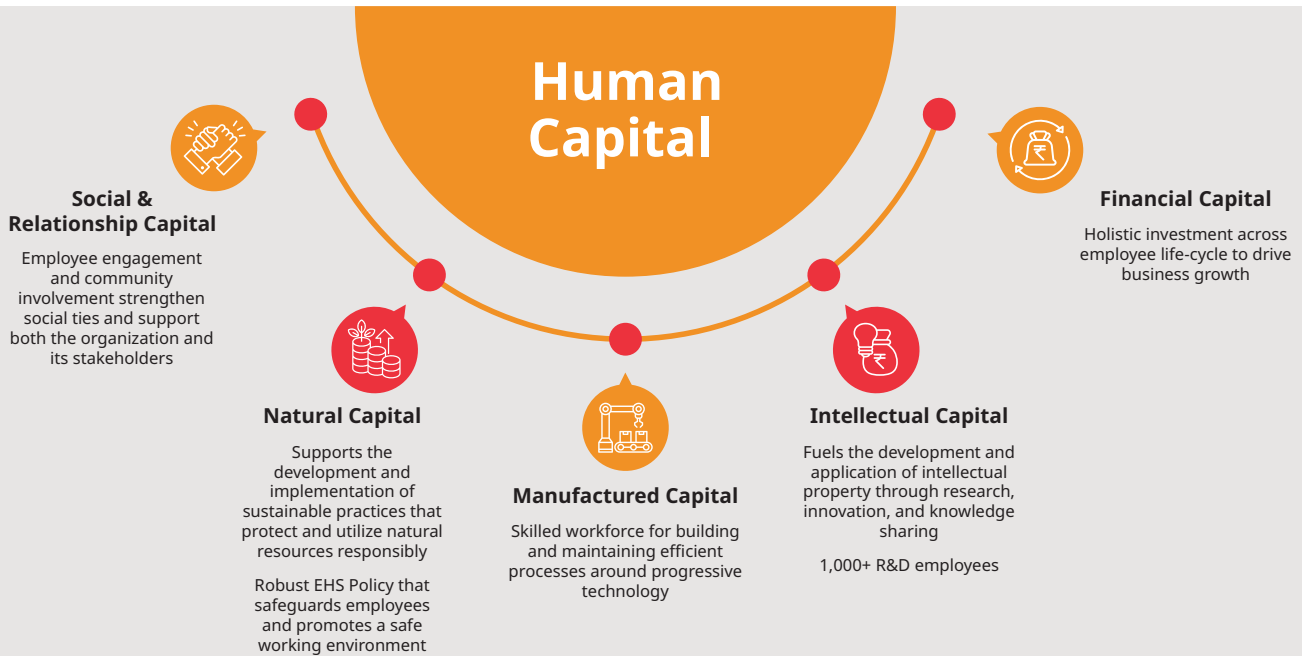
Occupational Health & Safety



## Stakeholders in focus

- Employees

## Interlinkages with Other Capitals



## Key Highlights

<b>14,989</b> Employees	<b>1,000+</b> Employees in R&D	<b>50+</b> Countries
<b>6</b> Continents	<b>14%</b> Women employees	<b>8%</b> Women in science, engineering & research roles
<b>33%*</b> Women on the Board	<b>33</b> Average training hours per employee	

\*As on 31 March, 2024

## Alignment 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.

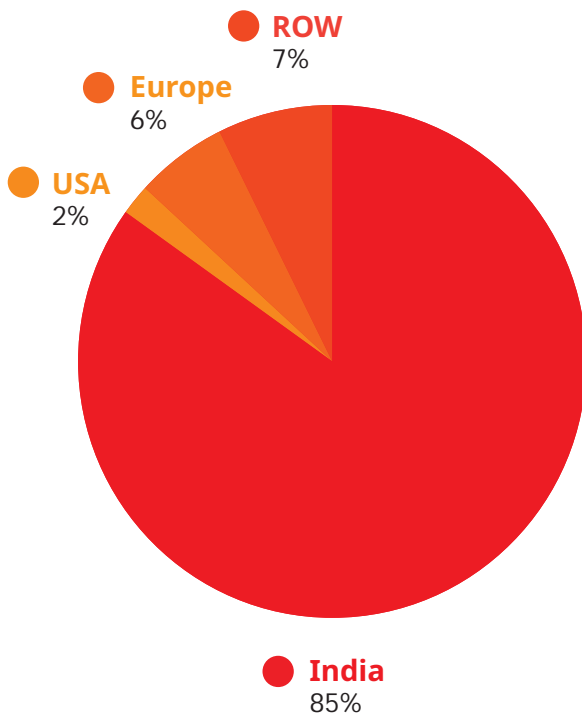
### Snapshot of our Global Workforce:

#### Permanent Workforce Strength (Grade and Gender-Wise Classification)

Particulars	Men	Women	<30 years	30 - 50 years	> 50 years
<b>Core Management &amp; Senior Personnel</b>	115	13	-	59	69
<b>Middle Management</b>	370	81	-	316	135
<b>Junior Management</b>	1,552	429	75	1,704	202
<b>Non-Management</b>	10,887	1,542	4,167	7,942	320

\*\* Differently abled employees: 69

#### Employees as per Geography



#### Embracing Diversity, Empowering Inclusion

At Glenmark, our vision is to be a leading, research-led pharmaceutical Company. We believe Inclusivity and Diversity (I&D) are crucial for fostering an innovation-driven culture.

We recognize that I&D is a marathon, not a sprint. Therefore, we are committed to building an inclusive culture where individuals from all backgrounds are treated equally, feel accepted, and are free to be themselves. Regardless of their differences, everyone has an equal and fair opportunity to be heard, grow and develop, and contribute to the organization's success. Our approach includes addressing behavioral shifts, inclusive policies and processes, and developing programs to support this transformation.

Glenmark I&D Charter lays the roadmap for more inclusive & diverse organization comprising of our Vision, Strategy, and Governance framework. As part of the charter, I&D council comprising of senior leaders would guide and oversee the progress.

**Our I&D Vision is anchored in a firm commitment to honoring and nurturing distinct perspectives, ideas, and opinions, with an unwavering commitment to 'Merit and Excellence'.**

### Our Commitment in Action

As we progress with our comprehensive three-year roadmap to enhance inclusion and diversity, our workforce now comprises 14,989 individuals across 50 countries.

Women employees constitute **14% of our global workforce, an incremental increase from 13% in the previous year.**

**Beacon for Her**  
Beacon for HER is Glenmark's women's mentorship program designed to empower the next line of female leaders. Experienced senior women leaders with mentor talented women for 6-9 months, aligning their guidance with the mentees' career aspirations.

We also saw a significant increase in the representation of differently abled employees, rising from 16 to 69 individuals compared to the previous financial year.

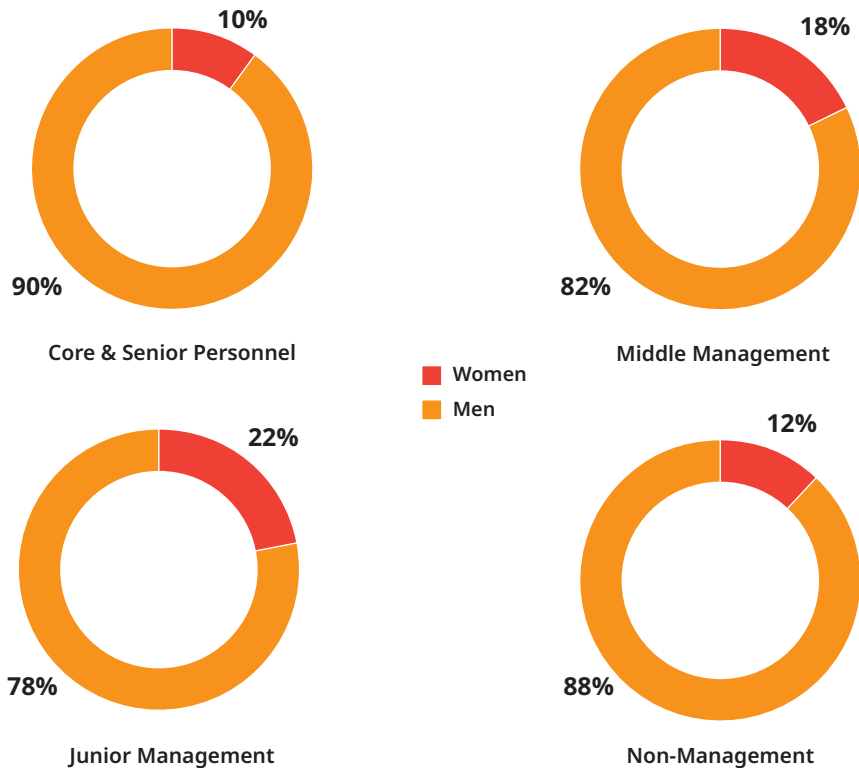
**Supporting Women in the Field**  
In our India Formulations business, we have partnered with 'Woloo', an innovative solution designed to enhance the safety and well-being of women field employees. This mobile application-based application provides access to the nearest safe and hygienic washroom facilities and includes features such as hydration reminders, menstrual cycle tracking, and access to personal care products.

**5 GENDER EQUALITY**  
ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

**10 REDUCED INEQUALITIES**  
REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES

**Glenmark Inclusion & Diversity Survey**  
We conducted an inclusion survey across Europe to assess Inclusion & Diversity practices. The team members anonymously shared views on gender, religion, sexual orientation, job opportunities, and compensation. The data was analyzed using the Clusivity Equity Index. We received top scores for fostering an inclusive culture, especially for gender and LGBTQ+ representation.

### Gender Diversity among various Levels of Management



## Parental Leave

### Supporting Family and Talent

At Glenmark, we prioritize inclusion through robust parental leave policies designed to support employees during significant life events. These family-friendly policies not only aid in retaining top talent but also foster a supportive workplace environment. We maintain a strong return-to-work ratio for both female and male employees who take parental leave which is supported by the below data for India employees.

Category	Men	Women	Total
No. of employees who availed parental leave in FY 2024	435	35	470
No. of employees who were due to return to work in the reporting period after parental leave ended	436	40	476
No. of employees who returned to work in the reporting period after parental leave ended	436	39	475
Out of the employees, who returned to work in FY 2023, how many have completed 12 months after returning to work	306	25	331
Return to work rate (in %)	100%	98%	100%
Retention rate (in %)	90%	93%	90%

### Rewarding Excellence Equitably

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

FY 2024	
Employee categories	Ratio of basic remuneration of women to men*
Core Management & Senior Personnel	1.00
Middle Management	0.97
Junior Management	1.01
Non-Management	1.14

\*India Permanent Workforce Data



## Prioritizing People, Enhancing Wellbeing

At Glenmark, we aim to create an environment where employees can thrive, innovate, and tackle global healthcare challenges. We prioritize employees through transparent communication and growth opportunities. Our 3C framework (**Celebrate, Connect, Care**) is a holistic 360-degree approach which aims at employee development, productivity enhancement, leadership engagement, and driving retention.

### Celebrating Success

Employees are pivotal to our Company's global success, and we celebrate achievements big or small to boost morale and motivation. Recognition of accomplishments reinforces desired behaviors, fostering job satisfaction, loyalty, and productivity. Our initiatives aim to build a continuous recognition culture, enhancing team cohesion and workplace culture.



#### Chairman's Excellence Awards

Our flagship annual recognition program recognizes the outstanding contributions of individuals and teams across the organization. Aligned with our values of knowledge and achievement, this platform celebrates the extraordinary work.



#### The President's Club

The President's Club is a premier talent identification and recognition tool for our Operations and Quality front-line employees. Members are selected through a rigorous process that scientifically and objectively measures employee competencies.



#### ACE Individual Award

Celebrates employees who excel in delivering specific projects or events beyond their usual responsibilities.



#### The Star Awards

Our annual program honors high-performing Sales team members. Each region holds its own awards to celebrate exceptional achievement for the year.



#### Guiding Light

This is a specifically curated Recognition program for Plants, wherein teams and individuals are nominated and recognized for their remarkable contribution to the organization. It aims to boost employee engagement, retention, and collaboration.

### Connecting Everyone

Unity and collaboration are at the heart of our operations. With 14,989 employees across 50+ countries, we foster a cohesive environment through regular town hall meetings and Leadership Connect sessions, offering direct insights from senior leadership and promoting a shared mission.

Our **Connect** framework emphasizes the value of knowledge sharing and diverse perspectives. We leverage both informal and formal learning sessions to harness our collective expertise. Technology bridges the geographical divide, enabling seamless connections and engagement through our global intranet, Glenmark Connect, and our global internal newsletter, Synergy. These platforms, along with our corporate social media presence, ensures employees stay informed and connected.

**Glenmark's iSAY** provides a vital channel for employee feedback, allowing us to continually refine our workplace environment through engagement surveys and direct input.



#### Great Place to Work® Certification

We were GPTW certified for most of the FY 2024 with our certification valid till February 2024, underscoring our steadfast commitment to cultivating an exceptional workplace environment.

## Dil ki Baat

Launched in 2023 across all Indian Manufacturing plants, the “Dil ki Baat” campaign encourages informal, candid conversations between managers and team members. Over 500 conversations took place within two months through contests, conversation booths, and thank-you cards, fostering stronger relationships and inclusivity as part of our Great Place to Work action plan.

## Empowering Growth Through Learning and Excellence

Our approach to learning and development equips employees for current and future roles, preparing them for leadership positions. We employ a blended approach, combining traditional methods with technology-enabled platforms to ensure a comprehensive educational experience.

## Talent Management and Succession Planning

At Glenmark, we are committed to empowering employees through robust talent management practices. We focus on identifying, developing, and nurturing potential at all levels to foster a culture of continuous learning and innovation. By providing opportunities for professional development and recognizing individual contributions, we aim to build a dynamic and resilient organization.

In FY 2024, we implemented a comprehensive and structured talent identification process, which enabled us to identify high-potential talent across various levels. This process involved multiple deliberations among managers, senior leaders, and HR teams, resulting in a unified and consistent understanding of talent within the organization. Moving forward, we are dedicated to investing in the development of our key talent, equipping them with the leadership and functional capabilities needed to assume higher roles within the organization. This initiative not only creates diverse and enriching career opportunities at Glenmark but also strengthens our leadership pipeline.

The Talent Development Programs are categorized into four tracks to address incremental role complexity and scale. Pearl & IRIS cater to early & mid-level managers while Gold and GlenEagles tracks have been curated for senior management and leadership.

Additionally, in FY 2024, we undertook a detailed exercise to identify mission-critical roles within the organization, enabling us to devise relevant strategies for managing these roles. We continue to enhance our succession management practices to ensure business continuity and foster an environment of innovation.

## The 4 track based Talent Development Programs are as follows:



PEARL means 'Powering Early'. The Program journey is designed to enhance the functional depth and versatility of the selected employees. The program aims to strengthen the personal and professional effectiveness of the identified employees, by instilling a growth mindset and sharpening key execution skills like effective planning, prioritizing, problem-solving, and impactful communication, through a well-threaded curriculum. The program journey includes personality assessments, 360-degree assessments, concept-based workshops, learning webinars, and skill labs, followed by power projects/power stints to build on-the-job learning.



IRIS is an acronym for Integrate, Relate, Inspire and Succeed. Accordingly, the program aims to enhance participants' leadership effectiveness by focusing on developing cross-functional understanding and relationship excellence.

The program journey includes 360-degree assessment, concept-based workshops, learning webinars, and skill labs, followed by power projects/power stints to build on-the-job learning.



The program focuses on building people leadership capability, strategic thinking, and business acumen skills. It is a 9-10-month immersive journey and includes 360-degree assessments, workshops, learning webinars, cross-functional projects, mentorship from senior leaders & personalized coaching sessions from external coaches of industry repute.



GlenEagles program focuses on developing self-awareness, strategic thinking, and enterprise leadership skills. In addition to components like personality assessment, and concept-based learning labs, participants also engage in high-impact, cross-functional projects selected by the Chairman and Managing Director, with mentorship from top leadership at Glenmark.

**New Employee Hires**

Global Workforce	FY 2024				
Particulars	Men	Women	<30 Years	30-50 Years	>50 Years
<b>Core Management &amp; Senior Personnel</b>	17	1	-	10	8
<b>Middle Management</b>	42	9	-	41	10
<b>Junior Management</b>	210	67	39	224	14
<b>Non-Management</b>	2,759	399	2,016	1,117	25
<b>Total</b>	3,028	476	2,055	1,392	57

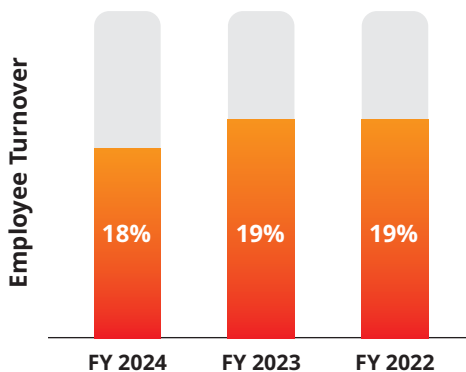
**Glenmark Future Leaders Program**

The Glenmark Future Leaders Program is designed to cultivate the next generation of leaders by engaging top talent from IIMs. Participants embark on a curated internship journey, gaining hands-on experience in various functions, including business and strategy. This program provides a comprehensive exposure to the pharmaceutical industry, preparing students for future leadership roles.



**Employee Turnover**

Financial Year	% Turnover	Men	Women	<30 Years	30-50 Years	>50 years
<b>FY 2024</b>	18%	2,208	348	1,155	1,346	55
<b>FY 2023</b>	19%	2,221	372	1,015	1,531	47
<b>FY 2022</b>	19%	2,104	388	922	1,471	99





### Technology Enablement: Our Learning Platforms

At Glenmark, we are committed to employee growth by harnessing advanced technology in our learning and development platforms. By integrating cutting-edge tools and digital solutions, we offer accessible, flexible, and personalized learning experiences. These platforms enable employees to acquire new skills, enhance their knowledge, and remain at the forefront of industry advancements. Through ongoing technological enablement, we foster a culture of innovation, ensuring our teams are well-equipped to drive success and excel in their roles.

#### Aspire LMS

Aspire is our cloud based global Learning Management System (LMS) designed to ensure compliance and deliver comprehensive digital training solutions. Serving as a one-stop-shop for training at our Company, Aspire manages quality, compliance, and skill-building programs across locations while adhering to 21 CFR Part 11 requirements.

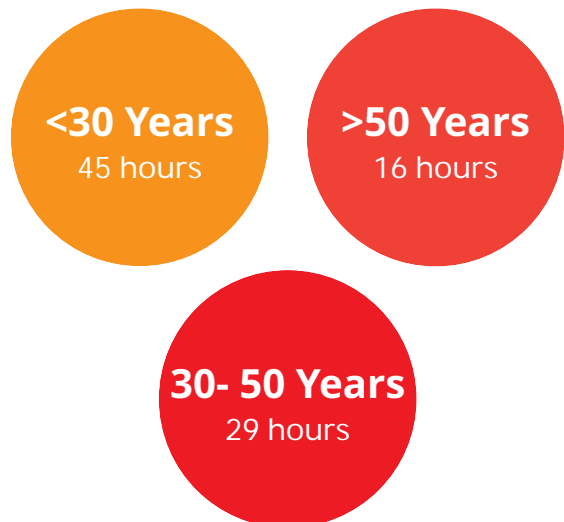
#### GCL Digital

GCL Digital is our e-learning platform tailored for flexible, self-paced learning accessible anywhere. With 300 learning assets available, GCL Digital emphasizes Choice, Convenience, and Curation. It supports diverse learning styles through interactive formats, promoting continuous learning across our workforce. From April 2023 to March 2024, GCL Digital has added over 90resources and recorded more than 2500 sessions.

### Training Hours for Employees

	FY 2024	
Gender	Total Training Hours	Average Training Hours Per Employee
Men	4,49,696	35
Women	40,606	20
Overall	4,90,302	33

Average Training Hours	
Core Management & Senior Personnel	9
Middle Management	23
Junior Management	28
Non-Management	34





### Specific Learning Interventions

Our Sales Development Academy focuses on development of high-potential employees in Sales roles in order to groom them for taking leadership positions in future. This initiative is run in multiple geographies including Europe and CIS countries.

### Career Life-cycle-specific Programs

All eligible employees undergo regular performance and career development evaluations conducted by our leadership. This process guarantees ongoing feedback and support, aiding employees in taking on greater responsibilities and progressing in their careers. We offer tailored programs for various career stages:

- **New Joiners:**  
The **'Fly High with Glenmark'** program introduces recruits to our culture, policies, processes, and systems, facilitating a smooth transition and enabling them to hit the ground running.

- **First Time Managers:**  
Our programs, including the **'First Time Manager Program'** and **'Manager of Managers Program'** support employees as they navigate significant organizational transitions, helping new leaders adjust to their evolving roles.
- **Junior to Mid-management:**  
The **'LIFT (Let's Ignite, Forge, Transform)'** initiative is designed to cultivate high-potential junior to mid-management talent for senior leadership positions. With tracks for Manufacturing Site Heads and Country Managers. LIFT identifies and develop leaders with the potential and skillsets required for these critical roles.

### Learning for All

Our calendar provides a comprehensive global learning plan across six competencies. This ensures that we build internal capabilities to meet current and future business needs.



## Care-ing for Each Other

At Glenmark, our commitment to employee well-being extends far beyond their professional success. We embrace a holistic approach to health, recognizing that our employees' physical, mental, and emotional well-being are integral to their overall satisfaction

and productivity. Our initiatives and programs such as Telemedicine and Employee Assistance Program (EAP), foster a supportive environment that promotes healthy lifestyles, emphasizes work-life balance, and supports personal and professional growth. Our care program rests on four Pillars of Wellness:



## Employee Wellness, Mental Health and Volunteering Programs

We offer a range of holistic development initiatives designed to enhance engagement and well-being. These include mental health programs such as yoga and health awareness sessions on topics like breast cancer, diabetes, and hypertension. Our volunteering opportunities, such as Joy of Giving, fitness initiatives, and team sports like the Glenmark Cricket League, are tailored to meet local needs and preferences.

In India, our free Employee Assistance Program provides counseling, life coaching, and mental well-

being services. In North America, employees have 24/7 access to certified mental health professionals, on-site yoga, fitness boot camps, a gym, and fitness challenges.

### Telemedicine

We have introduced a Telemedicine benefit for our India employees and their families, offering 24/7 access to doctors via a phone, email or video call, along with discounted diagnostics and other facilities.

**Decode Yourself:** In our Goa plant, the "Decode Yourself" initiative equips employees with essential life skills such as confidence and self-belief through expert-led sessions and on-site coaching. During the past year, we conducted 20 awareness sessions and 30 life coaching sessions, **benefitting 528 participants.**

## Human Rights

As a global entity, we acknowledge the extensive impact of its operations on diverse communities and stakeholders. We are committed to upholding core human rights principles across all our business practices, regardless of location. Our Human Rights Policy reflects our dedication to eradicating discrimination, child labor, and forced labor throughout our value chain.

Our **Human Rights Policy** aligns with the Universal Declaration of Human Rights, the International Labor Organization (ILO), and the UN's Guiding Principle on Business and Human Rights. We uphold a strict non-discriminatory policy, opposing all forms of discrimination based on caste, religion, disability, gender, sexual orientation, race, color, ancestry, marital status, or political, or union affiliations.

As an equal opportunity employer, we vehemently oppose all forms of discrimination, whether based on caste, religion, disability, gender, sexual orientation, race, color, ancestry, marital status, or affiliation with any political, religious, or union organization, or majority/minority groups, among others. We uphold a strict policy against discrimination in any form.

**Membership of employees and workers in association(s) or Unions recognized by the Company: 4.1%.**

## Human Rights Due-Diligence

Driven by our commitment to human rights, we conduct regular assessments to ensure alignment with international standards. Last year, a third-party organization assessed our facilities for potential risks. In response, we developed a proactive mitigation strategy, enhancing our ability to safeguard human rights.

We focus on health and safety, fair compensation, labor rights, and privacy. Policies like Global Grievance Redressal and Human Rights ensure issues are reported and resolved transparently. We actively engage with our workforce, addressing concerns and fostering open dialogue to uphold our non-discrimination policy.

## Prevention of Child & Forced Labor

We are committed to eradicating child labor and forced labor from our operations and supply chain. Through thorough assessments, we identify and address potential risks, implementing robust measures to prevent these issues.

We have been conducting regular Human Rights Due Diligence (HRDD) for our manufacturing sites for our permanent and contractual workers over the past three years. Through this assessment, we have reaffirmed our unwavering dedication to continuous enhancement and adherence to international human rights standards. Our steadfast commitment to upholding human rights is deeply ingrained in our mission to deliver top-tier healthcare solutions and foster positive societal impact within the communities we serve.

**We have conducted HRDD for more than 50% of our manufacturing sites in the last 3 years.**



### Employee Health and Safety (EHS)

At Glenmark, we prioritize the safety, health, and overall well-being of our workforce. Our Environment, Health, and Safety (EHS) policy is central to developing a resilient health and safety management system, aligned with industry-leading standards.

#### EHS Policy

Our EHS policy safeguards employees by following the Deming Cycle, or **'Plan Do Check Act' (PDCA)**, which emphasizes continual improvement. We regularly evaluate safety practices across our manufacturing plants and R&D Centers through training sessions and equipment inspections to uphold high safety standards.

### Safety Committee

Safety is governed at each manufacturing site, R&D Centers, and office location. In India, we have 8 Apex Safety committees with representation from 98 management, 92 non-management, and 40 contract worker representatives.

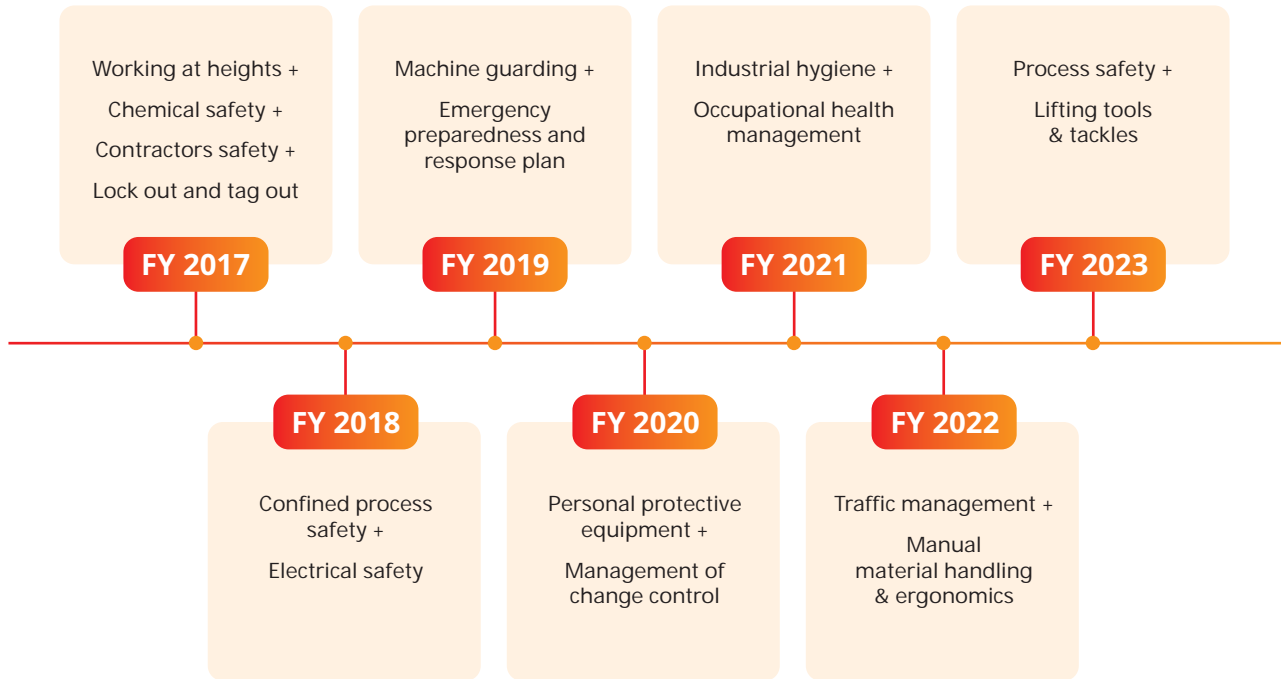
To identify hazards and assess risks, we conduct periodic Job Safety Analysis (JSA) and Hazard Identification and Risk Assessments (HIRA), taking proactive measures to mitigate risks. The HIRA process, part of the ISO 45001 standard, is reviewed annually or when changes occur. Risks related to processes and equipment are identified, and unsafe conditions or Near Miss incidents are reported through an online portal and OHS Inspections conducted by the Senior Leadership team, EHS Team, and area-specific HODs, with behavioral-based Safety (BBS) observations from safety champions.



### Occupational Health Services

Our commitment to employee well-being and safety is reflected in our comprehensive occupational health services. Our Global Safety Program supports OHS coordinators worldwide, ensuring regulatory compliance through regular inspections. Over the past eight years, we have launched 16 Global Safety Programs, including e-modules on Chemical Safety, Machine Guarding, Confined Space Entry, Lockout & Tag Out, and Contractor Safety. Annual assessments and monthly reviews with cross-functional teams drive continuous improvement in safety practices.

## Global Safety Programs over the Years



### Certifications & Audits

We adhere to ISO 14001:2015/2016 for Environment Management and ISO 45001:2018 for Occupational Health and Safety. These certifications ensure our commitment to systematic environmental stewardship and workplace safety.

- **ISO Certifications:** Nine out of eleven global manufacturing facilities are certified for both ISO 14001:2015/2016 and ISO 45001:2018 standards.

**One out of three R&D centers is certified for ISO 14001:2015.**

- **IS 14489 Audits:** We have conducted audits at our Chhatrapati Sambhaji Nagar (Aurangabad), Baddi and Nalagarh sites to assess our readiness to manage risks related to Occupational Safety and Health (OSH). These audits reinforce our commitment to employee well-being and operational excellence.

### Prioritizing Safety

To enhance safety awareness, we provide comprehensive training and utilize an online portal for reporting Near Miss Incidents and Hazards, accessible to all employees. Reports are managed by site EHS managers, ensuring timely resolution and updates.

Our Innovative Mobile Presentation Training System delivers safety updates directly to workstations, minimizing disruptions and ensuring efficient communication.

Safety KIOSK have been installed at the entrance gates for visitors' safety induction, with plans to expand this system to more sites next year. Our Contractor EHS agreements ensure adherence to safety protocols, with strict measures for deviations.

### Training on Incident Investigations and Root Cause Analysis

In FY 2024, the EHS team, along with other departmental stakeholders, underwent two days of training on Incident Investigation and Root Cause Analysis with an external expert. This training provided valuable techniques for thorough incident investigation and analysis.

**We have recorded 63,967 man-hours of total EHS training globally in FY 2024 and achieved a 100% closure rate in addressing incidents, ensuring that correction and corrective action (CCA) are implemented across all our sites.**



**Our OHS Snapshot**

	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
<b>LTIFR</b>	0.01	0.03	0.06	0.04	0.06
<b>Occupational disease</b>	0	0	0	0	0
<b>OIFR</b>	0	0	0	0	0
<b>Near-miss and Hazards reported</b>	7,334	5,763	6,508	7,098	6,088
<b>Injuries</b>	52	27	61	99	147

**New Initiatives implemented in FY 2024**



Social & Relationship Capital



# Fostering Partnerships for Collective Impact

At Glenmark, we prioritize social capital as fundamental, weaving together connections, trust, and collaboration crucial to our operations. Beyond financial success, our impact hinges on relationships with diverse stakeholders.

Strategically evolving, we are cultivating deep ties within the healthcare sector and communities, fostering alliances for specialized medicines. Moving forward, we are committed to enhancing these partnerships, envisioning a future enriched by sustained collaboration and shared prosperity.



## Material Topics

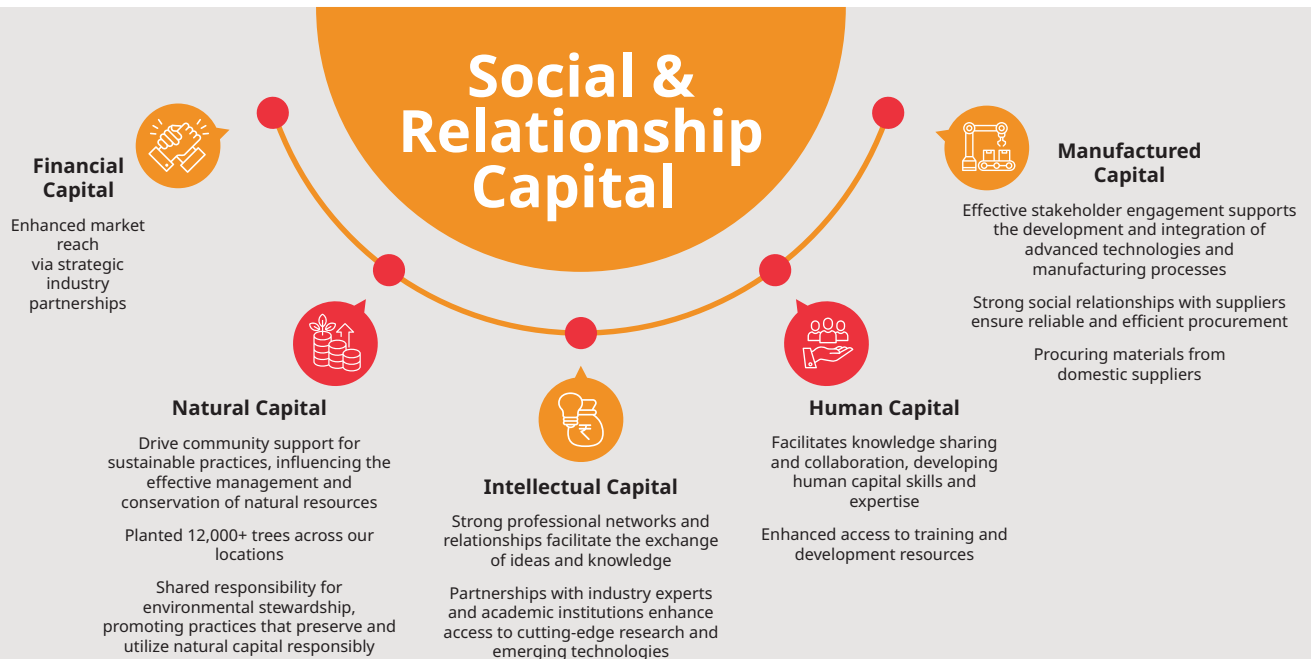
-  Enhancing Accessibility of Medicines
-  Innovation & Research
-  Community Development
-  Supply Chain Management
-  Customer Centricity



## Stakeholder in Focus

- Communities
- Channel Partners
- Suppliers
- Healthcare professionals
- Patients

## Interlinkages with Other Capitals



## Key Highlights

<p><b>3.3 Mn</b> Lives Positively Impacted</p>	<p><b>INR 368 Mn</b> CSR Spend</p>	<p><b>~3.7 Bn</b> Impressions Through Public Relations and Social Media Outreach</p>
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## Alignment 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.

## Engaging with Customers

Our definition of customers has evolved significantly, transcending mere buyers of goods and services to encompass a broader spectrum including groups, agencies, associations, healthcare professionals (HCPs), hospitals, pharmacies, and patients. This inclusive approach underscores our commitment to fostering relationships over transactions. At Glenmark, we operate diverse business models tailored to specific countries and product portfolios, consistently upholding our global code of conduct and prioritizing compliance.

In regions like India and other emerging markets, our commercial focus is primarily on branded products, including branded generics, specialty medications, and new chemical entities. Here, our strategy is deeply rooted in science, supported by a dedicated team of Medical Affairs professionals who collaborate closely with healthcare providers in clinical settings. Establishing a significant presence among healthcare

professionals and ensuring the affordability of essential therapies are critical priorities for us.

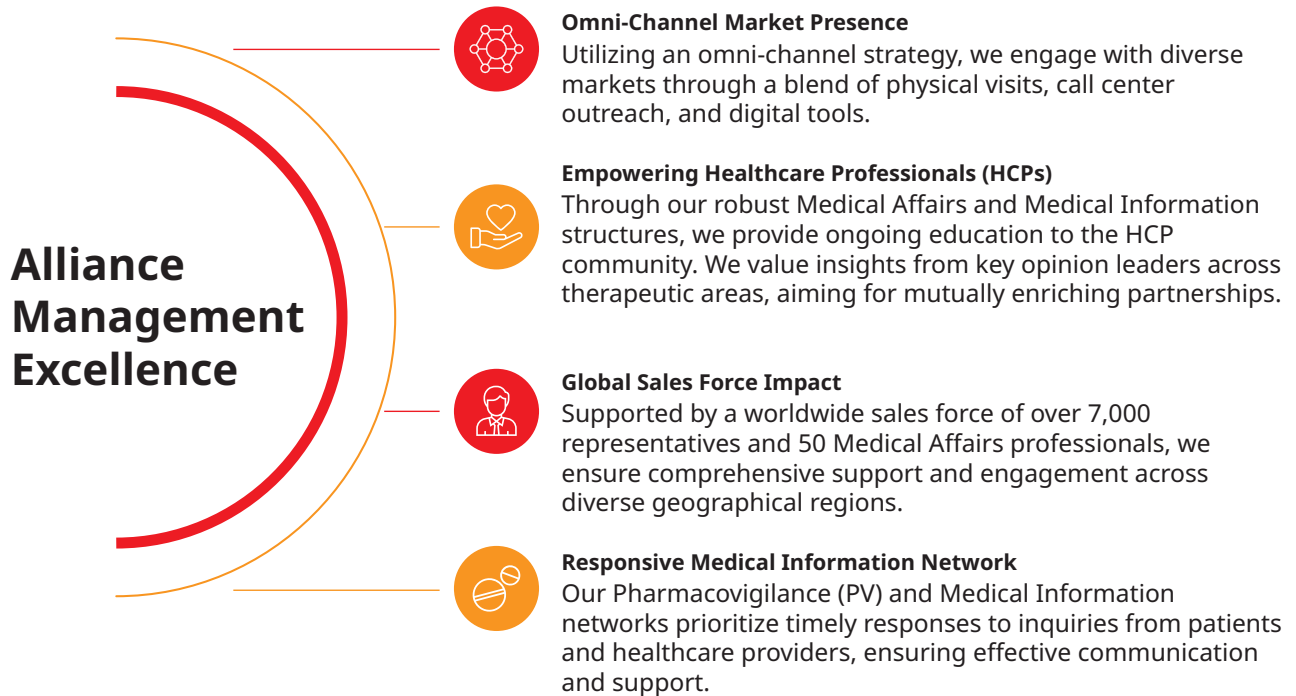
We actively engage in Patient Access Programs (PAPs) to ensure that our lifesaving and life-changing therapies remain accessible to patients across emerging markets. In North America and Europe, our commercial efforts center on generic products, emphasizing the robustness, reliability, quality, and affordability of our supply chain. These attributes enable us to deliver the highest level of service to customers in these regions.

We also operate a thriving B2B business, generating substantial revenues through the out-licensing and supply of internally developed products, as well as the in-licensing and distribution of thirdparty assets. To optimize relationship management and communication, we have established a dedicated Alliance Management department focused on effectively overseeing long-term partnerships and collaborations.

## Alliance Management Excellence

Our Alliance Management department is committed to nurturing unbiased, long-term B2B agreements,

fostering collaboration under a unified brand umbrella. We prioritize agreements spanning a decade or more, particularly for innovative product lines.



### Enhancing Customer Satisfaction

Customer satisfaction is central to our operations, underpinned by proactive approaches to continual improvement. We conduct Annual Partnership Health Checks in B2B partnerships to gather feedback and refine strategies, fostering strong, collaborative relationships. For our tender business, stringent quality controls ensure adherence to committed standards, with prompt resolution of any issues to safeguard patient welfare.

Our Medical Affairs team maintains ongoing dialogue with healthcare professionals, offering crucial medical insights. We actively collaborate with patient associations to effectively understand and address their needs. Additionally, our Medical Information and PV departments manage consumer feedback,

leveraging both internal expertise and external agencies to ensure timely resolution and continuous improvement.

### Improving Customer Experience

In our interactions, we adhere strictly to ethical standards, focusing on efficient order management and transparent communication with suppliers and distributors. We gauge customer satisfaction through service level surveys and continuous monitoring, striving for excellence in service delivery. Our Patient Access Programs offer significant discounts, particularly in therapeutic areas like Oncology, addressing affordability concerns. Additionally, we facilitate patient access to tailored loans for therapy or device purchases when needed and promote disease awareness through public events.



### Selected Strategic In-Licensing Partnerships

**Advanced Solid Tumor**

Envafohimab (SubQ next gen PDL1)  
**Alphamab/3DM**  
Emerging Markets

**Cancer**

Akynzeo (Netupitant/ Palonosetron)  
**Helsinn**  
India

**Diabetes**

Remogliflozin  
**Avolynt / Kissei**  
India

**Diabetes**

Liraglutide Biosimilar  
**Levim**  
India

**Atopic Dermatitis**

Abrocitinib  
**Pfizer**  
India

**Acne**

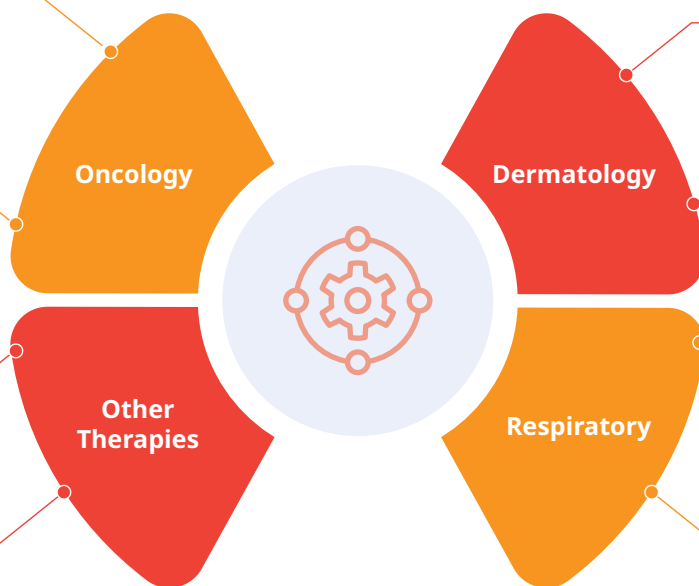
Winlevi Clascoterone  
**Cosmo**  
Europe & South Africa

**Asthma**

Pulmicort Respules  
**AstraZeneca**  
Colombia

**COPD**

Duaklir and Eklira  
**Covis**  
Brazil and Mexico



**Read More on Strategic Partnerships across our Therapy Areas pages 24-45**



## Industry Events Participation

Scientific Events	Partnering Conferences
American Society of Clinical Oncology (ASCO)	BIO
American Society of Hematology (ASH)	Bioeurope
European Society of Medical Oncology (ESMO)	CPhI Worldwide
World Congress of Dermatology (WCD)	CPhI China
	Pharmasynergy
	Reuters Pharma
	Access China

### Partnership with Omron Healthcare India

We have partnered with Omron Healthcare India to address hypertension awareness among young adults in India. This collaboration aims to promote blood pressure monitoring from the age of 18, targeting approximately 92,000 Healthcare Professionals (HCPs) and an estimated 100 Mn Indians within a year.

Looking ahead, we are committed to expanding our innovation portfolio globally by in-licensing advanced Chemical and Biological entities in Respiratory, Dermatology and Oncology. We also see opportunities in the cardio-metabolic space in India. Strengthening our presence in emerging markets remains a priority to enhance distribution and marketing capabilities for innovative products. At Glenmark, we leverage a robust medical affairs team, which includes medical scientific liaisons, to drive scientifically driven communication strategies. Additionally, we aim to complement our internal innovation efforts under IGI (Ichnos Glenmark Innovation) with strategic partnerships.

## Commitment to Patient Centricity

### Enhancing Patient-Centered Care

Our commitment to patient well-being is foundational to our mission, guiding every aspect of our approach. Through targeted initiatives aimed at improving healthcare access and outcomes, we empower individuals to actively manage their health journeys. By engaging patients through comprehensive disease awareness campaigns, educational efforts, and robust support programs, we strive to create a profound impact on their lives.

We are dedicated to enhancing accessibility to healthcare products and medications through a range of initiatives. These include conducting research to develop new medicines for neglected diseases and innovating products to facilitate easier access. Our focus on patient assistance programs ensures accessibility and provides reimbursement support, thereby alleviating financial burdens. Adhering to WHO guidelines for drug donations, we donate medical products to support vulnerable populations and least developed countries. Additionally, we actively participate in initiatives such as lower pricing strategies, facilitating licenses, and promoting transparency in market information in developing countries. We are committed to transparency and regularly report our progress towards achieving targets related to improving access to healthcare products and medications, aiming to make a meaningful global impact.

Furthermore, at Glenmark, we uphold a robust Policy that governs our ethical marketing, advertising, and sales practices. This Policy ensures all interactions with customers and healthcare professionals are conducted ethically and transparently. We provide accurate and balanced information about our products and services, fostering trust and integrity in all our communications. This commitment underscores our dedication to upholding the highest standards of ethical conduct across our operations.



### Empowering Psoriasis Awareness Campaign

As a leading presence in the APAC region, our efforts have focused on raising awareness about psoriasis, a non-contagious skin condition often misunderstood by the public. Over the past four years, our initiatives have aimed to dispel myths and provide accurate information, consistently exceeding annual expectations.

On 29 October 2023, in honor of World Psoriasis Day, Team APAC partnered with local medical authorities for the "Nothing to Hide" campaign. This collaborative effort mobilized thousands of healthcare professionals across the region, uniting to combat social stigma and support individuals affected by psoriasis. The campaign's impact was profound, culminating in a record-breaking achievement recognized by the "Asia Book of Records" for the "Maximum Doctors Pledge" on World Psoriasis Day.

Through this groundbreaking initiative, we reaffirm our commitment to empowering psoriasis patients, promoting understanding, and fostering confidence in communities across APAC.

### Innovation in Healthcare Accessibility

At Glenmark, we innovate to enhance healthcare accessibility. In India, we introduced Lirafit™, a biosimilar of Liraglutide fortreating Type 2 Diabetes Mellitus, reducing treatment costs by approximately 70% and expanding access to more patients. Liraglutide is renowned for its efficacy in managing blood sugar levels and aiding weight loss, aligning with medical guidelines for conditions such as heart disease and obesity. The approval of Lirafit™ reflects our dedication to improving healthcare accessibility through innovation.

At Glenmark, our dedication to patient-centric care fuels our innovation in Respiratory health. Initiatives such as the CARAT scale and our comprehensive Respiratory portfolio campaign underscores our commitment to prioritizing patient well-being by providing effective solutions and ensuring accessibility.

### Driving Innovation and Differentiation in Respiratory Care

In Colombia, we have pioneered Glemont L, a unique combination effective for allergic rhinitis (AR) and asthma patients. The launch of the CARAT scale for symptom monitoring and the "Toda la vía área bajo la misma marca Glenmark" campaign showcased our comprehensive Respiratory portfolio. We reinforced our leadership with the albino tiger campaign, celebrating 5 years of Glemont L's success. Our expansion into new segments like urticaria with bilastin underscores our commitment to Respiratory health excellence.

In FY 2024, Glenmark USA achieved significant milestones in Oncology through strategic partnerships with Gland, Caplin, Sandoz, and Mankind. These collaborations bolstered our portfolio of injectables and in-licensed products, demonstrating our commitment to patient care despite industry challenges.



### Patient Assistance Programs (PAP)

#### Beneficiaries

400 Prostate and Breast Cancer patients annually

#### Purpose

Ensure treatment accessibility regardless of financial barriers

#### Impact

Provides free medications, supporting patients in need of critical cancer treatments in USA



### Drugs on Easy Monthly Installments (EMI)

#### Beneficiaries

Patients in partnership with 12 banks

#### Purpose

Facilitate convenient monthly installment plans for essential medications

#### Impact

Eases financial burdens, enhances affordability for patients needing ongoing medication support in India



Our focus on empowering patients exemplifies our dedication to making healthcare more accessible, responsive, and ultimately transformative for individuals worldwid.

### Transforming Acne Treatment with D'Acne in Kenya

In Kenya, we introduced D'Acne, an oral retinoid-based treatment aimed at revolutionizing acne management, particularly severe cases, by addressing its root causes. Our approach focused on alleviating common side effects like Cheilitis to improve patient compliance and self-esteem.

Our objectives included providing comprehensive solutions for different Acne grades, positioning us as a leader in skincare and Dermatology, and promoting early, proactive Acne treatment through education among healthcare professionals. This initiative not only aimed to establish D'Acne and our Klenzit range but also reinforced our commitment to advancing dermatological care in Kenya.



### Advancing Dermatological Care with Abrocitinib Launch in India

Our Company, in collaboration with Pfizer India, introduced abrocitinib, an innovative oral Janus Kinase inhibitor for the systemic treatment of moderate-to-severe atopic dermatitis (AD) in India. This groundbreaking therapy provides rapid itch relief, sustained disease control, and a significantly improves patients' quality of life. Pfizer has obtained marketing authorization from the CDSCO and approvals from FDA, EMA, and other global regulatory bodies, highlighting its safety and efficacy.

Atopic Dermatitis is becoming more common in India, largely due to environmental factors, with

symptoms often emerging in early childhood for approximately 80% of those affected. By partnering with Pfizer India, we aim to provide effective treatments for patients with moderate-to-severe Atopic Dermatitis, thereby solidifying their leadership in the Dermatology field.

This collaboration marks a significant milestone for both our Company and Pfizer in advancing dermatological care in India. The introduction of abrocitinib represents a leap forward in addressing the unmet needs of AD patients, offering superior efficacy and improved treatment convenience. We are committed to leveraging our combined expertise to deliver innovative solutions that enhance the lives of patients across the country.

### Enhancing Healthcare Access: RYALTRIS® S2 Multichannel Campaign Success in FY 2024 in South Africa

In FY 2024, we launched a comprehensive multichannel campaign for RYALTRIS® S2 aimed at enhancing awareness and accessibility across various fronts. Commencing on 1 June 2023, the initiative focused on three key areas: OTC and consumer campaigns, corporate pharmacy initiatives, and engagements with independent pharmacies. Integral to the campaign were rigorous training sessions conducted both inside and outside pharmacies, significantly enhancing product and disease knowledge among OTC pharmacy staff. These sessions were monitored monthly and constituted part of our representative KRAs.

Simultaneously, we leveraged digital platforms through webinars and QR-coded augmented reality for disease and product information, tailored specifically for pharmacy staff. Corporate pharmacy





promotions and radio advertising further amplified our outreach efforts, ensuring widespread visibility and engagement. Consumer-centric digital initiatives, such as QR scans for Allergic Rhinitis insights and augmented reality disease information, empowered users with relevant knowledge.

To enhance our presence and reinforce brand to enhance our presence and reinforce brand visibility, we introduced a range of promotional items including branded jackets for pharmacy reps, education cards, cellular phone pouches, OTC Top Hats, staff button pins, and RYALTRIS® tissue boxes. This holistic approach not only strengthened our market position but also underscored our commitment to advancing healthcare solutions through strategic and impactful initiatives.



**Advancing Patient Outreach**

As a responsible pharmaceutical enterprise, we prioritize disseminating knowledge about our products through extensive outreach campaigns. Our initiatives are designed to educate healthcare professionals, patients, and the public, empowering them to make informed decisions regarding their healthcare needs. Through targeted strategies, educational campaigns, and collaborations with healthcare entities, we advocate for the benefits and appropriate usage of our medications.

Utilizing digital platforms, participating in conferences, and hosting community events are integral to our outreach efforts, enabling direct interaction with stakeholders and providing valuable resources and information. By embracing innovative marketing techniques and cultivating meaningful relationships, we are committed to expanding access to our products, empowering patients, and contributing to improved health outcomes across diverse communities. Our efforts reflect our dedication to fostering a healthier and more informed society through proactive engagement and responsible communication.

**Promoting Awareness and Access in Pharmaceutical Outreach for Asia-Pacific Region**

As a conscientious pharmaceutical Company, we recognize the importance of outreach campaigns in raising widespread awareness about our products and the diseases they address. Our initiatives to share knowledge are tailored to reach healthcare professionals, patients, and the public, enabling informed decisions on Dermatology and Respiratory conditions. Employing targeted strategies for awareness-building, educational campaigns, and collaborations with healthcare organizations, our goal is to advocate for the benefits and appropriate utilization of our medications.

Our outreach endeavors span digital platforms, conferences, and community events, facilitating direct engagement with stakeholders and provision of valuable resources. Through innovative marketing approaches and nurturing meaningful partnerships, we are dedicated to improving access to our products, empowering patients, and enhancing health outcomes overall.



### Engaging with Healthcare Professionals

Our collaboration with healthcare professionals is grounded in principles of trust, transparency, and mutual respect. We deeply value the expertise of medical practitioners and actively engage with them to innovate safe and effective healthcare solutions. This collaboration is strengthened by scientific partnerships and ongoing medical education initiatives aimed at fostering continuous learning and professional development.

Adhering strictly to compliance guidelines, we uphold the highest standards of ethical conduct in our healthcare practices. By nurturing these relationships and maintaining transparent communication, we strive to advance patient care through responsible and scientifically validated approaches. Our commitment to ethical standards underscores our dedication to enhancing healthcare outcomes and promoting trust within the medical community and beyond.



#### Campaigns such as 'Candid Outmatch the Patch' and 'Step Ahead' for Supirocin

##### Beneficiaries

Healthcare professionals (HCPs)

##### Purpose

Increase awareness, enhance product focus, and strengthen trust among HCPs

##### Impact

Resulted in increased secondary sales, enhanced market presence in the MEA region (ROW)



#### Glenmark Science Registration Platform

##### Beneficiaries

Over 5,000 healthcare professionals (HCPs)

##### Purpose

Provide education and resources on Respiratory and Dermatology therapies

##### Impact

Bolstered sales through targeted campaigns, increased awareness, and trust among HCPs

Category	Details
<b>Medical Education/ Advocacy/KOL Connect</b>	<ul style="list-style-type: none"> <li>• 5,600 Medical Education Programs conducted globally</li> <li>• 32 flagship programs (29 international speaker programs, 3 standalone conferences)</li> <li>• 185 Advisory Board meetings conducted</li> <li>• 7,500 Key Opinion Leaders (KOLs) connected globally</li> </ul>
<b>Conference Presentations/ Journal Publications</b>	<ul style="list-style-type: none"> <li>• 20 poster presentations at conferences</li> <li>• Key Conferences: ADA 2023, IDF Virtual Congress 2023, ASCO 2023, World Congress of Dermatology 2023, EADV 2023</li> <li>• 29 publications in PubMed Indexed Journals</li> <li>• Expert Consensus: 3 consensus papers published, 4 papers in publication process</li> </ul>
<b>Other Updates</b>	<ul style="list-style-type: none"> <li>• New products suggested/evaluated: 319</li> <li>• Medical Information inquiries responded: 3,900</li> </ul>



## Our Industry Associations

Collaboration is central to our strategy for driving innovation and making a positive impact on the industry. We actively seek partnerships with industry associations to advocate on industry issues and challenges, harmonize policies and regulations, and contribute to the overall growth of the industry. By collaborating with industry associations, we aim to address key challenges, shape policies, and drive innovation that benefits the entire industry and ultimately improves patient care. These alliances leverage diverse expertise, facilitating the exchange of best practices and collective solutions to complex healthcare challenges. By fostering an environment of collaboration, we strive to advance healthcare, improve patient outcomes, and shape the future of pharmaceuticals.

As members of industry associations across several geographies, we advocate for policies and regulations that support a comprehensive healthcare ecosystem, ensuring quality and affordable medicines for all while promoting sustained research and innovation in the pharmaceutical sector. Our engagement with industry associations includes:



Shaping industry dialogue on pertinent policies and regulations through representations and stakeholder meetings



Contributing insights through panel discussions, reports, and events to promote broader industry and societal benefits



Sharing knowledge and collaborating to address common and intricate challenges



Promoting thought leadership aligned with our principles and values

Together, these collaborative endeavors drive substantive change and deliver value across all stakeholders involved.

### Associations across geographies are mentioned below:

#### India

Federation of Indian Chamber of Commerce and Industry (FICCI)

Indian Pharmaceutical Alliance (IPA)

Indian Drug Manufacturer's Association (IDMA)

Pharmaceuticals Export Promotion Council (PHARMEXCIL)

Federation of Pharma Entrepreneurs (FOPE)

Bombay Chamber of Commerce and Industry (BCCI)

#### Canada

Canadian Association for Pharmacy Distribution

#### Europe

Medicines for Europe

#### Middle East

Riyadh Chamber of Commerce

#### Russia

Association of International Pharmaceutical Manufacturers (AIPM)

Society of Professional Pharmaceutical Organizations

Indian Business Alliance (IBA)

#### Kazakhstan

Association of International Pharmaceutical Manufacturers in the Republic of Kazakhstan (AIPM)

## Regulatory Engagement and Patient Safety Commitment

At Glenmark, we prioritize maintaining open channels of communication with regulatory bodies to ensure strict compliance with standards and prioritize patient safety across our product offerings. We actively collaborate with key authorities such as the US FDA, European Medicines Agency (EMA), and local health agencies to stay updated on evolving regulations, seek guidance, and participate constructively in regulatory discussions.

This collaborative approach enables us to seamlessly align our operations with regulatory requirements, expedite approval processes, and contribute to establishing robust regulatory frameworks. By fostering transparent and cooperative relationships with regulators, we underscore our commitment to upholding the highest standards of patient safety, regulatory adherence, and the ethical development and introduction of innovative healthcare solutions.

## Advancing through Responsible Value Chain

Our commitment to reliable supply chain management is integral to our global operations. By forging strong partnerships with suppliers, contract manufacturers, and logistics experts, we ensure the efficient delivery of products to patients worldwide.

Emphasizing resilience and ethical practices, we safeguard the integrity of our supply chain, spanning across more than 25 countries. A dedicated governance structure, including specialized teams overseeing supply chain and demand planning, ensures seamless operations.

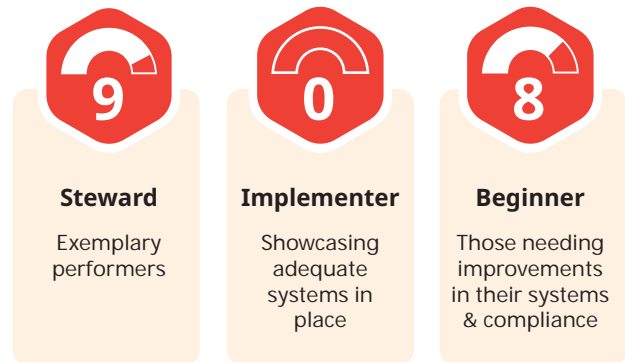
Our proactive approach involves streamlining procurement processes and diversifying our supplier base to mitigate risks and ensure business continuity. Initiatives like alternate vendor development and local sourcing promotion enhance flexibility and reduce dependency on single sources. This comprehensive strategy supports our mission to deliver quality medicines worldwide reliably and responsibly.

### Supplier Sustainability Protocol

We have implemented a comprehensive supplier sustainability protocol aligned with the Pharmaceutical Supply Chain Initiative (PSCI) standards. This protocol includes a dual assessment approach: suppliers conduct initial self-assessments, followed by rigorous third-party evaluations for critical operations.

This structured process categorizes suppliers based on their adherence to ESG best practices —

ranging from “Steward” for exemplary performers to “Implementer” showcasing adequate systems in place and “Beginner” for those needing improvements in their systems and compliance.



New suppliers undergo thorough screening on ESG metrics, quality controls, regulatory compliance, and audit history to mitigate environmental and social impacts effectively.

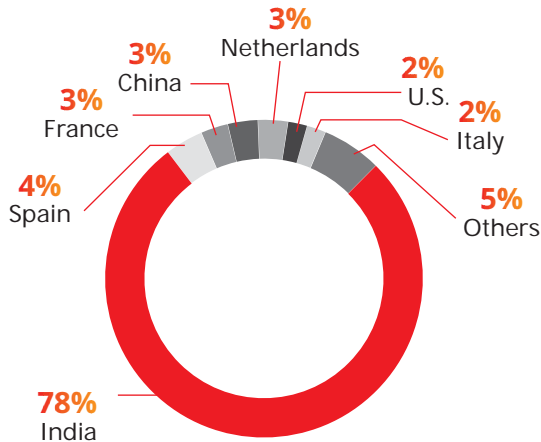
Throughout FY 2024, we assessed 27 new raw material and packaging suppliers, conducting third-party evaluations to uphold our commitment to sustainable and ethical supply chain management.

### Supplier Classification

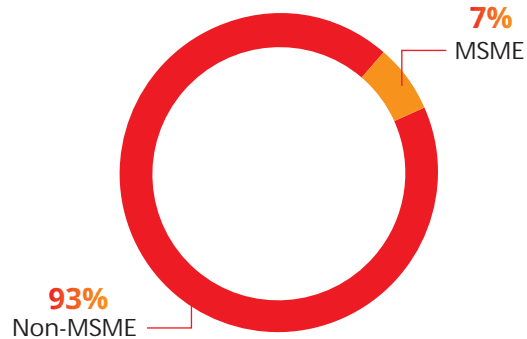
- **Strategic Suppliers:** Crucial for long-term success, they align closely with our strategic goals through collaborative relationships
- **Critical Suppliers:** Essential for daily operations, supplying vital components where disruptions could impact operations significantly
- **Routine Suppliers:** Provide readily available products, managed efficiently based price, quality, and delivery capabilities

Suppliers	Number (FY 2024)
Strategic	105
Critical	181
Routine	430

**Geographical Distribution of FY 2024 Direct Material Procurement Spend**



**Sourcing (%) in FY 2024**



Our comprehensive supplier selection and evaluation process, guided by KPIs, ensure operational excellence and compliance.

We leverage new technologies to enhance supply chain efficiency and uphold sustainability through our supplier code of conduct, fostering mutually beneficial relationships for long-term success.

**Quality within Our Supply Chain**

To maintain high procurement quality standards, we conduct comprehensive manufacturer-site audits and verifies quality systems, documents, and agreements every three years for APIs, excipients, and packaging. This rigorous approach ensures compliance with Good Manufacturing Practices (GMP) guidelines.

In FY 2024, we completed 160 vendor audits, evaluating adherence to GMP, facility compliance, quality management systems, and documentation. Notably, 100% of these audits were completed on schedule. We promptly address any findings and oversee the implementation and closure of Corrective Action Preventive Actions (CAPA).

**Supplier Code of Conduct**

Our commitment to ethical supply chain management is underscored by our Supplier Code of Conduct,

which outlines our expectations for vendors and suppliers concerning regulatory compliance and ESG standards. The Code ensures ethical and sustainable practices throughout our supply chain, prohibiting forced and child labor, promoting fair working conditions, and enforcing occupational health and safety standards. It upholds policies against discrimination and harassment, respects freedom of association, and prioritizes environmental stewardship. Our maintain a zero-tolerance stance on corruption, conflicts of interest, and anti-competitive behavior, ensuring transparency and integrity across all operations.

The Code is communicated regularly through onsite awareness programs covering topics such as plastic waste management regulations and contractor safety agreements. A robust governance framework, led by a dedicated team focused on supply chain and demand planning, supports our strategy. This framework upholds transparency and ensures adherence to evolving ESG and regulatory standards. Through continuous supplier assessments and enhanced engagement, we align with ESG goals and reinforce our commitment to responsible business conduct and sustainable practices.

For more details, Please refer to our Supplier Code of Conduct.



### Enhancing Supply Chain Integrity through Supplier Assessment

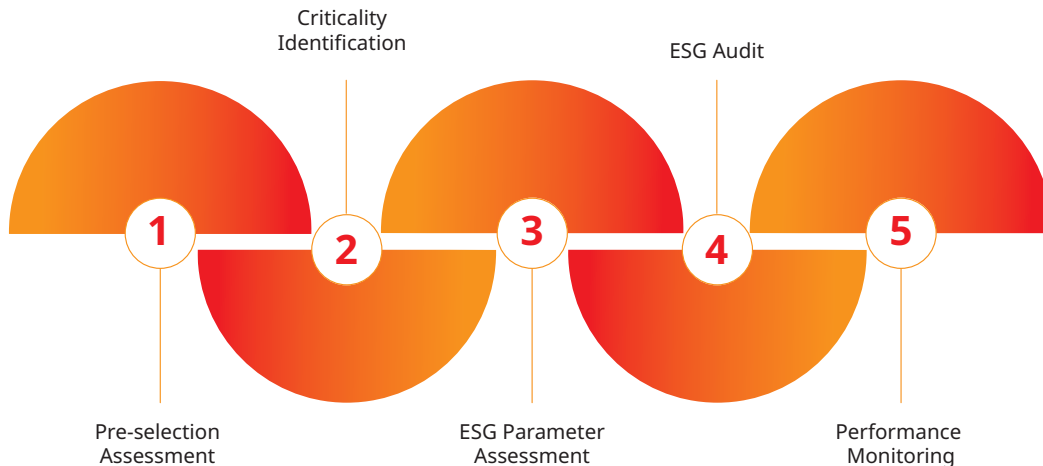
Robust supplier assessment processes are central to our commitment to quality and responsibility. From initial selection to ongoing monitoring, we prioritize suppliers who meet our ESG criteria. Our assessment involves:

- **Pre-selection Assessment:** Potential suppliers undergo a preliminary evaluation based on their capabilities, financial stability, alignment with our business needs and ESG performance.
- **Criticality Identification:** Suppliers whose products or services significantly impact our operations are identified for closer scrutiny.
- **ESG Parameter Assessment:** Suppliers are evaluated on ESG criteria, including their environmental practices (such as sustainability initiatives and carbon footprint reduction), health and safety (e.g. compliance with regulations), human rights (e.g. ethical labor practices and

diversity policies), and ethical responsibilities (integrity in business dealings). We also consider country-specific and sector-specific risks, including climate risk.

- **ESG Audit:** Selected suppliers undergo comprehensive audits focusing on ESG criteria. This includes on-site inspections, interviews with key personnel, and document reviews. Third-party assessments further validate supplier capabilities and compliance, ensuring consistency and reliability.
- **Performance Monitoring:** Post-assessment, we continuously monitor suppliers to ensure ESG compliance, conducting regular reviews and audits to address any issues and identify areas for improvement.

This structured approach integrates ESG considerations into our supply chain, demonstrating our commitment to ethical sourcing, environmental stewardship, and high standards of corporate responsibility.



### Supplier ESG Program

Our supplier ESG program is overseen by our Board of Directors/Executive Management, who are responsible for implementation and decision-making. We review purchasing practices to ensure alignment with our Supplier Code of Conduct and prevent conflicts with ESG standards. Suppliers failing to meet ESG requirements within set deadlines are excluded from contracts, while those demonstrating superior ESG performance are prioritized in selection and awards. We provide comprehensive training to our buyers and internal stakeholders on advancing our supplier ESG initiatives.

### Supplier Development Program

We maintain a transparent and accessible supplier development process, reflecting our commitment to ESG principles. Suppliers receive detailed information and training on our supplier ESG program, processes, and requirements. They also have access to ESG benchmarks, enabling them to assess performance

and identify areas for improvement. We assist suppliers with corrective actions and offer both remote and on-site guidance. Furthermore, we provide technical support programs to enhance capacity and ESG performance, reinforcing our dedication to sustainable practices and collaborative growth.

### Enhanced Engagement through Strategic PR and Brand Management

Our public relations and brand management efforts have significantly enhanced our reputation and communication impact in the healthcare industry. We have achieved over 3.7 Bn impressions through our outreach efforts via Public Relations (PR) and social media (Instagram and LinkedIn). We gained 15 new LinkedIn followers every hour, with an engagement rate of 6%, double the industry average, and 8,50,000 followers, reflecting a 25% increase in FY 2024.




8.5 lakh

Followers on LinkedIn

25%

Increase in followers on LinkedIn in FY 2024



10,000

Followers on Instagram

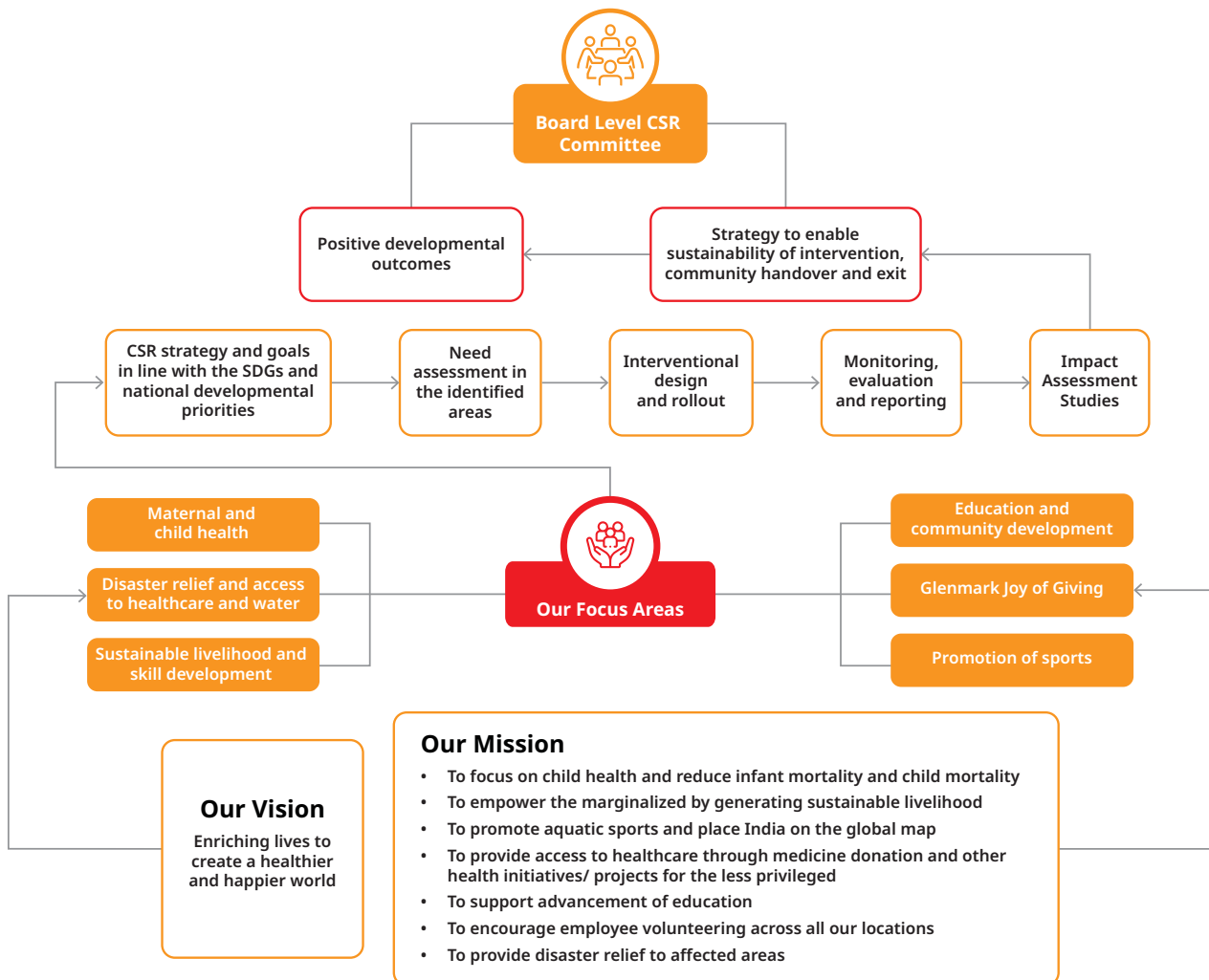
35%

Increase in followers on Instagram in FY 2024

## Corporate Social Responsibility

### Catalyzing Change: Our Commitment to Community Transformation

We are dedicated to making a significant positive impact in the communities we serve. We prioritize ethical and sustainable operations, focusing on uplifting underprivileged segments of society. Our Corporate Social Responsibility (CSR) initiatives align with key areas including health, livelihood and skill-building, education, sports promotion, disaster relief, and access to healthcare and water. Guided by a comprehensive CSR Policy, we operate within a strategic framework designed to drive lasting positive change. In FY 2024, we did not identify any actual or potential negative impact on local communities.





# Impacted 3.3 Mn

Lives through our CSR interventions over the years

**25,00,000+**

Lives impacted through maternal and child health interventions over the years

**2,95,000+**

Pregnant & lactating women served through various interventions

**55+**

Glenmark locations across 33 countries participated

**3,50,000+**

Outreach to children through nutrition, immunization, and sanitation interventions

**1,07,000+**

Hours of voluntary service offered by our employees over the years

**45,000+**

Provided sustenance to malnourished children

**7,500+**

Employee volunteers

**4,700+**

Swimmers trained and 400+ medals accrued through Glenmark Aquatic Foundation



**79,500+**

Individuals assisted through disaster relief interventions

**7,100+**

Youth trained to improve their employment prospects

**27,300+**

Differently abled individuals provided rehabilitation support

### Maternal and Child Health

Glenmark Foundation, the CSR arm of our Company, is dedicated to improving maternal and child health and reducing infant and child mortality through a comprehensive 360° health strategy under the theme 'Healthier Children, Healthier World.' Our flagship initiative, Project Kavach, operates across Himachal Pradesh, Sikkim, Madhya Pradesh, Gujarat, Maharashtra, and Jharkhand. The project promotes positive health-seeking behaviors among pregnant and lactating women, raises awareness about proper nutrition and hygiene practices, and ensures access to essential healthcare services.

Project Kavach initiated Health on Wheels, a Mobile Medical Unit, to reach underserved and remote areas. In Himachal Pradesh, the Mobile Medical Unit enhances primary healthcare services by providing immunizations, general OPD services, antenatal and postnatal care, and institutionalized awareness-building activities, resulting in 100% of beneficiaries registering for early ANC. Sikkim's Health on Wheels unit offers regular health checkups, camps, and awareness programs for children in anganwadis, free medicines, and transport for serious pediatric



patients. Additionally, in collaboration with the district administration, we inaugurated the "Matrushakti" (breastfeeding pod) the first of its kind initiative in Sikkim to support breastfeeding and create a nurturing environment. In Madhya Pradesh, our unit focuses on children with Severe Acute Malnutrition (SAM), promoting the intake of essential micronutrients and backyard nutrition gardens, which benefitted 2000 families this year. In FY 2024, we launched the Jharkhand Health on Wheels (HoW) project in Khunti, an Aspirational District. The unit provides healthcare services to pregnant and lactating mothers and malnourished children, concentrating on the first 1,000 days' program.

Project Kavach also supports health infrastructure through initiatives like the Reproductive Child Health (RCH) Center in Gujarat and Himachal Pradesh, in collaboration with the district Health Department, which promotes health-seeking behavior and delivers primary healthcare services. In Maharashtra, the mMitra project leverages mobile technology to deliver antenatal and neonatal care information via voice calls, enrolling over 30,850 women in Mumbai, Nashik, and Chhatrapati Sambhaji Nagar (Aurangabad).



### Beneficences from our Health on Wheels Project, Jharkhand





## Maternal and Child Health

### Story of change

“ Karan Munda, a child from Khunti, Jharkhand, faced severe malnutrition due to familial poverty, limited access to nutritious food and healthcare. His grandmother, who struggled with poor vision, could only afford packaged milk for him. Our Health on Wheels project team and the Anganwadi worker, identified his critical condition and referred him to a Malnutrition Treatment Center. Despite initial reluctance from the family, continuous counseling and support eventually led to Karan's admission to the treatment center. There, Karan received essential medical care, prescribed medications, and specialized nutrition, leading to a remarkable weight gain of 1.6 kg in just 15 days. This success story underscores the transformative impact of timely intervention, education, and accessible healthcare in combating malnutrition in marginalized communities.



### Combating Household Air Pollution

Traditional cooking techniques relying on solid fuels expose individuals, especially women and children, to harmful fumes, increasing the risk of serious health issues. Recognizing the urgent need for safer and more energy-efficient cooking practices, We partnered with the CSIR-National Environmental Engineering Research Institute (NEERI) to combat household air pollution. Our primary focus is on promoting cost-effective and energy-efficient by upgrading existing mud stove models to enhance thermal efficiency and control emissions. This project is currently being piloted in villages in Maharashtra and Madhya Pradesh, aiming to make cooking practices safer and reduce associated health risks.

800 applications from 24 Indian states and 4 union territories. The finalists competed in a grand cook-off in Mumbai, showcasing the diversity of Indian cuisine and highlighting the importance of nutrition in combating malnutrition.

**Cheryl Pinto our Executive Director - Corporate Services awarding the Glenmark Nutrition Awards to Ekam Foundation**

### Other Pioneering Collaborations

#### Glenmark Nutrition Awards

The Glenmark Nutrition Awards 2024, in partnership with Idobro and Impact4Nutrition incubated by UNICEF, celebrated innovative projects that enhance national nutrition indicators. With over 310 entries from 110+ districts, the awards honored organizations working in Aspirational Districts for their efforts in combating malnutrition.



#### Meri Poushtik Rasoi Contest

Glenmark Foundation, in collaboration with Idobro Impact Solutions, conducted the sixth season of the "Meri Poushtik Rasoi" cooking contest. This initiative addresses malnutrition by promoting nutrition-rich native recipes. The contest received around

### Water Conservation and Management

This year, we launched the Jal Kavach project, focusing on sustainable water management in Raigad, Maharashtra, and Dhar, Madhya Pradesh, aiming to replenish groundwater and create additional water storage capacity. We have completed over 120 structures which include building check dams, borewell recharge structures, rejuvenation of water bodies, farm ponds, and more. Our efforts aim to alleviate water scarcity and improve livelihoods by increasing assured seasonal irrigation coverage.

### Project Jal Kavach launch in Raigad, Maharashtra



### Water Conservation and Management

#### Story of change

“ Mr. Krishna Patil, a farmer from Chindhran village in Panvel, has faced water scarcity issues for 30 years, resulting in only one crop harvest per year, often threatened by drought. Despite having an open well, it dries up by February. He cultivates water-efficient vegetables like brinjal and okra but struggles financially. After attending an awareness meeting by our NGO partner, he learned about the benefits of farm ponds and decided to apply for one. The farm pond will collect rainwater, helping to sustain his well and potentially allow him to raise fish. Patil is extremely happy for this opportunity to improve his livelihood.



### Sustainable Livelihood and Skill Development

Glenmark is dedicated to empowering the younger generation through skill development programs. In FY 2024, we trained over 500 individuals and contributed to the rehabilitation of over 1,500 differently-abled individuals through the Jaipur Foot Program, providing artificial limbs, fitments, and calipers to enable more independent lives.

### Disaster relief efforts by our employees in Himachal Pradesh



### Promoting Education and Community Relief

At Glenmark, we support rural communities in overcoming barriers to quality education by enhancing infrastructure and providing necessary resources. We aim to uplift communities and create a brighter future for the next generation. Additionally, we extend our support to disaster relief efforts in Himachal Pradesh, Sikkim and Tamil Nadu, standing alongside communities in times of need.



### Swimmers from the Glenmark Aquatic Foundation



#### Promoting Swimming as a Sport

The Glenmark Aquatic Foundation (GAF) is dedicated to fostering the sport of swimming in India with the primary goal of cultivating future international medalists from the country. In the FY 2024, GAF concentrated its efforts on enhancing the development of swimming. Notably, GAF operates India's largest development swimming center at KISS Bhubaneswar, catering to approximately 800 children. Additionally, GAF manages two high-performance swimming centers in Delhi and Thiruvananthapuram, in collaboration with the Sports Authority of India (SAI).

Furthermore, GAF launched an online coach education program called swim clinic, which is designed to

be multilingual and incorporates social features to facilitate learning. Through this initiative, GAF aims to support coaches nationwide in acquiring knowledge of the best practices in the sport. Currently, the platform boasts over 1,100 registered members.

During the year, swimmers from Team GAF achieved notable success by securing 21 gold, 30 silver, and 27 bronze medals in various national and international competitions. Moreover, GAF introduced iswim meets, specialized swimming events tailored for young participants, with the objective of efficiently and professionally organizing these competitions. In 2024, GAF successfully hosted three swim meets and implemented semi-automatic timing systems at these events to enhance accuracy and efficiency.

#### Culmination of Impact@45: Milestones and Achievements

This ambitious program was conceptualized as a part of our 45<sup>th</sup> anniversary celebrations, under our Joy of Giving initiative. We rolled out this program on 24 August 2022; with 17 November 2023 marking the culmination of this 450-day long journey of making an Impact. Employees from 20+ countries put in over 45,000 volunteering hours that contributed to this laudable success. Volunteering employees showed immense dedication and compassion by actively engaging in meaningful activities to support different communities and the environment

#### Joy of Giving: Impact@45 Testimonial

**Deirdre Cronje** | Medical Representative, Sales and Marketing, South Africa

“ I'm really excited to be a part of the Glenmark team, which supports children in Luftonava. Glenmark, South Africa, spent a day at Little Eden, a home for physically and mentally disabled people. I thoroughly enjoyed spending time with them, and it was heartwarming to put a smile on some of their faces. The time spent there made me realize how privileged most of us are and how thankful we should be for being able-bodied.

#### Employee volunteers from our South Africa office





### Key achievements of Impact@45

	Target	Target Achieved
	45 NGOs	100 NGOs
	450 Days	450 Days
	45,000 Volunteering Hours	45,000+ Volunteering Hours Contributed
	4,500 Trees	12,000+ Trees

#### Creating a Greener World:

Planted 12,000+ trees across Glenmark locations. Noteworthy partnerships, including one with Grow-Trees.com resulted in 1,500 trees planted in Ramtek, Maharashtra. This project not only creates jobs for the Gond tribal population but also protects the habitat of tigers and other wildlife around Pench Tiger Reserve. In Ivory Coast Glenmarkians planted 5,000 trees which will help the local villagers. A lush Miyawaki Forest, comprising of 1,500 trees of 45 different species was established at Cama Hospital in Mumbai, contributing to urban biodiversity. Employees in the Philippines also actively participated in tree-planting initiatives as part of Impact@45.



#### Seeds for Sustainability

Launched 'Seeds for Sustainability' campaign, creating 70,000+ seed balls with participation of 1,300+ employees from 12 locations.



#### Reuse and Recycle with Eco Bags

Eco-bag campaign in India across 18 cities 11 Indian states resulted in creation of a remarkable 1,00,000+ eco-bags, promoting reduced plastic usage and recycling.

#### Reducing Plastic Pollution

Eco bricks campaign produced 10,000+ eco bricks made by employee volunteers across locations. The UK team rejuvenated the scenic Cassiobury Park, a sprawling 190-acre nature reserve, emphasizing environmental conservation. 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 Morjim Beach.





### Global Engagement Highlights

Our global team has been actively involved in various social initiatives, supporting diverse communities across the world. For children, employees in, Colombia, Ecuador, Germany, Kazakhstan, Peru, Poland, Russia, Slovakia, South Africa, Tanzania, Ukraine, Uganda, and Uzbekistan provided essential items, conducted activities, repaired infrastructure, and offered financial aid. For the elderly, initiatives in Spain, South Africa and the Czech Republic focused on spreading joy and providing financial support. Addressing food insecurity, teams in the USA and Brazil collected canned goods and donated food to support local communities. In Slovakia, we supported educational programs for Ukrainian migrants. To raise awareness about homelessness, our UK team spent a night in the cold and participated in a charity ride.



## Data Protection and Privacy

At Glenmark, ensuring the security and privacy of stakeholder data has always been integral to our operations. We maintain a strong commitment to data privacy, understanding the trust placed in us by patients and other stakeholders. This commitment is evidenced through our Data Privacy Policy and Data Privacy Charter, which establish stringent protocols for data security.

Our Data Privacy Policy incorporates a clear escalation process to promptly address any breaches or concerns, ensuring swift and effective responses to potential cybersecurity incidents. We uphold stringent cybersecurity measures to protect sensitive information, including robust encryption protocols, regular vulnerability assessments, and continuous monitoring of network activity. We rigorously protect all business assets, including employee data, with guidelines outlined in our Code of Conduct and Information Security Policy, backed by disciplinary measures for any violations. We are planning ISO 27001 Certification by FY 2025.

As part of our Information Security Incident Management systems, our dedicated 24x7 IT Security team monitors, analyzes, investigates, and addresses IT security events according to established procedures. Additionally, our commitment to cybersecurity extends to integrating adherence into our employee performance evaluations, demonstrating the importance of maintaining vigilance and adherence to best practices across all levels of the organization.

Regular IT Security Awareness training programs ensure our employees remain informed and vigilant. We are proud to report zero instances of customer privacy breaches or data loss in the past year. Continual technological enhancements support our efforts to improve security posture and uphold data privacy norms effectively. Our proactive approach emphasizes our commitment to maintaining a secure environment for all stakeholders.

<b>Zero</b>	<b>Zero</b>
Complaints Received on Data Breaches	Client, Customers and employees are affected by the breaches

### Strengthened Data Governance Framework:

- Introduced key leadership roles including a Chief Data Privacy Officer and Deputy Data Privacy Officer
- Established a dedicated Data Privacy Advisory Committee, convening quarterly meetings to review and enhance data governance policies
- Implemented targeted initiatives throughout the reporting year to fortify our data governance structure and ensure alignment with stringent data privacy regulations

### Ensuring Data Protection Compliance

In our commitment to safeguarding data privacy, we adhere rigorously to regulatory frameworks such as the General Data Protection Regulation (GDPR) and the California Consumer Protection Act (CCPA). These regulations serve as the foundation for our comprehensive data protection measures, ensuring that sensitive information is handled securely and ethically.

To comply with GDPR requirements for cross-border data transfers, we have implemented Standard Contractual Clauses (SCC). These SCCs establish clear guidelines and obligations between Data Controllers, Data Processors, and Data Sub-Processors, facilitating the lawful transfer of personal data outside the European Economic Area (EEA) to countries that may not have the same level of data protection laws as the EEA.

Our approach not only meets legal standards but also emphasizes proactive measures to protect individuals' privacy rights. By implementing SCCs and adhering to GDPR and CCPA guidelines, we enhance trust and transparency with our stakeholders. This proactive stance showcases our commitment to maintaining data protection practices, ensuring compliance with evolving regulatory landscapes, and safeguarding the privacy of our customers and partners alike.





Natural Capital



# Greening Our Future and Achieving Sustainable Milestones

Climate change is a critical global issue affecting health, biodiversity, habitats, livelihoods, ecosystems, and weather patterns. In response, we are dedicated to achieving carbon-neutral growth and leading our industry in environmental stewardship. We implement targeted measures to minimize our environmental footprint and safeguard ecosystems. Through proactive initiatives, we are committed to enhancing community well-being and nurturing the planet.



## Material Topics

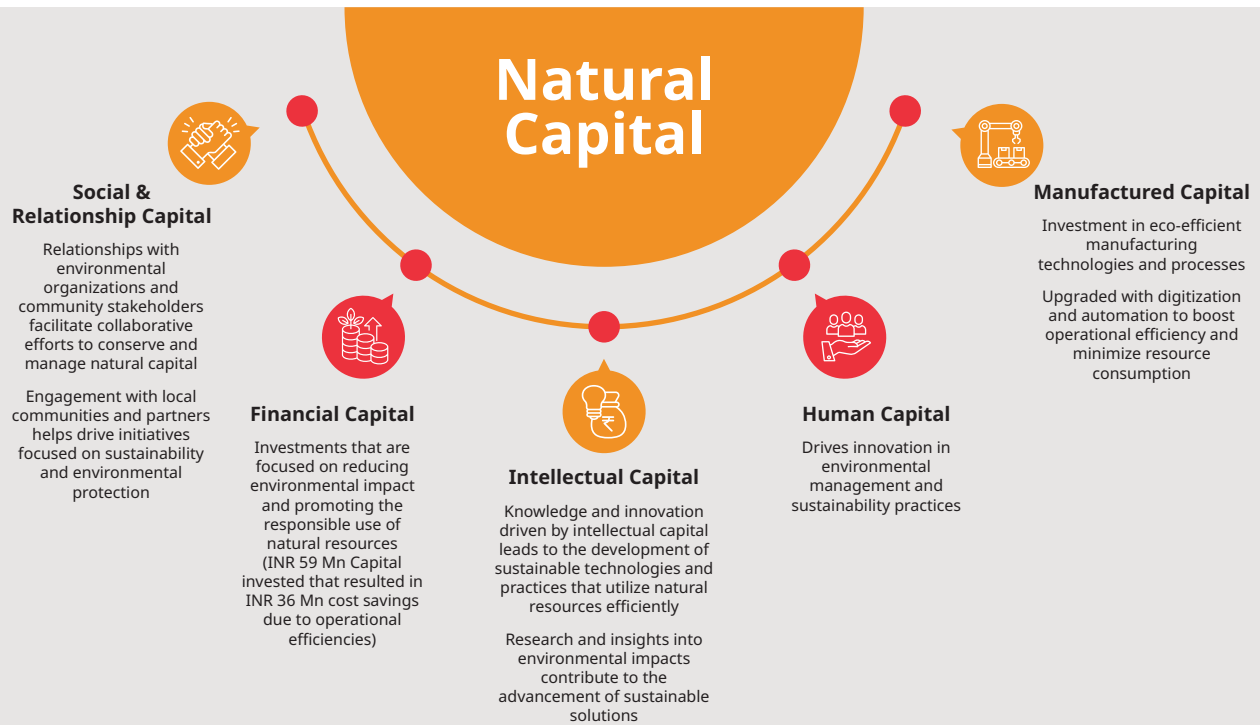
-  Climate Change
-  Water and Waste Management
-  Biodiversity



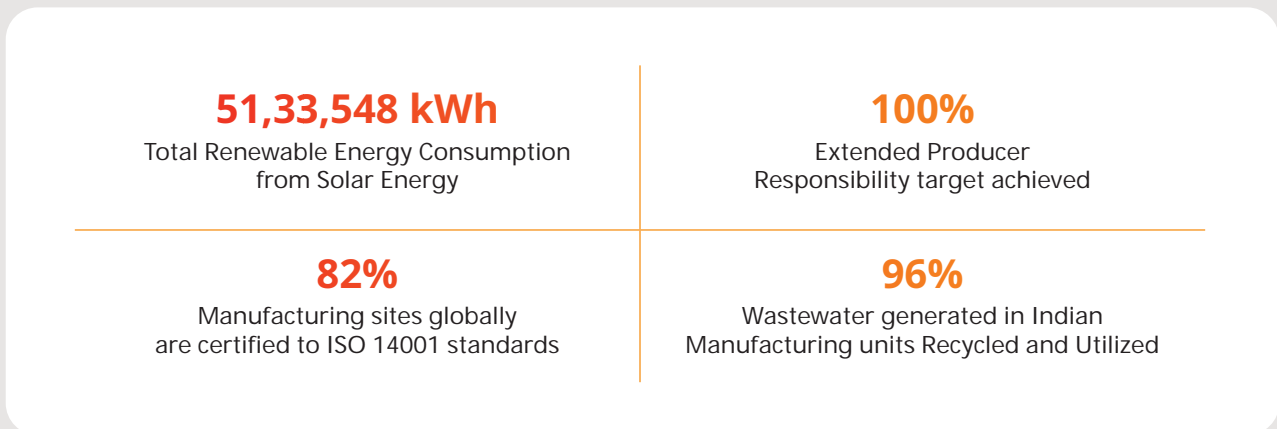
## Stakeholders in Focus

- Communities
- Employees

## Interlinkages with Other Capitals



## Key Highlights



## 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.

### Other Key Environmental Metrics

Particulars	Metrics
<b>Total Energy Consumption</b>	5,14,592 GJ
<b>Total Non-Renewable Energy Consumption</b>	4,87,153 GJ
<b>Total Renewable Energy Consumption</b>	27,439 GJ
<b>Total Scope 1 Emission</b>	15,455 tCO <sub>2</sub> e
<b>Total Scope 2 Emission</b>	69,632 tCO <sub>2</sub> e
<b>Total Scope 3 Emission</b>	1,71,146 tCO <sub>2</sub> e
<b>Total Hazardous Waste Disposed</b>	1,125 MT
<b>Total Non-Hazardous Waste Recycled</b>	2,487 MT
<b>Total Hazardous Waste Recycled</b>	145 MT
<b>Total Water Consumption</b>	4,80,862 kL

### Our Vision for Sustainability

We believe in harmonizing economic progress with environmental preservation. As a manufacturer of life-saving medicines, we are dedicated to protecting natural resources, including access to clean air and

water. We comply with regulations and standards across the regions of operation, working with our employees, partners, and local communities to implement sustainable practices that enhance long-term business value.

### Our commitment towards becoming a corporate citizen



**Green Operations**

Carbon neutrality by the year 2030



**Waste to Value**

Zero Waste to Landfill by the year 2027



**Water Stewardship**

Achieve water neutral operations by the year 2025

### Our Governance Mechanism

Our commitment to environmental sustainability and responsibility is governed by our environment, health, and safety (EHS) policy, focusing on efficient resource use, pollution prevention, energy conservation, water recycling, waste reduction, and emission

minimization. Our ESG committee meets annually and oversees the implementation of sustainability and climate change initiatives. We ensure all business partners adhere to top-tier environmental and safety standards.

For more details, Please refer to our EHS Policy.

## Our Governance Framework

### Roles and Responsibilities for Implementation

Department / Body	Role, Responsibility & Duties
<b>President Global Operations</b>	Oversees resource allocation for EMS and supports operational and environmental leaders.
<b>EVP – Global Operations</b>	Implement EHS policy, monitors compliance, and supports continual improvement.
<b>VP Corporate Head EHS</b>	Ensures alignment of environmental objectives with strategic goals, promotes effective management, and supports continual improvement.

### Commitment to Sustainable Resource Management

At Glenmark, we prioritize efficient and sustainable natural resource management through innovative technologies and conservation measures. We minimize water, energy, raw material, and packaging material consumption across our operations.

### Ensuring Compliance and Continuous Improvement

Our robust monitoring and review systems go beyond policy to ensure adherence to environmental regulations. Regular audits cover all our global sites, achieving 100% compliance to standards. The ESG committee oversees comprehensive environmental performance reports. Led by the committee chairman, these reviews identify critical areas for enhancement, driving continual improvement in our environmental performance and management system.

### Validation and Certification

Certification and Verification	Coverage (%)
<b>ISO 14001 Certification</b>	Currently, 82% of our manufacturing sites globally are certified to ISO 14001 standards, affirming our commitment to international environmental best practices. For more details, Please refer to our EHS Policy.
<b>Third-party Verification</b>	We engage external consultants to validate the effectiveness of our management systems.
<b>Regulatory Compliance</b>	Over the past four years, we have maintained a flawless record with no environmental-related regulatory violations.

### Sustainability sensitization

We engage all our internal and external stakeholders through training and awareness programs on environmental management. This includes assessing our suppliers on ESG aspects to align with sustainability goals.

**The total number of Environment, Health & Safety (EHS) training hours is 63,967 man-hours.**

### Climate Change Resilience

Climate change presents significant challenges to the pharmaceutical industry, affecting operational costs, regulatory compliance, and supply chain dynamics. Given the direct impact of the pharmaceutical industry on human health, understanding and mitigating these risks is essential. Addressing climate change requires strategic planning, investment in sustainable practices, and proactive stakeholder engagement to build resilience and ensure long-term business viability.

In 2023, we engaged a third-party consultant to conduct a comprehensive Climate Risk Assessment (CRA). This forward-looking analysis identified the potential impacts of likely climate change-related scenarios on our business. The assessment utilized scenario analysis to evaluate critical physical and transition risks.

Since our CRA assessment in 2023, we have implemented enterprise-wide measures to address the identified climate risks and opportunities. This includes evaluating risks related to our facilities and

strategic suppliers and projecting scenarios through 2050. We have assessed the impact and likelihood of acute and chronic climate risks over short, medium, and long-term periods, identified potential adaptation and mitigation measures, and estimated their financial implications.

To build resilience, we are focused on safeguarding our business and stakeholders from external threats. We have launched strategic initiatives to gain our understanding of how climate change impacts our business and to enhance our ability to withstand these challenges. These initiatives align with international frameworks and guidelines, such as the Task Force on Climate-related Financial Disclosures (TCFD). For detailed climate-related scenarios and physical climate risk adaptation, please refer to our TCFD report on our website.

Our climate strategy is integrated into our overall business strategy, with our Board of Directors overseeing progress. The Board regularly reviews progress and discusses these initiatives in dedicated meetings.

### Financial Risks & Opportunities of Climate Change

#### Our future looking strategy and initiatives to mitigate climate risks

Investments in low carbon and energy-efficient technologies and equipment

Development of low Global Warming Potential products

Supplier Protocol to conduct supplier assessments on ESG parameters

#### Climate Action Plan and Mitigation focus areas:



**Reduced Energy Consumption**



**Increased Renewable Energy Share**



**Emission Reduction**



**Waste Management**



**Reduced Water Consumption**



**Biodiversity Conservation**



## Our Approach to Energy Efficiency

We are committed to enhancing the efficiency of our operations to optimize processes that consume significant amounts of energy. Our climate action strategy emphasizes reducing energy consumption through efficient practices, technological advancements, and the adoption of renewable energy sources. In the reporting year, we invested INR 58.97 Mn in energy conservation initiatives across our operations.

## Total Renewable Energy Consumption

To strengthen our energy conservation efforts, we conduct regular energy audits to identify energy-saving opportunities, and integrate 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.

The total renewable energy consumption is 27,439 GJ.

### Energy Consumption Data

In (GJ)	FY 2024	FY 2023	FY 2022	FY 2021
<b>Total Non-Renewable Energy Consumption</b>	4,87,153	4,66,158	4,57,396	4,35,889
<b>Total Renewable Energy Consumption</b>	27,439	29,859	33,309	22,136

### Deriving Value from Energy Efficiency Initiatives

- We have enhanced energy efficiency across all sites by upgrading to LED lights, transitioning AC motors to DC motors in AHUs, optimizing refrigeration and pumping systems, installing Heat pumps, and improving boiler and utility equipment efficiency
- We are optimizing our fuel consumption by replacing furnace oil with biofuel to reduce emissions and eliminate the need for preheating, saving energy. Biofuel's higher Gross Calorific Value (GCV) also lowers fuel consumption
- We have installed motion sensors in service areas and offices, and optimized high horsepower electrical systems with Variable Frequency Drives (VFDs)

**INR 59 Mn**  
capital invested in energy efficiency

These initiatives have resulted in significant improvements in energy efficiency and reductions in power costs. For the reporting period, our total energy consumption stood at 5,14,592 GJ and our total reduction of energy consumption was 27,750 GJ. We aim to further increase our renewable energy consumption in the coming period.

### Energy Efficiency

Financial Year	FY 2024	FY 2023	FY 2022	FY 2021
<b>Specific Energy Intensity (GJ/Kg)</b>	0.034	0.030	0.032	0.033

### Pursuing Carbon Neutrality through Reduced Emission

According to a report by Health Care without Harm (HCWH), the global healthcare sector contributes 4.4% of global net emissions, contributing approximately 2 gigatonnes of carbon dioxide to the environment. As a leading player in the industry, we recognize the crucial role of our actions play in influencing the overall emission contribution of the healthcare industry and their impact on global warming.

A significant portion of our emission arises from our value chain, which includes raw material extraction, manufacturing, packaging, distribution, patient use, and disposal. Given the extended development cycle of pharmaceutical products, it is crucial to integrate climate considerations from the early stages of product development.

### We are proud to be the second Indian pharmaceutical Company to have our emissions reduction targets certified by the SBTi.



Our emission reduction strategy as a part of our Carbon Neutrality target pursues ambitious science-based decarbonization targets, aiming to accelerate progress toward net-zero while managing climate-related risks and opportunities.

To achieve our carbon neutrality goal, we have launched various initiatives focused on energy efficiency and overall sustainability:

- Decarbonizing our operations
- Creating carbon sinks through tree plantations
- Reducing our carbon footprint by improving energy efficiency
- Enhancing the resilience of our operations to the physical impacts of climate change

**Digitization of HVAC systems, have helped maintain air quality and reduce emissions**

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**Installation of heat pumps at our plants has reduced our emissions**

Financial Year	FY 2024	FY 2023	FY 2022	FY 2021
<b>Scope 1 (tCO<sub>2e</sub>)</b>	15,455	12,703	14,088	12,866
<b>Scope 2 (tCO<sub>2e</sub>)</b>	69,632	64,812	66,739	66,515
<b>Scope 3 (tCO<sub>2e</sub>)</b>	1,71,146	1,75,069	1,19,426	1,76,551
<b>Biogenic Emissions (tCO<sub>2e</sub>)</b>	724	639	880	145

GHG Emissions Intensity	FY 2024	FY 2023	FY 2022	FY 2021
Scope 1+2 (tCO <sub>2</sub> e/ Production in Kg)	0.0057	0.0047	0.0054	0.0057
Scope 3 (tCO <sub>2</sub> e/ Production in Kg)	0.0114	0.0106	0.0079	0.0126

Scope 3 Categories		tCO <sub>2</sub> e
Purchased Goods & Services	Purchased Goods & Materials	48,402
Capital Goods	Capital Goods & Materials - Projects	24,788
Fuel & Energy Related Activities	Energy Related Emissions	18,663
Upstream Transportation & Distribution	Domestic & International Inbound	22,491
Waste Generated in Operations	Waste Generation & Disposal	41
Business Travel	Air Travel + Rail Travel	7,227
Employee Commute	Employee Commute + Road Travel	46,333
Downstream Transportation & Distribution	Domestic & International Outbound	3,201

### Going Green

We are committed to increasing our renewable energy share each year and achieving carbon neutrality by 2030.

Our strategy focuses on:

- Maximizing renewable capacity utilization:**  
Enhancing the capital utilization factor (CUF) of our renewable energy sources
- Partnerships for long-term supply:**  
Collaborating with joint venture partners for reliable, long-term energy supplies
- Transitioning to Biomass:**  
Transitioning from fossil fuels to biomass in our boilers and developing alternative biomass fuel sources
- Securing Supply Chain:**  
Securing forward contracts with biomass suppliers to address supply chain issues
- Energy Management and Efficiency:**  
Implementing energy management, conservation, and efficiency projects to support our overall energy goals

### Green Energy Initiatives at Talaja R&D Centre

The Talaja R&D centre has made significant strides in adopting green energy solutions, particularly through the use of renewable solar energy. This initiative reflects the plant's commitment to sustainability and its efforts to reduce its carbon footprint.

In the recent operational period, the plant's total power consumption was 45,08,309 kWh. Of this, 22,50,693 kWh was sourced from the Maharashtra State Electricity Board (MSEB), while an impressive 22,57,616 kWh was generated from solar energy.

This transition to renewable energy not only reflects the plant's commitment to environmental stewardship but also contribute to cleaner air and a healthier environment. Additionally, to enhance operational efficiency, the Talaja R&D centre upgraded 256 conventional lamps to LED lamps, leading to significant annual cost savings.

Our renewable power mix integrates rooftop solar installations, joint ventures for captive power, and solar power purchase agreements (PPAs). Currently, our Mahape R&D center boasts a 100 kWp rooftop solar plant. We are also adopting cleaner fuels across our operations: biofuels in Nashik and Chhatrapati Sambhaji Nagar (Aurangabad), LPG for hot water generation in Baddi and steam generation in Nalagarh, and PNG for boiler operations in Goa.

We are progressing towards establishing a third-party captive solar power plant at our Nashik and Chhatrapati Sambhaji Nagar (Aurangabad) locations, with plans to extend this model to other plants. Additionally, we have secured Power Purchase Agreements for solar power at our Taloja and Mahape R&D sites, where approximately 55% of our energy requirements are now met by renewable energy sources.

### Renewable Energy Consumption (kWh)

FY	FY 2024	FY 2023
<b>Solar Energy (kWh)</b>	51,33,548	57,86,123

### Valuing Water

Water is a critical resource, with global scarcity exacerbated by population growth and increased demand. As a pharmaceutical Company, our operations require high-quality water, sourced from surface water, groundwater, municipal supplies, and harvested rainwater. Ensuring a reliable water supply is essential for producing vital medicines and fulfilling our social responsibility.

### Water Usage Statistics

- Water consumed from water-stressed sites (kL): 1,00,876
- Total Water consumed (kL): 4,80,862
- Water Intensity (per unit Production in Kgs): 0.0320

### Water Withdrawal by Source (kL)

Source	FY 2024	FY 2023	FY 2022	FY 2021
<b>Surface Water** (Lakes, rivers, ponds, rainwater)</b>	5,182	7,426	8,685	12,732
<b>Ground Water</b>	2,65,516	2,70,017	2,64,341	2,66,028
<b>Third-Party Water/ Municipal</b>	2,10,164	2,08,021	2,08,314	1,59,471
<b>Total Net Freshwater Withdrawn</b>	4,80,862	4,85,464	4,81,340	4,38,231

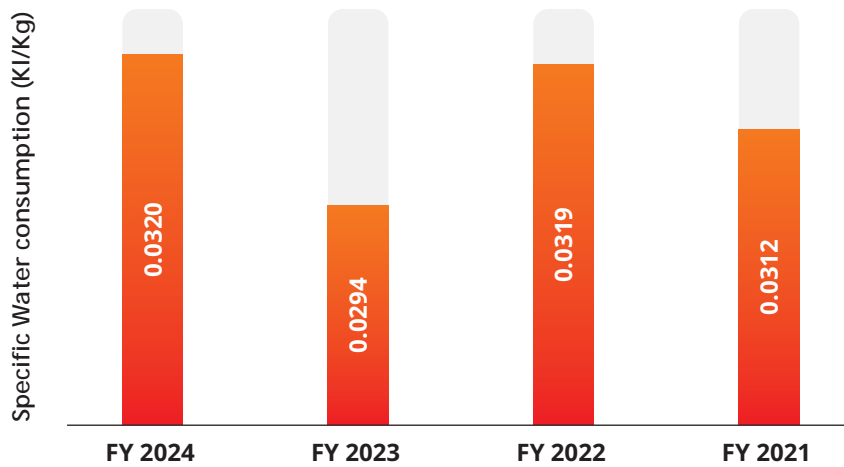
As water is essential for our operations, we prioritize sustainable management practices. Our strategy focuses on business continuity, water risk mitigation, and conservation. We implement water-efficient equipment, optimize water use in production,

and promote awareness among employees. By continuously monitoring and improving our water usage, we aim to reduce our environmental impact and ensure long-term availability of clean water.

\*\*Excluding seawater



**Committed to achieving water neutrality by 2025**



### Giving More than We Consume

As part of our commitment to becoming water-neutral by 2025, our water management strategy is built on three-pronged approach: reducing blue water consumption, optimizing wastewater management, and aiding communities with water conservation programs.

#### Water Management Initiatives

To minimize our water footprint, we have implemented a range of measures:

- Efficient Water Use:** We have installed equipment and designed processes to reduce water usage. Notable initiatives include a condensate recovery unit that recycles hot water to the boiler, automated sensors and flow control valves in canteens and washrooms for optimized water usage, and the use of raw water RO reject water for domestic purposes.
- Recycling and Reuse:** We have developed a detailed waste process map to monitor reused and recycled water consumption. We recycle treated effluents for utilities, irrigation and toilet flushing, have implemented water sprinkler systems for landscaping, and rainwater harvesting systems for groundwater recharge. We reuse steam condensate water for feed to boiler.
- Infrastructure Upgrades:** We have upgraded our primary treatment unit at Baddi, installed a high-efficiency Sewage Treatment Plant (STP) at Goa plant, and installed zero liquid discharge unit at Nashik plant to enhance wastewater treatment and recycling capabilities.
- Community Initiatives:** We have implemented community watershed programs and sustainable agriculture initiatives beyond our premises to foster broader water conservation efforts.

### Enhancing Water Security

As part of our water conservation initiative in water-stressed regions spanning over 40 villages across Maharashtra and Madhya Pradesh, we focus on rejuvenating existing water bodies to create an additional storage capacity.



### Zero Liquid Discharge Initiatives

Recognizing the importance of responsible wastewater management, we have implemented Zero Liquid Discharge (ZLD) projects at three out of our eight manufacturing sites across India. At the remaining five sites, we recycle treated effluent for gardening and toilet flushing. These initiatives are crucial for preserving ecosystems, promoting community health, and ensuring environmental sustainability. By adopting ZLD, we minimize liquid discharge and strengthen our commitment to sustainable water management.

In FY 2024, we achieved a notable milestone by recycling and utilizing 96% of the wastewater generated within our Indian facilities through our in-house Effluent Treatment Plants (ETPs), Sewage Treatment Plants, and Zero Liquid Discharge (ZLD) plants. These advanced treatment systems ensure that the treated water adheres to all the prescribed quality standards for the pharmaceutical industry, promoting sustainable water management and environmental stewardship.

#### Water Metrics for FY 2024

**1,81,759**

Wastewater recycled (kL)

**6,973**

Water discharge (kL)

**62,235**

Water saved [compared to base year FY 2019 (kL)]

**We have recycled and utilized 96% of the wastewater treated**

**We are dedicated to water stewardship and the development of a sustainable water supply system for our operations**

We remain dedicated to water stewardship and are actively pursuing projects such as rainwater harvesting, lake desilting, and wastewater management. These efforts are aimed at increasing water availability for local communities and replenishing more water than we consume in our operations.

**Transforming Waste to Value for a Sustainable future**

In our industry, a responsible waste management framework is essential not only for regulatory compliance but also for ethical reasons. Pharmaceutical waste, often hazardous, requires specialized disposal measures to prevent environmental and health risks.

As a conscientious organization, we have implemented a comprehensive waste management framework to address these challenges. Our approach includes:

- **Non-hazardous Waste:** We ensure that non-hazardous waste is directed to recyclers.
- **Hazardous Waste:** We have made significant measures to reduce the amount of hazardous waste sent to landfills. Hazardous waste is managed through co-processing, pre-processing, incineration and recycling authorized by pollution control board at authorized disposal facility. Only 4% of hazardous waste is disposed in landfills.
- **Plastic Waste:** Plastic waste is either recycled or co-processed, depending on its type, in accordance with Extended Producer Responsibility (EPR) guidelines.
- **E-Waste:** Electronic waste is sold to authorized vendors for proper recycling.
- **Battery Waste:** Battery waste is returned back to the supplier for recycling purpose.

- **Bio-Medical Waste:** Bio-Medical waste is sent for appropriate treatment and disposal at facilities authorized by Pollution Control Board.

**We are committed to achieving zero waste to landfill by 2027.**

Total Non-Hazardous Waste disposed: 2,487 MT  
 Total Hazardous Waste disposed: 1,125 MT  
 Bio-Medical Waste generated: 19 MT  
 Battery Waste Generated: 6 MT  
 E-Waste Generated: 3 MT

**100%**

Extended Producer Responsibility target achieved, including post-consumed plastic packaging

We comply with all environmental regulations, and during the reporting year,

**No fines were paid related to environmental issues**

**Creating Impact with Optimization**

In our Sikkim plant, we have achieved substantial gains in efficiency and sustainability by optimizing the production of Telma 40.

- We slashed Foil consumption per batch from 563.8 kg to 378 kg, and carton consumption decreased from 26,666 to 13,334 units. This not only optimizes space but also streamlines transportation logistics.
- By revamping the design of Telma 40, we have significantly curtailed hazardous waste generation while concurrently reducing raw material costs.



Types of Waste disposed (MT)	FY 2024	FY 2023	FY 2022	FY 2021
<b>Hazardous Waste</b>	1,125	1,272	1,214	1,095
<b>Non Hazardous Waste</b>	2,487	1,748	1,729	1,722
<b>Total Waste disposed</b>	3,613	3,020	2,943	2,817
<b>Waste Landfill</b>	45	150	196	307
<b>% of Hazardous Waste Disposed in Landfills</b>	4%	11.8%	16.1%	28.0%
<b>Waste Incinerated w/o energy recovery</b>	163	150	160	162

Financial Year	FY 2024	FY 2023	FY 2022	FY 2021
<b>Specific Waste Intensity (Kgs/Kgs)</b>	0.24	0.18	0.19	0.20

### Prioritizing Sustainable Waste Management

At our facilities, we prioritize waste disposal through co-processing techniques, which offer dual benefits. Co-processing involves using waste materials as alternative fuels and raw materials (AFR) to recover energy and materials from them. Over the years, this approach enables us to recover energy and materials efficiently from hazardous waste, contributing to both environmental sustainability and operational efficiency. As of FY 2024, 69% of our total hazardous waste is managed through co-processing and pre-processing methods.

Total Hazardous waste disposed: 1,125 MT  
 Total Non-Hazardous waste disposed: 2,487 MT  
 Hazardous waste co-processed: 772 MT  
 Plastic waste channelized (recycled): 715 MT  
 E-Waste recycled: 2.32 MT  
 Battery waste recycled: 7 MT  
 Bio Medical Waste Disposed: 19 MT

Presently, **five of our sites** utilize co-processing or pre-processing for hazardous waste, while five manufacturing sites and one R&D centre have already achieved goal of 'Zero Waste to Landfill'.

Looking ahead,

**Our target is to become 'Zero Waste to Landfill' Company by 2027**

**Our sites go through a third-party data assurance for our waste management practices**



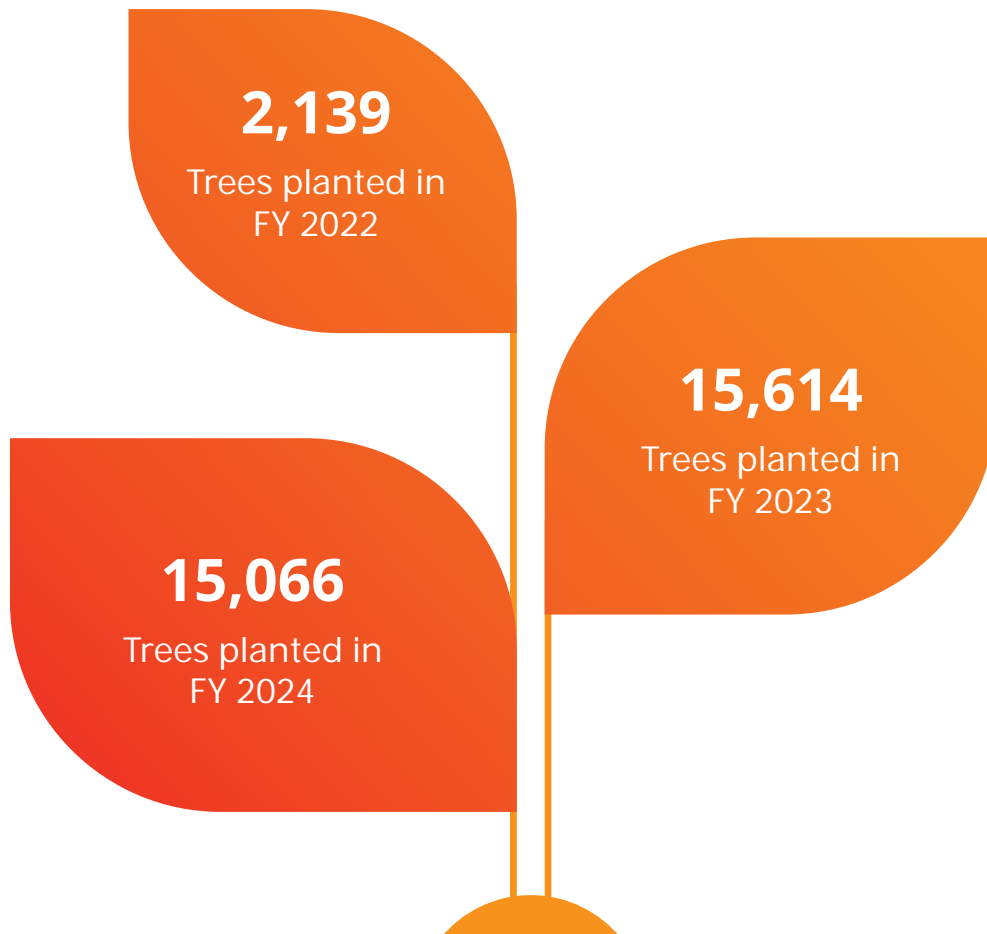
### Biodiversity Conservation

We place high importance on biodiversity and its role in shaping a sustainable future. Through sustainable land use practices, habitat restoration initiatives, and measures to safeguard endangered species, we integrate biodiversity considerations into our decision-making processes. This commitment ensures ecological balance and contributes to the preservation of biodiversity hotspots. Managing biodiversity is integral to our operations, evidenced by our ongoing Biodiversity Impact assessment studies across all our manufacturing sites.



### Afforestation Commitment

As a part of afforestation initiatives, we are collaborating with local NGOs to develop a green belt around our Taloja R&D Centre. This initiative aims to mitigate environmental impact and enhance local biodiversity through proactive conservation efforts.



# 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](http://www.glenmarkpharma.com)

Email: [complianceofficer@glenmarkpharma.com](mailto: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 Limited

### Manufacturing Facilities Formulations

- E-37-39, MIDC Industrial Area, D Road, Satpur, Nashik - 422007, Maharashtra
- Unit 1: Plot No. S7, Colvale Industrial Estate, Colvale, Bardez - 403513
- Unit 2: Plot No. S9, Colvale Industrial Estate, Colvale, Bardez - 403513
- Unit - I, Village Kishanpura, Baddi-Nalagarh Road, The Baddi, Dist. - Solan, HP - 174101
- Unit - II, Village Bhattanwala, PO Rajpura, Teh Nalagarh, Dist.- Solan, HP - 173205
- 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, Shendra MIDC, Chhatrapati Sambhaji Nagar, 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, Taluka Panvel, Dist. Raigad - 410208, Maharashtra

## Clinical Research Centre

Plot No. M4, Taloja Industrial Area, MIDC, Taluka Panvel, Dist. Raigad - 410208, Maharashtra

## Glenmark Healthcare Limited

### Manufacturing Facility

Plot No. D-7 & D-8, Additional MIDC Area, Dindori, Village Akrale, Taluka - Dindori, Nashik - 422004

## ICHNOS SCIENCES INC.

### Global Headquarters

1 World Trade Center, 76th Floor, Suite D, New York, NY 10007, USA

## R&D Centres

Route de La Corniche 5A, 1066 Epalinges, Switzerland

## Development and Manufacturing

Chemin de la Combeta 5, 2300 La Chaux-de-Fonds, Switzerland



# INDEPENDENT NON-FINANCIAL ASSURANCE STATEMENT



## INDEPENDENT ASSURANCE STATEMENT

### Introduction

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by Glenmark Pharmaceuticals Limited (Corporate Identity Number L24299MH1977PLC019982, hereafter referred to as 'Glenmark' or 'the Company') to undertake an independent assurance of the Company's sustainability/non-financial disclosures in its Integrated Report FY 2023-24 (hereafter referred to as 'Report').

The disclosures have been prepared by Glenmark:

- "with reference" to requirements of Global Reporting Initiative (GRI) standards 2021
- Integrated Reporting (<IR>) framework of the International Integrated Reporting Council (IIRC)
- United Nations Sustainable Development Goals (SDGs)
- Greenhouse Gas Protocol: *A Corporate Accounting and Reporting Standard*.

DNV carried out the assurance engagement in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - *Assurance Engagements other than Audits*. DNV's VeriSustain™ Protocol has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VeriSustain™ protocol, DNV team has also followed ISO 14064-3 - *Specification with guidance for the verification and validation of greenhouse gas statements* and ISO 14046 - *Environmental management - Water footprint - Principles, requirements, and guidelines* to evaluate disclosures wrt. Greenhouse gases and water disclosures respectively.

The intended user of this assurance statement is the Management of Glenmark Pharmaceuticals Limited.

We have not performed any work and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

### Responsibilities of the Management of Glenmark and of the Assurance Provider

The Management of Glenmark has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report. The company is responsible for maintaining the processes and procedures for collecting, analyzing and reporting the information and, ensuring the quality and consistency of the information presented in the Report. Glenmark is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on their website.

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

### Scope, Boundary and Limitations

The scope of work as agreed is a limited level of assurance of the GRI disclosures in the Integrated Report as mentioned in Annexure-I, for the reporting period 01/04/2023 to 31/03/2024. The reported boundaries of the non-financial performance are based on the internal and external materiality assessment covering Company's operations as brought out in the section 'Scope and Reporting Boundary' of the Company's Integrated Report.

Based on the agreed scope with the Company, the boundary covers all the global operation locations of Glenmark at consolidated level. For environmental disclosures, the boundary covers the manufacturing plants and Research & Development (R&D) centres of Glenmark in India.

### Inherent Limitation(s):

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and is free from material misstatements.

DNV Headquarters, Veritasveien 1, P.O.Box 300, 1322 Høvik, Norway. Tel: +47 67 57 99 00. [www.dnv.com](http://www.dnv.com)





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The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of  $\pm 5\%$  based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV opinion on financial disclosures relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

## Assurance Process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of Glenmark. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

1. Reviewed the disclosures in the Report. Our focus included general disclosures, management processes, and any other key metrics specified under the reporting framework.
2. Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in report.
3. Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
4. Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
5. Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected GRI disclosures.
6. DNV audit team conducted on-site audits for corporate offices and sites (mentioned in Annexure- II). Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
7. Reviewed the process of reporting as defined in the assessment criteria.

## Conclusion

### Limited Level of Assurance

On the basis of the assessment undertaken, nothing has come to our attention to suggest that the Report does not properly describe the Report's adherence to the IR framework and GRI Standards 2021, including the GRI 2: General Disclosures, GRI 3: Management Approach and the other GRI disclosures as mentioned in Annexure-I, in all material aspects and in accordance with the reporting criteria.

#### 1. Materiality

*The process of determining the issues that are most relevant to an organization and its stakeholders.*

The Report explains out the materiality assessment process carried out by the Company which has considered concerns of internal and external stakeholders, inputs from peers and the industry, as well as issues of relevance in terms of impact for Glenmark's business. The list of topics has been prioritized, reviewed and validated, and the Company has indicated that there is no significant change in material topics from the previous reporting period.

*Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.*

**Page 3 of 6****2. Responsiveness**

*The extent to which an organization responds to stakeholder issues.*

The Report adequately brings out the Company's policies, strategies, management systems and governance mechanisms in place to respond to topics identified as material and significant concerns of key stakeholder groups.

*Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.*

**3. Reliability/Accuracy**

*The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.*

The Report brings out the systems and processes that the Company has set in place to capture and report its performance related to identified material topics across its reporting boundary. The majority of information mapped with data verified through our assessments with Glenmark's management teams and process owners at the Corporate Office and sampled sites within the boundary of the Report were found to be fairly accurate and reliable. Some of the data inaccuracies identified in the report during the verification process were found to be attributable to transcription, interpretation, and aggregation errors. These data inaccuracies have been communicated for correction and the related disclosures were reviewed post correction.

*Nothing has come to our attention to believe that the Report does not meet the principle of Reliability and Accuracy.*

**4. Completeness**

*How much of all the information that has been identified as material to the organization and its stakeholders is reported?*

The Report brings out the Company's performance, strategies and approaches related to the environmental, social and governance issues that it has identified as material for its operational locations coming under the boundary of the report, for the chosen reporting period while applying and considering the requirements of Principle of Completeness.

*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.*

**5. Neutrality/Balance**

*The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.*

The Report brings out the disclosures related to Glenmark's performance during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic and industry environment.

*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, which are based on the principles enclosed within ISO IEC 17029:2019 - *Conformity assessment - General principles and requirements for validation and verification bodies*, 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<sup>1</sup> during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) 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 for internal use of Glenmark Pharmaceuticals Limited.

<sup>1</sup> DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>



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**Purpose and Restriction on Distribution and Use**

This assurance statement, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of the Company for our work or this report.

For DNV Business Assurance India Private Limited

<p><b>Parab, Ankita</b></p> <p>Digitally signed by Parab, Ankita Date: 2024.08.27 18:08:26 +05'30'</p>	<p><b>Kakaraparthi Venkata Raman</b></p> <p>Digitally signed by Kakaraparthi Venkata Raman Date: 2024.08.27 18:54:33 +05'30'</p>
<p>Ankita Parab Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India.</p>	<p>Kakaraparthi Venkata Raman Assurance Reviewer, Sustainability Services, DNV Business Assurance India Private Limited, India.</p>
<p>Assurance Team: Anjana Sharma, Varsha Bohiya, Himanshu Babbar</p>	

27/08/2024, 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](http://www.dnv.com)



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## Annexure- I

Disclosures assured for Limited level of assurance:

- GRI 203: Indirect Economic Impacts 2016 – 203-1, 203-2;
- GRI 204: Procurement practices 2016- 204-1;
- GRI 205: Anti-corruption 2016 – 205-1, 205-2;
- GRI 302: Energy 2016 – 302-1, 302-3, 302-4;
- GRI 303: Water and Effluents 2018 – 303-1, 303-2, 303-3, 303-4, 303-5;
- 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 & 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;
- GRI 405: Diversity and Equal Opportunity 2016 – 405-1, 405-2;
- 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 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;
- GRI 417: Marketing and Labeling 2016 – 417-1, 417-2;
- GRI 418: Customer Privacy 2016 – 418-1.

\* For Scope 3, GHG emissions are calculated for Category 1, 2, 3, 4, 5, 6, 7 and 9 as per GHG Protocol.





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## Annexure- II

### Sites selected for audits

Sr. no.	Site	Location
1.	Corporate office	Mumbai, Maharashtra
2.	Manufacturing plants- on-site	Pithampur, Madhya Pradesh and Colvale, Goa
3.	Manufacturing plants- remote	Ranipool, Sikkim and Nalagarh, Himachal Pradesh

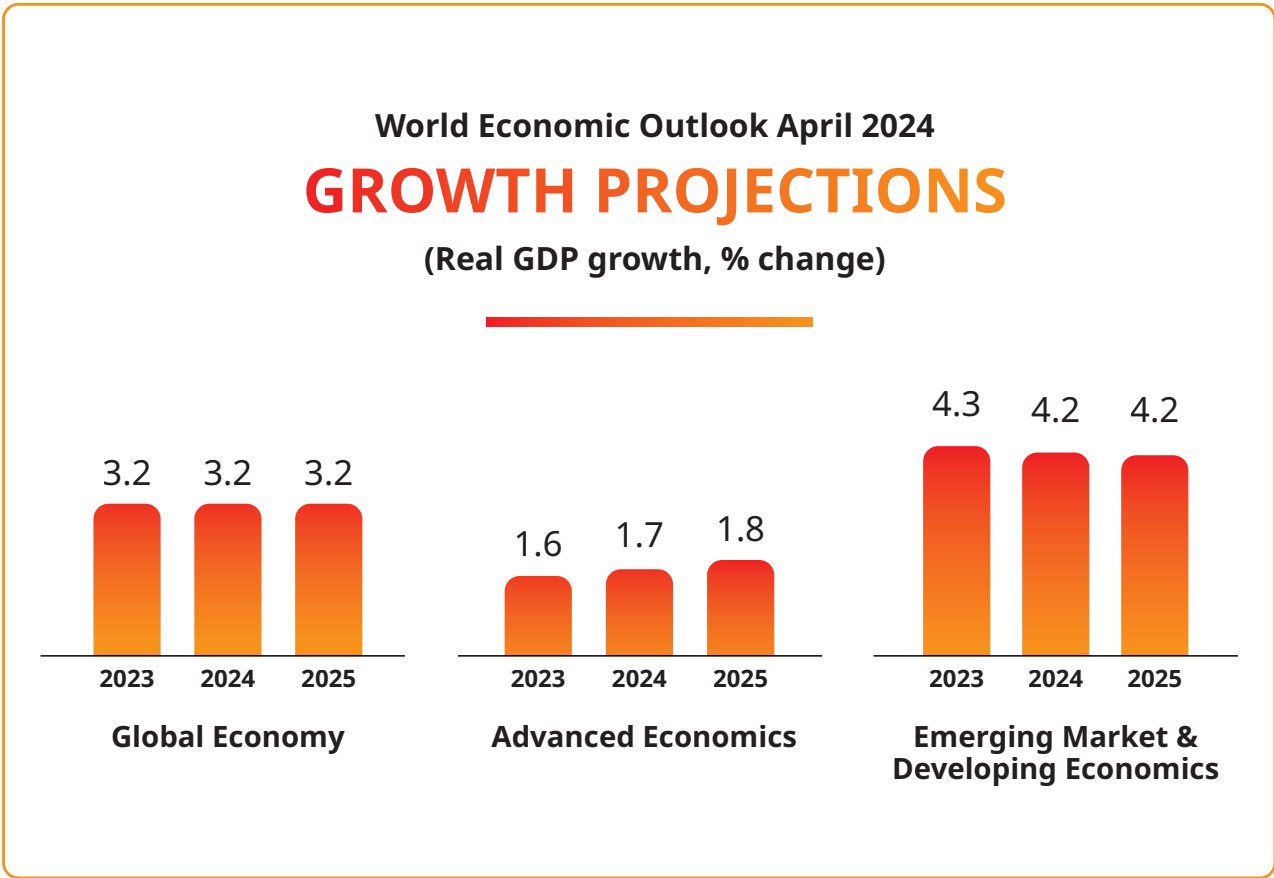
# Management Discussion & Analysis



# Global Economic Outlook

Economic activity showed surprising resilience during the global disinflation period of FY 2023. As global inflation dropped from its peak in mid-2022, economic growth continued steadily, defying predictions of stagflation and global recession. Steady growth in employment and incomes was driven by stronger-than-expected government spending and household consumption, along with a supply-side boost from an unexpected rise in labour force participation. This economic resilience persisted despite significant interest rate hikes by central banks aimed at restoring price stability, partly because households in major advanced economies tapped into substantial savings accumulated during the pandemic. As inflation approaches target levels and central banks begin easing policies in many economies, fiscal policies are expected to tighten to curb high government debt, with higher taxes and reduced government spending likely to slow growth. Global growth is estimated at 3.2% for 2023 and is expected to maintain this rate in 2024 and 2025. Global headline inflation is projected to decrease from an annual average of 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies reaching their inflation targets sooner than emerging markets and developing economies.

Risks to the global economic outlook are now generally balanced. On the downside, geopolitical tensions, such as those from the war in Ukraine and the conflict in Gaza and Israel, could cause new price spikes. High government debt in many economies could lead to disruptive tax hikes and spending cuts, weakening activity, eroding confidence, and reducing support for reforms and climate change risk mitigation. Geo-economic fragmentation could intensify, raising barriers to the flow of goods, capital, and people, and causing a supply-side slowdown. On the upside, looser fiscal policy than necessary and projected could boost economic activity in the short term, though it risks costlier policy adjustments later. Inflation could fall faster than expected with further gains in labour force participation, enabling central banks to expedite easing plans. Advances in artificial intelligence and stronger structural reforms than anticipated could also spur productivity growth.



## Indian Economic Outlook

India's GDP made a significant leap achieving a remarkable growth rate of 8.4% in the third quarter of the FY 2024. This exceeded all expectations, as market analysts had predicted slower growth between 6.6% and 7.2% for this quarter. Substantial revisions to data from the past three quarters revealed that India's GDP growth had already reached 8.2% year over year (YoY) in these periods. A synchronized global recovery next year is likely to boost exports, while improved capital flows will drive higher investment and consumption. This may prompt the Indian government to recalibrate its spending, leading to a quicker reduction in the fiscal deficit and an increase in private investments. Inflation concerns are likely to persist in the short term as demand is expected to outstrip supply. Higher food prices will also put upward pressure on overall prices. However, as private investment increases, the

supply side will improve, leading to a reduction in prices. Consumer spending in India has remained low since the pandemic, with an uneven rebound. According to a survey by the Reserve Bank of India, consumer confidence has barely returned to pre-pandemic levels. Nonetheless, the rapid growth of the middle-income class has increased purchasing power and created demand for premium products and services. The International Monetary Fund has revised India's growth projection to 6.8% in 2024 and 6.5% in 2025, citing strong domestic demand conditions and an increasing working-age population. This reaffirms India's position as the world's fastest-growing economy, ahead of China's growth projection of 4.6% during the same period.

Source: International Monetary Fund, World economic outlook—Steady but Slow, April 2024; Deloitte, India Economic Outlook, April 2024

## Global Pharmaceutical Outlook

Global health systems have demonstrated remarkable resilience in the face of the pandemic, global inflation, and regional conflicts, and have moved forward to adopt novel therapies and increase usage overall. Overall, global use and spending on medicines is exceeding pre-pandemic growth rates and is expected to continue significantly above those trends through 2028. Volume use of medicines globally plateaued in 2023 but is expected to grow at an average 2.3% rate through 2028, driven by China, India and other

Asian markets all growing faster than 3%. Countries in Latin America have grown more rapidly than other regions in the last five years and are expected to grow further at 1.9% annually through the forecast. North America, Western Europe and Japan are expected to grow medicine usage more slowly, partly due to their already higher per capita use. In 2024, Eastern Europe volume growth is expected to return to trends present prior to the start of the Ukraine conflict.



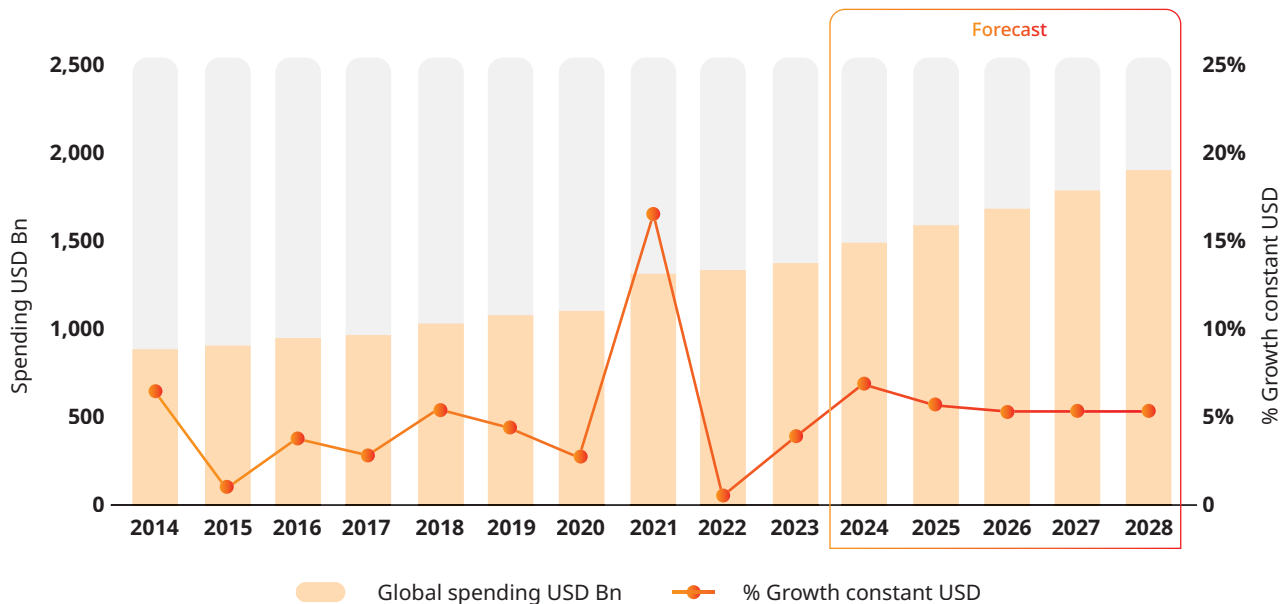


## Spending and Growth by Regions and Key Countries

The global medicine market using list price levels is expected to grow at 5–8% CAGR through 2028, reaching about USD 2.3 Tn in total market size. It is expected that manufacturer net sales will be lower than this due to the impact of confidential rebates, government mandated discounts and clawbacks. In the U.S. net manufacturer sales are expected to be 47% lower than invoice prices, and five-year growth will be 2-5%, 4% lower than invoice projection of 6-9%. In the U.S., these projections include a significant upward revision from the prior forecast of -1 to 2% growth through 2027 and reflect multiple drivers

of higher growth along with similar estimates for constraints related to pricing reforms. The major European countries (Germany, France, Italy, Spain) as well as the U.K. have historically had net spending as much as 2% lower than list price trends, though official data on net spending are not available for more recent periods, and the impact of net price mechanisms are expected to be more significant if growth trends accelerate. Spending in Europe is expected to increase by USD 70 Bn on a list-price basis through 2028, driven by new brands and offset by generics and biosimilars.

Global medicine market size and growth 2014-2028 including estimated COVID-19 vaccine and therapeutic spending.

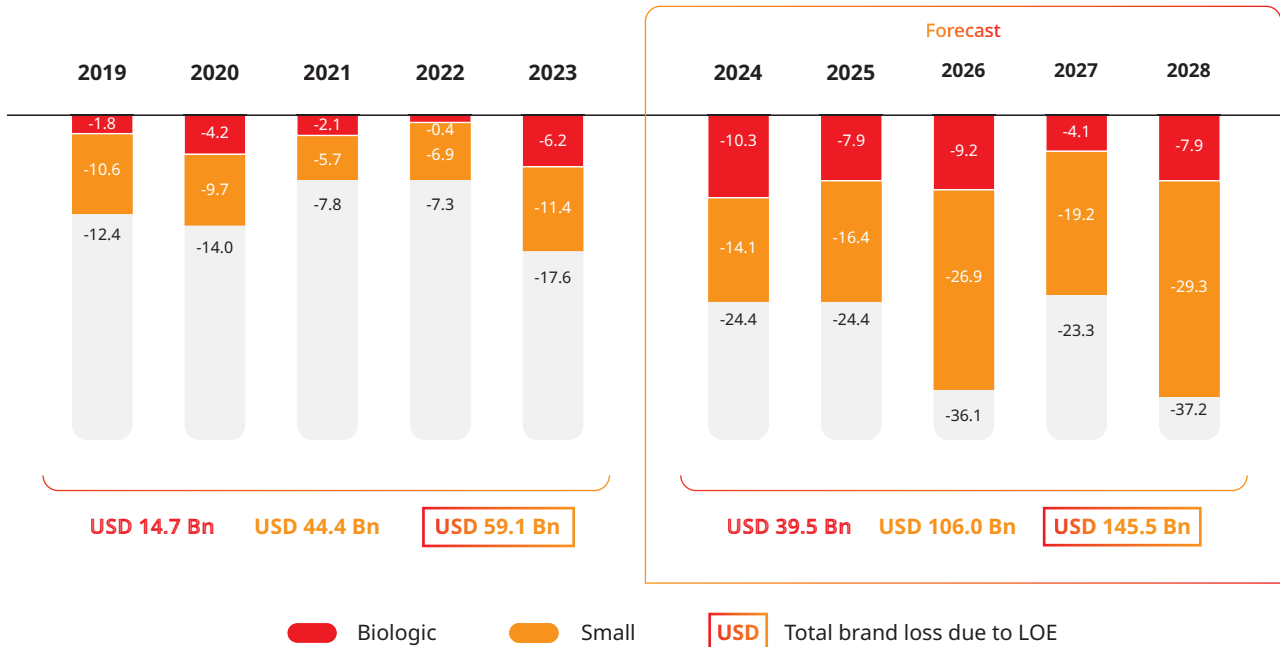


Source: IQVIA Market Prognosis, Sep 2023; IQVIA Institute, Dec 2023.

Forecasted spending on medications in the U.S. at list prices is set to rise by USD 299 Bn through 2028, marking an USD 81 Bn increase compared to the USD 218 Bn growth observed over the past five years. The primary driver of this growth will be the increased utilization of existing branded products under patent protection, expected to contribute USD 322 Bn in spending over the next five years. This surpasses the USD 172 Bn increase seen from 2018 to 2023 for products during their period of market exclusivity until loss of exclusivity (LOE). Spending on new branded medications is anticipated to rise to USD 119 Bn over the next five years, coinciding with the launch of over 250 new active substances (NASs) in the U.S.

during this period. The impact of products losing their exclusivity is projected to escalate significantly to USD 145 Bn, up from USD 59 Bn in the preceding five years, reflecting increased exposure of both small molecule and biologic drugs to LOE. Generics, including biosimilars, are expected to have a limited impact on growth due to price deflation offsetting gains from patent expirations. Overall, medication spending at list prices is anticipated to reach USD 1,010 Bn by 2028, despite anticipated discounts and rebates reducing this figure by 47%, with net spending increasing by USD 91 Bn over the next five years.

U.S. impact of brand losses of exclusivity 2019-2028, USD Bn



Source: IQVIA Market Prognosis, Sep 2023; IQVIA Institute, Dec 2023.

### Other Megatrends in the External Environment

The pharmaceutical industry is undergoing a significant transformation and it is increasingly imperative to strategically reassess traditional business models to address escalating operational costs, changing policy landscapes, disruptive technologies, and evolving innovation strategies. With the integration of digital technologies, such as AI into healthcare systems, pharmaceutical companies are leveraging data analytics for drug development and patient care. The integration of AI into medical devices will enable real-time data analysis, personalized care, and remote patient monitoring, transforming the healthcare landscape. McKinsey predicts that by 2024, digital health investments will exceed USD 500 Bn, revolutizing drug discovery and patient engagement.

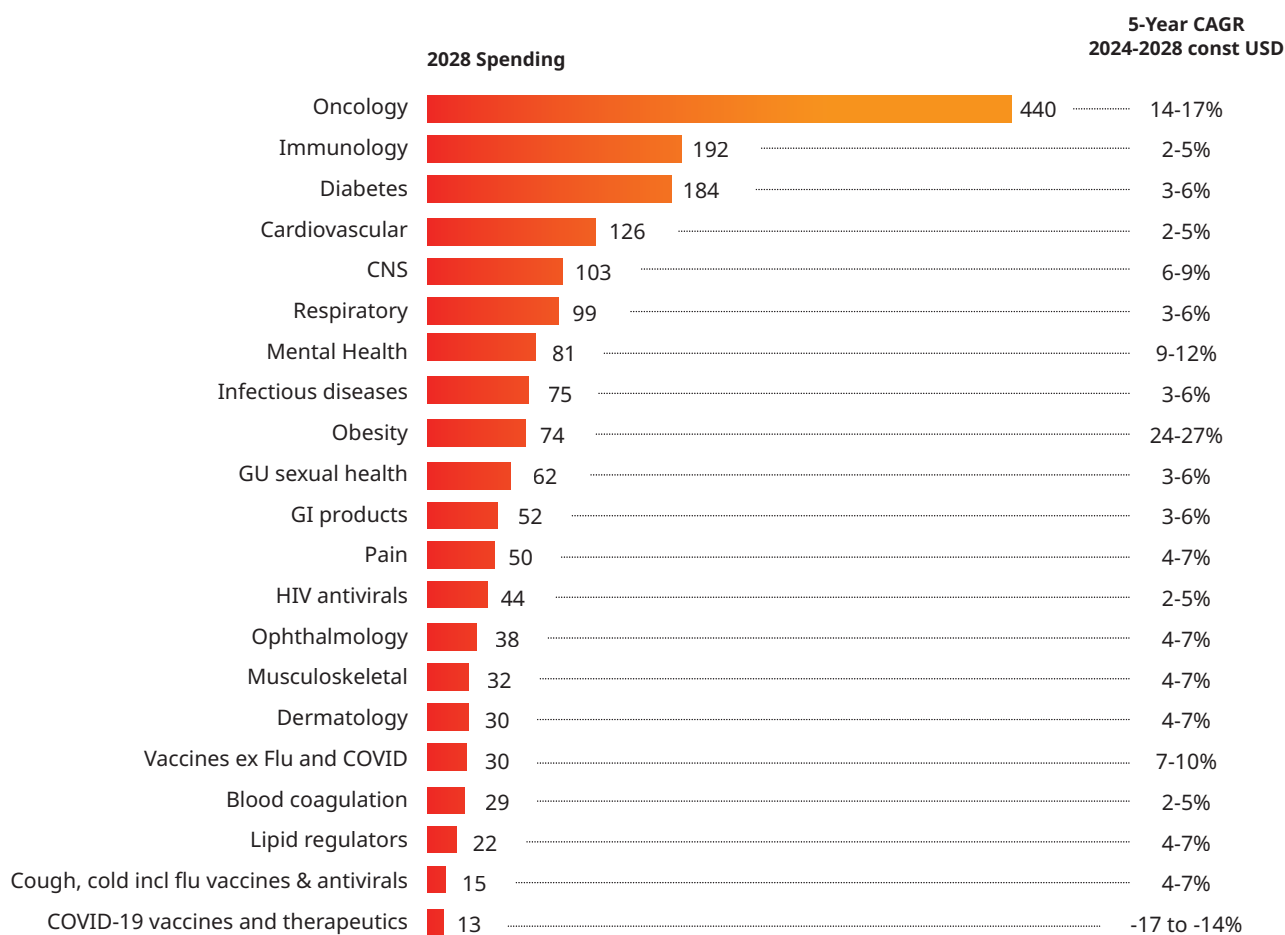
Moreover, the regulatory landscape for the pharmaceutical industry is shifting dramatically due to global reforms aimed at drug pricing and access. In the U.S., the Inflation Reduction Act (IRA) has initiated price negotiations for key drugs, prompting legal challenges from major pharmaceutical companies citing constitutional concerns. Europe is also tightening regulations, with proposed legislation reducing the exclusivity period for new drugs. Similar cost-containment efforts are evident in Japan and China. This evolving landscape creates uncertainty and potential revenue pressures for the pharmaceutical firms.

### Key Therapy Areas

The key growth area for medicines in the next five years is biotech, which despite growth slowing will still increase by 9.5 to 12.5% and represent USD 890 Bn in spending in 2028, a projected 39% of the global market and will include many of the areas of greatest activity for novel medicines. Specialty medicines — those treating chronic, complex or rare conditions and often characterized by high cost, special distribution or handling, and the inherent complexity their conditions imply — are expected to represent 43% of global spending in 2028, and more than 55% of leading developed markets. The two leading global therapy areas — Oncology and Immunology — are forecast to grow 14–17% and 2–5% CAGR, respectively, through 2028. Oncology is projected to add 100 new treatments over five years, contributing to an increase in spending

of USD 224 Bn to a total of more than USD 440 Bn in 2028 and facing limited new losses of exclusivity. Treatments for auto-immune disorders are forecast to reach USD 192 Bn globally by 2028, driven by steadily increasing numbers of treated patients and new products in some new immune disorders, and offset after 2023 due to biosimilars. Diabetes spending growth is slowing to low single digits in most developed markets and declining in some, especially net of rebates. Global obesity spending has accelerated in the past two years as highly effective novel GLP-1 agonists are gaining wider adoption and are expected to accelerate further, reshaping obesity treatment and the health outcomes of millions if insurers and governments support wider reimbursement.

Top 20 therapy areas in 2028 in terms of global spending with forecast 5-year CAGRs, const USD Bn



Source: IQVIA Forecast Link, IQVIA Institute, Dec 2023.

## Indian Pharmaceutical Market

India plays a pivotal role in the global pharmaceutical industry as the third-largest market by volume and one of the fastest-growing major markets. Over a span of 75 years, India has emerged as a leading supplier of pharmaceuticals worldwide. The foundation of India’s pharmaceutical rise was laid during the process patent era from 1970 to 2005, bolstered by key policy initiatives spanning the 1970s to the 1990s. These initiatives enabled the Indian industry to develop robust local manufacturing capabilities supported by world-class expertise in process chemistry.

India is globally recognized as a manufacturing powerhouse, housing 25% of US FDA-approved plants outside the U.S. and the highest number of such plants after the U.S. While the period from 2013 to 2016 saw significant profitability from exports to regulated markets like the U.S., the past 7 to 8 years have experienced sharp declines in generic drug prices, shifting focus towards the domestic

market. Domestic-focused pharmaceutical firms have attracted substantial strategic and private equity investments, totalling over USD 14 Bn in the past six years.

Indian domestic formulations business currently represents an approximately INR 2 Tn market, with a growth rate of 11% over the past two decades. Off-patent generics now dominate nearly 100% of this market, supported by local manufacturing and process innovations that have significantly lowered medicine prices compared to global averages. Despite the attractive economic prospects and a relatively lenient regulatory framework, the industry accommodates over 3,000 companies and nearly 10,000 manufacturing units, displaying considerable variability in quality standards. Consequently, consumer trust in doctors and established, reputable brands has become a critical factor, shaping the prevailing business model in the industry.

Facing challenges in competing with the robust sales and marketing strategies of domestic firms, coupled with lower price realizations compared to their home markets, most multinational corporations (MNCs) have gradually scaled back their operations in the Indian market. Certain pharmaceutical companies are utilizing the Trade Generics channel, which prioritizes retailer or distributor channel. Emerging companies are increasingly focused on Trade Generics, which has exhibited faster growth compared to the overall market (14% versus 11%) over the last five years, now constituting approximately 10% of the domestic formulation market.

Since 2009, the number of large brands (generating over INR 1,000 Mn in sales) has expanded by 18 times, now constituting 44% of the domestic market. Over the past 15 years, new companies specializing in niche, specialty, and chronic disease treatments have emerged to capitalize on the rise in non-communicable chronic lifestyle diseases. 60%, or 171 out of 283 successful new brands (generating over INR 500 Mn in sales) launched since 2008, focus on these therapeutic areas. Driven by growing awareness, rising disposable incomes, and a focus on wellness, OTC (over-the-counter) and nutraceutical products have also gained momentum. In fact, OTC/OTx brands (available over-the-counter but prescribed by doctors) have outpaced the overall market growth, expanding

at 24% versus 11%. Currently, these brands account for 87 out of the 388 large brands (INR 1,000 Mn in sales) in the market today.

The Government of India, in collaboration with industry stakeholders and various industry bodies, has articulated a vision to provide sustainable and equitable healthcare to all citizens based on three core pillars: quality, accessibility, and affordability. Jan Aushadhi initiative aims to enhance access to cost-effective, unbranded generics by scaling up to 25,000 franchise pharmacies by 2026. It is estimated that Jan Aushadhi procurement could account for 3-5% of the market share by volume and approximately INR 40-50 Bn in value over the next decade. Government hospital procurement is also transitioning towards a Generic-Generics approach through mandatory molecule prescriptions, potentially increasing market share by over 10% by volume.

It is projected that the domestic formulation market will maintain a compound annual growth rate (CAGR) of 9% to 10% over the next decade. As the Trade Generics and Jan Aushadhi channels expand, it is anticipated that these channels could collectively contribute approximately 30% of the market volume in 10 years. Despite the increasing influence of Trade Generics and Jan Aushadhi, Branded Generics are expected to remain predominant, comprising 65% to 70% of the market by value and anticipated to grow at a CAGR of over 8% during this period.

### Revenue Figures for Continuing Operations of Glenmark Pharmaceuticals Limited

INR Mn	For the twelve months ended 31 March 2024		
	FY 2024	FY 2023	Growth (%)
<b>India*</b>	33,994	40,463	(16.0%)
<b>North America</b>	30,943	31,481	(1.7%)
<b>Europe</b>	24,205	18,097	33.7%
<b>Rest of the World<sup>1</sup></b>	27,666	23,834	16.1%
<b>Total</b>	<b>1,16,807</b>	<b>1,13,876</b>	<b>2.6%</b>
<b>Other Revenue</b>	1,324	1,957	(32.3%)
<b>Consolidated Revenue</b>	<b>1,18,131</b>	<b>1,15,832</b>	<b>2.0%</b>

\*Due to one time restructuring in overall distribution model

<sup>1</sup> Includes RCIS, LatAm, MEA, APAC

For the twelve months of FY 2024, Glenmark's consolidated revenue was at INR 1,18,131 Mn (USD 1,427.1 Mn) as against INR 1,15,832 Mn (USD 1,443.9 Mn), recording a YoY growth of 2.0%



## Key Highlights for FY 2024

In the fourth quarter, Glenmark gained **2 positions** to be ranked as the **3<sup>rd</sup> largest Company** in the Cardiac segment of the Indian Pharmaceutical Market as per IQVIA March 2024

Glenmark's Europe business registered a strong growth of **33.7%** for the full year

Glenmark's **RoW** business recorded a robust YoY growth of **16.1%**, driven by all key markets

**RYALTRIS<sup>®</sup>** was launched in additional 7 markets across the globe, either on our own or through a commercial partner. As of March 2024, **RYALTRIS<sup>®</sup>** has been launched in 34 markets across the world

The Company further enhanced its global branded portfolio through the in-licensing of **Envafolimab** for India & RoW markets, and **Winlevi<sup>®</sup>** for select European markets, the UK and South Africa

**Ichnos Sciences** announced the exclusive world-wide out-licensing agreement for its **OX40** portfolio, including **ISB 830**, with **Astria Therapeutics, Inc.**

**Glenmark** and **Ichnos Sciences** entered in to an alliance – **Ichnos Glenmark Innovation (IGI)** – to accelerate new drug development in cancer treatment

Glenmark completed the divestment of **75%** of its stake in **Glenmark Life Sciences (GLS)** to **Nirma Ltd.**

## Formulation Business

### India

During the year under review, the India Formulations business recorded revenue of INR 33,994 Mn as against INR 40,298 Mn in the previous financial year, registering a decline of -16%. During the third quarter of FY 2024, the Company implemented changes in its overall distribution model, through consolidation of stock points and rationalization of channel inventories. This led to a one-time impact in sales for the India business in FY 2024. However, this will help the Company in improving operating margins and overall working capital in the future. The changes in

the India distribution system will also help accelerate our Company's Anti-Counterfeit packaging roll-out and ensure that it reaches faster to the patients.

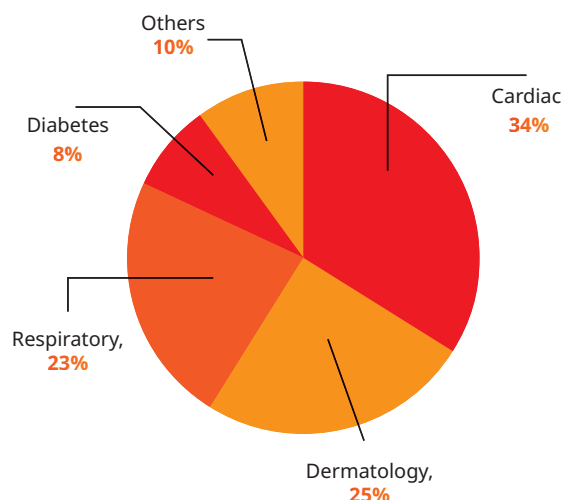
In terms of secondary sales, Glenmark's India business continued to outperform the overall industry in terms of growth. As per IQVIA March 2024 data, Glenmark's India formulation business recorded growth of 9.9% growth as of MAT March 2024. In comparison, the Indian Pharmaceutical Market (IPM) grew at 7.4% as of MAT March 2024. We continue to outperform the market in the key therapy areas of Cardiac, Dermatology and Respiratory as shown in the table below:

Supergroup	IPM		GLENMARK	
	Value Growth % (MAT Mar'24)	Value Growth % (Jan'24-Mar'24)	Value Growth % (MAT Mar'24)	Value Growth % (Jan'24-Mar'24)
Cardiac	10.7	12.3	22.4	31.0
Dermatology	6.1	8.2	9.2	11.0
Respiratory	3.1	(2.3)	5.5	(4.7)
Diabetes	7.3	8.9	(16.4)	(10.5)

Our India business continues to be ranked 14<sup>th</sup> with a market share of 2.16% (IQVIA MAT March 2024). The Company continues to have 9 brands in the IPM Top 300 Brands in the country on the basis of IQVIA MAT March 2024. In terms of key therapeutic areas, we are ranked 2<sup>nd</sup> in both the Respiratory and Dermatology segments. In addition, we are now ranked 3<sup>rd</sup> in the

Cardiac segment and continues to be ranked 17<sup>th</sup> in the Diabetes segment (IQVIA January-March 2024). We have also has improved its market share in the key therapy areas on the back of higher growth compared to the overall industry, as noted in the table below:

Supergroup	Glenmark Pharmaceuticals Limited	
	Market Share % MAT Mar'23	Market Share % MAT Mar'24
Cardiac	5.13	5.68
Dermatology	7.32	7.54
Respiratory	5.60	5.74
Diabetes	2.33	1.82



According to IQVIA MAT March 2024, Glenmark has the following nine brands among the top 300 brands in the Indian Pharmaceutical market:

MAT Rank	Brand	MAT Growth
19	TELMA®	14.7
35	TELMA®-H	25.8
47	TELMA®-AM	26
71	ASCORIL®-LS	3.1
135	CANDID®	5.4
160	CANDID-B®	8.7
186	ALEX®	7.6
215	ASCORIL® +	(7.3)
243	ASCORIL® D PLUS	8.9

During the year, we launched multiple initiatives to benefit patients across its key therapeutic areas. In August 2023, we joined hands with OMRON Healthcare India, the Indian arm of the Japanese global leader in home blood pressure monitoring and solutions for cardiovascular disease management, to raise awareness on measuring blood pressure at home from the age of 18. Glenmark and OMRON Healthcare India's collaboration, named as the "Take Charge @18" initiative, comprises of generating effective communication to enhance awareness around the cause via incorporating an inlay card into every OMRON Blood Pressure monitor sold in India. In October 2023, we launched, in India, the first triple-drug, once-daily, fixed-dose combination (FDC) of the widely used DPP4 inhibitor Tenzeligliptin (20mg), the SGLT2 inhibitor Dapagliflozin (10mg), and Metformin SR (500mg/1000mg) under the brand name Zita® DM. In January 2024, we also became the first Company to launch a biosimilar of the popular anti-diabetic drug Liraglutide, in India, under the brand name Lirafit™. This launch will sharply lower the daily cost of therapy by around 70%, making the drug more accessible to a larger number of patients in the country. Our Company continues to have a healthy pipeline of differentiated products across the key therapy

areas which it plans to launch in the market going forward. Also in January 2024, our Company and Pfizer joined hands to launch JABRYUS® (Abrocitinib), a first of its kind oral advanced systemic treatment for moderate-to-severe atopic dermatitis (AD), in India. Developed by Pfizer, JABRYUS® has received marketing authorization from the Central Drugs Standard Control Organization (CDSCO) in India and is approved by the U.S. Food and Drug Administration (FDA), European Medicines Agency (EMA), and other regulatory agencies. Abrocitinib is being co-marketed under the brand names JABRYUS® and CIBINQO® by our Company and Pfizer respectively.

#### India - Glenmark Consumer Care (GCC)

For the full year 2024, the GCC business recorded sales of INR 2,570 Mn with a YoY growth of 14%. The Company's flagship brand, Candid® Powder delivered revenue growth of 15% for full year 2024. La Shield® portfolio delivered YoY revenue growth of 8% for the full year 2024, while Scalpe™ portfolio witnessed YoY revenue growth of 23% in full year 2024. During the year, various line extensions of the core brands performed well, particularly La Shield® Expert Urban Protect and Scalpe™ Pro.

## North America

The North America business registered revenues from the sale of finished dosage formulations of INR 30,943 Mn (USD 374 Mn) in FY 2024 as against revenue of INR 31,041 Mn (USD 387 Mn) for FY 2023, recording a decline of 1.7%.

In FY 2024, Glenmark was granted final approval of three Abbreviated New Drug Applications (ANDAs): Saxagliptin Tablets, Apremilast Tablets, and Tacrolimus Ointment, 0.03%. The Company filed a total of 6 ANDA applications with the US FDA throughout the fiscal year. During the year, We have significantly expanded our injectable portfolio through exclusive product partnerships. Some of the notable launches in the injectable segment include Fosphenytoin Sodium Injection USP, Octreotide Acetate Injection, Posaconazole Injection, 300 mg/16.7 mL (18 mg/mL), and Ketorolac Tromethamine Injection USP, 15 mg/mL and 30 mg/mL. The Company now has 5 injectable products commercialized in the market. Our Company is hoping to re-start commercialization of further injectable products from the Monroe manufacturing site from FY 2025 onwards.

We have also leveraged our strong development capabilities in the Respiratory therapeutic area to build a portfolio for the U.S. market. We have filed two ANDAs for generic nasal sprays and is awaiting approval for the same. In addition, we have filed the ANDA for gFlovent 44mcg pMDI in May 2024. We also plan to file at least one more generic Respiratory pMDI in the U.S. in FY 2025 and continue filing momentum beyond FY 2025.

Glenmark's marketing portfolio through 31 March 2024 consists of 193 generic products authorized for distribution in the U.S. market. Our Company currently has 52 applications pending in various stages of the approval process with the US FDA, of which 21 are Paragraph IV applications.

Glenmark Canada filed three ANDS applications with the Canadian Health Authorities this quarter and plan to file 2 additional ANDS next quarter. For fiscal year 2023-24, Glenmark Canada filed four ANDS applications.

In August 2023, Glenmark Pharmaceuticals Inc., USA announced that it has entered into an agreement with the U.S. Department of Justice, Antitrust Division (DOJ) to resolve all of its court proceedings with the DOJ involving historical pricing practices by former employees relating to the generic drug Pravastatin between 2013 and 2015. Our Company has entered into a three-year Deferred Prosecution Agreement, and if our Company adheres to the terms of the agreement, including the payment of USD 30 Mn, payable in six instalments, the DOJ will dismiss the pending Superseding Indictment.

All brand names and trademarks are the property of their respective owners. IQVIA National Sales Perspectives: Retail and Non-Retail, February 2024

## Europe

Our European operations continued to remain strong in terms of overall business performance.

Our Company recorded a YoY growth of 33.7% to record sales of INR 24,205 Mn in FY 2024. 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.

Throughout the year, almost all the key markets in Europe recorded strong growth for the Company. The branded markets in the region have performed well with key markets across the CEE region such as Poland and Slovakia recording double-digit growth in the year. The Western European business clocked high double-digit growth with markets like the United Kingdom and Spain growing substantially. The Respiratory portfolio launched by our Company in Europe continues to do well. Key brands such as RYALTRIS® and SALMEX® / ASTHMEX® continue to sustain their 15%+ market share, both, in terms of volume as well as value, across the key CEE markets. Our Company continues to focus on sustaining the increasing contribution from the branded markets / portfolio in Europe. It is awaiting approval of four Respiratory products which were filed in Q4 FY 2023. We will continue to leverage key growth drivers such as sustained growth in base business, continued market share gains in the key branded Respiratory products, new launches in the Respiratory segment and venturing into untapped markets. With a view to driving further market expansion, we have already established our presence in the Italian market and will be further widening its reach across the region in the upcoming quarters.

## RoW Region (RCIS, LatAm, MEA & Asia-Pacific)

In FY 2024, revenues from the RoW region stood at INR 27,666 Mn, as against INR 23,834 Mn in FY 2023, representing a growth of 16.1%. Our Company witnessed healthy growth in the base business across all the sub-regions of RoW.

## Russia + CIS markets

As per IQVIA data, Glenmark Russia secondary sales recorded growth of 20% in per IQVIA MAT March 2024. In terms of key therapeutic areas, Glenmark recorded growth of 25% in value in the Dermatology segment versus the overall Dermatology market growth of 11% as per MAT March 2024. Amongst the Dermatology companies in Russia, Glenmark continues to rank 9<sup>th</sup> as per IQVIA MAT March 2024. In the Respiratory expectorants market, Glenmark grew in line with the overall retail market (8.1% vs. 8.6% respectively) in value as per IQVIA MAT March 2024. Amongst the companies present in the Respiratory expectorants market in Russia, We continue to maintain a strong position, ranking 2<sup>nd</sup> as per IQVIA MAT March 2024. RYALTRIS® continues to gain market share in the allergic rhinitis market.



### LatAm Markets

LatAm witnessed strong growth in FY 2024 with the Respiratory portfolio being the key contributor in this region. Glenmark Brazil achieved high single-digit growth in the covered market as per IQVIA YTD March 2024. Our Company maintained its rank in the top-10 amongst the top companies in the covered market of the chronic Respiratory segment in Brazil as per IQVIA MAT March 2024. We have launched the first generic Salmeterol + Fluticasone MDI in the Brazilian market in Q4 FY 2024 and full impact of the launch will be visible in FY 2025. Secondary sales growth continued to be strong in Mexico; within the covered market, we continue to rank in the top-10 as per IQVIA MAT March 2024 data. RYALTRIS® has been approved in Mexico and will be launched soon.

### MEA Markets

In the Middle East and Africa region, our Company continued to achieve secondary sales growth in Kenya, South Africa, Saudi Arabia and the UAE. Respiratory and Dermatology together contributed ~70% to the

overall sales of the MEA region. We continue to be ranked 3<sup>rd</sup> in the overall Kenya Pharmaceutical Market as per IQVIA MAT March 2024. RYALTRIS® continues to be the leading nasal spray for Allergic Rhinitis in South Africa, and the product was launched in key markets such as Kenya and Saudi Arabia in FY 2024. RYALTRIS® is also expected to be launched in other key MEA markets such as the UAE in the forthcoming quarters.

### APAC Markets

The Asia region for our Company recorded subdued growth in secondary sales across its key markets, mainly due to macro-economic challenges in some countries of the region. Top contributing brands in the Dermatology and the Respiratory segments have registered good growth in the fourth quarter. We have received approvals for multiple new products in the region, mainly in the Respiratory, Dermatology and Oncology therapeutic areas. RYALTRIS® continues to do well across the Asia-Pacific region.

## Creating Global Brands

### RYALTRIS®

- As of March 2024, marketing applications for RYALTRIS® have been submitted in more than 80 countries across the world and the product has been commercialized in 34 markets.
- Key launches in FY 2024 included Canada, Saudi Arabia, Slovakia, and Kenya. Further, the product is planned to be launched in 14 other markets over the next 12 months.
- Our Company's commercial partner in the USA, Hikma, recorded substantial increase in last quarter performance on a QoQ basis backed by strong demand and increasing coverage across major pharmacy chains and online platforms.
- Menarini, our partner in the EU, has witnessed steady increase in market share across all its markets.
- Our partner in Mainland China, Grand Pharmaceutical (China) Co. Ltd., has received acceptance of the NDA in February 2024. The Company expects approval to be received in FY 2026.
- As per IQVIA March 2024 data across markets, RYALTRIS® has seen robust performance in terms of both value and unit market shares.



### Envafolimab

- In January 2024, we announced the signing of a license agreement with Jiangsu Alphamab Biopharmaceuticals Co., Ltd. (Jiangsu Alphamab) and 3D Medicines (Beijing) Co., Ltd. (3DMed) for Envafolimab for India, Asia Pacific, Middle East and Africa, Russia, CIS, and Latin America.
- Envafolimab, under the brand name ENWEIDA®, has been approved in China by the National Medical Products Administration (Chinese NMPA) in November 2021 as the global-first subcutaneous injection PD-L1 inhibitor for the treatment of adult patients with previously treated microsatellite instability-high (MSI-H) or deficient Mismatch repair (dMMR) advanced solid tumor.
- Over 30,000 patients have already greatly benefited from this innovative treatment in China where, in December 2023, it has also been officially included in the “List of Breakthrough Therapies” by the NMPA.
- Up until November 2023, Envafolimab was recommended by 12 clinical guidelines in China and the U.S. including 3 Chinese versions of the National Comprehensive Cancer Network (NCCN) guidelines for the treatment of multiple malignancies such as tumors of the GI tract, gynecological tumors, and immune checkpoint inhibitors. Envafolimab has the potential to provide an effective treatment for such population across India and Emerging Markets.
- Our Company also plans to file Envafolimab in more than 20 markets in FY 2025 and the first market launch is expected in FY 2026.

### WINLEVI®

- In Q2 FY 2024, Cosmo Pharmaceuticals N.V. (“Cosmo”) and Glenmark, announced the signing of distribution and license agreements for WINLEVI® (clascoterone cream 1%) in 15 European countries as well as the UK and South Africa.
- The Company plans to launch WINLEVI® in its licensed markets starting FY 2026.

### Ichnos Glenmark Innovation (IGI)

In January 2024, our Company and its global fully integrated, clinical-stage biotech subsidiary, Ichnos Sciences Inc. (Ichnos), announced the launch of their alliance – Ichnos Glenmark Innovation – to accelerate new drug discovery in cancer treatment. This alliance combines our Company’s research and development proficiencies in small molecules with those of Ichnos in novel biologics to continue developing cutting edge therapy solutions that treat hematological malignancies and solid tumors. The newly formed IGI features a robust pipeline of three innovative oncology molecules targeting Multiple Myeloma, Acute Myeloid Leukemia and solid tumors currently undergoing clinical trials. Two of these molecules have received orphan drug designation from the US FDA. Additionally, IGI has two autoimmune disease assets that have been out licensed to leading companies. Going forward, all of our Company group’s investments on innovative assets will be channelized through the IGI alliance.

### Key Objectives for FY 2025



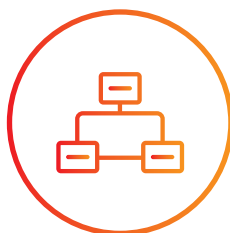
Consolidated Revenue:  
**INR 1,35,000 – 1,40,000 Mn**



R&D Investment:  
**7-7.25% of total sales**



EBITDA Margin:  
**~19%**



Consolidated CAPEX:  
**INR 7,000 Mn**



Target **double-digit**  
**PAT margin**

# Board's Report 2023-24

Your Directors have pleasure in presenting the 46th 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 2024.

## FINANCIAL RESULTS

(₹ in Million)

Year ended 31 March 2023		Particulars	Year ended 31 March 2024	
Standalone	Consolidated (Continuing operations)		Standalone	Consolidated (Continuing operations)
82,206.62	1,15,832.35	Gross Total Revenue	78,911.19	1,18,130.97
20,677.42	10,056.96	Profit before tax and exceptional item	19,304.15	9,374.50
12,087.69	(895.61)	Profit/(Loss) after tax for the year	51,672.91	(18,308.50)
6.32	141.89	Other Comprehensive Income for the year (not to be reclassified to P&L)	(47.58)	(120.31)
-	1,398.28	Other Comprehensive Income for the year (to be reclassified to P&L)	-	(479)
1,48,639.58	92,109.07	Surplus brought forward from last balance sheet	1,60,028.17	94,570.39
1,60,733.59	95,275.81	Profit available for appropriation	2,11,653.50	79,476.70

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](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% (₹ 2.5/- per equity share of ₹ 1 each) to be appropriated from the profits of the F.Y. 2023-24 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 ₹ 705.47 million.

## RESULTS OF OPERATIONS

### INDIAN ACCOUNTING STANDARDS (IND AS)

Financial statements have been prepared in accordance with the Indian Accounting Standards ('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 ₹ 78,911.19 million as compared to ₹ 82,206.62 million in the previous year and the Standalone operating profit before tax and exceptional item was ₹ 19,304.15 million as compared to ₹ 20,677.42 million in the previous year.

On Consolidated basis the Company achieved a gross revenue of ₹ 1,18,130.97 million as compared to ₹ 1,15,832.35 million in the previous year and the Consolidated operating profit before tax and exceptional item was ₹ 9,374.50 million as compared to ₹ 10,056.96 million in the previous year.

## INTEGRATED REPORT

The Company has voluntarily provided the Integrated Report, which offers stakeholders with financial and non-financial information about the Company, allowing them to better comprehend the Company's current status and long-term prospects and make educated decision. 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

In accordance with the provision of Section 152 of the Act, Mr. Glenn Saldanha (DIN- 00050607), Chairman and Managing Director, retires by rotation at the ensuing AGM and being eligible,

offers himself for re-appointment. The Board has recommended his re-appointment for consideration of the Shareholders.

Relevant details including profile of Mr. Saldanha seeking the re-appointment are included separately in the Notice of AGM.

**Re-appointment of Mr. V.S. Mani (DIN- 01082878) 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 had approved re-appointment of Mr. V.S. Mani as an Executive Director & Global Chief Financial Officer for a term of 3 (three) consecutive years commencing from 29 May 2023 to 28 May 2026. An ordinary resolution was passed by the Shareholders through postal ballot on 04 August 2023, with requisite majority.

**Re-appointment of Ms. Sona Saira Ramasastry (DIN- 08398547) as an Independent Director of the Company:**

On the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held on 11 August 2023, subject to the approval of the shareholders had re-appointed Ms. Sona Saira Ramasastry as an Independent Director of the Company for a term of 5 (five) consecutive years commencing from 1 April 2024 up to 31 March 2029. The special resolution proposed for the re-appointment of Ms. Sona Saira Ramasastry was approved by the Shareholders at the 45th Annual General Meeting of the Shareholders held on 29 September 2023, with requisite majority.

**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.

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.

Mr. Sridhar Gorthi (DIN: 00035824), Mr. Devendra Raj Mehta (DIN: 01067895), Dr. Brian W. Tempest (DIN: 00101235) and

Mr. Bernard Munos (DIN: 05198283) retired as the Independent Directors of the Company from end of the day on 31 March 2024, consequent to completion of their second term of office as Independent Directors. The Board Members deeply appreciated their valuable contributions and support during their tenure as Independent Directors.

**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 2024 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.

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.

Pursuant to various amendments in Listing Regulations, the Board revised the policy on material subsidiary. The same may be accessed on the Company's website at the link: [https://glenmark.b-cdn.net/gpl\\_pdfs/about\\_us/Policy%20for%20Determining%20Material%20Subsidiaries2024.pdf](https://glenmark.b-cdn.net/gpl_pdfs/about_us/Policy%20for%20Determining%20Material%20Subsidiaries2024.pdf).

Glenmark Healthcare Limited, wholly owned subsidiary of the Company was incorporated on 12 May 2023. The production and business in this Company had commenced during the year under review.

**SALE OF GLENMARK LIFE SCIENCES LIMITED TO NIRMA LIMITED**

The Company entered into share purchase agreement with Nirma Limited (the “Buyer”) for the sale of 91,895,379 equity shares representing 75.00% of the then issued and paid-up equity share capital of Glenmark Life Sciences Limited (“GLS”), a subsidiary of the Company, to the Buyer at a price of INR 615/- per share, aggregating to INR 56,515 million (subject to adjustments as agreed between

the parties), in accordance with the terms of the share purchase agreement dated 21 September 2023 among the Company, GLS and the Buyer.

Accordingly, 91,895,379 equity shares representing 75.00% of the then issued and paid-up equity share capital of the GLS, were transferred to Nirma Limited as follows:

- A. On 6 March 2024, 6,73,89,944 equity shares representing 55% of the issued and paid-up equity share capital of the GLS were transferred to Nirma Limited.
- B. On 12 March 2024, 2,45,05,435 equity shares representing 20% of the issued and paid-up equity share capital of the GLS were transferred to Nirma Limited.

GLS ceased to be a subsidiary of the Company with effect from 6 March 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed review of Company's business operations, performance, future outlook, etc., as required under Regulation 34 read with Part B of Schedule V of Listing Regulations is given in the Management Discussion and Analysis Report. This report forms an integral part of the Annual 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.

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/gpl\\_pdfs/about\\_us/Policy%20on%20RPT%20and%20its%20Materiality.pdf](https://glenmarkpharma.com/gpl_pdfs/about_us/Policy%20on%20RPT%20and%20its%20Materiality.pdf).

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:

Pursuant to Section 148 of the Act, read with 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 AGM and the same has been included in the Notice convening the AGM.

Based on the recommendations of the Audit Committee, Board appointed M/s. R A & Co., Cost Auditors, to audit the cost records of the Company for FY 2024-25 at a remuneration of ₹ 2.54 million. They have confirmed that their appointment is in accordance with the applicable provisions of the Act and rules framed thereunder and that they are not disqualified to be appointed as the Cost Auditors of the Company for the year ending 31 March 2025.

M/s. Sevekari Khare & Associates, Cost Auditor were appointed for the F.Y. 2023-24. Due to old age and prolonged health issues, M/s. Sevekari Khare & Associates have expressed their inability to continue as Cost Auditors.

### 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 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 24 May 2024 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. 2024-25.

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 2025.

The Secretarial Audit Report for the F.Y. ended 31 March 2024 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).

### 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. ₹ 28,21,68,156/- (28,21,68,156 Equity Shares of ₹ 1/- each) i.e. 28,21,682 options which upon exercise would result in the issue of 28,21,682 shares of ₹ 1/- each.

During the F.Y. 2023-24, 20,000 options were allotted. As of 31 March 2024, 37,779 options were outstanding. On exercising the convertible options so granted, the paid up equity share capital of the Company has increased 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.

### CHANGES IN CAPITAL STRUCTURE

During the F.Y. 2023-24, the paid-up equity share capital of the Company has increased from ₹ 28,21,68,156 to ₹ 28,21,88,156, consequent to allotment of 20,000 equity shares of ₹ 1

each upon exercise of stock options under the 'Glenmark Pharmaceuticals Limited - Employee Stock Options Scheme 2016'.

### FINANCE

#### U.S. \$ 90,825,000, MUFG Bank, ECB Facility:

The Company had 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 initially 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 an interest margin of 2.15% p.a. over Secured Overnight Financing Rate ('SOFR').

The Company divested 75% stake in its subsidiary, GLS. The sale proceeds from this divestment were used to prepay the ECB Facility. The Company prepaid and closed the entire loan of U.S. \$ 90,825,000 along with accrued interest in March 2024.

#### U.S. \$ 40,000,000, International Finance Corporation (IFC), ECB Facility:

The Company 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 December 2023 and 3.26% over SOFR thereafter.

#### U.S. \$ 228,000,000, Sustainability linked syndication loan, ECB Facility:

The Company 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 Company divested 75% stake in its subsidiary, GLS. The sale proceeds from this divestment were used to prepay the ECB Facility. The Company prepaid and closed the entire loan of U.S. \$ 228,000,000 along with accrued interest in March, 2024.

## CREDIT RATINGS

- S&P Global has upgraded Long Term Rating as 'BB+', Outlook 'Stable' from Long Term Rating as 'BB', Outlook 'Stable'
- Fitch Ratings has affirmed Long-Term Issuer Default Rating (IDR) as 'BB', Outlook 'Stable'.
- CRISIL has upgraded Long-Term Rating as 'AA', Outlook 'Stable' from Long-Term Rating as 'AA-', Outlook 'Stable'. Short- Term Rating reaffirmed as 'A1+'.
- India Ratings and Research (Ind-Ra) has upgraded Long-Term Rating as 'AA', Outlook 'Stable' from Long-Term Rating as 'AA-', Outlook 'Stable'. 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.

## 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 2024 is available on the Company's website at <https://glenmarkpharma.com/investors/reports-presentations/annual-return/>.

## 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](mailto: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://glenmark.b-cdn.net/gpl\\_pdfs/about\\_us/CSR%20Policya.pdf](https://glenmark.b-cdn.net/gpl_pdfs/about_us/CSR%20Policya.pdf).

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sections 134(3)(c) and 134(5) of the Act, the Directors confirm that –

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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 2024 and of the profit of the Company for the year ended 31 March 2024;
- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively;
- 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 11 March 2024 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. 2023-24, 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. Seven Board Meetings were convened and held during the year. The Board had a duly constituted Audit Committee with Mr. Rajesh Desai as the Chairman and Mr. Sridhar Gorthi, Mr. Devendra Raj Mehta and Mrs. Vijayalakshmi Iyer as Members. As Mr. Sridhar Gorthi and Mr. Devendra Raj Mehta had retired from the end of day on 31 March 2024 consequent to completion of their second term of office as Independent Directors, the Audit Committee has been reconstituted with Mr. Rajesh Desai as the Chairman, Mrs. Vijayalakshmi Iyer and Ms. Sona Saira Ramasastry as the Members of Audit Committee with effect from 1 April 2024. Further, 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](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.

Pursuant to the amendment dated 17 May 2024, SEBI had relaxed the gap between two consecutive risk management committee meeting to be not more than 210 days. Accordingly, the changes were made in the risk management policy and the same has been uploaded on the Company's website at [https://glenmark.b-cdn.net/gpl\\_pdfs/about\\_us/Risk%20Management%20Policy%20%28revised%2024-05-2024%29.pdf](https://glenmark.b-cdn.net/gpl_pdfs/about_us/Risk%20Management%20Policy%20%28revised%2024-05-2024%29.pdf).

### **HUMAN RESOURCES**

Human Resources are the most precious asset of our Company. Establishing safe, transparent, diverse, inclusive and growth-oriented work environment is Company's top most goal.

The priority of Human Resource function is to invest in their training and professional development to ensure they have the essential skills, domain expertise and cutting-edge technology to support the business goals and strategy.

The 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 taken from an environmental, social and governance perspective by the Company. The Company has presented the BRSR, for F.Y. 2023-24 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. 5 complaints were received and addressed during the

F.Y. 2023-24, under the Sexual Harassment of Women at Workplace Act. No Complaint was pending as on 31 March 2024.

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://glenmark.b-cdn.net/gpl\\_pdfs/about\\_us/Whistleblowing%20Policy.pdf](https://glenmark.b-cdn.net/gpl_pdfs/about_us/Whistleblowing%20Policy.pdf).

## 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: 24 May 2024

## Annexure I Form No. AOC 1

Sl. No.	Name of Company	Glenmark Pharmaceuticals Limited (₹ in Million)																				
		Glenmark Pharmaceuticals (Kenya) Limited, Australia Pty. Ltd., Australia	Glenmark Impex LLC, Russia	Glenmark Pharmaceuticals Sdn.Bhd., Malaysia	Glenmark Pharmaceuticals Nigeria Ltd., Nigeria	Glenmark South Africa (Pty) Ltd., Africa	Glenmark Philippines Inc., Philippines	Glenmark FZE (UAE), UAE	Glenmark EGYPT (S.A.E), Egypt	Glenmark South Africa (Pty) Ltd., South Africa	VISO FARMA-CEUTICA S. LU-SPAIN	Glenmark Therapeutics Inc. USA	Glenmark Uruguay S.A.	Glenmark Mexico SA DE CV	Glenmark Pharmaceuticals Venezuela, CA	Glenmark Peru SAC	Glenmark Farmaceutica Lda, Brazil	Genios Sciences SA Formerly known as Genmark Pharmaceuticals S.A.	Glenmark Holding S.A. Switzerland (GRSA)	Glenmark Pharmaceuticals Nordif AB	Glenmark Distributors SP.ZOO, CALS SK S.R.O	GLENMARK PHARMACEUTICALS S.A. S.R.O
1	Share Capital	9718	1,435.61	9772	208.97	0.77	116.70	12.92	421.73	0.00*	0.22	577.30	1,695.29	715.13	82,971	12,853.69	25,029.10	104,334.96	0.36	83.87	0.43	
2	Reserves	(22.79)	2,525.68	192.56	(37.95)	489.19	217.30	75.15	(650.42)	(19.96)	167.14	309.97	(803.47)	(2,368.62)	(704.53)	(11,379.39)	(21,467.26)	(37,244.41)	177.08	33.91	186.88	
3	Total Assets	1,969.78	5,463.60	1,153.98	24.95	489.96	751.69	928.00	110.41	922.43	474.39	833.16	2,045.31	0.00*	175.92	5,604.37	13,064.57	145,725.51	1,045.86	1,578.37	884.15	
4	Total Liabilities	1,895.39	1,502.30	863.70	153.93	-	417.69	163.93	339.10	1,042.39	307.03	5.90	1,153.49	1,653.49	50.74	4,130.07	9,502.74	78,634.96	868.42	1,460.59	696.84	
5	Investment (except in case of investment in subsidiaries)																					
6	Turnover	1,450.61	5,532.06	1,293.90	-	-	844.48	308.09	273.14	1,328.03	764.88	116.81	2,159.72	-	199.70	1,558.22	1,246.58	-	1,634.16	1,883.83	1,596.83	
7	Profit/(Loss) before tax	101.61	437.76	20.64	(12.14)	(0.03)	(20.77)	168.02	(161.90)	69.44	16.56	(1.36)	162.78	-	16.37	(486.13)	(5,443.91)	540.61	24.18	85.03	28.64	
8	Provision for Tax	86.31	86.72	5.14	88.87	-	(2.34)	-	-	50.64	3.88	0.05	180.95	-	211.6	408.48	0.45	1.00	6.50	13.43	8.03	
9	Profit/(Loss) After Tax	15.30	351.04	15.50	(101.01)	(0.03)	(18.43)	168.02	(161.90)	18.80	12.68	(1.41)	(181.7)	-	(47.9)	(894.61)	(5,444.36)	539.61	17.68	71.60	20.61	
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	100	100
12	Currency	KES	AUD	RUB	NGN	ZAR	PHP	AED	EGP	ZAR	EUR	USD	MXN	VEF	PEN	BRL	USD	USD	SEK	PLN	EUR	
13	Exchange Rate (₹)	0.63	54.26	0.9	17.63	0.06	4.41	1.48	22.69	1.75	4.41	83.34	5.03	-	22.2	16.61	83.34	83.34	7.81	20.94	89.93	
	<b>Closing Rate</b>	<b>0.57</b>	<b>54.45</b>	<b>0.92</b>	<b>17.83</b>	<b>0.11</b>	<b>4.42</b>	<b>1.48</b>	<b>22.53</b>	<b>2.61</b>	<b>4.42</b>	<b>82.78</b>	<b>4.78</b>	<b>-</b>	<b>21.98</b>	<b>16.71</b>	<b>82.78</b>	<b>82.78</b>	<b>7.81</b>	<b>20.19</b>	<b>89.78</b>	
	<b>Average Rate</b>																					



(₹ in Million)

Sr. No.	Name of Company	Glenmark Pharmaceuticals S.R.O., Czech Republic	Glenmark Pharmaceuticals Colombia Ltd	Glenmark Pharmaceuticals ma.(Thailand) Co.Ltd.	Glenmark-Pharmaceuticals SRL	Glenmark Pharmaceuticals Inc. USA	Glenmark Pharmaceuticals Europe Ltd, U.K.	Glenmark Pharmaceuticals maudicals B.V., Netherlands	Glenmark Pharmaceuticals 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.	Ichnos Sciences SA (Formerly known as Glenmark Biopharmaceuticals SA)	Ichnos Sciences Inc. USA	Shiny Pharma S.R.L.	Glenmark Healthcare Limited	Glenmark Pharmaceuticals SPA	Glenmark Arzneimittel GmbH, Austria	Glenmark Pharmaceuticals Canada Inc.
1	Share Capital	143.00	546.27	799	0.23	0.00*	518.09	1.15	319	8,048.84	2755	2,031.94	46.11	189.46	32.66	1767	71.81	0.89	90.50	35.27	1.56	107.21
2	Reserves	5,032.87	(438.39)	(15.43)	(0.37)	14,829.12	1,459.10	232.24	1,454.33	(6,934.35)	2,917.44	1,554.79	12,797	(205.89)	34.18	1,007.25	36,426.28	48.53	(6.65)	(2.66)	(1.36)	31.38
3	Total Assets	10,569.01	283.63	49.61	-	35,205.16	10,295.18	1,846.94	9,232.25	1,294.42	3,336.79	16,325.60	64,149	276.38	68.31	1,958.44	36,869.30	338.09	298.36	35.66	1.46	74,377
4	Total Liabilities	5,393.14	175.75	57.05	0.14	20,376.01	8,317.99	1,613.55	7,774.73	1,79.93	391.80	12,738.87	467.40	292.81	1.47	933.52	37,121	288.68	214.51	3.04	1.27	60,519
5	Investment (except in case of investment in subsidiaries)																					
6	Turnover	15,090.95	299.68	41.52	-	27,176.40	10,491.59	1,049.68	3,432.96	1,169.71	3,354.70	73,419.0	723.83	269.61	74.63	0.06	-	249.23	0.22	-	-	856.45
7	Profit/(Loss) before tax	626.26	21.61	(0.59)	-	(28,513.47)	346.25	42.90	155.11	(1,877.80)	173.26	(11,769.55)	22.44	(68.36)	3.56	258.53	(222.72)	(59.42)	(6.65)	(2.97)	(1.33)	26.70
8	Provision for Tax	122.74	60.97	(0.12)	-	(774.24)	67.57	9.56	41.04	(104.20)	35.28	68.52	8.33	13.11	0.28	55.97	32.23	(14.32)	0.00*	0.00*	0.04	8.03
9	Profit/(Loss) After Tax	503.52	(39.36)	(0.47)	-	(27,739.23)	278.68	33.34	114.07	(1,773.60)	137.98	(11,838.07)	14.11	(71.47)	3.28	202.56	(254.94)	(45.10)	(6.65)	(2.97)	(1.38)	18.67
10	Proposed Dividend																					
11	% of Shareholding	100	100	49	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
12	Currency	CZK	COP	THB	DOP	USD	GBP	EURO	EURO	ARS	CZK	USD	UAH	USD	SGD	USD	USD	EURO	INR	CLP	EURO	CAD
13	Exchange Rate (₹)	3.56	0.02	2.29	1.4	83.34	105.16	89.93	89.93	0.1	3.56	83.34	2.11	83.34	61.68	83.34	83.34	89.93	-	0.08	89.93	61.53
	Average Rate	3.69	0.02	2.35	1.45	82.78	104.03	89.78	89.78	0.23	3.69	82.78	2.21	82.78	61.55	82.78	82.78	89.78	-	0.09	89.78	61.38

**Notes**

- 1 Reporting period of the above subsidiaries is the same as that of the Company.
- 2 \*Amount denotes less than Rupees ten thousand.
- 3 Part B of the Annexure is not applicable as there are no associate companies/ joint Ventures of the Company as on 31 March 2024.

For and on behalf of the Board of Directors

**Glenn Saldanha**  
Chairman & Managing Director  
DIN : 00050607

**Cherylan 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 : 24 May 2024

**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 2024, 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 – 13,016.03 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 Financial Officer  
(DIN 01082878)

**Harish Kuber**  
Company Secretary & Compliance Officer

Place: Mumbai  
Date : 24 May 2024

## Annexure – III

### 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 March 31, 2024. 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 India, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2024, 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, 2024, 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 from time to time;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and amendments from time to time;
  - 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 with respect to Board and General Meeting.
- 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, 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 generally 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 with 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 the 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 following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.;

The Company has completed sale of 9,18,95,379 equity shares representing 75% of the issued and paid-up equity share capital of Glenmark Life Sciences Limited ("GLS"), a subsidiary of the Company, to Nirma Limited (the "Buyer") at a price of INR 615 per equity shares in accordance with the terms of the share purchase agreement dated September 21, 2023 among the Company, GLS and the Buyer.

For **S. S. Rauthan & Associates**  
Company Secretaries  
Firm Registration No.:S1999MH026900

**CS Surjan Singh Rauthan**

Proprietor  
M. No. FCS-4807, COP No.3233  
Peer Reviewed Cert. No. : 1840/2022  
UDIN: F004807F000427559

Place: Mumbai  
Date: 24/05/2024

**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 express our opinion on the secretarial records based on 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 opinion.
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. Our examination was limited to the verification of procedure on test basis.
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  
Firm Registration No.:S1999MH026900

**CS Surjan Singh Rauthan**  
Proprietor  
M. No. FCS-4807, COP No.3233  
Peer Reviewed Cert. No. : 1840/2022  
UDIN: F004807F000427559

Place: Mumbai  
Date: 24/05/2024



### Annexure – IV

#### Disclosure pursuant to the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

**A. Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time**

Members may refer to the audited financial statement prepared for the financial year 2023-24.

**B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20- Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time**

Diluted EPS for the year ended 31 March 2024 is ₹ 183.12 calculated in accordance with Ind-AS 33 (Earnings per Share).

**C. Details related to ESOS**

**(i) Descriptions including terms and conditions of each ESOS:**

Particulars	Glenmark Pharmaceuticals Limited – Employee Stock Option Scheme 2016 (ESOS)
Date of shareholders' approval	12 August 2016 (Scheme was approved) 29 September 2017 (Approved amendment to the scheme)
Total number of options approved under ESOS	1,41,07,900
Vesting requirements	The vesting of options will commence after a minimum period of one year from the date of the grant, and may extend upto 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 & Remuneration Committee.
Exercise price or pricing formula	Exercise Price shall be any one of the following as may be determined by Nomination and Remuneration Committee: <ul style="list-style-type: none"> <li>• 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;</li> <li>• At a price as may be determined by the Nomination and Remuneration Committee from time to time or;</li> <li>• At par value of the equity share i.e. ₹ 1.</li> </ul>
Maximum term of options granted	The maximum term is for six years. Further, the Nomination & Remuneration Committee may on merits of the case relax/ extend the period.
Source of shares (primary, secondary or combination)	Primary
Variation in terms of options	No variation/modification/amendment was made in the terms of options during the financial year 2023-24.

**(ii) Option movement during F.Y. 2023-2024:**

Particulars	Details
Number of options outstanding at the beginning of the period	78,717
Number of options granted during the year	0
Number of options forfeited/ lapsed during the year	20,938
Number of options vested during the year	0
Number of options exercised during the year	20,000
Number of shares arising as a result of exercise of options	20,000
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	₹ 1,20,00,000
Loan repaid by the Trust during the year from exercise price received	-
Number of options outstanding at the end of the year	37,779
Number of options exercisable at the end of the year	37,779

**(iii) Employee wise details of options granted during F.Y. 2023-24:**

Senior Management Personnel	-
Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	-
Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	-

**(iv) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**

Grant date	-
Options granted	-
Risk free interest rate	-
Expected Life (in years)	-
Expected Volatility	-
Expected Dividend Yield	-
Model Used	-

For and on behalf of the Board of Directors

**Glenn Saldanha**

Chairman & Managing Director  
(DIN 00050607)

Place: Mumbai

Date: 24 May 2024

## 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.

Replaced conventional CFL Lamps with LEDs.

**Pumps- Motors & Blowers:**

Installed Variable Frequency Drives (VFDs) for Process cooling tower water circulation.

Installed VFDs on ETP dryer motor and blower.

Optimized Air Handling Unit (AHU) operation during non-working hours by installing timer control.

**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:**

In process cooling tower fan installed Temp sensor which operates based on water temperature.

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

Water cooled chiller is used in place of air cooled chiller which helps in energy saving.

Energy efficient new refrigerant air dryer 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.

Converted boiler fuel from Low Sulphur Heavy Stock (LSHS) to Light Diesel Oil (LDO).

Reduced fuel of boiler from High Speed Diesel (HSD) to Bio fuel.

**Process Optimization:**

Automated ON/OFF as per bash timings.

Turbo ventilation installed instead of electric ventilation unit in warehouse.

**(ii) The steps taken by the company for utilizing alternate sources of energy;**

Pursuing third party captive solar power plant for two locations.

**(iii) The capital investment on energy conservation equipment:- Nil**

### (B) TECHNOLOGY ABSORPTION

**I. 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.

Adoption of latest, complex technology and investing in those capabilities have helped Glenmark Pharmaceuticals to move up the value chain into more complex products such as respiratory products, drug-device combinations, dermatological preparations and injectables. With advanced scientific capabilities in innovating novel molecules, Glenmark is advancing its innovative portfolio through the development cycle. Adoption of technology is also helping the company streamline operations resulting in continuous cost improvement and improvement in efficiency.

## 2.0 R & D is working in the following segments:

- Development of the products for the treatment in respiratory segment including MDI, DPI, Nasal spray
- Development of the products for the treatment in dermatology segment
- Drug products for the treatment of Cancer
- Anti-hypertensive molecules
- Anti-diabetic products
- New chemical entity and New biological entity for Global market

## 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. CMC related Dossiers, study protocols and study reports were prepared to support various pre-clinical studies and clinical trial applications with Regulatory Agencies.

## 4.0 Benefits derived as a result of the R&D

- 6 new ANDAs filed with USFDA and received 3 ANDA approvals from USFDA
- 4 ANDS applications filed with Canadian Health authorities

- 27 products launched in India
- 35 products commercialized in ROW markets
- Launched first generic Salmeterol + Fluticasone MDI in the Brazilian market
- Ryaltris has been commercialized in 34 markets
- 6 innovative assets in clinical development including two out-licensed molecules

## II. 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.

## III. Information regarding technology imported during the last five years – Nil.

## IV. Expenditure on R & D:

(Standalone) (₹ in Million)

S. No	Particulars	2023-24	2022-23
1.	Capital Expenditure	203.02	144.16
2.	Revenue Expenditure	4,283.45	4,527.70
3.	Total	4,486.47	4,671.86
4.	R&D Expenditure as a percentage of total turnover	4.95%	5.07%

## (C) FOREIGN EXCHANGE EARNING AND OUTGO :

Total Foreign Exchange earned was ₹ 32,207.36 million and outflow was ₹ 19,635.90 million.

For and on behalf of the Board of Directors

**Glenn Saldanha**

Chairman & Managing Director  
(DIN 00050607)

Place: Mumbai

Date: 24 May 2024



**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 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 2024	Ratio to MRE of the Employees
Mr. Glenn Saldanha	Chairman & Managing Director	4.2%	271.19
Mrs. Cherylann Pinto	Executive Director	32.7%	97.86
Mr. V.S. Mani	Executive Director	-0.3%	164.24

**Remuneration to Non-Executive Directors:**

Name	Title	Ratio to MRE of the employees
Mrs. B. E. Saldanha	Non - Executive Director	0.97
Mr. Rajesh Desai	Non-Executive Independent Director	3.06
Mr. D. R. Mehta	Non-Executive Independent Director	3.86
Mr. Sridhar Gorthi	Non-Executive Independent Director	3.22
Mr. Bernard Munos	Non-Executive Independent Director	1.13
Dr. Brian W. Tempest	Non-Executive Independent Director	1.13
Ms. Sona Saira Ramasastry	Non-Executive Independent Director	2.25
Mr. Dipankar Bhattacharjee	Non-Executive Independent Director	1.77
Mrs. Vijayalakshmi Iyer	Non-Executive Independent Director	1.93

**Remuneration to other Key Managerial Personnel (KMP)**

Name	Title	% increase in the remuneration in the year ended 31 March 2024
Mr. Harish Kuber	Company Secretary & Compliance Officer	-3.3%

**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 2024 was ₹ 0.62 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 10.69%.

**iv. Number of Permanent employees on the rolls of the Company:**

As on 31 March 2024, the Company had 12,736 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 7.6%.

**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: 24 May 2024

**ANNEXURE – VII****ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT - FY 2023-24****1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:**

Our Corporate Social Responsibility (CSR) philosophy is rooted in our vision of enriching lives and embodies our commitment to creating a healthier and happier world. Our interventions are tailored to drive meaningful change, guided by the United Nations Sustainable Development Goals (UN-SDGs). Utilizing our expertise, synergies, and innovative approach, we aim to promote comprehensive community development. With a robust CSR governance system in place, we ensure that our investments yield tangible developmental outcomes. We remain committed to nurturing partnerships with stakeholders and promoting the well-being and advancement of our communities. In pursuit of our vision, we have established the following mission to guide our interventions:

**Mission:**

- 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:**

S I . 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	3
2	Mr. Sridhar Gorthi*	Member – Independent Director	4	4
3	Mr. Rajesh Desai	Member – Independent Director	4	4

\* Retired from end of the day on 31 March 2024, consequent to completion of his second term of office as an Independent Director.

➤ Mrs. Vijayalakshmi Iyer has been appointed as a member of Corporate Social Responsibility Committee with effect from 1 April 2024.

**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](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.

Sl. No.	Particular	Amount (in ₹ Million)
a)	Average Net Profit of the Company as per Section 135(5)	18,406.62
b)	Two percent of average net profit of the company as per section 135(5)	368.13
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	8.75
e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	359.38

## 6.

Sl. No.	Particular	Amount (in ₹ Million)
a)	Amount spent on CSR Projects (both ongoing projects and other than ongoing projects)	363.48
b)	Amount spent in Administrative Overheads	0.72
c)	Amount spent on Impact Assessment, if applicable	1.82
d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	366.02

e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹ Million)	Amount Unspent (in ₹ 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
366.02	Nil	Nil	Nil	Nil	Nil

f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹ Million)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per section 135(5)	368.13
(ii)	Total amount spent for the Financial Year	374.77
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	6.64
(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)]	6.64

7. 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 ₹)	Balance amount in unspent CSR Account under sub-section 6 of Section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
					Name of the Fund	Amount (in ₹)	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)

**Cherylan Pinto**  
Chairperson – CSR Committee  
(DIN 00111844)

Place: Mumbai  
Date: 24 May 2024

# 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:

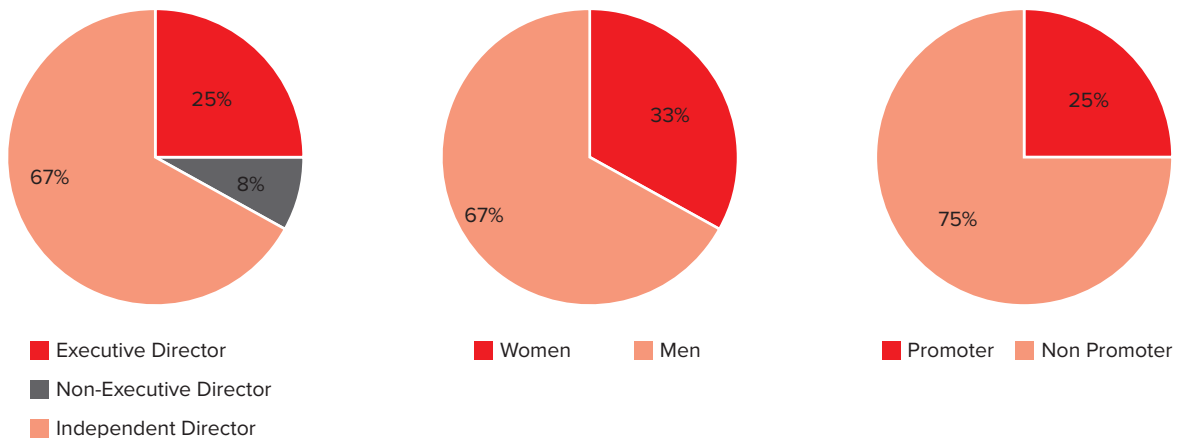
The fundamental principle of Corporate Governance is achieving sustained growth ethically and in the best interest of all stakeholders. It is not a mere compliance of laws, rules and regulations but a commitment to values, best management practices and adherence to the highest ethical principles in all 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 Women Directors. The composition of the Board is in conformity with the Listing Regulations and the Companies Act, 2013 ('Act'). As on 31 March 2024, the Board comprised Twelve Directors, Three Executive and Nine Non-Executive. The Chairman of the Board is an Executive Director.



Mr. Sridhar Gorthi (DIN: 00035824), Mr. Devendra Raj Mehta (DIN: 01067895), Dr. Brian W. Tempest (DIN: 00101235) and Mr. Bernard Munos (DIN: 05198283) retired as the Independent Directors of the Company from end of the day on 31 March 2024, consequent to completion of their second term of office as Independent Directors.

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 2024:

Name of the Director	Category	Relationship with other Directors	No. of Board Meeting 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	7	1	3	4	-
Mrs. Cherylann Pinto DIN-00111844	Executive Promoter Group	Daughter of Mrs. B. E. Saldanha and Sister of Mr. Glenn Saldanha	6	1	2	4	-
Mr. V. S. Mani DIN- 01082878	Executive	None	7	1	-	2	-
Mrs. B. E. Saldanha DIN-00007671	Non-Executive Promoter Group	Mother of Mr. Glenn Saldanha and Mrs. Cherylann Pinto	6	-	-	-	-
Mr. Rajesh Desai DIN- 00007960	Non-Executive Independent	None	6	-	1	3	-
Mr. D.R. Mehta** DIN-01067895	Non-Executive Independent	None	7	3	3	10	(Non Executive & Independent Director) 1. Poly Medicure Limited 2. Jain Irrigation Systems Limited
Mr. Bernard Munos** DIN-05198283	Non-Executive Independent	None	7	-	-	-	-
Dr. Brian W. Tempest** DIN-00101235	Non-Executive Independent	None	7	-	-	-	-
Mr. Sridhar Gorthi** DIN-00035824	Non-Executive Independent	None	7	3	2	10	(Non-Executive & Independent Director): 1. Hathway Cable and Datacom Limited 2. Exide Industries Limited 3. Piramal Pharma Limited
Ms. Sona Saira Ramasastry DIN- 08398547	Non-Executive Independent	None	6	-	-	2	-
Mr. Dipankar Bhattacharjee DIN-08770548	Non-Executive Independent	None	7	-	-	1	-
Mrs. Vijayalakshmi Rajaram Iyer DIN- 05242960	Non-Executive Independent	None	7	9	7	19	(Non-Executive & Independent Director): 1. Computer Age Management Services Limited 2. Aditya Birla Capital Limited 3. ICICI Securities Limited 4. CG Power and Industrial Solutions Limited

\*\* Mr. D.R. Mehta, Mr. Sridhar Gorthi, Dr. Brian W. Tempest and Mr. Bernard Munos retired as Independent Directors from end of the day on 31 March 2024, consequent to completion of their second term of office as Independent Directors.

# 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 2024; Seven (7) Board Meetings were held on the following dates:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1	19 April 2023	12	10
2	19 May 2023	12	12
3	11 August 2023	12	11
4	21 September 2023	12	12
5	5 October 2023	12	11
6	10 November 2023	12	12
7	14 February 2024	12	12

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. All the Directors attended the last Annual General Meeting of the Company held on 29 September 2023.

**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 generally at least one week in advance. At the Board Meeting, the Chairman and Managing Director and Executive Director & Global Chief Financial Officer apprise 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 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](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(1) of the Act read with relevant rules which includes 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		✓	✓	✓		✓	✓

\*Retired as Independent Directors of the Company from end of the day on 31 March 2024, consequent to the completion of their second term of office as Independent Directors.

The 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](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 the Act and as per opinion of the Board, they are independent of the management.

Pursuant to Schedule IV of the Act and Regulation 25 of the Listing Regulations, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of the Management. 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.

During the financial year, one separate meeting of Independent Directors was held on 11 March 2024.

### 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 ₹ 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 qualification, experience and background.
- t) Review Management Discussion and Analysis especially financial conditions and results of operations.
- u) Any other matter referred to by the Board.

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 your 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, Five (5) Meetings of the Audit Committee were held on the following dates:

18 May 2023	10 August 2023	21 September 2023	09 November 2023	13 February 2024
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Details of the Composition and Attendance of the Members of the Audit Committee during the F.Y. ended 31 March 2024 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Rajesh Desai	5	5	Chairman	Independent Director
Mr. Sridhar Gorthi*	5	5	Member	Independent Director
Mr. D R Mehta*	5	5	Member	Independent Director
Mrs. Vijayalakshmi Iyer	5	5	Member	Independent Director

\* Retired from end of the day on 31 March 2024, consequent to completion of their second term of office as Independent Directors.

➤ Ms. Sona Saira Ramasastry has been appointed as a member of Audit Committee with effect from 1 April 2024.

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 39 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 were present in the Audit Committee meetings. 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. The composition and terms of reference of the Committee is in compliance with the requirements mentioned under Section 178 of the Act and Regulation 20 of the Listing Regulations.

### • Terms of Reference:

- Review statutory compliance relating to all security holders.
- Review movements in shareholding and ownership structures of the Company.
- 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.
- Oversee the performance of the Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investor services.
- Review 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.
- Review measures taken by Company for effective exercise of voting rights by shareholders.
- 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 relating 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 on quarterly basis.

During the year, Four (4) Meetings of the Committee were held on the following dates:

19 May 2023	10 August 2023	09 November 2023	13 February 2024
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- Details of Composition and Attendance of the Members of the Stakeholders Relationship Committee Meetings during the F.Y. ended 31 March 2024 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	3	Member	Executive Director
Ms. Sona Saira Ramasastry	4	4	Member	Independent Director

\* Retired from end of the day on 31 March 2024, consequent to completion of his second term of office as an Independent Director.

➤ Mr. Rajesh Desai has been appointed as the Chairman of Stakeholders Relationship Committee with effect from 1 April 2024.

- The Details of complaints received and resolved during the year ended 31 March 2024 were as follows:

No. of complaints	2023-24	2022-23
Complaints unresolved at the beginning of the year	NIL	NIL
Received	6	3
Resolved	6	3
Pending	NIL	NIL

All the complaints were resolved to the satisfaction of the shareholders.

- The Company's Registrar & Share 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.
- **Name and Designation of Compliance Officer:**

Mr. Harish Kuber, Company Secretary & Compliance Officer

Ph. No. +91 22 40189999

E-mail ID: [complianceofficer@glenmarkpharma.com](mailto: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.

### 3. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee functions in accordance with Section 178 of the Act and 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.

- **Terms of reference:**
  - 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.
- f) Recommend to the Board all remuneration in whatever form payable to senior management.

During the year, Four (4) Meetings of the Committee were held on the following dates:

18 May 2023	10 August 2023	09 November 2023	13 February 2024
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- Details of Composition and Attendance of the Members of Nomination and Remuneration Committee during the year ended 31 March 2024 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Sridhar Gorthi*	4	4	Chairman	Independent Director
Mr. Glenn Saldanha	4	4	Member	Executive Director
Mr. D R Mehta*	4	4	Member	Independent Director

\* Retired from end of the day on 31 March 2024, consequent to completion of their second term of office as Independent Director.

➤ Mr. Dipankar Bhattacharjee has been appointed as the Chairman and Mrs. Vijayalakshmi Iyer has been appointed as a member of the Nomination and Remuneration Committee with effect from 1 April 2024.

- **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 11 March 2024 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 requirements mentioned under Regulation 21 of the 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, cyber securities 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).
- g) Business Continuity Plan.

During the year, Four (4) Meetings of the Committee were held on the following dates:

18 May 2023	11 August 2023	10 November 2023	14 February 2024
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- Details of Composition and Attendance of the Members of Risk Management Committee during the F.Y. ended 31 March 2024 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

\* Retired from end of the day on 31 March 2024, consequent to completion of his second term of office as an Independent Director.

➤ Mr. Dipankar Bhattacharjee has been appointed as Member of the Committee with effect from 1 April 2024.

- Pursuant to the amendment dated 17 May 2024, SEBI had relaxed the gap between two consecutive Risk Management Committee to be not more than 210 days. Accordingly, the revised risk management policy which was approved by Risk Management Committee and subsequently by the Board has been uploaded on the Company's website at [https://glenmark.b-cdn.net/gpl\\_pdfs/about\\_us/Risk%20Management%20Policy%20%28revised%2024-05-2024%29.pdf](https://glenmark.b-cdn.net/gpl_pdfs/about_us/Risk%20Management%20Policy%20%28revised%2024-05-2024%29.pdf).

## 5. Other Non- Statutory Committees:

Considering the Corporate Governance led world of Companies, besides the above mentioned statutory committees; the Company has constituted following non- statutory Board committees, in order to enhance the level of governance and to meet the specific business needs. The below Committees report to the Board of the Company.

### i) Environmental, Social and Governance (ESG) Committee:

The ESG Committee is formed 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:

19 May 2023	10 August 2023	10 November 2023	12 February 2024
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- Details of Composition and Attendance of the Members of ESG Committee during the F.Y. ended 31 March 2024 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Glenn Saldanha	4	3	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 arises in the normal course of business. The Board has delegated certain powers to Operations Committee which, *inter-alia*, includes banking, issuing of Power of Attorney or granting authorization to a Company's personnel for operational matters, etc. The Committee is comprised of three Executive Directors of the Board.

#### 4. SENIOR MANAGEMENT AND KEY MANAGERIAL PERSONNEL:

Particulars of Senior Management and Key Managerial Personnel and changes therein since the close of the previous financial year:

Name of Senior Management Personnel ("SMP")	Designation	Changes if any, since the previous financial year (Yes / No)	Nature of change and effective date
Mr. Glenn Saldanha	Chairman & Managing Director	No	-
Mr. V.S. Mani	Executive Director and Global Chief Financial Officer	No	-
Mrs. Cherylann Pinto	Executive Director – Corporate Services	No	-
Mr. Alind Sharma	President and Chief Human Resources Officer	No	-
Mr. Alok Malik	President and Business Head – India Formulations	No	-
Mr. Ulhas Dhuppad	President and Head of Global Pharmaceutical Development	No	-
Mr. Indrajit Bose	President and Chief Quality Officer	Yes	Promotion from Executive Vice President & Chief Quality Officer to President & Chief Quality Officer - with effect from 15 September 2023
Mr. Brijlal Motwani	President and Chief Quality Officer	Yes	Promotion from Executive Vice President & Global Head - Formulations Operations to President & Global Head - Formulations Operations - with effect from 15 September 2023
Mr. Harish Kuber	Company Secretary & Compliance Officer	No	-

## 5. 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 2024 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	134.92	17.35	16.34	-	168.61
2	Mrs. Cherylann Pinto	49.50	6.51	4.83	-	60.84
3	Mr. V. S. Mani	56.64	45.48	-	-	102.12
4	Mr. Rajesh Desai	-	-	-	1.9	1.9
5	Mrs. B. E. Saldanha	-	-	-	0.6	0.6
6	Mr. D. R. Mehta	-	-	-	2.4	2.4
7	Mr. Bernard Munos	-	-	-	0.7	0.7
8	Dr. Brian W. Tempest	-	-	-	0.7	0.7
9	Mr. Sridhar Gorthi	-	-	-	2.0	2.0
10	Ms. Sona Saira Ramasastry	-	-	-	1.4	1.4
11	Mr. Dipankar Bhattacharjee	-	-	-	1.1	1.1
12	Mrs. Vijayalakshmi Iyer	-	-	-	1.2	1.2
<b>TOTAL</b>		<b>241.06</b>	<b>69.34</b>	<b>21.17</b>	<b>12.00</b>	<b>343.57</b>

### 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 2024 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

## 6. DISCLOSURES BY MANAGEMENT:

- 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.
- 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.
- There was no non-compliance during the last three years by the Company on any matter relating to capital market. Consequently, there were neither penalty imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any Statutory Authority.
- 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.
- 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.
- 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.

## 7. 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	Venue	Special Resolution Passed
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
31-Mar-23	29 September 2023 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, two 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.

## 8. POSTAL BALLOT:

In compliance with Sections 108 and 110 of the Act and prevailing circulars issued by the Ministry of Corporate Affairs (MCA) on e-voting through postal ballots, postal ballot forms and prepaid business reply envelopes were not sent to the members for both the postal ballots conducted by the Company. Members were requested to provide their assent or dissent through e-voting only. The Company had conducted two Postal Ballots during the year.

The details related to the Postal Ballot Notice dated 5 July 2023 are as under:

Sr. No.	Particulars	No. of votes polled	No. and % of votes in favour	No. and % of votes against
1.	<b>Ordinary Resolution:</b>			
	Re-appointment of Mr. V.S. Mani (DIN: 01082878) as an Executive Director and Global Chief Financial Officer	211,036,227	184,172,949 87.27%	26,863,278 12.73%



The details related to the Postal Ballot Notice dated 5 October 2023 are as under:

Sr. No.	Particulars	No. of votes polled	No. and % of votes in favour	No. and % of votes against
1	<b>Special Resolution:</b> To consider and approve the Sale of Equity Shares of Glenmark Life Sciences Limited, a material subsidiary of the Company	221,095,974	218,466,385 98.81%	2629589 1.19%

Mr Surjan Singh Rauthan, proprietor of M/s. S. S. Rauthan & Associates, Practising Company Secretary, was appointed as the Scrutinizer, to conduct the e-voting in fair and transparent manner.

On the basis of the Scrutinizer's Report, the resolutions as set out in the Postal Ballot Notice(s) dated 5 July 2023 and 5 October 2023 respectively were duly passed by the Shareholders of the Company with requisite majority. The results of the Postal Ballot along with the Scrutinizer's Report were displayed on the Stock Exchanges and website of the Company.

## 9. 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 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 in and signed Form ISR – 4, subsequent to which Company or RTA shall issue 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 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 2024, 99.69% 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 Ltd. ('BSE') & The National Stock Exchange of India Ltd. ('NSE'). Relevant data for the average daily turnover for the F.Y. 2023-24 is given below:

	BSE	NSE	BSE+NSE
In no. of shares	62450	1368853	1431302
In value terms ₹	49032501	1074868770	1123901271

- **Shareholding Pattern as at 31 March 2024:**

Description	No. of Shares holders	Shares held	% to Equity
Company Promoters	6	131617687	46.64
Foreign Portfolio Investors	221	60329332	21.38
Resident Individuals/ HUF	194041	42570460	15.09
Mutual Funds	28	29783911	10.55
Financial Institutions/ Banks	22	6735574	2.39
Bodies Corporates	905	7061627	2.50
Non-Resident Indians	4193	2507483	0.89
Trusts	14	1251282	0.44
Clearing Members	6	7953	0.00
IEPF	1	251783	0.09
Foreign Nationals	12	47504	0.02
Promoters Relatives	2	23560	0.01
<b>TOTAL</b>	<b>199451</b>	<b>282188156</b>	<b>100.00</b>

- **Distribution Schedule as on 31 March 2024:**

Sr. No.	Category From - To	No. of Shareholders	% of Shares	No. of Shares	% of Total Equity
1	1 - 5000	201818	99.49	18275252	6.48
2	5001 - 10000	376	0.19	2738740	0.97
3	10001 - 20000	229	0.11	3312405	1.17
4	20001 - 30000	86	0.04	2103346	0.75
5	30001 - 40000	41	0.02	1450232	0.51
6	40001 - 50000	31	0.02	1413306	0.50
7	50001 - 100000	82	0.04	5928605	2.10
8	100001 and above	181	0.09	246966270	87.52
<b>TOTAL:</b>		<b>202844</b>	<b>100.00</b>	<b>282188156</b>	<b>100.00</b>

- **Date, Time and Venue of the ensuing Annual General Meeting:**

Annual General Meeting shall be held on Friday, 27 September 2024 at 2.00 p.m. through Video Conferencing/ Other Audio Visual Means facility.

- **Date of Book Closure:** Tuesday, 17 September 2024 to Friday, 27 September 2024 (both dates inclusive).

- **Date of declaration of dividend:**

A dividend of ₹ 2.5 per share has been recommended by the Board at the meeting held on 24 May 2024 subject to the approval of the Shareholders at the ensuing Annual General Meeting. The dividend shall be paid on or after Tuesday, 01 October 2024.

- **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 April 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/>

## 10. MATERIAL SUBSIDIARIES:

The details of material subsidiaries of the Company as required under the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023:

Sr. No.	Name of Material Subsidiaries	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	Ichnos Sciences Inc.	31 May 2019	USA	Grant Thornton SA DOA – 2 November 2020
3	Glenmark Holding SA	17 May 2006	Switzerland	Grant Thornton SA DOA – 15 September 2017

Pursuant to the various amendments in SEBI Listing Regulations, the Board had revised the policy on material subsidiary. The same is available on the website of the Company and can be accessed at [https://glenmark.b-cdn.net/gpl\\_pdfs/about\\_us/Policy%20for%20Determining%20Material%20Subsidiaries2024.pdf](https://glenmark.b-cdn.net/gpl_pdfs/about_us/Policy%20for%20Determining%20Material%20Subsidiaries2024.pdf).

## 11. 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](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.

- **Insolvency and bankruptcy Code**

There are no applications or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the Company.

- **Directors and Officers Insurance ('D&O')**

In compliance with Regulation 25(10) of the Listing Regulations, the Company has taken adequate D&O insurance for directors, employees of the Company and its global subsidiaries.

- **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 Five complaints related to Sexual Harassment at Workplace, which were actively resolved. Leaving no complaint unresolved as on 31 March 2024.

- **Certificate from Practicing Company Secretary regarding Non-Debarment and Non-Disqualification of Directors:**

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 has been received.

- **Fees paid to statutory Auditors:**

Consolidated (Holding and its Subsidiaries) total fees paid to Statutory Auditor for continuing operations was ₹ 101.95 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."

- **Unclaimed Suspense Account:**

In terms of requirements of Regulation 39(4) and Schedule VI of the SEBI Listing Regulations, shares which remained unclaimed in the custody of the Company are required to be transferred to the Unclaimed Suspense Account opened by the Company.

Accordingly, details of the unclaimed shares lying in the Company's Unclaimed Suspense Account are as follows:

Particulars	No. of Shareholders	No. of Shares
No. of shares as on 1 April 2023	-	-
No. of shares claimed and transferred from the Unclaimed Suspense Account during the year	2	2000
No. of shares transferred to Investor Education and Protection Fund (IEPF)	-	-
<b>No. of shares as on 31 March 2024</b>	<b>2</b>	<b>2000</b>

All benefits accruing on such shares shall be credited to Unclaimed Suspense Account for a period of seven years. Thereafter, the said shares including all benefits accrued thereon shall be transferred by the Company to the IEPF Authority in accordance with provisions of Section 124(5) and (6) of the Act and Rules framed thereunder.

- **Information in respect of unclaimed dividend and 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
31.03.2017	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
31.03.2019	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
31.03.2023	29.09.2023	29.10.2023	28.10.2030	27.11.2030

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 October 2023.

- **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.

## 12. 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](http://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](http://www.glenmarkpharma.com).

- **Management Discussion & Analysis Report:**

The Management Discussion & Analysis Report forms 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:**

Company has its own website viz. [www.glenmarkpharma.com](http://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 redress system. It also 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 automatically and the status of every complaint can be checked online at any time.

SEBI has requested the shareholder to approach the Company directly at the first instance for their grievance. If the Company does not resolve the complaint of the shareholders within stipulated time, then they may lodge the complaint with SEBI/Stock Exchanges for further action.

Further, SEBI vide its Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated 20 September 2023 read with Circular No. SEBI/HO/OIAE/IGRD/ CIR/P/2023/183 dated 01 December 2023 has notified the revised framework for handling and monitoring of investor complaints received through SCORES platform by the Company and designated Stock Exchanges effective from 01 April 2024. The shareholders can access the new version of SCORES 2.0 at <https://scores.sebi.gov.in>.

- **Online Dispute Resolution Portal:**

SEBI vide its Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated 31 July 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/OIAE/OIAE\_IAD-3/P/CIR/2023/195 dated 28 December 2023) have issued a Circular for online resolution of disputes in the Indian securities market.

With the said Circular, the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market.

The shareholders can access the ODR Portal at <https://smartodr.in/login>

- 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 to IEPF. The Members may log in at the website to find out whether their dividend for any of the years is outstanding.

### 13. COMPANY'S SCRIP INFORMATION:

- Listing on Stock Exchanges:**

The shares of the Company are listed on BSE and NSE

Stock Exchange	Stock Codes/Symbols	ISIN
BSE Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	532296	INE935A01035
NSE Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	GLENMARK	INE935A01035

- Annual Listing fee for the year 2024-25 has been paid by the Company to the Stock Exchanges.

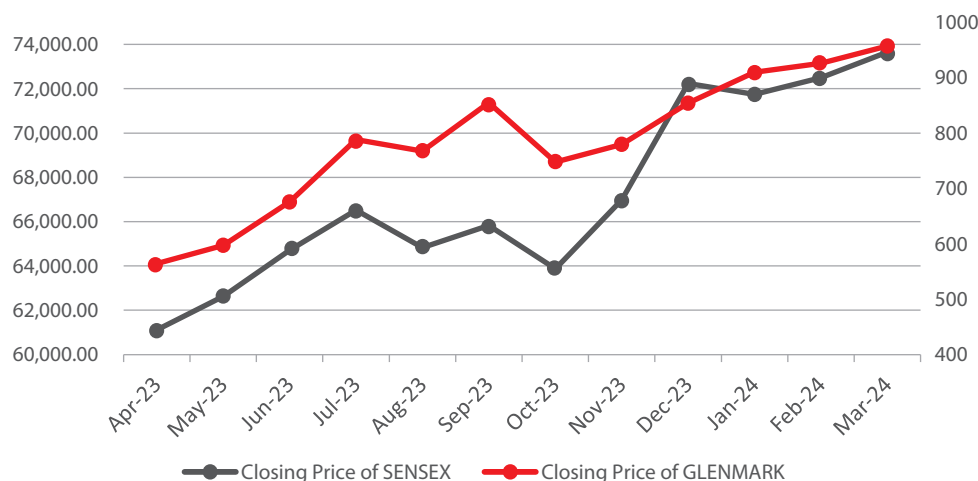
- Market Information:**

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-23	568.50	464.45	568.75	464.70
May-23	630.00	535.15	629.85	536.25
Jun-23	684.00	591.25	684.85	596.00
Jul-23	832.90	647.65	832.90	647.65
Aug-23	836.30	731.20	836.90	737.35
Sep-23	879.15	750.75	880.00	754.00
Oct-23	859.90	731.00	859.90	731.50
Nov-23	799.90	702.05	799.80	722.10
Dec-23	857.95	772.70	859.00	772.40
Jan-24	922.25	842.25	922.70	847.55
Feb-24	941.65	766.65	942.00	771.00
Mar-24	974.05	883.50	974.00	883.00

**Performance in comparison to broad based indexes namely, BSE SENSEX:**

#### Glenmark v/s BSE SENSEX



#### 14. CORPORATE IDENTITY NUMBER (CIN):

The Corporate Identity Number (CIN), allotted by Ministry of Company Affairs, Government of India is L24299MH1977PLC019982.

#### 15. PLANT LOCATIONS:

The Company's plants are located at:

##### Glenmark Pharmaceuticals

##### Manufacturing Facilities

##### Formulations

- Plot No. E 37-39, MIDC Industrial Area, D Road, Satpur, Nashik - 422 007, Maharashtra
- Plot No. S-7 and S-9, Colvale, Industrial Estate Colvale, Bardez - 403 513, Goa
- Unit - I, Village Kishanpura, Baddi-Nalagarh Road, Tehsil Baddi, Dist. - Solan, HP – 173 205
- Unit - II, Village Bhattanwala, PO Rajpura, Tehsil Nalagarh, Dist.- Solan, HP – 174 101
- Unit - III, Village Kishanpura, Baddi - Nalagarh Road, Tehsil Baddi, Dist. - Solan, HP – 173 205
- Plot No 2, Phase -II, Pharma Zone, Special Economic Zone Area, Pithampur, Indore 454 775, Madhya Pradesh
- Plot No. B-25, Shendra MIDC, Chhatrapati Sambhaji Nagar, Maharashtra
- Samlik-Marchak, Industrial Growth Centre, Near Ranipool, Dist. – Gangtok, Sikkim 737 135
- 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, North Carolina 28 110, USA

##### R&D Centres

- Plot No. A 607, TTC Industrial Area, MIDC Mahape, Vashi, Navi Mumbai 400 709, Maharashtra
- Plot No. C 152, MIDC Malegaon Industrial Area, Sinnar, Dist. - Nashik – 422 113, Maharashtra
- Plot No. M4, Talaja Industrial area, MIDC Talaja, Taluka Panvel, Dist. Raigad – 410 208, Maharashtra

##### Clinical Research Centre

- Plot No. M4, Talaja Industrial area, MIDC Talaja, Taluka Panvel, Dist. Raigad – 410 208, Maharashtra

##### GLENMARK HEALTHCARE LIMITED

- Plot No. D-7 & D-8, Additional MIDC Area, Dindori, Village Akrale, Taluka - Dindori, Nashik - 422004, Maharashtra

##### ICHNOS SCIENCES INC.

##### Global Headquarters

- 1 World Trade Center, 76th Floor, Suite D, New York, NY 10007, USA

##### Research Centres

- Route de La Corniche 5A, 1066 Epalinges, Switzerland

##### Development & Manufacturing

- Chemin de la Combeta 5, 2300 La Chaux-de-fonds, Switzerland

**16. Credit Ratings:**

- S&P Global has upgraded Long Term Rating as 'BB+', Outlook 'Stable' from Long Term Rating as 'BB', Outlook 'Stable'.
- Fitch Ratings has affirmed Long-Term Issuer Default Rating (IDR) as 'BB', Outlook 'Stable'.
- CRISIL has upgraded Long-Term Rating as 'AA', Outlook 'Stable' from Long-Term Rating as 'AA-', Outlook 'Stable'. Short-Term Rating reaffirmed as 'A1+'.
- India Ratings and Research (Ind-Ra) has upgraded Long-Term Rating as 'AA', Outlook 'Stable' from Long-Term Rating as 'AA-', Outlook 'Stable'. Short-Term Rating affirmed at 'A1+'.

**17. 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 31 July 2020. The Nomination and Remuneration Committee had extended the period of expiry up to 31 July 2024. During the F.Y. 2023-24, no new options were issued. 20,000 options were exercised and 20,938 options were cancelled under Employees Stock Options Scheme viz. ESOS, 2016. As of 31 March 2024, 37,779 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. \$ 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 initially 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 an interest margin of 2.15% p.a. over Secured Overnight Financing Rate ('SOFR').

The Company divested 75% stake in its subsidiary, GLS. The sale proceeds from this divestment were used to prepay the ECB Facility. The Company prepaid and closed the entire loan of U.S. \$90,825,000 along with accrued interest in March 2024.

**U.S. \$ 40,000,000, International Finance Corporation (IFC), ECB Facility:**

The Company 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 December 2023 and 3.26% over SOFR thereafter.

**U.S. \$ 228,000,000, Sustainability linked syndication loan, ECB Facility:**

The Company 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 Company divested 75% stake in its subsidiary, GLS. The sale proceeds from this divestment were used to prepay the ECB Facility. The Company prepaid and closed the entire loan of U.S. \$ 228,000,000 along with accrued interest in March, 2024.

**18. 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.

**19. 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 are in compliance with the SEBI Regulation on prevention of Insider Trading.

**20. INVESTOR HELPDESK: FOR CLARIFICATIONS / ASSISTANCE, IF ANY, PLEASE CONTACT:**

	<b>Corporate Office</b>	<b>Registrars &amp; Transfer Agents</b>
Persons to contact	Mr. Harish Kuber	Ms. Krishna Priya Maddula
Address	Glenmark Pharmaceuticals Limited Glenmark House, B. D. Sawant Marg, Chakala, Off. Western Express Highway, Andheri (E), Mumbai - 400 099.	KFin Technologies Limited Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 008
Telephone	(022) 40189999	+91-40-67161500
Fax No.	(022) 40189986	+91-40-23420814
Email	<a href="mailto:complianceofficer@glenmarkpharma.com">complianceofficer@glenmarkpharma.com</a>	<a href="mailto:priya.maddula@kfintech.com">priya.maddula@kfintech.com</a>
Website	<a href="http://www.glenmarkpharma.com">www.glenmarkpharma.com</a>	<a href="http://www.kfintech.com">www.kfintech.com</a>
Investor Redressal	<a href="mailto:complianceofficer@glenmarkpharma.com">complianceofficer@glenmarkpharma.com</a>	<a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>

**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 2024.

For and on behalf of the Board of Directors

**Glenn Saldanha**

Chairman & Managing Director  
(DIN 00050607)

Place: Mumbai

Date: 24 May 2024



**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: 24 May 2024

**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, 2024, as stipulated under Regulations 17 to 27, 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, 2024.

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

Firm Registration No.: S1999MH026900

**CS Surjan Singh Rauthan**

Proprietor

M. No. FCS-4807, COP No.3233

Peer Reviewed Cert. No.: 1840/2022

UDIN: F004807F000427570

Place: Mumbai

Date: 24/05/2024

**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 – 400 026

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-400 026 (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, 2024 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 in Company
1.	Mr. Glenn Saldanha	00050607	May 16, 2022
2.	Mrs. Cherylann Pinto	00111844	May 16, 2022
3.	Mr. V.S. Mani	01082878	May 29, 2023
4.	Mr. Rajesh Desai	00007960	June 26, 2020
5.	Dr. Brian W. Tempest	00101235	April 01, 2019 <sup>#</sup>
6.	Ms. Sona Saira Ramasastry	08398547	April 01, 2024
7.	Mr. Bernard Munos	05198283	April 01, 2019 <sup>#</sup>
8.	Ms. Blanche Saldanha	00007671	September 29, 2023
9.	Mr. Sridhar Gorthi	00035824	April 01, 2019 <sup>#</sup>
10.	Mr. D.R. Mehta	01067895	April 01, 2019 <sup>#</sup>
11.	Mr. Dipankar Bhattacharjee	08770548	August 14, 2020
12.	Mrs. Vijayalakshmi Rajaram Iyer	05242960	February 10, 2023

<sup>#</sup> Mr. D.R. Mehta, Mr. Sridhar Gorthi, Dr. Brian W. Tempest and Mr. Bernard Munos retired as an Independent Directors from end of the day on 31 March 2024, consequent to completion of their second term of office as an Independent Directors.

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

**CS Surjan Singh Rauthan**

Proprietor

M. No. FCS-4807, COP No.3233

Peer Reviewed Cert. No.: 1840/2022

UDIN: F004807F000327547

Place: Mumbai

Date: 24/05/2024

# Business Responsibility and Sustainability Report (BRSR)

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Section A	General Disclosures
Section B	Management and Process Disclosures
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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) of the Company	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	<a href="mailto:complianceofficer@glenmarkpharma.com">complianceofficer@glenmarkpharma.com</a>
7.	Telephone	+91 22 4018 9999
8.	Website	<a href="http://www.glenmarkpharma.com">http://www.glenmarkpharma.com</a>
9.	Financial year for which reporting is being done	1st April, 2023 to 31st March, 2024
10.	Name of the Stock Exchange(s) where shares are listed	<ul style="list-style-type: none"> <li>National Stock Exchange of India Limited (NSE)</li> <li>BSE Limited (BSE)</li> </ul>
11.	Paid-up Capital	INR 282.19 Mn
12.	Name and contact details (telephone, email address) of the person for BRSR Reporting	Mr. Harish Kuber Company Secretary & Compliance Officer <a href="mailto:complianceofficer@glenmarkpharma.com">complianceofficer@glenmarkpharma.com</a> +91 22 4018 9999
13.	Reporting boundary	The disclosure under this BRSR is on standalone basis unless otherwise stated
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

## II. Products/Services

### 16. 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%

### 17. Products/Services sold by the entity (accounting for 90% of the entity's 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

### 18. 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	8	15	23
2.	International	3	48	51

**Note:** Apart from the above office and plants, Glenmark Pharmaceuticals Limited (the Company) has the following facilities in India

- 3 research and development centers are located at Sinnar, Taloja and Mahape in India to drive innovation for development of new pharmaceutical products.
- 4 warehouses are located at Indore, Howrah, Panchkula & Bhiwandi to enhance distribution efficiency, inventory management and fulfilling the regulatory compliance requirements such as Good Distribution Practice (GDP) etc.

### 19. Markets served by the entity

#### a. Number of locations

S. No.	Locations	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?

Our products are exported to more than 80 countries with a strong footprint in US, Europe, Asia, Russia and Brazil etc. Out of total turnover INR 78,911.19 Mn on standalone basis, the percentage of revenue from exports contribute to 57.25% (INR 45,180.24 Mn).

#### c. A brief on types of customers

The Company 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

### 20. 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)
<b>Employees</b>						
1.	Permanent (D)	10,799	10,003	92.63%	796	7.37%
2.	Other than permanent (E)	120	66	55.00%	54	45.00%
3.	<b>Total employees (D+E)</b>	<b>10,919</b>	<b>10,069</b>	<b>92.22%</b>	<b>850</b>	<b>7.78%</b>
<b>Workers</b>						
4.	Permanent (F)	1,937	1,877	96.90%	60	3.10%
5.	Other than permanent (G)	3,431	3,029	88.28%	402	11.72%
6.	<b>Total workers (F+G)</b>	<b>5,368</b>	<b>4,906</b>	<b>91.39%</b>	<b>462</b>	<b>8.61%</b>

#### b. Differently abled Employees and workers:

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Differently abled Employees</b>						
1.	Permanent (D)	56	50	89.29%	6	10.71%
2.	Other than permanent (E)	50	22	44.00%	28	56.00%
3.	<b>Total Differently abled employees (D+E)</b>	<b>106</b>	<b>72</b>	<b>67.92%</b>	<b>34</b>	<b>32.08%</b>
<b>Differently abled Workers</b>						
4.	Permanent (F)	11	10	90.91%	1	9.09%
5.	Other than permanent (G)	Nil	Nil	NA	Nil	NA
6.	<b>Total Differently abled workers (F+G)</b>	<b>11</b>	<b>10</b>	<b>90.91%</b>	<b>1</b>	<b>9.09%</b>

### 21. Participation/Inclusion/Representation of women

	Total	No. and percentage of Females	
	(A)	No. (B)	% (B/A)
Board of Directors	12	4	33.33%
Key Managerial Personnel (KMP)	4	1	25.00%

Note: \*As per the Companies Act 2013, KMP includes Managing Director (MD), Whole Time Director (WTD), Chief Financial Officer (CFO) and Company Secretary (CS).

### 22. Turnover rate for permanent employees and workers

Category	FY 2024			FY 2023			FY 2022		
	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
Permanent employees	18%	19%	18%	19%	24%	19%	15%	15%	15%
Permanent workers	15%	6%	15%	24%	14%	24%	27%	31%	27%

## V. Holding, Subsidiary and Associate Companies (including Joint ventures)

### 23. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
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The details of holding/ subsidiary/ associate/ joint venture companies are provided 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

### 24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

ii. If yes, Turnover – (INR) 78,911.19 Mn

iii. Net worth – (INR) 2,29,706.20 Mn

## VII. Transparency and Disclosures Compliances

### 25. 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)	FY 2024			FY 2023		
		(If yes, then provide web-link for grievance redress policy)	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
Communities	<a href="https://glenmarkpharma.com/about-us/governance/">https://</a>	Nil	Nil	NA	Nil	Nil	NA
Investors	<a href="https://glenmarkpharma.com/about-us/governance/">glenmarkpharma.com/about-us/</a>	Nil	Nil	NA	Nil	Nil	NA
Shareholders	<a href="https://glenmarkpharma.com/about-us/governance/">governance/</a>	6	Nil	Nil	3	Nil	Nil
Employees and workers		18	3	Nil	15	1	Nil
Customers		2,666	356	Nil	2,275	436	Nil
Value Chain Partners		Nil	Nil	NA	Nil	Nil	NA
Other (please specify)		3	Nil	Nil	1	Nil	Nil

\*The Company 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, the Company also has a separate mechanism to raise ethics and compliance concern at <https://glenmarkpharma.com/ethics-compliance/>.

26. Overview of the entity’s material responsible business conduct issues

S. No.	Material issue identified	Indicate whether 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)
<b>Environment</b>					
1.	Climate Change	Risk & Opportunity	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>Climate change poses significant physical and transition risks to the Company.</li> <li>Enforcement of new laws and compliance criteria by regulatory agencies may require operational changes and incurs additional expenditure.</li> <li>Extreme climate change events may hamper the operations and hinders the growth of the Company.</li> </ul> <p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Switching to sustainable practices improves operational efficiency and reduce costs in long term.</li> <li>Enhancing sustainable practices attracts environmentally conscious consumers, investors, and partners leading to improvement of market share and growth of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Develop and implement climate resilience plan by identifying potential vulnerabilities in the operations and supply chain of the Company.</li> <li>Reduce the greenhouse gas emissions (GHG) through energy conservation, switching to clean fuels and increasing the percentage of renewable energy in the total energy consumption.</li> <li>Mitigate the supply chain disruptions due to climate change by diversifying suppliers and locations.</li> </ul>	<p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>Disruption of operations and supply chain of the Company leads to delay in procurement of raw materials, manufacturing and timely delivery of products to the customers.</li> </ul> <p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Achieve operational resilience by adopting sustainable practices and mitigating climate change related risks.</li> <li>Address physical and transition risks to the Company ensuring sustainable and long-term growth.</li> </ul>
2.	Water and Waste Management	Risk & opportunity	<p><b>Risk:</b></p> <p><b>Water:</b></p> <ul style="list-style-type: none"> <li>Disposal of wastewater without proper treatment leads to legal action by central &amp; state pollution control boards and local regulatory agencies.</li> <li>Higher consumption of water may pose several water related risks which in turn affects the operations and productivity of the Company.</li> </ul>	<p><b>Water:</b></p> <ul style="list-style-type: none"> <li>Implement water conservation measures by deployment of water efficient equipment and processes.</li> <li>Ensure treatment and reuse of wastewater in various activities to reduce the dependency on freshwater resources.</li> <li>Implement Zero Liquid Discharge (ZLD) across all manufacturing facilities wherever possible.</li> <li>Maintain water inventory and track the performance of the Company on water conservation measures.</li> </ul>	<p><b>Negative:</b></p> <p><b>Water:</b></p> <ul style="list-style-type: none"> <li>Higher dependency on local freshwater resources may pose significant operational risks to the Company.</li> </ul> <p><b>Waste:</b></p> <ul style="list-style-type: none"> <li>Improper disposal of waste may lead to legal action by statutory or regulatory agencies and affects the brand value &amp; reputation of the Company.</li> </ul>

S. No.	Material issue identified	Indicate whether 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)
			<p><b>Waste:</b></p> <ul style="list-style-type: none"> <li>Improper disposal of waste may have adverse consequences on the environment.</li> <li>Non-compliance to stringent environmental regulations such as hazardous waste management rules and other regulations by central or state pollution control boards may lead to legal action by the respective agencies.</li> </ul> <p><b>Opportunity:</b></p> <p><b>Water:</b></p> <ul style="list-style-type: none"> <li>Improving water utilization efficiency and implementation of water conservation practices helps in conservation of water resources thereby mitigating water related risks.</li> </ul> <p><b>Waste:</b></p> <ul style="list-style-type: none"> <li>Promoting circular economy by implementing 3R waste management hierarchy i.e. Reduce, Reuse and Recycle conserves resources and minimizes operational expenditure.</li> </ul>	<p><b>Waste:</b></p> <ul style="list-style-type: none"> <li>Promote recycling of waste reduces the dependency on natural resources.</li> <li>Adopt co-processing of waste with calorific value to recover energy from the waste.</li> <li>Ensure compliance with waste management rules.</li> <li>Adopt innovative practices to reduce waste generation during manufacturing and packaging of products.</li> <li>Track the performance of the Company on sustainable waste management practices such as waste reused, waste recycled, co-processed and safely disposed.</li> </ul>	<p><b>Positive:</b></p> <p><b>Water:</b></p> <ul style="list-style-type: none"> <li>Water conservation through reducing the dependency on freshwater resources saves water procurement costs.</li> <li>Treatment and reuse of treated wastewater improves water utilization efficiency and also mitigates the water related risks.</li> </ul> <p><b>Waste:</b></p> <ul style="list-style-type: none"> <li>Recycling and co-processing of waste conserves resources and generates additional revenue to the Company.</li> <li>Reduces the waste disposal costs.</li> </ul>
3.	Biodiversity	Risk	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>Considering the impact that our Company's manufacturing and business operations may have on the surrounding biodiversity, particularly in ecologically significant areas. Some of our manufacturing are in proximity to Protected and Key Biodiversity Areas, critical for the conservation of several species.</li> </ul>	<ul style="list-style-type: none"> <li>Conducted site proximity analyses across our business operations to assess potential impacts. The analysis serves as a basic screening of our sites to understand environmental risks associated with our sites.</li> </ul>	<p><b>Negative</b></p> <ul style="list-style-type: none"> <li>Incurs additional expenditure to implement biodiversity mitigation plan.</li> </ul>

S. No.	Material issue identified	Indicate whether 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)
<b>Social</b>					
4.	Human Rights	Risk	<p><b>Risk:</b> Any violations related to human rights policies and guidelines can lead to reputational damages.</p>	<ul style="list-style-type: none"> <li>Actively assessing the dependency and impact of our business operations on ecosystem services (Provisioning, Regulating, Cultural and Supporting), which helps us to understand the biodiversity related dependency, impacts and risks.</li> <li>Carrying out the site level impact analysis and risk mitigation plan.</li> <li>Development of site level Biodiversity Management Plan for our priority sites. These assessments will help us to minimize the environmental footprint and safeguarding Biodiversity.</li> </ul>	<p><b>Negative:</b> Violation of human rights leads to legal challenges and also affects the reputation of the Company.</p>
5.	Occupational Health & Safety	Risk & Opportunity	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>Exposure of employees and workers to toxic or hazardous chemicals, solvents and Active Pharmaceutical Ingredients (APIs) may lead to several occupational related health diseases.</li> <li>Potential workplace safety incidents, ergonomic risks could lead to health &amp; safety risks.</li> </ul>	<ul style="list-style-type: none"> <li>The Company undertakes human rights due diligence (HRDD) annually to identify any potential human rights related violations.</li> <li>Assessment of human rights will continue to be a core part of our value chain assessments.</li> <li>Identify the potential hazards at workplace such as chemical exposure, equipment operation risks, ergonomic issues and mitigate the risks by following appropriate safety practices.</li> <li>Conduct regular training programs on health and safety.</li> <li>Prepare and implement emergency preparedness plan.</li> </ul>	<p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>Health &amp; safety related accidents may lead to disruption of operations and also attracts legal action by regulatory agencies affecting the brand value and reputation of the Company.</li> </ul>



S. No.	Material issue identified	Indicate whether 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)
			<ul style="list-style-type: none"> <li>Lack of adequate knowledge on hazards involved in the plant operations and appropriate training to mitigate the risks may pose health &amp; safety related risks to employees and workers.</li> <li>Operations in the Company may involve working with heavy equipment and may prone to higher temperatures, chemical and physical hazards.</li> </ul> <p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Ensuring safe and healthy work environment boosts employees morale which in turn increase operational efficiency &amp; productivity, reduce absenteeism &amp; turnover rates, improve quality control practices by adopting safe material handling practices and enhances overall reputation of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure compliance with health &amp; safety related laws, regulations and guidelines.</li> <li>Conducted Safety Champion Programme.</li> <li>Monthly review of EHS performance metrics and safety campaigns are carried out.</li> <li>Ensure PPE is mandatory to all employees and workers while entering plant premises.</li> <li>Implement ISO 45001 (Occupational Health &amp; Safety), British Safety Council's 5-star Safety System and aligning with various global safety programs.</li> <li>Conduct health &amp; safety and fire safety audits to identify and mitigate health &amp; safety related risks.</li> </ul>	<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Safe environment at workplace protects the employees &amp; workers from potential health hazards facilitating healthier and more productive workforce.</li> <li>Adopting best industrial health &amp; safety standards reduces the downtime and enhances the overall productivity.</li> </ul>
6.	Talent Attraction & Retention	Opportunity	<p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>People are our biggest asset, attracting and retaining the right talent fuels organizational growth towards achieving our vision.</li> </ul>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Talent Attraction and retention enable sustainable financial growth of the Company.</li> </ul>
7.	Human Capital Development	Opportunity	<p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Employees with desired skills helps in improving the productivity in plant operations, innovations through research &amp; development activities, improvements in product quality, business expansion through sales and marketing.</li> <li>Helps in improving the performance and overall growth of the Company.</li> </ul>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Improves productivity in the plant operations.</li> <li>Improves quality of the products</li> <li>Improves performance of the Company and overall growth of the organization.</li> </ul>

S. No.	Material issue identified	Indicate whether 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)
8.	Promoting Diversity	Opportunity	<p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Promoting gender diversity and fostering a cohesive global workplace culture encourages innovation and excellence at every level.</li> <li>Ensuring optimal blend of skills, gender, industry experience, geographic backgrounds, and age fosters diverse perspectives in decision-making, enhancing oversight and long-term sustainability.</li> </ul>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Increase in diversity facilitates innovation and problem-solving skills of the Company.</li> <li>Improves overall productivity and performance of the Company.</li> </ul>
9.	Supply Chain Management	Risk & Opportunity	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>Disruption of supply chain could potentially impact the supply and sales of products in a timely manner.</li> <li>Delay in supply of products to patients and health care providers may affect the treatment process.</li> <li>Non-availability of products in a timely manner affects the brand value and reputation of the Company.</li> </ul> <p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Efficient supply chain management system can streamline operations, reduce redundancies, effective logistics and inventory management practices.</li> <li>Strategic collaborations in supply chain management builds strong relationship with logistic partners, suppliers, distributors, and other partners.</li> <li>Optimization of resources in supply chain management minimizes operational expenditure and resources of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Implement risk mitigation plans for the identified potential risks and vulnerabilities across supply chain of the Company.</li> <li>Evaluate the suppliers on reliability, quality and compliance with the regulatory standards.</li> <li>Conduct regular audits of suppliers to ensure adherence to quality and safety standards.</li> <li>Implement digital solutions for tracking and monitoring of supply chain management for better visibility, forecasting and real time monitoring of inventory and logistics.</li> <li>Diversify the suppliers to mitigate the risks associated with supply chain disruptions.</li> <li>Develop contingency plans for timely supply of products from alternate production sites or warehouses in case of potential supply chain disruptions.</li> </ul>	<p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>Disruptions in supply chain may impact the timely sourcing of raw materials, delay in production and supply of products to the customers.</li> <li>Frequent disruptions in supply chain may hamper the operations declining the revenue generation for the Company.</li> </ul> <p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Sustainable supply chain management practices optimize the flow of materials &amp; products and improves overall operational efficiency of the Company.</li> <li>Building resilience in supply chain avoids supply chain disruptions and ensures timely supply &amp; delivery of products and services.</li> </ul>

S. No.	Material issue identified	Indicate whether 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)
10.	Innovation & Research	Opportunity	<p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>Innovation and developing of new products and therapies creates competitive edge and facilitate in rapid expansion of business into new geographies and markets.</li> <li>Development of new products and therapies generates additional revenue, promotes brand value and reputation of the Company.</li> <li>Development of innovative pharmaceutical products addressing the unmet medical needs shows the commitment of the Company to deliver exceptional services promoting well-being of patients.</li> </ul>	<ul style="list-style-type: none"> <li>Foster a culture of innovation through encouraging innovative ideas.</li> <li>Invest in development R&amp;D infrastructure facilitating development of new products.</li> <li>Conduct regular training programs on latest techniques, technologies and scientific advancements.</li> <li>Enhance collaboration with academic institutes to implement joint R&amp;D projects.</li> <li>Protect intellectual property rights of the Company.</li> <li>Proactively identify the healthcare needs from time to time and formulate R&amp;D strategy addressing the unmet medical needs.</li> </ul>	<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Innovation of new products and therapies generates additional revenue to the Company.</li> <li>Obtaining patents on innovative products ensures long term sustainable growth of the Company.</li> <li>Diversifying product portfolio and addressing the priority health care needs builds brand value and reputation for the Company.</li> </ul>
11.	Product Quality & Safety	Risk & Opportunity	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>Non-compliance with stringent regulatory requirements enforced by global agencies like FDA, EMA and others can result in imposition of fines, product recalls and suspension of manufacturing licenses.</li> <li>Any lapses in quality control mechanisms and testing may pose a severe risk to patient health.</li> </ul> <p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Adhering to stringent product quality and safety standards helps in getting regulatory approvals and provides access for market entry in various geographies.</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to Good Manufacturing Practice (GMP) compliance across all operations of the Company by maintaining consistency in product composition and quality.</li> <li>Adopt pharmacovigilance processes, quality control standards and Standard Operating Procedures (SOPs) for all manufacturing processes including production, testing and packaging of products.</li> <li>Implement the risk mitigation plans for the potential product quality and safety risks in the life cycle of the products.</li> <li>Ensure regular testing of product prior to dispatch.</li> </ul>	<p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>Non-compliance with product quality standards may lead to product recalls, incurs financial losses, pose legal risks, and affects the brand value &amp; reputation of the Company.</li> </ul> <p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Maintaining product quality and safety ensures compliance with regulatory standards and helps in obtaining necessary approvals for sales of products.</li> </ul>

S. No.	Material issue identified	Indicate whether 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)
			<ul style="list-style-type: none"> <li>Fulfilling the stringent quality and safety requirements enhances the reputation and trust of the Company thereby leading to higher acceptance and demand for products.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct periodic audits to ensure quality and safety of the product in line with the quality control standards.</li> </ul>	<ul style="list-style-type: none"> <li>Good quality products provide effective treatment to patients and builds trust in patients and healthcare providers on Company's products.</li> </ul>
12.	Community Development	Opportunity	<p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Implementation of CSR programs builds stronger relationships with the local communities and creates positive business environment.</li> <li>Community development programs uplifts the vulnerable &amp; marginalized groups by providing livelihood opportunities, access to healthcare etc.</li> <li>Creating positive impact on local communities enhances the reputation and brand value of the Company.</li> </ul>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Mitigates conflict with the local communities where we operate.</li> </ul>
13.	Enhancing Accessibility of Medicines	Opportunity	<p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Improving market access to new geographies to reach underserved population leads to increase in sales and revenue generation for the Company.</li> <li>Enhancing accessibility of medicines creates strong customer base which drives increase in sales and market share.</li> <li>Improved accessibility of medicines also provides better treatment for patients enhancing the reputation and brand value of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to applicable standards &amp; practices to obtain necessary approvals for sales of medicines in the respective geographies.</li> <li>Enhance and strengthen the supply chain management system to ensure efficient and reliable distribution of medicines even in remote or underserved areas.</li> <li>Collaborate with healthcare providers, government agencies and Non-Government Organizations (NGOs) to develop and implement programs facilitating access of medicines to underserved population.</li> </ul>	<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Builds strong customer base, creates competitive advantage and helps in business expansion to new geographies ensuring sustainable growth of the Company.</li> </ul>

S. No.	Material issue identified	Indicate whether 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)
<b>Governance</b>					
14.	Risk Management	Opportunity	<p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Robust risk management framework for proactive identification and mitigation of business risks helps in achieving business resilience of the Company.</li> <li>Mitigation of enterprise related risks in timely manner improve operational efficiency and productivity of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Implement risk mitigation plan for the identified risks at enterprise level.</li> <li>Adopt appropriate risk management framework by embedding ESG related risks.</li> <li>Ensure compliance with all applicable laws, regulations and guidelines.</li> <li>Track and monitor the performance of the Company on risk mitigation plan for the identified risks.</li> </ul>	<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Mitigation of all business-related risks including ESG aspects helps in achieving business resilience.</li> <li>Strengthening risk management framework with appropriate policies, governance mechanisms and SOPs ensures sustainable growth of the Company promoting brand value and reputation.</li> </ul>
15.	Corporate Governance	Risk & opportunity	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>Non-compliance with local laws &amp; regulatory requirements such as Current Good Manufacturing Practice (CGMP), Current Good Laboratory Practices (CGLP) etc. may lead to imposition of hefty fines, sanctions and legal actions which may lead to legal and financial risks.</li> </ul> <p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Compliance with local laws, regulations and applicable standards mitigates marketing, legal &amp; financial risks which helps in achieving long term success and growth of the Company.</li> <li>Proactive implementation of applicable compliance &amp; regulatory requirements aligning with the business strategy and addressing stakeholders' concerns ensures accountability, transparency, ethical behavior, and fairness to all stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Adopt robust corporate governance structure with oversight on business strategy adhering to all regulatory and statutory requirements.</li> <li>Ensure diverse skill set and expertise in board of directors and have an adequate representation of Independent Directors to protect stakeholders' interests.</li> <li>Formulation of committees to focus on critical areas of the business.</li> <li>Robust enterprise risk management framework embedding ESG related risks.</li> <li>Transparency in disclosure of financial &amp; non-financial information by adopting global reporting frameworks.</li> <li>Conduct internal &amp; external audits to review governance practices, financial controls and compliance with local laws &amp; regulations.</li> </ul>	<p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>Action taken by regulatory agencies due to non-compliance with laws and statutory requirements negatively affects the operations, revenue generation, brand value &amp; reputation of the Company.</li> </ul> <p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Implementation of strong corporate governance framework builds trust with stakeholders and enhances overall reputation of the Company.</li> <li>Ensure sustainable business growth by mitigation of legal, financial and operational risks.</li> </ul>



S. No.	Material issue identified	Indicate whether 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)
16.	Business Ethics	Risk & Opportunity	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>Violation of stringent quality regulations, unethical pricing practices, non-adherence to safety protocols can endanger patient health &amp; safety and erodes customers trust affecting Company's brand value and reputation.</li> <li>Compromising business relationships with various stakeholders such as healthcare providers and regulatory agencies may affect the credibility and brand value of the Company.</li> </ul> <p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Adhering to high ethical standards with integrity, transparency and accountability gains trust of various stakeholders and enhances overall reputation of the Company.</li> <li>Maintaining ethical business conduct aligning with the core values of the Company contribute to positive corporate culture and reduce business risks leading to sustainable business growth of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure strict adherence to Glenmark Code of Conduct by providing regular training programs.</li> <li>Adhere to stringent compliance requirements and maintain an ethical business culture.</li> <li>Implement appropriate policies and procedures addressing ethical business practices.</li> <li>Conduct regular internal and external audits to ensure compliance with ethical standards and regulatory requirements.</li> <li>Ensure transparency in business practices such as innovation &amp; new product development, clinical trials and reporting mechanisms to avoid potential conflict of interest.</li> <li>Set internal controls to prevent, detect and rectify unethical business practices in line with the regulatory requirements.</li> </ul>	<p><b>Negative</b></p> <ul style="list-style-type: none"> <li>Non-compliance with Code of conduct and violation of local laws could lead to imposition of penalties by regulatory agencies, business disruption, revenue loss and reputational risks.</li> </ul> <p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Integrating ethics into business practices enhances the reputation of the Company and attract investment from socially conscious investors and financial institutions.</li> <li>Mitigates business related risks leading to long term growth and success of the Company.</li> </ul>
17.	Policy Advocacy	Opportunity	<p><b>Opportunity:</b></p> <ul style="list-style-type: none"> <li>Policy advocacy can bring positive impact to the Company facilitating drug approval and pricing mechanisms.</li> <li>Improves the healthcare services by addressing public health issues and enhances the overall reputation of the Company.</li> <li>Helps in addressing potential regulatory changes mitigating the marketing, operational and financial risks to the Company.</li> </ul>		<p><b>Positive:</b></p> <ul style="list-style-type: none"> <li>Address potential regulatory related changes.</li> </ul>

S. No.	Material issue identified	Indicate whether 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)
18.	Cybersecurity & Data Privacy	Risk	<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>Cyber attacks may lead to theft of confidential information such as patient data, clinical results data, proprietary research and intellectual property rights etc. and hampers business growth, incurs financial loss and negatively affects the brand value and reputation of the Company.</li> <li>Non-compliance with local laws on data privacy and security such as Health Insurance Portability and Accountability Act (HIPAA) in Unites Sates, General Data Protection Regulation (GDPR) in European Union leads to legal action and imposition of fines.</li> <li>Theft of proprietary data and intellectual property undermine the competitive advantage and results in huge financial losses.</li> <li>Inadequate prevention, detection, and remediation of data security threats can lead to disruption of operations, and negatively affects the reputation of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of strong IT management system with multiple controls, multi-factor authentication and protection systems such as anti-virus and firewalls to ensure data security.</li> <li>Implementation of strict access controls mechanisms to ensure only authorized personnel can access the confidential information.</li> <li>Collect and retain only required information to mitigate data breach related risks.</li> <li>Ensure regulatory compliance with GDPR, HIPAA etc.</li> <li>Develop an incident response plan and appropriate procedure for responding to cybersecurity incidents.</li> <li>Conduct regular training programs to employees on end point &amp; network security controls and best practices to mitigate potential IT threats.</li> <li>Proactive monitoring and analysis of any new vulnerabilities and threats through regular scanning of systems and networks.</li> </ul>	<p><b>Negative:</b></p> <ul style="list-style-type: none"> <li>Data breaches of confidential information such as patient data, clinical results, proprietary research &amp; intellectual property rights incurs significant financial losses to the Company and erodes the trust gained by the Company.</li> </ul>

## 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

S. No.	Principle Description	Reference of Company's Policies
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	<ul style="list-style-type: none"> <li>➤ Code of Conduct (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf</a>)</li> <li>➤ Board Diversity Policy (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/Board%20Diversity%20Policy.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/Board%20Diversity%20Policy.pdf</a>)</li> <li>➤ Anti Bribery and Anti-Corruption Policy (Available on company's intranet)</li> <li>➤ Code of Ethics (Available on Company's intranet)</li> </ul>
P2	Businesses should provide goods and services in a manner that is sustainable and safe	<ul style="list-style-type: none"> <li>➤ Environmental Health &amp; Safety Policy (<a href="https://glenmarkpharma.com/responsibility/our-policy/">https://glenmarkpharma.com/responsibility/our-policy/</a>)</li> </ul>
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains	<ul style="list-style-type: none"> <li>➤ Occupational Health and Safety Policy (<a href="https://glenmarkpharma.com/responsibility/our-policy/">https://glenmarkpharma.com/responsibility/our-policy/</a>)</li> <li>➤ Environmental Health and Safety Policy (<a href="https://glenmarkpharma.com/responsibility/our-policy/">https://glenmarkpharma.com/responsibility/our-policy/</a>)</li> <li>➤ Nomination and Remuneration Policy (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/nomination_and_remuneration_policy.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/nomination_and_remuneration_policy.pdf</a>)</li> <li>➤ Whistleblower Policy (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/Whistleblowing%20Policy.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/Whistleblowing%20Policy.pdf</a>)</li> <li>➤ Code of Conduct (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf</a>)</li> <li>➤ Redressal Mechanism for Employee (Available on Company's intranet)</li> </ul>
P4	Businesses should respect the interests of and be responsive to all its stakeholders	<ul style="list-style-type: none"> <li>➤ Code of Conduct (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf</a>)</li> <li>➤ Code of Ethics (Available on Company's intranet)</li> <li>➤ Redressal Mechanism for Employee (Available on company's intranet)</li> <li>➤ Corporate Social Responsibility Policy (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/CSR%20Policy.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/CSR%20Policy.pdf</a>)</li> </ul>
P5	Businesses should respect and promote human rights	<ul style="list-style-type: none"> <li>➤ Human Rights Policy (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/Human%20Rights%20Policy_A.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/Human%20Rights%20Policy_A.pdf</a>)</li> <li>➤ Whistleblower Policy (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/Whistleblowing%20Policy.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/Whistleblowing%20Policy.pdf</a>)</li> <li>➤ Code of Ethics (Available in Company's intranet)</li> <li>➤ Code of Conduct (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf</a>)</li> </ul>
P6	Businesses should respect and make efforts to protect and restore the environment	<ul style="list-style-type: none"> <li>➤ Environment Policy (<a href="https://glenmarkpharma.com/responsibility/our-policy/">https://glenmarkpharma.com/responsibility/our-policy/</a>)</li> <li>➤ Occupational Health and Safety Policy (<a href="https://glenmarkpharma.com/responsibility/our-policy/">https://glenmarkpharma.com/responsibility/our-policy/</a>)</li> </ul>
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	<ul style="list-style-type: none"> <li>➤ Code of Conduct (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf</a>)</li> <li>➤ Code of Ethics (Available on Company's intranet)</li> </ul>
P8	Businesses should promote inclusive growth and equitable development	<ul style="list-style-type: none"> <li>➤ Corporate Social Responsibility Policy (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/CSR%20Policy.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/CSR%20Policy.pdf</a>)</li> </ul>
P9	Businesses should engage with and provide value to their consumers in a responsible manner	<ul style="list-style-type: none"> <li>➤ IT Policy (Available in Company's intranet)</li> <li>➤ Code of Conduct (<a href="https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf">https://glenmark.b-cdn.net/gpl_pdfs/about_us/GlenmarkPharma_Code_of_Conduct.pdf</a>)</li> </ul>

**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	<a href="https://glenmarkpharma.com/about-us/governance/">https://glenmarkpharma.com/about-us/governance/</a>								
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 adheres to CGMP standards and adopted TCFD apart from accreditations by Central Drugs Standard Control Organisation (CDSCO: India), Science Based Targets Initiative (SBTi), 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.	Please refer the Integrated Report for ESG related commitments, goals and targets.								
6 Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Please refer the Integrated Report for the performance of the entity on ESG related commitments, goals and targets.								

**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.	Yes. Glenmark Pharmaceuticals Limited 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 managing 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. The ESG committee details are available in the Corporate Governance section.								

10 Details of Review of NGRBCs by the Company		<b>a. Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee</b>								
<b>Subject for Review</b>		<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
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
<b>Subject for Review</b>		<b>b. Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</b>								
		<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
1	Performance against above policies and follow up action	Performance evaluation of policies is 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 2023-24.								
		<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
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.	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:									
<b>Questions</b>		<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
The entity does not consider the Principles material to its business (Yes/No)										
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)										
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)						Not Applicable				
It is planned to be done in the next financial year (Yes/No)										
Any other reason (please specify)										



## 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 FY 2024

Segment	Total number of training & awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	8	Familiarisation/ awareness programmes 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 appraise them of developments in the Company, key regulatory changes, risks, compliances and legal cases.	100%
Key Managerial Personnel	8		100%
Employees other than BoD and KMPs	20	Conflict of Interest Global Policy, Global Anti-Bribery and Anti-Corruption (Advance), Interactions with Members of Health Care Community, The Glenmark Ethics line, Third Party Risk Management, Whistleblower, Code of Conduct, Pharmacovigilance, POSH etc.	100%
Workers	24	Conflict of Interest Global Policy, Global Anti-Bribery and Anti-Corruption, Community, 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)	100%

**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 2024**

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 anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, Glenmark has a Global Anti-Bribery and Anti-Corruption (“ABAC”) policy. This policy is global in scope and applies to all employees of Glenmark Pharmaceuticals Limited, and Business Partners engaged in activities with Glenmark. Glenmark’s Code of Conduct states the way we work and do business, the ABAC policy ensures that Glenmark’s business is conducted in a legal and socially responsible manner. The ABAC policy covers the principles and requirements of ABAC, including maintenance of business documentation and financial records. Our Code of Conduct expects that we honor ABAC laws and our ABAC policy aligns with all relevant international and local ABAC laws. Beyond English, the policy is also available in Polish, Czech, Portuguese, Russian, Slovakian and Spanish languages on our intranet. Training on this policy is part of the induction process for all new Employees. All existing Employees receive regular training on how to implement and adhere to this policy. ABAC policy is available on the Company's intranet.

**5. Number of Directors/KMPs/Employees/Workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption**

Segment	FY 2024	FY 2023
1 Directors	Nil	Nil
2 Key Managerial Personnel	Nil	Nil
3 Employees	Nil	Nil
4 Workers	Nil	Nil

**6. Details of complaints with regard to conflict of interest**

Segment	FY 2024		FY 2023	
	Number	Remarks	Number	Remarks
1 Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
2 Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

**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

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2024	FY 2023
Number of days of accounts payables	273	217

**9. Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024	FY 2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	57.71%	60.79%
	b. Number of dealers / distributors to whom sales are made	298	279
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	53.87%	49.88%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	-	-
	b. Sales (Sales to related parties / Total Sales)	41.85%	38.48%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	99.03%	98.79%
	d. Investments (Investments in related parties / Total Investments made)	93.83%	99.47%

**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	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
5	Supplier Code of Conduct, Emergency Response and Preparedness Plan, EHS Policy, Contractor's EHS Agreement, Plastic Waste Management	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, every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate, firms, or other association of individuals and any change therein, annually or upon any change, which includes the shareholding. Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and the role therein. In the meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested. Additionally, the Senior Management also affirms annually that they have not entered into any material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large.

**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.**

Segment	FY 2024	FY 2023	Details of improvements in environmental and social impacts
R&D	100%	100%	<ul style="list-style-type: none"> <li>Installed necessary equipment facilitating switching of fuel from High-Speed Diesel (HSD) to Low Sulphur Heavy Stock (LSHS).</li> </ul>
Capex	3.40%	2.78%	<ul style="list-style-type: none"> <li>Implemented monitoring mechanism for Effluent Treatment Plant (ETP) at Sikkim facility.</li> <li>Installed solar water heating system at Nalgarh facility to reduce the dependency on thermal energy and to prevent greenhouse gas emissions.</li> <li>Upgraded Direct Expansion Heat Exchanger of Air Handling Unit (AHU) to Chilled Air Handling Unit at Nashik facility to avoid utilization of refrigerants &amp; coolants and to reduce the greenhouse gas emissions.</li> </ul>

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 is involved in the manufacture and sale of pharmaceutical products. Only plastic waste is generated after the end of life of the products. We have appropriate systems and practices under Extended Producer Responsibility (EPR) for waste management in ecofriendly manner in compliance with the pollution control board norms.

Plastic waste generated from the end of life of products comprises rigid, flexible and multi-layered packaging material. We have engaged third party agency authorized by the pollution control board for collection of waste from the locations of business operations, reuse and recycling of waste and safely dispose residual fraction of plastic waste. The recyclable fraction of waste is recycled to produce value added products such as plastic granules etc. Whereas the residual fraction of waste is co-processed to recover energy and safely dispose residual fraction of waste.

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, EPR is applicable to the Company as per Plastic Waste Management Rules 2016, and subsequent amendments. The Company has obtained EPR authorization from the CPCB under Brand Owner category and Importers category and our waste collection plan is in line with the EPR plan and targets given by the CPCB. The Company also submits returns to the CPCB on an annual basis as part of EPR compliance requirement.

**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	Soprobac pMDI	1.3%	Cradle to Grave System boundary in the LCA Study of Soprobac pMDI	Yes	No
210	Tiogiva18 DPI	0.4%	Cradle-to-Grave System boundary in the LCA Study of Tiogiva18 DPI	Yes	No

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.

Name of Product / Service	Description of the risk / concern	Action Taken
	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).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024	FY 2023
	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 2024			FY 2023		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics	Nil	2,712	88	Nil	1,656	117
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other Waste	NA	NA	NA	NA	NA	NA

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	100%

**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)
<b>Permanent Employees</b>											
Male	10,003	10,003	100%	10,003	100%	NA	NA	5,076	50.74%	1,617	16.16%
Female	796	796	100%	796	100%	796	100%	NA	NA	284	35.68%
<b>Total</b>	<b>10,799</b>	<b>10,799</b>	<b>100%</b>	<b>10,799</b>	<b>100%</b>	<b>796</b>	<b>7.37%</b>	<b>5,076</b>	<b>47.00%</b>	<b>1,901</b>	<b>17.60%</b>
<b>Other than Permanent Employees</b>											
Male	66	66	100%	66	100%	NA	NA	66	100%	4	6.06%
Female	54	54	100%	54	100%	54	100%	NA	NA	2	3.70%
<b>Total</b>	<b>120</b>	<b>120</b>	<b>100%</b>	<b>120</b>	<b>100%</b>	<b>54</b>	<b>45.00%</b>	<b>66</b>	<b>55.00%</b>	<b>6</b>	<b>5.00%</b>



**b. Details of measures for the well-being of workers:**

Category	% Of workers covered by										
	Total (A)	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)
<b>Permanent Workers</b>											
Male	1,877	1,877	100%	1,877	100%	NA	NA	1,861	99.15%	1,110	59.14%
Female	60	60	100%	60	100%	60	100%	NA	NA	58	96.67%
<b>Total</b>	<b>1,937</b>	<b>1,937</b>	<b>100%</b>	<b>1,937</b>	<b>100%</b>	<b>60</b>	<b>3.10%</b>	<b>1,861</b>	<b>96.08%</b>	<b>1,168</b>	<b>60.30%</b>
<b>Other than Permanent Workers</b>											
Male	3,029	3,029	100%	3,029	100%	NA	NA	3,029	100%	2,671	88.10%
Female	402	402	100%	402	100%	402	100%	NA	NA	370	92.04%
<b>Total</b>	<b>3,431</b>	<b>3,431</b>	<b>100%</b>	<b>3,431</b>	<b>100%</b>	<b>402</b>	<b>11.72%</b>	<b>3,029</b>	<b>88.21%</b>	<b>3,041</b>	<b>88.63%</b>

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

	FY 2024	FY 2023
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.17%	0.15%

**2. Details of retirement benefits for Current and Previous Financial Years**

S. No.	Benefits	FY 2024			FY 2023		
		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%	NA	100%	100%	NA
3	ESI	100%	100%	Yes	100%	100%	Yes
4	Others – please specify	NA	NA	NA	NA	NA	NA

**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.**

Most of our premises and offices have elevators, wider aisles, clear pathways facilitating easy movement of differently abled employees.

**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.**

Glenmark is an equal opportunity employer committed to fostering diversity in the workplace, both in its employees and leadership team including differently abled. Diversity, inclusiveness and respect for all stems from our organizational values and are essential to our success. We ensure the collaborative work environment free of discrimination and harassment. At Glenmark, we are committed to maintaining an environment that celebrates our people – their differences, values and contribution. We provide fair remuneration ensuring that the compensation packages are equitable, competitive, and commensurate with the nature of the work performed, as well as the skills, qualifications, and experience of the individual. We adhere to applicable laws and regulations governing wages and maintain transparency in our compensation packages. The "equal opportunity for all" policy is available at the weblink <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 and workers 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%	93%
Female	97%	92%	100%	100%
<b>Total</b>	<b>100%</b>	<b>90%</b>	<b>100%</b>	<b>93%</b>

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Yes/No (If yes, then give details of the mechanism in brief)	
1. Permanent workers	<p>Glenmark has a comprehensive employee grievance policy, and ethics portal to report grievances. To ensure timely redressal of grievances, multiple channels of communication have been established such as ethics line, supervisor, human resources department, compliance officer and grievance officer to report grievance.</p> <p>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 are available at <a href="http://glenmark.ethicspoint.com/">http://glenmark.ethicspoint.com/</a> and on the posters that are displayed in the workplace or can also be reported using the ethics line web portal using the same link. And also, a dedicated email address of grievance officer i.e. <a href="mailto:grievance.officer@glenmarkpharma.com">grievance.officer@glenmarkpharma.com</a> has been circulated to all employees and workers.</p>
2. Other than permanent workers	
3. Permanent employees	
4. Other than permanent employees	

**Note:** Employees and workers belonging to both permanent and contractual categories are governed by Glenmark grievance redressal policies and mechanisms. Whereas employees and workers under third payroll are governed by the respective agencies who have deployed the staff.

## 7. Membership of employees and workers in association(s) or Unions recognised by the listed entity

Category	FY 2024			FY 2023		
	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)
<b>Total Permanent Employees</b>	10,799	Nil	NA	11,362	Nil	NA
Male	10,003	Nil	NA	10,638	Nil	NA
Female	796	Nil	NA	724	Nil	NA
<b>Total Permanent Workers</b>	1,937	365	18.84%	357	344	96.36%
Male	1,877	359	19.13%	335	335	100%
Female	60	6	10.00%	22	9	40.91%

**8. Details of training given to employees and workers**

Category	FY 2024					FY 2023				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation <sup>1</sup>	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
<b>Employees</b>										
Male	10,003	10,003	100%	8,506	85.03%	10,638	10,638	100%		
Female	796	796	100%	796	100%	724	724	100%	Refer to Note 1	
<b>Total</b>	<b>10,799</b>	<b>10,799</b>	<b>100%</b>	<b>9,302</b>	<b>86.14%</b>	<b>11,362</b>	<b>11,362</b>	<b>100%</b>		
<b>Workers</b>										
Male	1,877	1,877	100%	1,877	100%	335	335	100%		
Female	60	60	100%	60	100%	22	22	100%	Refer to Note 2	
<b>Total</b>	<b>1,937</b>	<b>1,937</b>	<b>100%</b>	<b>1,937</b>	<b>100%</b>	<b>357</b>	<b>357</b>	<b>100%</b>		

**Note 1** – Total training hours conducted on skill upgradation in FY 2022-23 was 4,20,481; out of which 3,99,547 training hours conducted for male and 20,934 training hours conducted for female.

**Note 2** – 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.

**9. Details of performance and career development reviews of employees and workers:**

Category	FY 2024			FY 2023		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
<b>Employees</b>						
Male	10,003	10,003	100%	10,638	10,638	100%
Female	796	796	100%	724	724	100%
<b>Total</b>	<b>10,799</b>	<b>10,799</b>	<b>100%</b>	<b>11,362</b>	<b>11,362</b>	<b>100%</b>
<b>Workers</b>						
Male	1,877	1,877	100%	335	335	100%
Female	60	60	100%	22	22	100%
<b>Total</b>	<b>1,937</b>	<b>1,937</b>	<b>100%</b>	<b>357</b>	<b>357</b>	<b>100%</b>

**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?**

Yes. We have implemented occupational health and safety management system at all facilities in India i.e. 8 manufacturing facilities and 3 research and development centers. We ensure occupational health and safety of all employees and workers including permanent and contractual categories. 7 out of 8 manufacturing facilities are ISO 45001:2018 (Occupational health and safety management system) certified. An appropriate governance structure to track and monitor the performance of the Company on various Environment Health and Safety (EHS) Key Performance Indicators (KPIs) is in place. We also assess the effectiveness of our EHS initiatives by conducting periodical audits.

We provide guidelines and instructions to all employees and workers on workplace dangers, including health hazards and the remedial measures to be undertaken to overcome the workplace hazard situations. Further, we have displayed emergency contact numbers, exit plans, emergency siren indicators, fire alarms, signboards, safety precautions & instructions, firefighting techniques, PPE matrix, evacuation plan etc in a proactive manner mitigating the workplace OHS risks.

**b. What are the processes used to identify work related hazards and assess risks on a routine and non-routine basis by the entity?**

Identification of workplace hazards is carried out by conducting Risk Assessment (RA), Hazard Identification and Risk Assessment (HIRA), plant safety inspection, Job Safety Analysis (JSA), Process Hazard Analysis (PHA), etc. In the case of non-routine tasks, the Company has well established systems, practices, internal guidelines which ensure 100% compliance to Permit to Work (PTW) by conducting prior risk assessment. The risk assessment process considers various factors, including the severity and likelihood of potential hazards, the nature of the task, and the surrounding

environment. We encourage all employees and workers to report unsafe acts, unsafe conditions, incident, accident or near-miss incidents through various modes of channels. Based on the identified risks, an appropriate mitigation strategy shall be implemented to prevent workplace hazards.

#### **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.
- Safety champions programmes are conducted on regular basis and monthly review of EHS performance metrics and EHS campaigns are carried out.
- Internal SOP on “Risk Assessment and Safe Working Procedure” is followed.

#### **c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, Glenmark has adopted well established processes, systems and practices for workers to report work related hazards. We have dedicated safety committees, who are primarily involved in identification of workplace risks, hazards, taking corrective actions, aiding management in meeting safety standards, investigation and documentation of entire process. We have several processes to report work related hazards by workers and remove themselves from risks which comprises of the following:

- Monthly safety campaign on electrical safety, emergency equipment and emergency preparedness, machine guarding, PTW system, chemical safety, Lock Out Tag Out & Try Out, hand & finger protection, road safety/traffic management, safe behaviour and height work safety to reduce safety related incident rate and raise awareness among all employees and workers.
- Identification and recognizing employees and workers through “Safety Champion Programme” who have identified unsafe acts and unsafe conditions (UA&UC), reporting them through online portal, conducting Tool Box Talk (TBT) etc.
- Implemented Global Safety Programs across all facilities and periodical assessments were conducted. Our 16 global safety programs comprises of Contractor Safety, Chemical Safety, Working at Height Safety, Lock-Out Tag-Out System Safety, Electrical Safety, Confined Space Safety, Machine Guarding Safety, Emergency Preparedness & Response, Management of Change Control, Personal Protective Equipment, Occupational Health Management, Industrial Hygiene, Traffic Management, Ergonomics, Process Safety and Lifting tools & tackles. We have digitalized our safety programme by launching e-modules on Chemical safety, Machine guarding, Contractor Safety, Lock Out & Tag Out program, Confined Space Entry for easy access and ensuring effective learning.
- Monthly assessment of EHS performance matrix scores on various EHS indicators and recognition of “Best EHS Performer” is carried out.
- Conducted Behavior Based Survey at few sites through interviews on EHS parameters targeting top management, middle management and value chain partners.
- British Safety Council has conducted gap audit for Chhatrapati Sambhaji Nagar (Aurangabad) site.

- Established “Nearly and Hazard Management Online Portal” to report near miss incidents and hazards by employees and to evaluate OHS risks in timely manner followed by corrective actions. Internal SOP on “Reporting of Near-Miss & Hazard and Implementation of Corrective Action Through Online Portal” is available in Company’s intranet.
- Conducted training programs on investigation, root cause analysis by an external health & safety expert.
- 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 one of the channels to share concerns related to hazards and mitigate those risks.

**d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes / No)**

Yes, we have organized medical camps and medical check-ups to diagnose the non-occupational diseases and to provide necessary treatments. Some of the initiatives for well-being of employees and workers include health talks on nutrition and wellness, fitness, yoga, health safety & training etc.

**11. Details of Safety related incidents**

S. No.	Safety Incident/Number	Category	FY 2024	FY 2023
1	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.08	0
		Workers	0	0.12
2	Total recordable work-related injuries	Employees	3	0
		Workers	1	1
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. ‘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.
- 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 and workers:**

	FY 2024			FY 2023		
	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	NA	NA	Nil	NA	NA
Health & Safety	Nil	NA	NA	Nil	NA	NA



**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 8 manufacturing facilities are ISO 45001:2018 certified. GPL conducts regular mock drills and safety trainings periodically to train its employees and workers. Emergency response team is formed by employees to handle any emergency in the premises and necessary basic trainings related to first -aid, firefighting etc. are given on regular basis to employees and workers in the facilities. The Company also arranges employee awareness sessions on safety and other relevant safety topics.

**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. We have 3 life insurance policies covering all employees and workers of Glenmark Pharmaceuticals Limited which include Group Term Life Insurance, Term life in lieu of EDLI and Group Personal Accident.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

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 by timely payment of statutory dues.

**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 2024	FY 2023	FY 2024	FY 2023
Employees	Nil	Nil	NA	NA
Workers	Nil	Nil	NA	NA

**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.

The identification and engagement with stakeholders who are relevant to the Company comprises of 4 steps which include stakeholder identification process, review process, channels of communication and frequency of engagement.

- **Stakeholder Identification:** Identification of relevant stakeholders is based on various factors such as impact, interest, legitimacy, influence, and criticality. Each stakeholder has unique concerns, needs, expectations and priorities.
- **Review Process:** The entire process of stakeholder identification is reviewed and updated periodically considering their feedback and significant operational or strategic changes in the organization.
- **Channels of Communication:** Channels of communication varies from stakeholder to stakeholder depending on the type of stakeholder, accessibility and the size of each stakeholder group. Adopted several channels for stakeholder communication such as one-to-one meetings, virtual and physical sessions, site visits, feedback, surveys, and focused group discussions, among others.
- **Frequency of Engagement:** The frequency of interaction with the specific stakeholder Group depends on their needs that are identified through stakeholder review processes.

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Please refer the Integrated Annual Report for the FY 2023-24.

### 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.

We consult with relevant stakeholders on need basis as per the stakeholder engagement plan and take insights on economic, environmental and social topics in a periodical manner. The feedback from such consultation is taken via physical meetings, virtual calls, emails, surveys, phone calls and other modes of communication. 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. As part of materiality assessment, we have considered the survey results obtained from employees and senior management of Glenmark, sustainability frameworks, and priorities considered by the peer companies. The stakeholder survey comprises formulating questionnaire to the respective stakeholders and based on the survey results, the prioritization of environmental, social and governance topics were carried out. The Company's business strategy, goals & targets are aligned with the identified material issues.

#### 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**

Category	FY 2024			FY 2023		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	10,799	10,799	100%	11,362	5,805	51.09%
Other than permanent	120	Nil	NA	296	Nil	NA
<b>Total employees</b>	<b>10,919</b>	<b>10,799</b>	<b>98.90%</b>	<b>11,658</b>	<b>5,805</b>	<b>49.79%</b>
<b>Workers</b>						
Permanent	1,937	1,937	100%	357	95	26.61%
Other than permanent	3,431	Nil	NA	2,950	Nil	NA
<b>Total workers</b>	<b>5,368</b>	<b>1,937</b>	<b>36.08%</b>	<b>3,307</b>	<b>95</b>	<b>2.87%</b>

**2. Details of minimum wages paid to employees and workers**

Category	FY 2024					FY 2023				
	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)
<b>Employees</b>										
<b>Permanent</b>										
Male	10,003	163	1.63%	9,840	98.37%	10,638	14	0.13%	10,624	99.87%
Female	796	26	3.27%	770	96.73%	724	1	0.14%	723	99.86%
<b>Other than permanent</b>										
Male	66	64	96.97%	2	3.03%	218	109	50.00%	109	50.00%
Female	54	52	96.30%	2	3.70%	78	16	20.51%	62	79.49%
<b>Workers</b>										
<b>Permanent</b>										
Male	1,877	310	16.52%	1,567	83.48%	335	99	29.55%	236	70.45%
Female	60	26	43.33%	34	56.67%	22	5	22.73%	17	77.27%
<b>Other than permanent</b>										
Male	3,029	1,059	34.96%	1,970	65.04%	2,689	997	37.08%	1,692	62.92%
Female	402	126	31.34%	276	68.66%	261	55	21.07%	206	78.93%

**3. Details of remuneration/salary/wages****a. Median remuneration/wages:\***

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (INR Mn)	Number	Median remuneration/ salary/ wages of respective category (INR Mn)
Board of Directors (BoD)	2	135.36	1	60.84
Key Managerial Personnel	3	102.12	1	60.84
Employees other than BoD and KMP	9,998	0.65	794	0.98
Workers	1,877	0.44	60	0.45

Note: \* The sitting fees paid to Non-Executive Directors is not considered in estimating the median remuneration.

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2024	FY 2023
Gross wages paid to females as % of total wages	9.45%	9.39%

**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 issues.**

The Company is having grievance redressal mechanism to address grievances pertaining to human rights violations. All employees and workers are encouraged to report human rights related violations on issues relating to injustice, criticism, unfairness or violation of dignity. 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](mailto:globalcompliance@glenmarkpharma.com)). We ensure prompt investigation, addressing and responding to the concerns of employees on human rights violations and take appropriate action.

Human rights policy statement of Glenmark is available at [https://glenmark.bcdn.net/gpl\\_pdfs/about\\_us/Human%20Rights%20Policy](https://glenmark.bcdn.net/gpl_pdfs/about_us/Human%20Rights%20Policy).

**6. Number of Complaints on the following made by employees and workers:**

	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	5	Nil	NA	2	Nil	NA
Discrimination at workplace	Nil	NA	NA	Nil	NA	NA
Child Labour	Nil	NA	NA	Nil	NA	NA
Forced Labour/ Involuntary Labour	Nil	NA	NA	Nil	NA	NA
Wages	Nil	NA	NA	Nil	NA	NA
Other human rights related issues	18	3	NA	13	1	NA

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

	FY 2024	FY 2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	5	2
Complaints on POSH as a % of female employees / workers	0.58%	0.27%
Complaints on POSH upheld	5	2

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases**

The Company has an appropriate mechanism to protect the complainant in the event of discrimination and harassment cases:

- Glenmark has Employee Grievance Redressal policy and POSH policy in place to address the above.
- 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.

**9. 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.
- Suppliers should not 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.
- All suppliers are expected to comply with all applicable laws and mandatory industry standards pertaining to minimum wages, overtime pay and legally mandated benefits.

**10. Assessments for the year**

Section	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced Labour/ Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 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. 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.
- 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 labor and forced labor in any of its operations.
  - d. Glenmark acknowledges the Human Rights of its employees throughout the globe and endeavors to provide a safe and healthy working environment for all 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 and offices of the Company are accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016. The offices have necessary infrastructure arrangements facilitating easy access to 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%
Others – please specify	NA

**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**

Parameter	FY 2024	FY 2023
<b>From renewable sources</b>		
Total electricity consumption (A) (GJ)	18,481	20,830
Total fuel consumption (B) (GJ)	8,958	9,029
Energy consumption through other sources (C) (GJ)	Nil	Nil
<b>Total energy consumed from renewable sources (A+B+C) (GJ)</b>	<b>27,439</b>	<b>29,859</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D) (GJ)	3,50,055	3,28,162
Total fuel consumption (E) (GJ)	1,36,968	1,37,997
Energy consumption through other sources (F) (GJ)	Nil	Nil
<b>Total energy consumed from non-renewable sources (D+E+F) (GJ)</b>	<b>4,87,023</b>	<b>4,66,159</b>
<b>Total energy consumed (A+B+C+D+E+F) (GJ)</b>	<b>5,14,462</b>	<b>4,96,018</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations in crores)	65	60
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations in crores adjusted for PPP)	1,460	1,352
<b>Energy intensity in terms of physical output</b> (Total energy consumed / production in tons)	34	30
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

**Note: Indicate if any independent assessment / evaluation /assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No. It is not applicable.

**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 Applicable

### 3. Provide details of the following disclosures related to water

Parameter	FY 2024	FY 2023
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	5,182	7,026
(ii) Groundwater	2,65,516	2,70,017
(iii) Third party water	2,04,066	2,08,021
(iv) Seawater / desalinated water	Nil	Nil
(v) Others*	Nil	400
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	<b>4,74,764</b>	<b>4,85,064</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>4,67,791</b>	<b>4,84,516</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations in crores)	59	59
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations in crores adjusted for PPP)	1,328	1,320
<b>Water intensity in terms of physical output</b> (Total water consumption / production in tons)	31	29
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity	NA	NA

\*Water conserved through rainwater harvesting.

**Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N)**  
If yes, name of the external agency.

No. It is not applicable.

### 4. Provide the following details related to water discharged

Parameter	FY 2024	FY 2023
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
<b>(ii) To Groundwater</b>		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
<b>(iii) To Seawater</b>		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
<b>(iv) Sent to third-parties</b>		
- No treatment	NA	NA
- With treatment – Tertiary treatment	6,973	548
<b>(v) Others</b>		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
<b>Total water discharged (in kilolitres)</b>	<b>6,973</b>	<b>548</b>

**Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N)**  
If yes, name of the external agency.

No. It is not applicable.

### 5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

All manufacturing facilities of GPL except Taloja and Baddi have implemented Zero Liquid Discharge within the premises of the facilities. The wastewater generated from the operations 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.

**6. Provide details of air emissions (other than GHG emissions) by the entity**

Parameter	Please specify unit	FY 2024	FY 2023
NOx	mg/nm <sup>3</sup>	121	103
SOx	mg/nm <sup>3</sup>	43	31
Particulate matter (PM)	mg/nm <sup>3</sup>	58	69
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

**Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No. It is not applicable

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity**

Parameter	Unit	FY 2024	FY 2023
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	15,240	12,703
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	69,622	64,812
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations in crores)		11	9
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in crores adjusted for PPP)		241	211
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b> (Total Scope 1 and Scope 2 GHG emissions / production in tons)		6	5
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity		NA	NA

**Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

No. It is not applicable.

**8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

S. No.	Location	Projects
1	Goa	➤ Switched to Piped Natural Gas for meeting fuel requirements in boiler operations at Goa Site.
2	Nalagarh & Baddi	➤ High Speed Diesel was replaced with Liquefied Petroleum Gas for boiler operations at Nalagarh and Baddi.
3	Nashik	➤ Replacement of fossil fuels with Biodiesel and Biofuel done at Nashik ➤ In-house online software has been deployed for monitoring of electricity consumption on daily basis.
4	Chhatrapati Sambhaji Nagar (Aurangabad)	➤ Furnace oil has been replaced with Biofuel to minimize air pollution. Also resulted in saving of FO pre-heater energy consumption as there is no preheating requirement for biofuel. ➤ Motion sensors installed to Auto On/Off of lighting in service areas and conference rooms, offices to conserve energy. ➤ Installation of VFDs for high HP electrical systems. ➤ In-house online software for daily monitoring of electricity consumption. ➤ Replacement of fossil fuels with Biodiesel and Biofuel done at Aurangabad site.

S. No.	Location	Projects
5	Taloja & Mahape	<ul style="list-style-type: none"> <li>➤ Installation of roof top solar power plant and sourcing of solar energy through open access is being practiced at Taloja and Mahape facilities to increase the share of renewable energy in the total energy consumption.</li> <li>➤ Energy conservation measures such as replacement of old equipment with energy efficient equipment and automation of processes is carried out.</li> <li>➤ Converted 256 Conventional Lamps to LED lamps at Taloja facility.</li> </ul>

#### 9. Provide details related to waste management by the entity

Parameter	FY 2024	FY 2023
	Total Waste generated (in MT)	
Plastic waste (A)	715	333
E-waste (B)	3	4
Bio-medical waste (C)	19	22
Construction and demolition waste (D)	196	0
Battery waste (E)	6	4
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	1,120	1,255
Other Non-hazardous waste generated (H). Please specify, if any.	1,772	1,415
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>3,831</b>	<b>3,033</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations in crores)	0.48	0.37
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations in crores adjusted for PPP)	11	8
<b>Waste intensity in terms of physical output</b> (Total waste generated / production in tons)	0.25	0.18
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity	NA	NA

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2024	FY 2023
	Total Waste generated (in MT)	
(i) Recycled	2,706	1,678
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	<b>2,706</b>	<b>1,678</b>

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2024	FY 2023
	Total Waste generated (in MT)	
(i) Incineration	163	150
(ii) Landfilling	45	150
(iii) Other disposal operations	917	972
<b>Total</b>	<b>1,080</b>	<b>1,272</b>

**Note:** Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

No. It is not applicable.

**10. 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, recovery of energy through co-processing and disposal of residual fraction of waste in safe manner. About 69% 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 achieved Zero-Waste-To-Landfill.

**11. 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, please specify details**

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N). If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

**12. Details environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

**13. 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:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes. The Company is compliant with all the applicable environmental laws / regulations / guidelines in India				

## LEADERSHIP INDICATORS

**1. 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:

- Name of the area: Pithampur
- Nature of operations: Manufacturing unit
- Water withdrawal, consumption, and discharge:

Parameter	FY 2024	FY 2023
<b>Water withdrawal by source (in kiloliters)</b>		
(i) To Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	1,00,876	92,122
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
<b>Total volume of water withdrawal (in kiloliters)</b>	<b>1,00,876</b>	<b>92,122</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>1,00,876</b>	<b>92,122</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover in crores)</b>	13	11
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	NA	NA



Parameter	FY 2024	FY 2023
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
(i) Into Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into 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
<b>Total water discharged (in kiloliters)</b>	NA	NA

**Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

No. It is not applicable.

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2024	FY 2023
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,70,970	1,75,069
<b>Total Scope 3 emissions per crore of turnover</b>		<b>22</b>	<b>21</b>
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

**Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

No. It is not applicable

**3. With respect to the ecologically sensitive areas reported at Question 11 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

**4. 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:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Switching from thermal energy to renewable energy	<ul style="list-style-type: none"> <li>➤ Installation of rooftop of solar power plants.</li> <li>➤ Sourcing of solar energy for Taloja &amp; Mahape facilities.</li> </ul>	Reduction of GHG emission through sourcing of renewable energy
2.	Deployment of energy efficient equipment	Replacement of energy intensive equipment with energy efficient equipment and automation of processes to conserve energy sources.	Energy conservation

**5. 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.

In case of business disruption, an appropriate risk mitigation strategy with standard operating procedures, detailed guidelines on roles & responsibilities and action plans for timely response are in place. The action plans are designed for the common identified business disruption risks covering the aspects of “to respond to”, “to mitigate the effects of”, “and “to restore” the operations in safe and responsible manner. The action plan contains the appropriate measures to be taken for the identified risks to avoid or prevent casualties, injuries, migratory measures, conduct a swift and efficient relief and rescue operation on need basis, hasten the return of normalcy. Further, training has been given to all employees and contract workers to respond during emergency or any kind of disaster.

**6. 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

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts**

Out of 716 suppliers for raw material and packaging materials, 181 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 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)	National
6.	Bombay Chamber of Commerce and Industry (BCCI)	State

**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.	Advocacy to strengthen innovation and R&D landscape of domestic pharmaceutical sector	Representation directly and through industry associations	No	Periodical	NA
2.	Implementation of UCPMP	Representation directly and through associations	No	Periodical	<a href="https://www.ipa-india.org/">https://www.ipa-india.org/</a>
3.	Advocacy on rationalisation of regulatory procedures and pharmaceutical pricing to ensure timely accessibility and affordability of drugs for the masses	Representation through associations	No	Periodical	NA

**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 FY 24**

Not Applicable

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity**

Not Applicable

**3. Describe the mechanisms to receive and redress grievances of the community**

The CSR partners 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**

	FY 2024	FY 2023
Directly sourced from MSMEs/ small producers	7%	7.2%
Directly from within India	78%	77%

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in following locations, as % of total wage cost**

Location	FY 2024	FY 2023
Rural	0.03%	0.02%
Semi-urban	11.16%	10.89%
Urban	23.41%	22.70%
Metropolitan	65.40%	66.39%

**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 in Madhya Pradesh, Nandurbar in Maharashtra and Khunti in Jharkhand in the FY 2023-24.

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:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
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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 socioeconomic 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

We have a grievance redressal mechanism and helpline number to receive and respond to complaints and feedback received from our customers which comprises of

- 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.

- 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	100%
Recycling and/or safe disposal	100%

## 3. Number of consumer complaints in respect of the following:

	FY 2024			FY 2023		
	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	NA
Advertising	Nil	Nil	Nil	Nil	Nil	NA
Cyber-security	Nil	Nil	Nil	Nil	Nil	NA
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	NA
Restrictive trade practices	Nil	Nil	Nil	Nil	Nil	NA
Unfair trade practices	Nil	Nil	Nil	Nil	Nil	NA
Others	2,666	356	Nil	2,275	436	Nil

## 4. Details of instances of product recalls on accounts of safety issues

	Number	Reasons for recall
Voluntary recalls	14	Out of Specification for various tests and Product quality complaints.
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 in the Company's 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

## 7. Provide the following information relating to data breaches:

- Number of instances of data breaches: Nil
- Percentage of data breaches involving personally identifiable information of customers: Nil
- Impact, if any, of the data breaches: 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 2023-24.

- 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.

# 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 2024, 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 (hereinafter referred to as the "standalone financial statements").

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 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

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
<p><b>Impairment of investments in and loss allowances of loans given to subsidiaries</b> [Refer note 5(i)(A)(a) and 5(ii) of the standalone financial statements]</p> <p>As at 31 March 2024, the Company has investments in subsidiaries of ₹121,751.29 million (net of provision for impairment) and has loans to subsidiaries of ₹75,056.60 million.</p> <p>Investments in subsidiaries are accounted for at cost less impairment loss, if any. Loans given to subsidiaries are measured at amortised cost.</p> <p>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.</p> <p>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.</p>	<p>Our audit included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of accounting policy in respect of impairment and loss allowances in accordance with Ind AS.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>Tested the mathematical accuracy of the management workings with regard to cash flows, sensitivity analysis and loss allowances.</li> </ul>

### Basis for Opinion

We conducted our audit of the standalone financial statements 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 standalone 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 2024. 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.

Key audit matter	How our audit addressed the key audit matter
<p>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.</p> <p>Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in either impairment or reversals of impairment taken in prior years.</p> <p>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.</p>	<ul style="list-style-type: none"> <li>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.</li> </ul>
<p><b>Litigations</b></p> <p>[Refer note 30 of the standalone financial statements]</p> <p>The Company is involved in various legal proceedings including product liability, contracts, employment claims and other regulatory matters relating to the conduct of its business.</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>Our audit included, but was limited to the following procedures:</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>Circulated, obtained, and read legal confirmations from Company's external legal counsels in respect of material litigations and considered that in our assessment.</li> <li>Verified the disclosures related to provisions and contingent liabilities in the standalone Ind AS financial statements to assess consistency with underlying documents.</li> </ul>

### 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 are 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 are 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, except for the matter stated in the paragraph 3(vi) below on reporting under Rule 11(g);
    - 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 2024 from being appointed as a director in terms of Section 164(2) of the Act;
    - 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; and
    - g) The modification relating to the maintenance of accounts and other matters connected therewith are stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph 3(vi) below on reporting under Rule 11(g).
  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:
    - a) The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements – refer Note 30(i) to the standalone financial statements.
    - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - c) 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 2024.
    - d)
      - i) 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.
      - ii) 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.
      - iii) 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.
    - e) 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.

- f) Based on our examination which included test checks and in accordance with requirements of the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

- i) The feature of recording audit trail (edit log) facility was not enabled at the database layer to log any direct data changes for the accounting software.
- ii) We are unable to comment if the audit trail (edit log) facility was enabled at the database layer to log any direct data changes in respect of secondary software used by Warehouse Partner for Sales in absence of independent auditor's report in relation to controls at the third-party service provider.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with during the course of our audit.

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: 24105545BKFPDT1227

Place: Mumbai

Date : 24 May 2024

## ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF GLENMARK PHARMACEUTICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2024

(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 ₹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. (a) According to the information and explanations given to us, the Company has provided loans and granted guarantees during the year, in respect of which details are as below:

(A) The Company has granted loan and provided guarantee to subsidiaries as follows:

(Amount in millions)

Particulars	Loan	Guarantees
Aggregate amount during the year	42,105.83	15,417.90
Balance outstanding as at balance sheet date	75,056.60	15,951.90

- (B) The Company has not provided loans or advance in nature of loan or stood guarantee or provided security to any other party.
- (b) According to the information and explanations given to us, in our 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, in respect of loan granted there is no overdue amount remaining outstanding as at balance sheet date.
- (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. Accordingly, reporting under Clause 3(iii)(f) of the Order is not applicable.
- 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 the 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 thereon 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, interest and penalty	5.49	5.49	FY 2007-2008	Hon'ble Supreme Court of India
		612.87	-	FY 2004-2005 and FY 2008- 2009 to FY 2012-2013	Hon'ble High Court, Mumbai
		14.00	-	FY 2009-2010	Income Tax Appellate Tribunal
		7,665.86	10.74	FY 2009-2010 to FY 2011-2012, FY 2013-2014 to FY 2017-2018 and FY 2019-2020 to FY 2021-2022	Commissioner of Income Tax Appeal
The Central Excise Act, 1994	Duty of Excise, interest and penalty	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, interest and penalty	363.07	13.80	FY 2012-2013 to FY 2014-2015	Customs, Excise and Services Tax Appellate Tribunal (CESTAT) – Mumbai
The Custom Act, 1962	Custom Duty, interest and penalty	304.72	13.70	FY 2017-2018 to FY 2018-2019 and FY 2020-2021	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	17.09	FY 2016-2017	Hon'ble High Court, Sikkim
		150.41	15.82	FY 2017-2018	Commissioner CGST Appeal
Madhyapradesh VAT Act, 2002	VAT	3.21	1.13	FY 2017-2018	Additional Commissioner of Commercial Tax

- 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 previously 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: 24105545BKFPDT1227

Place: Mumbai

Date: 24 May 2024



## **ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF GLENMARK PHARMACEUTICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

(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 2024 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 2024, 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.

For **Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No.: 121750W / W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

UDIN: 24105545BKFPDT1227

Place: Mumbai

Date : 24 May 2024

# Standalone Balance Sheet

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at	
		31 March 2024	31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	14,970.05	14,353.33
Capital work-in-progress	3	1,754.95	1,590.71
Right-of-use asset	3	415.73	533.33
Intangible assets	4	2,176.67	2,572.78
Intangible assets under development	4	221.70	132.66
Financial assets	5		
i. Investments		129,647.91	103,327.10
ii. Loans		75,056.60	68,740.68
iii. Other financial assets		444.59	226.34
Deferred tax assets (net)	6	1,658.47	9,467.54
Other non-current assets	7	982.53	1,049.96
<b>Total non-current assets</b>		<b>227,329.20</b>	<b>201,994.43</b>
<b>Current assets</b>			
Inventories	8	11,426.86	10,902.14
Financial assets	9		
i. Trade receivables		24,844.74	25,056.59
ii. Cash and cash equivalents		1,279.64	926.96
iii. Bank balances other than cash and cash equivalents		11.86	10.96
iv. Other financial assets		1,305.59	876.36
Other current assets	10	7,946.05	6,078.76
<b>Total current assets</b>		<b>46,814.74</b>	<b>43,851.77</b>
Assets classified as held for sale	40	-	13.04
<b>Total assets</b>		<b>274,143.94</b>	<b>245,859.24</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11 & 12	282.19	282.17
Other equity		229,424.01	178,492.46
<b>Total equity</b>		<b>229,706.20</b>	<b>178,774.63</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities	13		
i. Borrowings		-	26,608.18
ii. Lease liabilities		224.47	332.90
iii. Other financial liabilities		1,319.39	3,725.80
<b>Total non-current liabilities</b>		<b>1,543.86</b>	<b>30,666.88</b>
<b>Current liabilities</b>			
Financial liabilities	14		
i. Borrowings		6,572.36	4,955.82
ii. Lease liabilities		276.10	315.25
iii. Trade payables			
- Total outstanding dues of Micro enterprises and Small enterprises		173.32	547.83
- Total outstanding dues of other than Micro enterprises and Small enterprises		26,830.50	20,383.50
iv. Other current financial liabilities		4,749.97	8,142.29
Other current liabilities	15	744.20	447.81
Provisions	16	1,150.34	970.10
Income tax liabilities (net)	17	2,397.09	655.13
<b>Total current liabilities</b>		<b>42,893.88</b>	<b>36,417.73</b>
<b>Total liabilities</b>		<b>44,437.74</b>	<b>67,084.61</b>
<b>Total equity and liabilities</b>		<b>274,143.94</b>	<b>245,859.24</b>

The accompanying notes are integral part of the financial statements.

As per our report of even date attached.

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No.: 121750W / W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

Place: Mumbai

Date : 24 May 2024

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 : 24 May 2024

**Cherylann Pinto**

Executive Director

DIN : 00111844

**Harish Kuber**

Company Secretary &

Compliance Officer

# Standalone Statement of Profit and Loss

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	Year Ended 31 March 2024	Year Ended 31 March 2023
<b>Income</b>			
Revenue from operations	18	78,911.19	82,206.62
Other income (net)	19	11,680.24	9,859.39
<b>Total income</b>		<b>90,591.43</b>	<b>92,066.01</b>
<b>Expenses</b>			
Cost of materials consumed	20	29,904.11	30,358.76
Purchases of stock-in-trade	21	3,227.82	3,911.92
Changes in inventories of finished goods, stock-in-trade and work-in-process	22	(1,030.70)	(313.65)
Employee benefits expense	23	14,347.75	13,465.08
Finance costs	24	2,771.10	2,068.16
Depreciation and amortisation expense	3 & 4	2,021.62	1,841.48
Other expenses	25	20,045.58	20,056.84
<b>Total expenses</b>		<b>71,287.28</b>	<b>71,388.59</b>
<b>Profit before exceptional items and tax</b>		<b>19,304.15</b>	<b>20,677.42</b>
Exceptional items - expense / (income)	38	(50,703.31)	4,958.68
<b>Profit before tax</b>		<b>70,007.46</b>	<b>15,718.74</b>
<b>Tax expense</b>			
Current tax	6	10,499.92	3,869.31
Deferred tax		7,834.63	(238.26)
<b>Total Tax expense</b>		<b>18,334.55</b>	<b>3,631.05</b>
<b>Profit for the year</b>		<b>51,672.91</b>	<b>12,087.69</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
- Remeasurement of the post-employment benefit obligation	26	(73.14)	9.71
- Income tax relating to the above		25.56	(3.39)
<b>Other comprehensive income / (loss) for the year</b>		<b>(47.58)</b>	<b>6.32</b>
<b>Total comprehensive income for the year</b>		<b>51,625.33</b>	<b>12,094.01</b>
<b>Earnings per equity share of ₹ 1 each</b>			
Basic (in ₹)	29	183.13	42.84
Diluted (in ₹)		183.12	42.84

The accompanying notes are integral part of the financial statements.

As per our report of even date attached.

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No.: 121750W / W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

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 : 24 May 2024

Place: Mumbai

Date : 24 May 2024

# Standalone Statement of Changes in Equity

(All amounts in million of Indian Rupees, unless otherwise stated)

## A Equity share capital

Particulars	Amount
<b>Balance as at 1 April 2022</b>	282.17
- Shares issued during the year	-
<b>Balance as at 31 March 2023</b>	282.17
- Shares issued during the year	0.02
<b>Balance as at 31 March 2024</b>	282.19

## B Other equity

Particulars	Reserves and Surplus							Total
	Securities premium	Capital reserve	Capital redemption reserve	Stock compensation reserve	General reserve	Special Economic Zone Reinvestment Reserve Account	Retained earnings	
<b>Balance as at 1 April 2023</b>	16,853.60	1.00	200.00	25.51	1,384.18	-	160,028.17	178,492.46
Profit for the year	-	-	-	-	-	-	51,672.91	51,672.91
Transfer from Retained earning	-	-	-	-	-	820.90	(820.90)	-
Transfer to Retained earning	-	-	-	-	-	(754.10)	754.10	-
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax) (refer note 26)	-	-	-	-	-	-	(47.58)	(47.58)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	66.80	51,558.53	51,625.33
Dividends to equity shareholders	-	-	-	-	-	-	(705.42)	(705.42)
Employee share based compensation expense (refer note 12(VII))	-	-	-	(0.35)	-	-	-	(0.35)
Shares issued under Employee Stock Option ('ESOP') Scheme	11.98	-	-	-	-	-	-	11.98
<b>Balance as at 31 March 2024</b>	16,865.58	1.00	200.00	25.16	1,384.18	66.80	210,881.28	229,424.01

# Standalone Statement of Changes in Equity

(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	
<b>Balance as at 1 April 2022</b>	16,853.60	1.00	200.00	25.33	1,384.18	167,103.70
Profit for the year	-	-	-	-	-	12,087.69
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax) (refer note 26)	-	-	-	-	-	6.32
<b>Total comprehensive income for the year</b>	-	-	-	-	-	12,094.01
Dividends to equity shareholders	-	-	-	-	-	(705.42)
Employee share based compensation expense (refer note 12(VII))	-	-	-	0.18	-	-
	-	-	-	0.18	-	(705.24)
<b>Balance as at 31 March 2023</b>	16,853.60	1.00	200.00	25.51	1,384.18	178,492.46

Refer note 11 and 12 for details on equity share capital and other equity

The accompanying notes are integral part of the financial statements.

As per our report of even date attached.

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No.: 121750W / W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

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 : 0011844

**Harish Kuber**

Company Secretary &

Compliance Officer

Place: Mumbai

Date : 24 May 2024



# Standalone Statement of Cash Flows

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	70,007.46	15,718.74
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortisation expenses	2,021.62	1,841.48
Finance costs	2,771.10	2,068.16
Interest income	(1,735.35)	(1,841.32)
Dividend income	(2,283.88)	(3,200.92)
Loss on sale of property, plant and equipments	2.48	(56.28)
Income from mutual fund	(70.51)	-
Employee share based compensation expense	(0.35)	0.18
Fair valuation of investment	(7,449.54)	(0.26)
Provision for bad and doubtful debts/ expected credit losses	-	50.00
Provision for gratuity and compensated absence	322.98	198.66
Provision for sales returns	10.90	1.51
Exceptional items - expense / (income)	(50,703.31)	4,958.68
Unrealised foreign exchange loss/ (gain)	(1,734.05)	(2,795.14)
<b>Operating profit before working capital changes</b>	<b>11,159.55</b>	<b>16,943.49</b>
<b>Adjustments for changes in working capital</b>		
- (Increase)/Decrease in trade receivables	(632.02)	1,413.23
- (Increase)/ Decrease in other receivables	(2,575.65)	435.71
- (Increase)/ Decrease in inventories	(1,475.17)	(1,385.52)
- Increase/ (Decrease) in trade and other payables	(2,720.25)	1,497.91
<b>Net changes in operating assets and liabilities</b>	<b>(7,403.09)</b>	<b>1,961.33</b>
- Income taxes paid (net of refunds)	(8,710.96)	(4,164.19)
<b>Net cash generated from operating activities</b>	<b>(4,954.50)</b>	<b>14,740.63</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress)	(1,951.14)	(1,896.21)
Proceeds from sale of property, plant and equipment, intangible assets and business	4.95	3,165.42
Investments in subsidiaries	(90.50)	(31.22)
Proceed from sale of investment	-	50.00
Proceed from sale of investment in subsidiary net of issue expenses	54,496.09	-
Proceed from mutual fund (net)	70.51	-
Loans to subsidiaries (net)	(25,625.10)	(11,934.36)
(Increase)/decrease in bank deposits and margin money	(1.29)	(1.14)
Interest received	2,784.50	3,131.92
Dividend received	2,283.88	3,200.92
<b>Net cash used in investing activities</b>	<b>31,971.90</b>	<b>(4,314.67)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from fresh issue of share capital including securities premium	12.00	-
Repayments of long-term borrowings	(24,491.77)	(5,132.21)
Proceeds from/(repayment of) short-term borrowings (net)	1,500.00	(200.00)
FCCB premium paid on buy back of bonds	-	(1,527.26)
Interest paid	(2,623.89)	(1,898.11)
Dividend paid	(704.52)	(704.28)
Payment of lease liability (including interest)	(356.30)	(323.12)
<b>Net cash used in financing activities</b>	<b>(26,664.48)</b>	<b>(9,784.98)</b>

# Standalone Statement of Cash Flows

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>352.92</b>	<b>640.98</b>
<b>Opening balance of cash and cash equivalents</b>	<b>926.96</b>	<b>286.50</b>
Exchange fluctuation on cash and cash equivalent	(0.24)	(0.52)
<b>Closing balance of cash and cash equivalents</b>	<b>1,279.64</b>	<b>926.96</b>
<b>Cash and cash equivalents comprise of :</b>		
Cash on hand	8.19	8.85
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	1,271.45	918.11
	<b>1,279.64</b>	<b>926.96</b>

## Note :

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.
- Figures in bracket indicate cash outflow.
- Loan given to subsidiary amounted to ₹ 18,933.65 (2023 - ₹ 17,697.67) converted into Investment during the year (Refer Note 27)
- Reconciliation of Financing Activities

Particulars	As at 31 March 2023	Borrowings made during the year	Amount buy back / repaid during the year	FCCB premium and Issue cost	Exchange difference	As at 31 March 2024
Long term borrowings*	28,064.00	-	(24,491.77)	-	(1,999.87)	1,572.36
Short term borrowings	3,500.00	-	1,500.00	-	-	5,000.00

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

\*Refer note 13(i) for current/non-current classification

The accompanying notes are integral part of the financial statements.

As per our report of even date attached.

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No.: 121750W / W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

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 : 24 May 2024

Place: Mumbai

Date : 24 May 2024

# Notes to the Standalone Financial Statements

(All amounts in million of Indian Rupees, unless otherwise stated)

## NOTE 1 – BACKGROUND INFORMATION AND SUMMARY OF MATERIAL 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 Talaja 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 MATERIAL 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 material 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.

### MATERIAL ACCOUNTING POLICIES

#### 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

### 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.

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 at least twelve months. The costs of other repairs and maintenance are recognised in the statement of profit and loss as incurred.

(All amounts in million of Indian Rupees, unless otherwise stated)

### 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.

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.



(All amounts in million of Indian Rupees, unless otherwise stated)

### 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 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:

(All amounts in million of Indian Rupees, unless otherwise stated)

- **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.

#### 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

(All amounts in million of Indian Rupees, unless otherwise stated)

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 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

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.

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

### 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.

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



(All amounts in million of Indian Rupees, unless otherwise stated)

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 outstanding 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.

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:

- (i) the entity will comply with the conditions attaching to them and;
- (ii) 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

### 3. CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT JUDGEMENT IN APPLYING ACCOUNTING POLICIES

#### Estimation Uncertainty

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 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

### 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 utilised 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 ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards)

Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

(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
<b>Gross carrying value</b>										
<b>Balance as at 1 April 2023</b>	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
- Acquisitions	-	-	196.10	14.37	1,546.71	58.61	26.58	6.90	1,849.27	1,271.81
- Disposals/ Transfers	-	-	-	-	(35.05)	(0.23)	(1.58)	(4.16)	(41.02)	(1,107.57)
<b>Balance as at 31 March 2024</b>	50.27	256.11	5,876.23	737.83	16,929.05	1,246.14	283.07	63.62	25,442.32	1,754.95
<b>Accumulated Depreciation</b>										
<b>Balance as at 1 April 2023</b>	-	53.51	995.05	173.23	6,866.05	929.87	215.48	47.55	9,280.74	
- Depreciation charge for the year	-	3.93	118.99	16.56	997.99	66.34	16.45	4.85	1,225.11	
- Disposals/ Transfers	-	-	-	-	(28.04)	(0.23)	(1.58)	(3.73)	(33.58)	
<b>Balance as at 31 March 2024</b>	-	57.44	1,114.04	189.79	7,836.00	995.98	230.35	48.67	10,472.27	
<b>Net carrying value</b>										
<b>As at 31 March 2024</b>	50.27	198.67	4,762.19	548.04	9,093.05	250.16	52.72	14.95	14,970.05	1,754.95

Particulars	Freehold Land	Leasehold Land	Factory Building	Other Building	Plant and Equipment	Furniture and Fixture	Office Equipment	Vehicles	Total	Capital work-in-progress
<b>Gross carrying value</b>										
<b>Balance as at 1 April 2022</b>	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)
<b>Balance as at 31 March 2023</b>	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
<b>Accumulated Depreciation</b>										
<b>Balance as at 1 April 2022</b>	-	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)	
<b>Balance as at 31 March 2023</b>	-	53.51	995.05	173.23	6,866.05	929.87	215.48	47.55	9,280.74	
<b>Net carrying value</b>										
<b>Balance as at 31 March 2023</b>	50.27	202.60	4,685.08	550.23	8,551.34	257.89	42.59	13.33	14,353.33	1,590.71

Notes

- Refer Note 14(i) for details of assets pledged against borrowings.
- The Company has not revalued its property, plant and equipment during the current year and previous year.
- 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 2024**

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	1,063.81	405.78	169.55	115.81	1,754.95
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,063.81</b>	<b>405.78</b>	<b>169.55</b>	<b>115.81</b>	<b>1,754.95</b>

**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	-	-	-	-	-
<b>Total</b>	<b>1,000.43</b>	<b>324.38</b>	<b>153.11</b>	<b>112.79</b>	<b>1,590.71</b>

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 2024 and 31 March 2023.

**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 Building	Office Equipment	Total
<b>Gross carrying value</b>			
<b>Balance as at 1 April 2023</b>	<b>1,226.12</b>	<b>122.27</b>	<b>1,348.39</b>
- Additions	126.21	24.09	150.30
- Deletions	-	-	-
<b>Balance as at 31 March 2024</b>	<b>1,352.33</b>	<b>146.36</b>	<b>1,498.69</b>
<b>Amortisation and impairment</b>			
<b>Balance as at 1 April 2023</b>	<b>762.66</b>	<b>52.40</b>	<b>815.06</b>
- Depreciation charge for the year	223.10	44.80	267.90
- Deletions	-	-	-
<b>Balance as at 31 March 2024</b>	<b>985.76</b>	<b>97.20</b>	<b>1,082.96</b>
<b>Net carrying value</b>			
<b>As at 31 March 2024</b>	<b>366.57</b>	<b>49.16</b>	<b>415.73</b>

Particulars	Other Building	Office Equipment	Total
<b>Gross carrying value</b>			
<b>Balance as at 1 April 2022</b>	<b>1,056.38</b>	<b>90.60</b>	<b>1,146.98</b>
- Additions	221.02	31.67	252.69
- Deletions	(51.28)	-	(51.28)
<b>Balance as at 31 March 2023</b>	<b>1,226.12</b>	<b>122.27</b>	<b>1,348.39</b>
<b>Amortisation and impairment</b>			
<b>Balance as at 1 April 2022</b>	<b>583.55</b>	<b>16.36</b>	<b>599.91</b>
- Depreciation charge for the year	204.99	36.04	241.03
- Deletions	(25.88)	-	(25.88)
<b>Balance as at 31 March 2023</b>	<b>762.66</b>	<b>52.40</b>	<b>815.06</b>
<b>Net carrying value</b>			
<b>As at 31 March 2023</b>	<b>463.46</b>	<b>69.87</b>	<b>533.33</b>



(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
<b>Gross carrying value</b>				
<b>Balance as at 1 April 2023</b>	<b>2,611.44</b>	<b>4,242.57</b>	<b>6,854.01</b>	<b>132.66</b>
- Additions	110.15	22.35	132.50	123.12
- Disposals/transfers	(0.04)	-	(0.04)	(34.08)
<b>Balance as at 31 March 2024</b>	<b>2,721.55</b>	<b>4,264.92</b>	<b>6,986.47</b>	<b>221.70</b>
<b>Amortisation and impairment</b>				
<b>Balance as at 1 April 2023</b>	<b>1,897.60</b>	<b>2,383.63</b>	<b>4,281.23</b>	
- Amortisation for the year	256.89	271.72	528.61	
- on disposals/transfers	(0.04)	-	(0.04)	
<b>Balance as at 31 March 2024</b>	<b>2,154.45</b>	<b>2,655.35</b>	<b>4,809.80</b>	
<b>Net carrying value</b>				
<b>As at 31 March 2024</b>	<b>567.10</b>	<b>1,609.57</b>	<b>2,176.67</b>	<b>221.70</b>

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
<b>Gross carrying value</b>				
<b>Balance as at 1 April 2022</b>	<b>2,482.09</b>	<b>4,181.92</b>	<b>6,664.01</b>	<b>78.67</b>
- Additions	148.85	60.65	209.50	75.89
- Disposals/transfers	(19.50)	-	(19.50)	(21.90)
<b>Balance as at 31 March 2023</b>	<b>2,611.44</b>	<b>4,242.57</b>	<b>6,854.01</b>	<b>132.66</b>
<b>Amortisation and impairment</b>				
<b>Balance as at 1 April 2022</b>	<b>1,649.76</b>	<b>2,176.31</b>	<b>3,826.07</b>	
- Amortisation for the year	267.34	207.32	474.66	
- on disposals/transfers	(19.50)	-	(19.50)	
<b>Balance as at 31 March 2023</b>	<b>1,897.60</b>	<b>2,383.63</b>	<b>4,281.23</b>	
<b>Net carrying value</b>				
<b>As at 31 March 2023</b>	<b>713.84</b>	<b>1,858.94</b>	<b>2,572.78</b>	<b>132.66</b>

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 2024**

Particulars	Amount of Intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	125.62	42.08	28.29	25.71	221.70
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>125.62</b>	<b>42.08</b>	<b>28.29</b>	<b>25.71</b>	<b>221.70</b>

**Ageing of Intangible assets under development as on 31 March 2023**

Particulars	Amount of Intangible assets under development 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	-	-	-	-	-
<b>Total</b>	<b>77.50</b>	<b>29.17</b>	<b>7.17</b>	<b>18.82</b>	<b>132.66</b>

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 2024 and 31 March 2023.

(All amounts in million of Indian Rupees, unless otherwise stated)

**NOTE 5 - NON-CURRENT FINANCIAL ASSETS****(i) Investments**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unquoted</b>		
<b>(A) Equity shares</b>		
<b>(a) Investments in subsidiary companies - carried at cost</b>		
a) Glenmark Impex LLC, Russia [577,767,277 (2023-577,767,277) shares of RUB 1 each]	1,435.61	1,435.61
b) Glenmark Philippines Inc., Philippines [640,490 (2023-640,490) shares of Pesos 200 each]	116.70	116.70
c) Glenmark Pharmaceuticals (Nigeria) Ltd., Nigeria [645,114,304 (2023-645,114,304) shares of Naira 1 each] less: Provision for impairment	208.97 (208.97)	208.97 -
d) Glenmark Pharmaceuticals Malaysia Sdn.Bhd., Malaysia [5,686,618 (2023 -5,686,618) shares of RM 1 each]	97.72	97.72
e) Glenmark Holding S. A., Switzerland [1,342,239,894 (2023 - 1,142,239,894) shares of CHF 1 each]	113,597.50	94,663.83
f) Glenmark Pharmaceuticals (Australia) Pty.Ltd., Australia. [2,644,002 (2023-2,644,002) shares of AUD 1 each]	101.72	101.72
g) Glenmark Pharmaceuticals Egypt S.A.E., Egypt [55,426,520 (2023 - 55,426,520) shares of EGP 1 each]	421.74	421.74
h) Glenmark Pharmaceuticals FZE, (U.A.E) [1 (2023 -1) shares of AED 1,000,000 each]	12.92	12.92
i) Glenmark Dominicana, SRL, Dominican Republic [153 (2023 -153) shares of RD 1000 each]	0.23	0.19
j) Glenmark Pharmaceuticals (Kenya) Limited, Kenya [1,560,400 (2023 - 1,560,400) shares of KSHS 100 each]	97.18	97.18
k) Glenmark Pharmaceuticals Venezuela, CA, Venezuela [169,954,890 (2023 -169,954,890) shares of Bolivar 1 each] less: Provision for impairment	715.13 (715.13)	715.13 (715.13)
l) Glenmark Pharmaceuticals Colombia SAS, Colombia [275,456 (2023 - 275,456) shares of COP 1000 each]	577.47	577.47
m) Glenmark Pharmaceuticals Peru SAC, Peru [41,133,332 (2023 -41,133,332) shares of PEN 1 each]	827.79	827.79
n) Glenmark Pharmaceuticals Mexico, S.A. DE C.V., Mexico [404,975,500 (2023 -404,975,500) shares of Mexican peso 1 each]	1,695.29	1,695.29
o) Glenmark Pharmaceuticals Europe Ltd., U.K. [6,285,121 (2023-6,285,121) shares of GBP 1 each]	578.23	578.23
p) Glenmark South Africa (Pty) Ltd., South Africa [113,656 (2023 - 113,656) shares of ZAR 1 each]	1,044.20	1,044.20
q) Glenmark Uruguay S.A., Uruguay [201,240,258 (2023- 201,240,258) shares of UYU 1 each]	774.53	774.53
r) Glenmark Pharmaceuticals (Thailand) Co.Ltd., Thailand [26,215 (2023 - 26,215) Ordinary shares of THB 100 each]	3.72	3.72
s) Glenmark-Pharmaceuticals Ecuador S.A., Ecuador [3,576,357 (2023- 2,839,600) shares of USD 1 each]	245.49	189.46
t) Glenmark Pharmaceuticals Singapore Pte. Ltd., Singapore [650,010 (2023- 650,010) shares of SGD 1 each]	32.73	32.73
u) Glenmark Healthcare Limited [90,50,000 (2023 - Nil) shares of ₹ 10 each]	90.50	-

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(b) Other investments</b>		
a) 213,032 (2023 - 213,032) Equity Shares of Narmada Clean Tech Ltd. of ₹10 each. <b>(FVTPL)</b>	2.13	2.13
b) 1 (2023 - 1) Time Share of Dalmia Resorts Limited <b>(FVTPL)</b>	0.02	0.02
c) 18,000 (2023 - 18,000) Equity shares of Shivalik Solid Waste Management Ltd of ₹10 each <b>(FVTPL)</b>	0.18	0.18
<b>(B) Preference shares</b>		
<b>(a) Investment in subsidiary - carried at cost</b>		
2 (2023 - 2) Preference shares of THB 100 each of Glenmark Pharmaceuticals (Thailand) Co.Ltd. (amount less than Rupees ten thousand)	-	-
<b>(b) Other investments</b>		
1,176,471 ( 2023 - 1,176,471) Preferred shares of Napo Pharmaceuticals Inc of USD 0.85 each <b>(at FVTPL)</b>	42.65	42.65
<b>(C) Government securities</b>		
National Savings Certificate - Sixth Issue <b>(at amortised cost)</b>	0.02	0.02
<b>(D) Other investments</b>		
Investment in Limited Liability Partnership (LLP) - ABCD Technologies LLP <b>(FVOCI)</b>	400.00	400.00
<b>Total</b>	<b>122,196.27</b>	<b>103,325.00</b>
<b>Quoted</b>		
<b>(E) Equity shares (FVTPL)</b>		
9,000 (2023 - 9,000) Bank of India of ₹10 each	1.24	0.68
1,209 (2023 - 1,209) IDBI Bank Limited of ₹10 each	0.10	0.05
	<b>1.34</b>	<b>0.73</b>
<b>(F) Investments in subsidiary company - (at FVTPL)</b>		
Glenmark Life Sciences Limited, India	7,450.30	1.36
[9,609,571 (2023- 9,609,571) equity shares of ₹2 each] (Refer Note 38 and 40)		
<b>Total</b>	<b>129,647.91</b>	<b>103,327.10</b>
Aggregate value of quoted investment	7,451.64	2.09
Aggregate market value of quoted investment	7,451.64	39,750.07
Aggregate carrying value of unquoted investment	122,196.27	103,325.00
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 (2023 - ₹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.

**(ii) Loans**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Loans to related parties* (Refer note 27 and 32)	75,056.60	68,740.68
<b>Total</b>	<b>75,056.60</b>	<b>68,740.68</b>

\* 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

(All amounts in million of Indian Rupees, unless otherwise stated)

**(iii) Other non-current financial assets**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Security deposits*	395.63	210.68
Bank deposit including margin money	48.96	15.66
<b>Total</b>	<b>444.59</b>	<b>226.34</b>

\*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 2024	Year ended 31 March 2023
Current income tax expense	10,499.92	3,869.31
Deferred income tax expense/ (benefit)	3,436.29	(2,859.43)
Minimum Alternate Tax (MAT) credit (entitlement)/ utilisation	4,398.34	2,621.17
<b>Total</b>	<b>18,334.55</b>	<b>3,631.05</b>

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 2024	Year ended 31 March 2023
<b>Income tax expense at tax rates applicable</b>	<b>24,463.41</b>	<b>5,492.76</b>
Tax adjustment for tax-exempt income		
- Income exempt from tax	(309.56)	(796.66)
Other tax adjustments		
- Lower tax rate for capital gain on sale of brand/business	(14,328.28)	(679.04)
- Disallowance of donation/corporate social responsibility expenses	126.12	123.31
Effect of reversal of earlier year's MAT credit entitlement	4,398.34	-
Effect of DTA not recognised on current year's MAT credit entitlement	3,888.32	-
- Other allowances / disallowances (net)	96.20	(509.32)
<b>Actual tax expense (net)</b>	<b>18,334.55</b>	<b>3,631.05</b>

(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 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2024
<b>Deferred tax assets</b>				
Provision for credit losses	1,057.72	-	-	1,057.72
Difference in Right-of-use asset and lease liabilities	124.33	30.27	-	154.60
Accruals deductible on actual payment	3,175.41	(2,503.88)	25.56	697.09
MAT credit entitlement	7,245.05	(4,398.34)	-	2,846.71
<b>Total</b>	<b>11,602.51</b>	<b>(6,871.95)</b>	<b>25.56</b>	<b>4,756.12</b>
<b>Deferred tax liabilities</b>				
Difference in depreciation on property, plant and equipment	2,062.48	164.87	-	2,227.35
Mark to Market gain on shares held in Glenmark Life Sciences Limited	-	867.65	-	867.65
Other taxable temporary differences	72.49	(69.84)	-	2.65
<b>Total</b>	<b>2,134.97</b>	<b>962.68</b>	<b>-</b>	<b>3,097.65</b>
<b>Net deferred income tax asset</b>	<b>9,467.54</b>	<b>(7,834.63)</b>	<b>25.56</b>	<b>1,658.47</b>

Particulars	As at 31 March 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2023
<b>Deferred tax assets</b>				
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
<b>Total</b>	<b>11,374.68</b>	<b>231.22</b>	<b>(3.39)</b>	<b>11,602.51</b>
<b>Deferred tax liabilities</b>				
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
<b>Total</b>	<b>2,142.01</b>	<b>(7.04)</b>	<b>-</b>	<b>2,134.97</b>
<b>Net deferred income tax asset</b>	<b>9,232.67</b>	<b>238.26</b>	<b>(3.39)</b>	<b>9,467.54</b>

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.

Accordingly, the deferred tax assets on account of MAT Credit Entitlement as on 31.03.2024 of ₹8,286.66 (as on 31.03.2023 ₹ Nil) has not been recognised in the books.



(All amounts in million of Indian Rupees, unless otherwise stated)

## NOTE 7 - OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Capital advances	33.98	59.60
Advance tax [net of provision ₹32,983.88 (2023 - ₹29,352.02)]	935.76	982.76
Prepaid expenses	12.79	7.60
<b>Total</b>	<b>982.53</b>	<b>1,049.96</b>

## NOTE 8 - INVENTORIES

Particulars	As at 31 March 2024	As at 31 March 2023
Raw material	5,318.26	5,414.56
Raw material (stock-in-transit)	-	537.33
Packing material	2,595.02	2,409.89
Work-in-process	905.75	751.76
Stores and spares	719.81	777.29
Finished goods	1,359.07	844.52
Stock-in-trade	528.95	166.79
<b>Total</b>	<b>11,426.86</b>	<b>10,902.14</b>

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 ₹1,461.88 (2023 - ₹1,290.11). 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 2024	As at 31 March 2023
<b>Unsecured</b>		
Considered good * (Refer Note 35)	24,844.74	25,056.59
Credit impaired *	3,378.31	3,046.90
Allowance for credit impaired/ expected credit losses	(3,378.31)	(3,046.90)
<b>Total</b>	<b>24,844.74</b>	<b>25,056.59</b>
* Includes amount receivable from related parties (Refer Note 32(b))	20,148.24	11,174.92

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 ₹331.41 (2023 - ₹50) 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 2024	As at 31 March 2023
Opening balance	3,046.90	2,996.90
Provision for credit losses during the year (net)	331.41	50.00
<b>Closing balance</b>	<b>3,378.31</b>	<b>3,046.90</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

**Trade receivables ageing schedule as at 31 March 2024**

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	12,927.59	5,766.83	3,461.44	1,707.20	872.02	109.66	24,844.74
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	20.13	146.93	3,211.25	3,378.31
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	<b>12,927.59</b>	<b>5,766.83</b>	<b>3,461.44</b>	<b>1,727.33</b>	<b>1,018.95</b>	<b>3,320.91</b>	<b>28,223.05</b>
Less - Provision for credit impaired/ Expected credit losses							3,378.31
<b>Total</b>							<b>24,844.74</b>

**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	-	-	-	-	-	-	-
	<b>19,712.70</b>	<b>2,495.73</b>	<b>1,073.63</b>	<b>1,492.47</b>	<b>445.79</b>	<b>2,883.17</b>	<b>28,103.49</b>
Less - Provision for credit impaired/ Expected credit losses							3,046.90
<b>Total</b>							<b>25,056.59</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

**(ii) Cash and cash equivalents**

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	1,271.45	918.11
Cash on hand	8.19	8.85
<b>Total</b>	<b>1,279.64</b>	<b>926.96</b>

**(iii) Bank balances other than cash and cash equivalents**

Particulars	As at 31 March 2024	As at 31 March 2023
Other bank balance - Dividend accounts (Refer Note 1 below)	11.86	10.96
<b>Total</b>	<b>11.86</b>	<b>10.96</b>

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(iv).

**(iv) Other current financial assets**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Security deposits (Refer Note 1 below)	33.62	197.17
Export incentives	59.53	41.04
Bank deposit including margin money	56.23	89.14
Other receivable	1,156.21	549.01
<b>Total</b>	<b>1,305.59</b>	<b>876.36</b>

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 2024	As at 31 March 2023
<b>Unsecured, considered good (unless otherwise stated)</b>		
Advances recoverable in kind	1,636.18	1,279.33
Input taxes receivable	5,292.71	3,681.47
Advances to vendors	703.38	779.06
Prepaid expenses	222.06	191.11
Other assets [net of provision for share application money ₹101.78 (2023 - ₹ 101.78)]	91.72	147.79
<b>Total</b>	<b>7,946.05</b>	<b>6,078.76</b>

**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.

(All amounts in million of Indian Rupees, unless otherwise stated)

## 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.

**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.

**Special Economic Zone (SEZ) reinvestment reserve** - The SEZ Re-Investment reserve has been created out of profit of eligible SEZ units in terms of the provisions of Section 10AA(1)(ii) of the Income-Tax Act, 1961. The reserve has been utilised for acquiring new plant and machinery for the purpose of its business in terms of section 10AA(2) of the Income-Tax Act, 1961.

## NOTE 12 - EQUITY SHARE CAPITAL

Share capital	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>(I) Authorised</b>				
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
<b>Issued, subscribed and fully paid-up equity shares of ₹ 1 each</b>				
At the beginning of the year	282,168,156	282.17	282,168,156	282.17
Add: Issued during the year	20,000	0.02	-	-
<b>At the end of the year</b>	<b>282,188,156</b>	<b>282.19</b>	<b>282,168,156</b>	<b>282.17</b>
<b>(II) List of shareholders holding more than 5% shares</b>				
	% of Holding	No. of Shares	% of Holding	No. of Shares
Saldanha Family Trust	45.45	128,241,936	45.45	128,241,936

(All amounts in million of Indian Rupees, unless otherwise stated)

**(III) Details of Shareholding of Promoters are as below :**

Sr. Shares held by promoters as at 31 March 2024				
No.	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. Shares held by promoters as at 31 March 2023				
No.	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	-

\*\* The percentage shareholding above has been computed considering the outstanding number of shares of 282,188,156 as at 31 March 2024 and 282,168,156 as at 31 March 2023.

**(IV)** As at 31 March 2024, Pursuant to Employee Stock Options Scheme 2016, 37,779 (2023 - 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 proceeding 31 March 2024, 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, 37,779 (2023 - 78,717) options were outstanding as at 31 March 2024, which upon exercise are convertible into equivalent number of equity shares. Employee stock compensation charged/(write back) during the year is ₹(0.35) (2023 - ₹0.18).

The aggregate share options and weighted average exercise price under the above mentioned plan are as follows:

Particulars	2023-2024		2022-2023	
	Number	weighted average price (₹)	Number	weighted average price (₹)
Outstanding at the beginning of the year	78,717	319.71	78,717	319.71
Granted during the year	-	-	-	-
Forfeited during the year	(20,938)	479.48	-	-
Exercised during the year	(20,000)	28.55	-	-
Outstanding at the end of the year	37,779	385.31	78,717	319.71

Out of above Nil (2023 - 20,000) options outstanding as of 31 March 2024 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 value of options granted are determined using the Black-Scholes valuation model. Significant inputs into the calculation are:

Particulars	31 March 2024	31 March 2023
Share price (₹)	600	600
Exercise price (₹)	600	600
Weighted average volatility rate	33%	31%
Dividend payout	250%	250%
Risk free rate	8.05%	7.10%
Average remaining life	-	1-4 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.

### NOTE 13 - NON-CURRENT FINANCIAL LIABILITIES

#### (i) Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured loans (at amortised cost)</b>		
External commercial borrowings (ECB) facility	-	7,462.18
IFC - ECB Facility	1,572.36	2,061.79
Sustainability Linked Syndicated ECB Facility	-	18,540.03
<b>Total</b>	<b>1,572.36</b>	<b>28,064.00</b>
Less: Current portion of non-current borrowings	(1,572.36)	(1,455.82)
<b>Total long-term borrowings</b>	<b>-</b>	<b>26,608.18</b>

#### (A) 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 initially 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 an interest margin of 2.15% p.a. over SOFR.

The Company has divested 75% stake in its subsidiary, Glenmark Life Sciences Ltd. The sale proceeds from this divestment were used to prepay the ECB Facility. The Company prepaid and closed the entire loan of U.S. \$90,825,000 along with accrued interest in March, 2024.

#### (B) 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 December 2023 and 3.26% over SOFR thereafter. During F.Y. 2023-2024, management sought to prepay the outstanding loan of US\$ 18.957 million to International Finance Corporation (IFC). Consequently, the outstanding loan is classified as the current portion of long-term loans.

#### (C) 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 Company has divested 75% stake in its subsidiary, Glenmark Life Sciences Ltd. The sale proceeds from this divestment were used to prepay the ECB Facility. The Company prepaid and closed the entire loan of U.S. \$ 228,000,000 along with accrued interest in March, 2024.

(All amounts in million of Indian Rupees, unless otherwise stated)

**(D) Maturity profile of non-current borrowings**

Year ending	As at 31 March 2024	As at 31 March 2023
2024	-	1,455.82
2025	1,579.95	1,455.82
2026	-	5,202.31
2027	-	20,157.49

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 2024 and 31 March 2023.

**(ii) Lease liability**

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liability (Refer note 31)	224.47	332.90
<b>Total</b>	<b>224.47</b>	<b>332.90</b>

**(iii) Other non-current financial liabilities**

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits from customers	1,319.39	1,318.53
Other liability	-	2,407.27
<b>Total</b>	<b>1,319.39</b>	<b>3,725.80</b>

**NOTE 14 - CURRENT FINANCIAL LIABILITIES**

**(i) Borrowings**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Secured loans</b>		
Loans repayable on demand from banks	-	-
<b>Unsecured loans</b>		
From banks	5,000.00	3,500.00
Current maturity of non-current borrowings (Refer Note 13)	1,572.36	1,455.82
<b>Total</b>	<b>6,572.36</b>	<b>4,955.82</b>

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 4.95% - 8.80% p.a.

The Company has not defaulted on repayment of secured /unsecured loans and interest during the year.

**(ii) Lease liability**

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liability (Refer Note 31)	276.10	315.25
<b>Total</b>	<b>276.10</b>	<b>315.25</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

### (iii) Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables outstanding dues to Micro enterprises and Small enterprises under MSMED Act, 2006 [Refer Note (i) below]	173.32	547.83
Trade payables outstanding dues to creditors other than Micro enterprises and Small enterprises:		
Others	16,695.65	12,277.89
Related party (Refer Note 27)	10,134.85	8,105.61
<b>Total</b>	<b>27,003.82</b>	<b>20,931.33</b>

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 2024	As at 31 March 2023
a) The principle amount remaining unpaid to any supplier at the end of the year	173.32	547.83
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.

#### Ageing for trade payables as at 31 March 2024

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	173.32	-	-	-	-	173.32
(ii) Others	23,832.26	2,509.70	154.75	163.96	169.83	26,830.50
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>24,005.58</b>	<b>2,509.70</b>	<b>154.75</b>	<b>163.96</b>	<b>169.83</b>	<b>27,003.82</b>

(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	-	-	-	-	-	-
<b>Total</b>	<b>18,672.41</b>	<b>1,292.87</b>	<b>353.57</b>	<b>378.84</b>	<b>233.64</b>	<b>20,931.33</b>

**(iv) Other Current Financial Liabilities**

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due	40.72	151.78
Unclaimed dividend*	11.86	10.96
Employee dues	15.69	11.36
Sundry creditors for capital goods	675.51	417.20
Accrued expenses	3,177.01	6,733.54
Payable to related parties (Refer Note 27)	829.18	817.45
<b>Total</b>	<b>4,749.97</b>	<b>8,142.29</b>

\*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.

**NOTE 15 - OTHER CURRENT LIABILITIES**

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory dues	619.67	447.81
Advance from customers	124.53	-
<b>Total</b>	<b>744.20</b>	<b>447.81</b>

**NOTE 16 - PROVISIONS**

Particulars	As at 31 March 2024	As at 31 March 2023
Provisions for employee benefits:		
- Gratuity (Refer Note 26)	514.27	431.56
- Compensated absences (Refer Note 26)	338.66	252.03
Provision for sales return	297.41	286.51
<b>Total</b>	<b>1,150.34</b>	<b>970.10</b>

Movement of provision for sales return	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	286.51	285.00
Provided during the year	297.41	286.51
Utilised/ reversed during the year	(286.51)	(285.00)
<b>Balance at the end of the year</b>	<b>297.41</b>	<b>286.51</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

### NOTE 17 - CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for income tax [net of advance tax ₹8,627.89 (2023 - ₹3,501.75)]	2,397.09	655.13
<b>Total</b>	<b>2,397.09</b>	<b>655.13</b>

### NOTE 18 - REVENUE FROM OPERATIONS

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	76,278.08	79,981.78
Sale of services	219.53	214.88
Other operating revenue*	2,413.58	2,009.96
<b>Total</b>	<b>78,911.19</b>	<b>82,206.62</b>

\*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 2024	For the year ended 31 March 2023
	Total Revenue	Total Revenue
India	33,730.95	40,461.24
North America	16,131.43	17,776.26
Latin America	6,030.08	2,458.36
Europe	3,975.85	9,046.43
Rest of the World	19,042.88	12,464.33
<b>Total</b>	<b>78,911.19</b>	<b>82,206.62</b>

Reconciliation of revenue recognised in the Income statement with the contracted price

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue as per contracted price	93,936.65	91,817.94
Less : Trade discounts, sales and expiry returns	15,025.46	9,611.32
<b>Sale of products, services and other operating revenue</b>	<b>78,911.19</b>	<b>82,206.62</b>

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 2024	As at 31 March 2023
Advance from customers	124.53	-

### NOTE 19 - OTHER INCOME

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Dividend income	2,283.88	3,200.92
Interest income	1,735.35	1,841.32
Exchange gain (net)	64.50	4,649.56
Profit on sale of fixed assets	-	56.28
Miscellaneous income	7,596.51	111.31
<b>Total</b>	<b>11,680.24</b>	<b>9,859.39</b>



(All amounts in million of Indian Rupees, unless otherwise stated)

**NOTE 20 - COST OF MATERIALS CONSUMED**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Consumption of raw material and packing material	29,290.38	29,642.65
Consumption of stores and spares	613.73	716.11
<b>Total</b>	<b>29,904.11</b>	<b>30,358.76</b>

**NOTE 21 - PURCHASES OF STOCK-IN-TRADE**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Purchase of finished goods	3,227.82	3,911.92
<b>Total</b>	<b>3,227.82</b>	<b>3,911.92</b>

**NOTE 22 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(Increase)/Decrease in stock of finished goods, stock-in-trade and work-in-process	(1,030.70)	(313.65)
<b>Total</b>	<b>(1,030.70)</b>	<b>(313.65)</b>

**NOTE 23 - EMPLOYEE BENEFITS EXPENSE**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	13,411.70	12,705.21
Contribution to provident and other funds and retirement benefits (Refer Note 26)	854.98	686.71
Employee stock compensation cost	(0.35)	0.18
Staff welfare expenses	81.42	72.98
<b>Total</b>	<b>14,347.75</b>	<b>13,465.08</b>

**NOTE 24 - FINANCE COSTS**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses on		
- Bank loans	338.19	299.25
- Foreign currency convertible bonds	-	23.84
- Senior notes and ECB facility	2,266.21	1,470.00
- Lease (Refer Note 31)	58.42	70.45
- Others	108.28	204.62
<b>Total</b>	<b>2,771.10</b>	<b>2,068.16</b>

**NOTE 25 - OTHER EXPENSES**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Labour charges	1,207.26	980.13
Power, fuel and water charges	901.80	832.15
Repairs and maintenance - plant and machinery	65.40	72.74
Repairs and maintenance - building	45.74	39.07
Repairs and maintenance - others	1,075.26	961.78
Rent	126.03	113.69
Rates and taxes	48.92	83.60

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Director sitting fees	12.00	9.10
Other manufacturing expenses	475.53	276.26
Consumable - Lab chemicals and reagents	884.04	716.58
Selling and Marketing expenses	2,700.20	2,266.16
Sales promotion expenses	3,216.85	3,530.55
Commission on sales	256.94	106.84
Travelling expenses	1,966.10	1,741.89
Freight outward	2,640.43	3,285.63
Telephone expenses	17.58	17.20
Provision for doubtful debts / expected credit losses (net)	-	50.00
Insurance premium	156.33	148.40
Electricity charges	147.35	118.70
Loss on sale of property, plant and equipment/ Intangible assets (net)	2.48	-
Auditors remuneration		
- Audit fees	16.00	16.00
- Other services	3.95	3.65
- Reimbursement of expenses	1.04	0.98
Corporate social responsibility expense (Refer Note 34)	368.13	354.46
Legal and professional charges	829.29	1,137.29
Other expenses	2,880.93	3,193.99
<b>Total</b>	<b>20,045.58</b>	<b>20,056.84</b>

## 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 are as follows:

Particulars	31 March 2024	31 March 2023
Current service cost	111.67	99.66
Net interest on defined benefit schemes	32.00	29.85
<b>Amount recognised in profit and loss</b>	<b>143.67</b>	<b>129.51</b>

The remeasurement components recognised in other comprehensive income for the Company's defined benefit plans comprise the following:

Particulars	31 March 2024	31 March 2023
<b>Actuarial (gains)/losses</b>		
- Based on adjustment of financial assumptions	18.38	(27.22)
- Due to liability experience adjustment	80.86	0.17
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	(26.10)	17.34
<b>Total remeasurement loss recognised in the statement of other comprehensive income</b>	<b>73.14</b>	<b>(9.71)</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

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 2024	31 March 2023
Present value of funded obligations	1,088.85	942.17
Fair value of plan assets	(574.58)	(510.61)
Net defined benefit liability	<b>514.27</b>	<b>431.56</b>
Being:		
Retirement benefit liabilities	514.27	431.56

The movements in the net defined benefit liability recognised within the balance sheet are as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance	431.56	429.77
Cost recognised in statement of profit and loss	143.67	129.51
Remeasurement (gains) / losses recognised in other comprehensive income	73.14	(9.71)
Actual employer contributions	-	-
Benefits paid	(134.10)	(118.01)
<b>Closing balance</b>	<b>514.27</b>	<b>431.56</b>

The change in the present value of defined benefit obligations are as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance	942.17	923.44
Current service cost	111.67	99.66
Interest cost on the defined benefit obligations	69.87	64.13
Actual benefit payments	(134.10)	(118.01)
Actuarial (gains)/losses - Financial assumptions	18.38	(27.22)
Actuarial (gains)/losses - Liability experience	80.86	0.17
<b>Closing balance</b>	<b>1,088.85</b>	<b>942.17</b>

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2024	31 March 2023
Beginning balance	510.61	493.67
Interest income on plan assets	37.87	34.28
Actual employer contributions	-	-
Actual return on assets (excluding interest income on plan assets)	26.10	(17.34)
<b>Closing balance</b>	<b>574.58</b>	<b>510.61</b>

The Company expects to contribute ₹622.11 to its defined benefit plans in F.Y. 2024-2025.

The principal actuarial assumptions used for the defined benefit obligations are as follows:

Particulars	31 March 2024	31 March 2023
Discount Rate	7.15%	7.40%
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 2024	31 March 2023
Assets administered by respective insurance companies	100%	100%

(All amounts in million of Indian Rupees, unless otherwise stated)

A breakup of the defined benefit plan related balance sheet amounts are as follows:

Particulars	31 March 2024	31 March 2023
Present value of funded obligations	1,088.85	942.17
Fair value of plan assets	(574.58)	(510.61)
<b>Net defined benefit liability</b>	<b>514.27</b>	<b>431.56</b>

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 2024	31 March 2023
Discount rate +0.50% p.a.	(36.16)	(28.55)
Discount rate -0.50% p.a.	38.50	30.39
Rate of compensation +0.50% p.a.	39.91	29.60
Rate of compensation -0.50% p.a.	(37.75)	(28.04)

#### 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 2024	31 March 2023
Current service cost	99.03	73.90
<b>Personnel expenses</b>	<b>99.03</b>	<b>73.90</b>
Net interest on long term benefit schemes	18.69	19.15
<b>Actuarial (gains)/losses</b>		
- Based on adjustment of financial assumptions	10.68	(16.45)
- Due to liability experience adjustment	50.85	(7.87)
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	0.06	0.42
<b>Amount recognised in Profit and loss</b>	<b>179.31</b>	<b>69.15</b>

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 2024	31 March 2023
Present value of funded obligations	548.75	447.67
Fair value of plan assets	(210.09)	(195.64)
<b>Net long term benefit liability</b>	<b>338.66</b>	<b>252.03</b>
Being:		
Retirement benefit liabilities	338.66	252.03

The movements in the net long term benefit liability recognised within the balance sheet are as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance	252.03	275.77
Cost recognised in the statement of profit and loss	179.31	69.15
Benefits paid	(92.68)	(92.89)
<b>Closing balance</b>	<b>338.66</b>	<b>252.03</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

The change in the present value of long term benefit obligations are as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance	447.67	459.09
Current service cost	99.03	73.90
Interest cost on the long term benefit obligations	33.20	31.88
Actual benefit payments	(92.68)	(92.88)
Actuarial (gains)/losses - Financial assumptions	10.68	(16.45)
Actuarial (gains)/losses - Liability experience	50.85	(7.87)
<b>Closing balance</b>	<b>548.75</b>	<b>447.67</b>

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2024	31 March 2023
Beginning balance	195.64	183.32
Interest income on plan assets	14.51	12.74
Return on plan assets	(0.06)	(0.42)
<b>Closing balance</b>	<b>210.09</b>	<b>195.64</b>

The Company expects to contribute ₹422.04 to its long term benefit plan in F.Y. 2024-2025.

The principal actuarial assumptions used for the long term benefit obligations are as follows:

Particulars	31 March 2024	31 March 2023
Discount rate (weighted average)	7.15%	7.40%
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 2024	31 March 2023
Insurance contracts	100%	100%

A breakup of the long term benefit plan related balance sheet amounts are as follows.

Particulars	31 March 2024	31 March 2023
Present value of obligations	548.75	447.67
Fair value of plan assets	(210.09)	(195.64)
<b>Net long term benefit liability</b>	<b>338.66</b>	<b>252.03</b>

The present value of long term benefit obligations by category of members are as follows:

Particulars	31 March 2024	31 March 2023
Active number of employees	12,664	11,592
Present value of obligations	548.75	447.67

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 2024	31 March 2023
Discount rate +0.50% p.a.	(20.99)	(17.10)
Discount rate -0.50% p.a.	22.50	18.32
Rate of compensation increase +0.50% p.a.	23.32	19.03
Rate of compensation decrease -0.50% p.a.	(21.91)	(17.89)



(All amounts in million of Indian Rupees, unless otherwise stated)

**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 ₹532.00 (2023 - ₹488.05) towards the provident fund plan and other funds during the year ended 31 March 2024.

**NOTE 27 - RELATED PARTY DISCLOSURES**

**a) Parties where direct/indirect control exists**

**i) Subsidiary companies**

Glenmark Pharmaceuticals Europe Ltd.  
 Glenmark Pharmaceuticals S.R.O. (GP S.R.O.)  
 Glenmark Pharmaceuticals SK, S.R.O.  
 Ichnos Sciences SA  
 Glenmark Holding S. A.(GHSA)  
 Glenmark Pharmaceuticals SP z.o.o.  
 Glenmark Pharmaceuticals Inc.  
 Glenmark Therapeutics Inc.  
 Glenmark Farmaceutica Ltda (GFL)  
 Glenmark Generics SA  
 Glenmark Pharmaceuticals Mexico, S.A. DE C.V.  
 Glenmark Pharmaceuticals Peru SAC  
 Glenmark Pharmaceuticals Colombia SAS.  
 Glenmark Uruguay S.A. (GU 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 (GSAPL)  
 Glenmark Pharmaceuticals South Africa (pty) Ltd  
 Glenmark Pharmaceuticals (Thailand) Co. Ltd  
 Glenmark Pharmaceuticals B.V.  
 Glenmark Arzneimittel Gmbh - Germany  
 Glenmark Arzneimittel Gmbh - Austria (with effect from 9th November 2023)  
 Glenmark Pharmaceuticals Canada Inc.  
 Glenmark Pharmaceuticals Kenya Ltd  
 Viso Farmaceutica S.L.U.  
 Glenmark Specialty SA  
 Glenmark Pharmaceuticals Distribution S.R.O.  
 Glenmark Pharmaceuticals Nordic AB  
 Glenmark Ukraine LLC  
 Glenmark Pharmaceuticals Ecuador S.A.

(All amounts in million of Indian Rupees, unless otherwise stated)

Glenmark Pharmaceuticals Singapore Pte. Ltd.  
 Ichnos Sciences Biotherapeutics SA  
 Glenmark Life Sciences Limited (Up to 6th March 2024)  
 Ichnos Sciences Inc., USA (ISI USA)  
 Glenmark Farmaceutica SpA (with effect from 1st March 2023)  
 Sintesy Pharma S.R.L (with effect from 10th February 2023)  
 Glenmark Healthcare Limited (with effect from 12th May 2023)

**b) (i) Enterprise over which key managerial personnel exercise significant influence**

Glenmark Foundation  
 Glenmark Aquatic Foundation  
 Trilegal

**(ii) 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. Dipankar Bhattacharjee (Non-executive Director)  
 Ms. Sona Saira Ramasastry (Non-executive Director)  
 Mrs. Vijayalakshmi Rajaram Iyer (Non-executive Director w.e.f. 10th February 2023)  
 Mr. Harish Kuber (Company Secretary & Compliance Officer)  
 Mr. D.R.Mehta (Non-executive Director up to 31st March 2024)  
 Mr. Bernard Munos (Non-executive Director up to 31st March 2024)  
 Dr. Brian W. Tempest (Non-executive Director up to 31st March 2024)  
 Mr. Sridhar Gorthi (Non-executive Director up to 31st March 2024)

**d) Transactions with related parties during the year**

Particulars	2023-2024	2022-2023
<b>Companies where direct/indirect control exists</b>		
Sale of materials & services	32,017.42	30,858.56
Other operating income	656.93	510.69
Purchase of materials, services and reimbursements	10,932.66	11,294.43
Purchase of tangible asset	17.55	207.50
Investment in subsidiary	146.57	98.35
Loans given to subsidiary	40,477.18	21,320.06
Loan given to subsidiary converted into investment	19,023.65	17,697.67
Loans repaid by subsidiary	14,858.06	9,405.83
Interest income	1,709.51	1,796.61
Other income	2,354.76	3,267.31
<b>Transactions with entities over which Key Management Personnel exercise significant influence</b>		
<b>Contribution incurred for CSR activities to</b>		
Glenmark Foundation	133.63	144.18
Glenmark Aquatic Foundation	70.00	62.45

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	2023-2024	2022-2023
<b>Disclosure in respect of major related party transactions during the Year:</b>		
Sale of materials & services		
Glenmark Pharmaceuticals Inc.	13,016.03	14,871.72
Glenmark Pharmaceuticals S.R.O.	3,607.86	2,979.52
Glenmark Impex L.L.C.	2,359.54	3,561.57
Glenmark Specialty S A	4,698.10	3,554.36
Other Operating Income		
Glenmark Specialty S.A.	529.67	466.83
<b>Purchase of materials, services and reimbursement</b>		
Glenmark Life Sciences Limited	6,884.95	6,904.62
Glenmark Pharmaceuticals Inc.	1,504.59	1,305.76
Glenmark Impex L.L.C.	866.47	1,208.25
<b>Purchase of tangible asset</b>		
Glenmark Pharmaceuticals Inc.	17.55	207.50
<b>Investment in share capital</b>		
Glenmark Pharmaceuticals Ecuador S.A.	56.03	-
Glenmark Dominican Republic	0.04	-
Glenmark Healthcare Ltd	90.50	-
<b>Loans given</b>		
Glenmark Holding S.A.	40,253.64	21,250.55
<b>Loan given to subsidiary converted into investment</b>		
Glenmark Holding S.A.	18,933.65	17,697.67
<b>Loans repaid</b>		
Glenmark Holding S.A.	14,843.06	9,405.83
<b>Interest income</b>		
Glenmark Holding S.A.	1,663.66	1,755.83
<b>Other income</b>		
Glenmark Life Sciences Limited	2,283.86	3,197.41
<b>Key Management Personnel</b>		
<b>Remuneration</b>		
Mr. Glenn Saldanha	168.61	161.85
Mrs. Cherylann Pinto	60.84	45.86
Mr. V S Mani	102.12	102.47
Mr. Harish Kuber	5.53	5.71
<b>Sitting fees paid to Non-executive Directors</b>		
	12.00	9.10

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 2024	As at 31 March 2023
<b>Net Receivable/(Payable) from/ (to) subsidiary companies/enterprise</b>	<b>84,318.97</b>	<b>70,966.08</b>
Glenmark Farmaceutica Ltda.	3,265.37	2,157.41
Glenmark Philippines Inc.	355.27	274.96
Ichnos Sciences SA	8.19	5.87
Glenmark Holding S.A.	74,466.36	68,192.12
Glenmark Pharmaceuticals (Nigeria) Ltd.	446.67	435.28
Glenmark Impex L.L.C.	758.81	(304.10)
Glenmark Pharmaceuticals South Africa (Pty) Ltd.	398.47	260.62
Glenmark Pharmaceuticals FZE.	(620.32)	(585.45)
Glenmark Generics SA.	13.57	3.95
Glenmark Pharmaceuticals Venezuela., C.A	1,558.20	1,558.20
Glenmark Pharmaceuticals Malaysia Sdn.Bhd.	790.43	690.56
Glenmark Pharmaceuticals Peru SAC.	23.85	4.76
Glenmark Pharmaceuticals Europe Ltd.	(828.16)	(1,386.81)
Glenmark Pharmaceuticals Inc.	(8,495.35)	(2,200.24)
Glenmark Pharmaceuticals s.r.o.	2,364.13	1,336.27
Glenmark Pharmaceuticals SK, s.r.o.	(0.01)	(0.01)
Glenmark Pharmaceuticals SP z.o.o.	(0.16)	(0.17)
Glenmark Pharmaceuticals (Thailand) Co. Ltd.	49.73	30.98
Glenmark Uruguay S.A.	(829.18)	(817.45)
Glenmark Pharmaceuticals Colombia SAS	113.27	76.98
Glenmark Pharmaceuticals Kenya Ltd	1,768.29	1,665.19
Glenmark Pharmaceuticals Mexico S.A. DE C.V.	674.69	140.43
Glenmark Pharmaceuticals Egypt S.A.E.	286.46	260.62
Glenmark Pharmaceuticals Canada Inc.	469.46	209.82
Glenmark Pharmaceuticals B.V.	-	(0.01)
Glenmark Specialty S A	6,851.36	2,347.25
Glenmark Ukraine LLC	359.41	179.79
Glenmark-Pharmaceuticals Ecuador S.A.	162.36	71.80
Glenmark Pharmaceuticals Singapore Pte. Ltd.	(55.14)	(55.46)
Glenmark Life Sciences Limited (Please refer note 38)	-	(3,518.04)
Glenmark Therapeutics Inc.	9.58	5.23
Ichnos Sciences Biotherapeutics SA	-	6.74
Glenmark Arzneimittel GmbH.	(135.71)	(55.32)
Ichnos Sciences Inc.	3.40	0.77
Glenmark Healthcare Ltd	122.76	-
Piramal Pharma Limited	(41.00)	(26.46)
Trilegal	3.91	-
<b>Share application money pending allotment</b>	<b>91.72</b>	<b>147.79</b>
Glenmark Dominicana, SRL	-	0.04
Glenmark Pharmaceuticals Mexico S.A. DE C.V.	91.71	91.71
Glenmark Pharmaceuticals Peru SAC.	0.01	0.01
Glenmark-Pharmaceuticals Ecuador S.A.	-	56.03

**NOTE 28 - RESEARCH AND DEVELOPMENT EXPENDITURE**

During the year, the Company's research and development expenditure is ₹4,486.47 (2023 - ₹4,671.86).

(All amounts in million of Indian Rupees, unless otherwise stated)

## NOTE 29 - EARNINGS PER SHARE (EPS)

The basic earnings per share for the year ended 31 March 2024 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 2024	Year ended 31 March 2023
Profit for the year	51,672.91	12,087.69
Weighted average number of shares outstanding during the year for basic EPS	282,170,724	282,168,156
Effect of dilutive potential ordinary shares:		
Employee stock options	8,022	-
Weighted average number of shares outstanding during the year for diluted EPS	282,178,746	282,168,156
<b>Basic EPS, in ₹</b>	<b>183.13</b>	<b>42.84</b>
<b>Diluted EPS, in ₹</b>	<b>183.12</b>	<b>42.84</b>

## NOTE 30 - CONTINGENCIES AND COMMITMENTS

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(i) Contingent Liabilities</b>		
<b>Claims against the Company not acknowledged as debts</b>		
Labour disputes	62.02	55.98
Disputed taxes and duties	8,269.41	1,070.44

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) 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 Hydrochloride 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 Remogliflozin Etabonate + Metformin Hydrochloride 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



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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 the Company. The matter is currently sub-judice.

- (c) The Company launched two fixed dose combinations (FDCs)- (i) Remogliflozine Etabonate 100 mg + Vildagliptin 50 mg+ Metformin Hydrochloride 500 mg and (ii) Remogliflozine Etabonate 100 mg + Vildagliptin 50 mg+ Metformin Hydrochloride 1000 mg under the brand name Remo MV during October 2021. The Company provided intimation of launch to NPPA on 13 October, 2021 in compliance with para 32 of DPCO 2013. NPPA responded to Company's intimation that para 32 cannot be self-invoked and that prior approval of NPPA is required. The Company sent its counter reply stating that para 32 does not contemplate an approval, what is required is a mere intimation along with DCGI approval for the new drug and valid patent. It was also highlighted by the Company that similar issue is pending for consideration of the Hon'ble Delhi High Court in W.P.(C) 3831/2020. However on 04 March, 2023 the Multidisciplinary Committee of experts of NPPA recommended the retail price of the aforesaid FDCs @ ₹8.76 per tablet and ₹9.06 per tablet respectively. Pursuant there to and in line with the recommendation NPPA issued notification dated 26 March, 2024 fixing the ceiling price. The Company has filed a writ petition challenging the fixation of ceiling price on the ground that the aforesaid FDCs are covered under para 32 of DPCO, 2013 and that they are exempt from price control. Notice has been issued to NPPA in the matter and the petition will be heard together with the previous writ petition relating to Remogliflozine Etabonate + Vildagliptin + Metformin Hydrochloride.
- (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 of 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 (California, Illinois, New Mexico, New York, and Pennsylvania). GPL and GPI secured dismissals of all cases in Illinois and New York as well as many of the claims in Pennsylvania. The remaining 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 other legal proceedings, which are considered normal to its business. Some of these litigations have been resolved through settlement agreements with the plaintiffs.
- i. A multiple putative class and individual actions were filed in 2018 by purchasers of branded Zetia and generic Zetia (ezetimibe) against Glenmark Pharmaceuticals Ltd (GPL) and its U.S. subsidiary Glenmark Pharmaceuticals Inc., USA (GPI) before the United States District Court for the Eastern District of Virginia seeking relief under the US antitrust laws. The Plaintiffs allege that GPL, GPI, 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. GPL and GPI arrived at a settlement with Three Plaintiff Groups collectively representing all of the claims against GPL, GPI 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"). The settlements made clear that they are commercial settlements and not on the basis of GPL and/or GPI having conceded or admitted any liability, offence, wrongdoing or illegality. Opt-out cases in Federal Court in California, Minnesota, and New Jersey are still pending. Motions to dismiss have been filed or will be filed shortly in all of those cases.
- ii. Multiple putative class and individual actions were filed in July 2020 by purchasers of branded Bystolic (nebivolol) against Glenmark Pharmaceuticals Ltd., its U.S. subsidiary Glenmark Pharmaceuticals Inc., USA, and Glenmark Pharmaceuticals S.A. (n/k/a Ichnos Sciences S.A.) (collectively, "Glenmark") in the United States District Court for the

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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 other defendants motion to dismiss with prejudice, and the Second Circuit Court of Appeals confirmed the dismissal. Plaintiffs have the opportunity to request the US Supreme Court to review the Second Circuit decision. Glenmark believes that its patent settlement agreement and mPEGS-1 collaboration agreement are lawful and will continue defending the case vigorously.

## (ii) Commitments

- (a) Estimated amount of contracts remaining to be executed on capital account, net of advances, not provided for as at 31 March 2024 aggregate ₹1,159.87 (2023 - ₹1,043.24)
- (b) Estimated amount of contracts remaining to be executed on other than capital account, net of advances, not provided for as at 31 March 2024 aggregate ₹7,292.46 (2023 - ₹3,753.24)

(iii) Others	As at 31 March 2024	As at 31 March 2023
<b>(a) Guarantees</b>		
Bank guarantees	2,301.54	2,213.02
<b>(b) Letter of comfort/ Corporate Guarantees on behalf of subsidiaries :</b>		
Glenmark Holding SA.	5,000.40	17,253.60
Glenmark Pharmaceuticals Inc	10,417.50	10,270.00
Glenmark Life Sciences Limited	-	3,000.00
<b>(c) Performance Guarantee on behalf of subsidiaries :</b>		
Glenmark Pharmaceuticals Distribution s.r.o.	534.00	570.00

## 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	2023-24	2022-23
<b>As at 1 April</b>	<b>533.33</b>	<b>547.07</b>
Additions	150.30	252.69
Termination	-	(25.40)
Depreciation expenses	(267.90)	(241.03)
<b>As at 31 March</b>	<b>415.73</b>	<b>533.33</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

- ii) Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

Particulars	2023-24	2022-23
<b>As at 1 April</b>	<b>648.15</b>	<b>673.53</b>
Additions	150.30	252.69
Termination	-	(25.40)
Accretion of interest	58.42	70.45
Payments	(356.30)	(323.12)
<b>As at 31 March</b>	<b>500.57</b>	<b>648.15</b>
Current	276.10	315.25
Non-current	224.47	332.90

- iii) The following are the amounts recognised in profit or loss for the year ended:

Particulars	31 March 2024	31 March 2023
Depreciation expense of right-of-use assets	267.90	241.03
Interest expense on lease liabilities	58.42	70.45
Expense relating to short-term leases and low value assets	126.03	113.69
<b>Total</b>	<b>452.35</b>	<b>425.17</b>

The Company had total cash outflows for leases of ₹482.33 (2023 - ₹436.81).

- iv) The table below provides details regarding contractual maturity of the lease liability on an undiscounted basis:

Particulars	As at 31 March 2024	As at 31 March 2023
within 1 year	286.76	330.60
1-5 years	274.43	398.67
5 years and above	3.04	6.20
<b>Total</b>	<b>564.23</b>	<b>735.47</b>

**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	
	2023-2024	2022-2023	31 March 2024	31 March 2023
<b>a) Loans and advances to subsidiaries</b>				
Glenmark Holding S.A.	74,466.36	70,374.18	74,466.36	68,192.12
Glenmark Pharmaceuticals (Nigeria) Ltd.	115.26	108.81	115.26	108.56
less: Provision made	-	-	(115.26)	-
Glenmark Pharmaceuticals (Thailand) Co. Ltd.	16.00	15.06	16.00	15.06
Glenmark Pharmaceuticals Kenya Ltd	169.23	167.75	166.69	164.32
Glenmark Pharmaceuticals Egypt S.A.E.	286.46	260.62	286.46	260.62
Glenmark Healthcare Limited	223.54	-	121.09	-
			<b>75,056.60</b>	<b>68,740.68</b>

Particulars	As at 31 March 2024	As at 31 March 2023
<b>b) Receivable from subsidiary companies</b>		
Ichnos Sciences SA	8.19	5.87
Glenmark Pharmaceuticals (Nigeria) Ltd.	331.41	326.72
Glenmark Philippines Inc.	355.27	274.96

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	As at	
	31 March 2024	31 March 2023
Glenmark Impex L.L.C.	758.81	-
Glenmark Pharmaceuticals South Africa (Pty) Ltd.	398.47	260.62
Glenmark Pharmaceuticals Venezuela., C.A	1,558.20	1,558.20
Glenmark Pharmaceuticals Peru SAC.	23.85	4.76
Glenmark Pharmaceuticals s.r.o.	2,364.13	1,336.27
Glenmark Pharmaceuticals (Thailand) Co. Ltd.	33.72	15.92
Glenmark Pharmaceuticals Kenya Ltd	1,601.61	1,500.87
Glenmark Pharmaceuticals Colombia SAS	113.27	76.98
Glenmark Pharmaceuticals Mexico S.A. DE C.V.	674.69	140.43
Glenmark Pharmaceuticals Malaysia Sdn.Bhd.	790.43	690.56
Glenmark Generics SA.	13.57	3.95
Glenmark Pharmaceuticals Canada Inc.	469.46	209.82
Glenmark Specialty S A	6,851.36	2,347.25
Glenmark Ukraine LLC	359.41	179.79
Glenmark Pharmaceuticals Ecuador S.A.	162.36	71.80
Glenmark Therapeutics Inc.	9.58	5.23
Glenmark Farmaceutica Ltda.	3,265.37	2,157.41
Ichnos Sciences Biotherapeutics SA	-	6.74
Ichnos Sciences Inc.	3.40	0.77
Glenmark Healthcare Limited	1.67	-
<b>c) Payable to subsidiaries</b>		
Glenmark Pharmaceuticals FZE.	620.32	585.45
Glenmark Pharmaceuticals SK, s.r.o.	0.01	0.01
Glenmark Pharmaceuticals Europe Ltd.	828.16	1,386.81
Glenmark Uruguay S.A.	829.18	817.45
Glenmark Pharmaceuticals SP z.o.o.	0.16	0.17
Glenmark Pharmaceuticals B.V.	-	0.01
Glenmark Pharmaceuticals Singapore Pte. Ltd.	55.14	55.46
Glenmark Life Sciences Limited	-	3,518.04
Glenmark Impex L.L.C.	-	304.10
Glenmark Pharmaceuticals Inc.	8,495.35	2,200.24
Glenmark Arzneimittel GmbH.	135.71	55.32

Particulars	No. of Shares in Million			
	As at 1 April 2023	Invested / Bonus shares received during the Year	Sold/written off during the Year	Balance as at 31 March 2024
<b>d) Movement of shares during the year</b>				
<b>Investments in Subsidiary Companies - Unquoted - non trade</b>				
Glenmark Holding S.A.	1,142.24	200.00	-	1,342.24
Glenmark-Pharmaceuticals Ecuador S.A.	2.84	0.74	-	3.58
Glenmark Life Sciences Limited	101.50	-	(91.89)	9.61

e) For disclosure of guarantees on behalf of subsidiaries refer note 30(iii)(b)

(All amounts in million of Indian Rupees, unless otherwise stated)

### NOTE 33 - FAIR VALUE MEASUREMENTS

#### Financial instruments by category

Particulars	As at 31 March 2024				As at 31 March 2023			
	FVTPL	FVOCI	Amortised cost	Total carrying value	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial assets								
Non-current financial assets	-	-	444.59	444.59	-	-	226.34	226.34
Loans to related parties	-	-	75,056.60	75,056.60	-	-	68,740.68	68,740.68
Trade receivables	-	-	24,844.74	24,844.74	-	-	25,056.59	25,056.59
Cash and cash equivalents	-	-	1,279.64	1,279.64	-	-	926.96	926.96
Bank balances other than cash and cash equivalents	-	-	11.86	11.86	-	-	10.96	10.96
Investments	7,496.62	400.00	0.02	7,896.64	45.71	400.00	0.02	445.73
Other current financial assets	-	-	1,305.59	1,305.59	-	-	876.36	876.36
<b>Total</b>	<b>7,496.62</b>	<b>400.00</b>	<b>102,943.04</b>	<b>110,839.66</b>	<b>45.71</b>	<b>400.00</b>	<b>95,837.91</b>	<b>96,283.62</b>
Financial Liabilities								
Long term borrowings	-	-	-	-	-	-	26,608.18	26,608.18
Non-current financial liabilities	-	-	1,543.86	1,543.86	-	-	4,058.70	4,058.70
Trade payables	-	-	27,003.82	27,003.82	-	-	20,931.33	20,931.33
Short term borrowings	-	-	6,572.36	6,572.36	-	-	4,955.82	4,955.82
Other current financial liabilities	-	-	5,026.07	5,026.07	-	-	8,457.55	8,457.55
<b>Total</b>	<b>-</b>	<b>-</b>	<b>40,146.11</b>	<b>40,146.11</b>	<b>-</b>	<b>-</b>	<b>65,011.58</b>	<b>65,011.58</b>

Fair value hierarchy:

The fair value of financial assets and liabilities as referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: Quoted prices for financial assets in an active market amounting to ₹ 7,451.64 (2023 - ₹ 0.73);
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs
- Level 3: Inputs which are not based on observable market data.

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 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.

### 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 2024 is as follows :

- Gross amount required to be spent by the Company during the year as per provisions of section 135 of the Companies Act, 2013 - ₹368.13 (2023 - ₹354.46)



(All amounts in million of Indian Rupees, unless otherwise stated)

- ii Amount spent during the year on CSR by way of contribution to the trusts and projects undertaken (excess amount spent is carried forward):

Particulars	2023-2024		
	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	121.85		121.85
Promoting Healthcare including preventive Healthcare and Community Development, Skill Development and Livelihood	171.63		171.63
Training to promote Olympic sports	70.00		70.00
Others	0.72		0.72
Impact Assessment Expenses	1.82		1.82
Surplus arising out of the previous financial years	8.75		8.75
Surplus carried forward to next year		(6.64)	(6.64)
<b>Total</b>	<b>374.77</b>	<b>(6.64)</b>	<b>368.13</b>

Particulars	2022-2023		
	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)
<b>Total</b>	<b>363.21</b>	<b>(8.75)</b>	<b>354.46</b>

Particulars	2023-2024	2022-2023
(a) amount required to be spent by the company during the year,	368.13	354.46
(b) amount of expenditure incurred,	374.77	363.21
(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,	203.63	206.62
(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	-	-

### 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

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 ₹82.16 at the beginning of the year and scaled to a high of ₹83.59 and to low of ₹81.70. The closing rate is ₹83.34. 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 2024		31 March 2023	
	USD (million)	INR	USD (million)	INR
<b>Short-term exposure</b>				
Financial assets	241.09	20,092.62	186.80	15,347.45
Financial liabilities	(181.36)	(15,114.29)	(146.87)	(12,066.92)
<b>Total</b>	<b>59.73</b>	<b>4,978.33</b>	<b>39.93</b>	<b>3,280.53</b>
<b>Long term exposure</b>				
Financial assets	900.54	75,050.76	836.67	68,740.81
Financial liabilities	-	-	(355.68)	(29,222.67)
<b>Total</b>	<b>900.54</b>	<b>75,050.76</b>	<b>480.99</b>	<b>39,518.14</b>

If the INR had strengthened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2024 INR	31 March 2023 INR
Net results for the year (loss)/gain	(8,002.91)	(4,279.87)
Equity	-	-

If the INR had weakened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2024 INR	31 March 2023 INR
Net results for the year (loss)/gain	8,002.91	4,279.87
Equity	-	-

EUR conversion rate was ₹89.37 at the beginning of the year and scaled to a high of ₹92.28 and to low of ₹87.12. The closing rate is ₹89.93. 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 2024		31 March 2023	
	EUR (million)	INR	EUR (million)	INR
<b>Short term exposure</b>				
Financial assets	27.29	2,453.92	15.85	1,416.44
Financial liabilities	(7.87)	(707.88)	(8.90)	(795.69)
<b>Total</b>	<b>19.42</b>	<b>1,746.04</b>	<b>6.95</b>	<b>620.75</b>
<b>Long term exposure</b>				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

If the INR had strengthened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2024 INR	31 March 2023 INR
Net results for the year (loss)/gain	(174.60)	(62.08)
Equity	-	-

If the INR had weakened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2024 INR	31 March 2023 INR
Net results for the year (loss)/gain	174.60	62.08
Equity	-	-

RUB conversion rate was ₹1.06 at the beginning of the year and scaled to a high of ₹1.07 and to low of ₹0.82. The closing rate is ₹0.89. 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 2024		31 March 2023	
	RUB (million)	INR	RUB (million)	INR
<b>Short term exposure</b>				
Financial assets	839.70	755.73	-	-
Financial liabilities	-	-	(286.89)	(304.10)
<b>Total</b>	<b>839.70</b>	<b>755.73</b>	<b>(286.89)</b>	<b>(304.10)</b>
<b>Long term exposure</b>				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

If the INR had strengthened against the RUB by 10% then this would have the following impact:

Particulars	31 March 2024 INR	31 March 2023 INR
Net results for the year (loss)/gain	(75.57)	30.41
Equity	-	-

If the INR had weakened against the RUB by 10% then this would have the following impact:

Particulars	31 March 2024 INR	31 March 2023 INR
Net results for the year (loss)/gain	75.57	(30.41)
Equity	-	-

(All amounts in million of Indian Rupees, unless otherwise stated)

### 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 18.957 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 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 bank deposits are placed on fixed rate of interest of approximately 4.50% to 6.80%. 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 18.957 million (2023 - 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 2024	31 March 2023
	INR	INR
Net results for the year (loss)/gain	(3.95)	(52.02)

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 2024	31 March 2023
	INR	INR
Net results for the year (loss)/gain	3.95	52.02

### 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	As at
	31 March 2024	31 March 2023
Cash & cash equivalents	1,279.64	926.96
Bank balances other than cash and cash equivalents	11.86	10.96
Trade receivables	24,844.74	25,056.59
Current financial assets	1,305.59	876.36
Non current financial assets	205,149.10	172,294.12
<b>Total</b>	<b>232,590.93</b>	<b>199,164.99</b>

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 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	As at
	31 March 2024	31 March 2023
Outstanding for more than 6 months	6,150.33	2,848.16
Others	18,694.41	22,208.43
<b>Total</b>	<b>24,844.74</b>	<b>25,056.59</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

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 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.

As at 31 March, the Company's liabilities have contractual maturities which are summarised below:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
	Within 1 year	1 to 5 years	Within 1 year	1 to 5 years
Trade payable	27,003.82	-	20,931.33	-
Financial liabilities	5,026.07	-	8,457.54	-
Short term borrowings	6,572.36	-	4,955.82	-
Long-term borrowings	-	-	-	26,608.18
Other non-current financial liabilities	-	1,543.86	-	4,058.70
<b>Total</b>	<b>38,602.25</b>	<b>1,543.86</b>	<b>34,344.69</b>	<b>30,666.88</b>

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 2024	31 March 2023
Total debt	6,572.36	31,564.00
Less: Cash & cash equivalents	1,279.64	926.96
<b>Net debt (A)</b>	<b>5,292.72</b>	<b>30,637.04</b>
<b>Total equity (B)</b>	<b>229,706.20</b>	<b>178,774.63</b>
<b>Net debt to equity ratio (A/B)</b>	<b>2.30%</b>	<b>17.14%</b>

Dividends	31 March 2024	31 March 2023
(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 (2023 - ₹2.50) per fully paid up equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.



(All amounts in million of Indian Rupees, unless otherwise stated)

### 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 2024

Exceptional item in the standalone financial statement for the year ended 31 March 2024 ₹50,703.31 (gain), primarily comprises of stake sale (net of expenses) in Glenmark Life Science Ltd, impairment loss relating to investment, loan given and trade receivables from the Company's Subsidiary in Nigeria, remediation, legal, inventory provision and others.

Pursuant to Board approval dated 21 September 2023, the Company entered into share purchase agreement with Nirma Limited (the "Buyer") for the sale of 91,895,379 equity shares representing 75% of the current issued and paid-up equity share capital of Glenmark Life Sciences Limited ("GLS"), a subsidiary of the Company, to the Buyer at a price of INR 615/- per share, aggregating to ₹ 56,515 (subject to adjustments as agreed among the parties), in accordance with the terms of the share purchase agreement dated 21 September 2023 among the Company, GLS and the Buyer. Accordingly, 91,895,379 equity shares representing 75% of the current issued and paid-up equity share capital of the GLS, were transferred by the Company to Buyer as follows:

- A. On 6 March , 2024, 6,73,89,944 equity shares, representing 55% of the issued and paid-up equity share capital of the GLS were transferred by the Company to Buyer.
- B. On 12 March , 2024, 2,45,05,435 equity shares, representing 20% of the issued and paid-up equity share capital of the GLS were transferred by the Company to Buyer.

#### 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 ₹3,051.85 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 and other reimbursable expenses and remediation cost of India manufacturing sites.

### NOTE 39 - ACCOUNTING RATIOS

Particulars	Numerator	Denominator	F.Y. 2023-24	F.Y. 2022-23	% variance	Reason for variance
a) Current Ratio	Current Assets	Current Liabilities	1.09	1.20	-9.36%	
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.03	0.18	-83.79%	Mainly on account of prepayment of ECB Loans from the proceeds received from GLS stake sale and increase in net worth due to gain on GLS stake sale

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Numerator	Denominator	F.Y. 2023-24	F.Y. 2022-23	% variance	Reason for variance
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	4.29	2.07	107.48%	Mainly on account of lower scheduled payment of borrowings in FY 2023-24 as compared to previous year
(d) Return on Equity Ratio	Net profit - preferred dividends	Average shareholder equity	6.97%	9.13%	-23.67%	
(e) Inventory turnover ratio	Sale of products	Average inventory	6.83	7.83	-12.79%	
(f) Trade Receivables turnover ratio	Net sale of products and services	Average trade receivables	3.07	3.09	-0.91%	
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	1.34	1.68	-20.48%	
(h) Net capital turnover ratio	Net sale of products and services	Working Capital	19.51	10.79	80.86%	Ratio has improved in FY24 due to rationalization of working capital during the year
(i) Net profit ratio	Net profit	Net sale of products and services	18.62%	19.71%	-5.57%	
(j) Return on Capital employed	Earning before interest and taxes	Capital employed	4.44%	6.21%	-28.39%	Mainly due to increase in capital employed because of profit on sale of investment net by repayment of debts
(k) Return on investment	Gain on sale of Investment	Average investment X Holding period	366103%	-	Not applicable	Gain on sale of investment in Glenmark Life Sciences Limited
(l) Return on investment	Change in fair value of quoted investment (except subsidiary)	Average investment X Holding period	59.24%	42.73%	38.64%	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.+/- adjustment of Exceptional items and relevant tax expense and Non-recognition & De-recognition of deferred tax asset on the MAT credit
- (b) Debt service = Interest & Lease Payments + Scheduled Principal Repayments for the year
- (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 exceptional 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)
- (m) Net Profit = Net profit after tax + adjustment of Exceptional items and relevant tax expense and Non-recognition & De-recognition of deferred tax asset on the MAT credit

(All amounts in million of Indian Rupees, unless otherwise stated)

#### NOTE 40 - Assets classified as held for sale

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Investments in subsidiary company - carried at cost</b>		
Glenmark Life Sciences Limited, India		
[Nil (2023- 91,895,379 ) equity shares of ₹2 each]	-	13.04
<b>Total</b>	<b>-</b>	<b>13.04</b>

Pursuant to Board approval dated 21 September 2023, the Company entered into share purchase agreement with Nirma Limited (the "Buyer") for the sale of 91,895,379 equity shares representing 75.00% of the current issued and paid-up equity share capital of Glenmark Life Sciences Limited ("GLS"), a subsidiary of the Company, to the Buyer at a price of ₹ 615/- per share, aggregating to ₹ 56,515 million (subject to adjustments as agreed among the parties), in accordance with the terms of the share purchase agreement dated 21 September 2023 among the Company, GLS and the Buyer. Accordingly, 91,895,379 equity shares representing 75% of the current issued and paid-up equity share capital of the GLS, were transferred by the Company to Buyer as follows:

- A. On 6 March 2024, 6,73,89,944 equity shares, representing 55% of the issued and paid-up equity share capital of the GLS were transferred by the Company to Buyer.
- B. On 12 March 2024, 2,45,05,435 equity shares, representing 20% of the issued and paid-up equity share capital of the GLS were transferred by the Company to Buyer.

Gain on sale of investment in GLS is shown under exceptional item (Refer note 38.)

#### NOTE 41 - 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 42 - 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 transaction which is previously 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 financial 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

- j) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).
- k) The Company has not given any loans or advances in the nature of loans to promoters, directors, KMPs and/ or related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand, or without specifying any terms or period of repayment.

### NOTE 43 - AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 March 2024 were approved by the Board of Directors on 24 May 2024.

As per our report of even date attached.

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No.: 121750W / W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

Place: Mumbai

Date : 24 May 2024

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 : 24 May 2024

**Cherylann Pinto**

Executive Director

DIN : 00111844

**Harish Kuber**

Company Secretary &

Compliance Officer

# 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 2024, 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 2024, 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.

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
<p><b>Impairment of intangible assets (including intangible assets under development)</b> [Refer note 5 of the consolidated financial statements]</p> <p>As at 31 March 2024, the Group is carrying intangible assets of ₹ 10,246.50 million and intangible assets under development of ₹ 2,425.56 million in its consolidated financial statements relating to multiple Cash Generating Units ("CGUs").</p> <p>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.</p>	<p>Our audit included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>

#### 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 consolidated 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 2024. 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.

Key audit matter	How our audit addressed the key audit matter
<p>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.</p> <p>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.</p> <p>Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in either impairment or reversals of impairment taken in prior years.</p> <p>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.</p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Tested the mathematical accuracy of the management workings with regards to cash flows, sensitivity analysis and loss allowances.</li> <li>• Performed sensitivity analysis around aforesaid key assumptions to assess the effect of reasonably possible variations on the estimated recoverable amounts.</li> </ul>
<p><b>Revenue recognition in US Subsidiary</b> [Refer note 19 of the consolidated financial statements]</p> <p>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 charge-backs, failure to supply penalties and Medicaid Drug Rebate Program ('Medicaid'). The provision recognised as at 31 March 2024 for revenue deductions related to such items aggregated to ₹127,403.73 million.</p> <p>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.</p> <p>Accordingly, the Group has recognised an accrual of ₹127,403.73 million for the year ended 31 March 2024 towards these arrangements and has adjusted revenues to the extent of ₹127,403.73 million pertaining to Group's US operations during the year ended 31 March 2024. Refer Note 19 to the consolidated financial statements.</p> <p>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.</p>	<p>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:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for estimation and accounting treatment of transactions arising from various discount schemes, mandated contracts, charge-backs, rebates, failure to supply penalties and Medicaid compliance requirements, pertaining to Group's revenue operations in US.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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 terms of the scheme.</li> <li>• Tested subsequent settlements, payments, and rebates given to customers under various schemes and arrangements to determine adequacy of the accruals made at year end.</li> <li>• Evaluated the historical accuracy of the Group's estimates of year-end accruals relating to such arrangements made in previous years.</li> <li>• Reviewed related contracts and performed procedures to validate contractual terms and inventory levels of significant customers and wholesalers.</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p>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.</p>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Agreed a sample of revenue transactions to customers' cash deposits and withdrawals.</li> <li>• 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.</li> <li>• 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.</li> </ul>
<p><b>Recoverability of deferred tax assets</b> [Refer note 7 of the consolidated financial statements]</p> <p>At the balance sheet date, deferred tax assets recognised for carried forward tax losses amounted to ₹8,020.66 million. Refer note 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 2024.</p> <p>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.</p> <p>Any change in these assumptions could have a material impact on the carrying value of deferred tax assets. These assumptions and estimates are judgemental, subjective and depend on the future market and economic conditions.</p> <p>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.</p>	<p>Our audit included, but was not limited to, the following:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Involved auditor's experts to assess the appropriateness of the deferred tax asset balance recognised in the consolidated balance sheet.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• Assessed if there are any restrictions in the local tax legislation impacting the utilization.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p><b>Litigations</b> [Refer note 31 of the consolidated financial statements]</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Considering the judgement involved in determining the need to make a provision or disclose as contingent liability, the matter was determined to be key audit matter for the current year.</p>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>Assessed the adequacy and appropriateness of the disclosures included in note 7 in respect of the deferred tax balances.</li> </ul> <p>Our audit included, but was not limited to, the following:</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>Circulated, obtained, and read legal confirmations from Company's external legal counsel in respect of material litigations and considered that in our assessment.</li> <li>Verified the disclosures related to provisions and contingent liabilities in the consolidated financial statements to assess consistency with underlying documents.</li> </ul>

### 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 consolidated 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 consolidated 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 consolidated 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 43 subsidiaries, whose financial statements / information, without giving effects to elimination of intra-group transactions reflect total assets of ₹ 342,502.29 million as at 31 March 2024 and total revenue of ₹ 113,823.52 million, total net loss after tax of ₹ 41,916.52 million, total comprehensive loss of ₹ 42,397.27 million and net cash inflows of ₹ 3,717.36 million for the year ended 31 March 2024, as considered in the 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, 37 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, except for the matter stated in the paragraph 3(vi) below on reporting under Rule 11(g);
  - 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 2024 from being appointed as a director in terms of Section 164(2) of the Act;
  - 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', and
  - g) The modification relating to the maintenance of accounts and other matters connected therewith are stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (vi) below on reporting under Rule 11(g).
- 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 2024.
  - 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 2024.
  - 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 during the year by the Holding Company and its subsidiary company incorporated in India 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, 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. Based on our examination which included test checks and in accordance with requirements of the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, except for the instances mentioned below, the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act, have used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:
    - (a) In respect of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the feature of recording audit trail (edit log) facility was not enabled at the database layer to log any direct data changes for the accounting software used for trade scheme masters.
    - (b) In respect of the Holding Company, we are unable to comment if the audit trail (edit log) facility was enabled at the database any direct data changes in respect of secondary software used by Warehouse Partner for Sales in absence of independent auditor's report in relation to controls at the third-party service provider.
- Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with during the course of our audit.
- 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: 24105545BKFPDU1937

Place: Mumbai  
Date: 24 May 2024



## **ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF GLENMARK PHARMACEUTICALS LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

(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 2024, 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 issued by the Institute of Chartered Accountants of India ('the ICAI') ('the Guidance Note'). 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 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 companies, 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 2024, 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.

For **Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 121750W / W100010

**Vinodkumar Varma**  
Partner  
Membership No.105545  
UDIN: 24105545BKFPDU1937  
Place: Mumbai  
Date: 24 May 2024

# Consolidated Balance Sheet

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	29,190.77	29,127.06
Capital work-in-progress	3	4,193.24	10,658.24
Right-of-use assets	3	1,990.76	2,165.67
Goodwill	4	673.59	736.19
Other intangible assets	5	10,246.50	22,188.67
Intangible assets under development	5	2,425.56	1,238.15
Financial assets	6		
i. Investments		7,896.64	445.73
ii. Other financial assets		698.83	316.80
Deferred tax assets (net)	7	10,497.22	18,059.13
Other non-current assets	8	1,492.31	1,525.85
<b>Total Non-current assets</b>		<b>69,305.42</b>	<b>86,461.49</b>
<b>Current assets</b>			
Inventories	9	25,130.51	23,736.20
Financial assets	10		
i. Trade receivables		18,584.12	36,651.69
ii. Cash and cash equivalents		16,582.70	11,592.03
iii. Bank balances other than cash and cash equivalents		11.86	10.96
iv. Other financial assets		1,735.97	1,299.97
Other current assets	11	12,235.66	10,945.52
<b>Total current assets</b>		<b>74,280.82</b>	<b>84,236.37</b>
Assets classified as held for sale		-	23,018.90
<b>Total assets</b>		<b>1,43,586.24</b>	<b>1,93,716.76</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12 & 13	282.19	282.17
Other equity		78,197.08	94,457.06
<b>Equity attributable to owners of Glenmark Pharmaceuticals Limited</b>		<b>78,479.27</b>	<b>94,739.23</b>
Non-controlling interests		(3.80)	3,653.36
<b>Total equity</b>		<b>78,475.47</b>	<b>98,392.59</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities	14		
i. Borrowings		-	38,521.38
ii. Lease liabilities		1,516.91	1,771.22
iii. Other non-current financial liabilities		5,388.28	3,962.58
Deferred tax liabilities (net)		2.80	5.14
Other non-current liabilities	15	16.91	13.29
<b>Total non-current liabilities</b>		<b>6,924.90</b>	<b>44,273.61</b>

# Consolidated Balance Sheet

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
<b>Current liabilities</b>			
Financial liabilities	<b>16</b>		
i. Borrowings		9,905.96	4,955.82
ii. Lease liabilities		886.43	830.39
iii. Trade payables			
- Total outstanding dues of Micro enterprises and Small enterprises		173.32	547.83
- Total outstanding dues of other than Micro enterprises and Small enterprises		25,185.93	19,456.43
iv. Other current financial liabilities		10,269.84	12,115.59
Other current liabilities	<b>17</b>	2,443.63	1,651.29
Provisions	<b>18</b>	6,411.24	4,920.09
Income tax liabilities (net)		2,909.52	984.98
<b>Total current liabilities</b>		<b>58,185.87</b>	<b>45,462.42</b>
<b>Total liabilities</b>		<b>65,110.77</b>	<b>89,736.03</b>
Liabilities directly associated with assets classified as held for sale		-	5,588.14
<b>Total equity and liabilities</b>		<b>1,43,586.24</b>	<b>1,93,716.76</b>

The accompanying notes are integral part of the financial statements.  
As per our report of even date attached.

**For Suresh Surana & Associates LLP**

Chartered Accountants  
Firm's Registration No.: 121750W / W100010

**Vinodkumar Varma**

Partner  
Membership No. 105545

Place: Mumbai  
Date : 24 May 2024

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 : 24 May 2024

**Cherylann Pinto**

Executive Director  
DIN : 00111844

**Harish Kuber**

Company Secretary &  
Compliance Officer

# Consolidated Statement of Profit and Loss

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
<b>Continuing operations</b>			
<b>Income</b>			
Revenue from operations	19	118,130.97	115,832.35
Other income (net)	20	8,399.94	2,889.01
<b>Total income</b>		<b>126,530.91</b>	<b>118,721.36</b>
<b>Expenses</b>			
Cost of materials consumed	21	31,578.22	31,857.27
Purchases of stock-in-trade	22	14,511.70	13,124.66
Changes in inventories of work-in-process, stock-in-trade and finished goods	23	(1,956.22)	(2,406.57)
Employee benefits expense	24	28,681.43	26,007.76
Finance costs	25	5,159.69	3,490.36
Depreciation, amortisation and impairment expense	3 & 5	5,819.06	5,691.74
Other expenses	26	33,362.53	30,899.18
<b>Total expenses</b>		<b>117,156.41</b>	<b>108,664.40</b>
<b>Profit before exceptional items and tax</b>		<b>9,374.50</b>	<b>10,056.96</b>
Exceptional items - expense / (income)	40	9,009.55	7,658.54
<b>Profit before tax from continuing operations</b>		<b>364.95</b>	<b>2,398.42</b>
<b>Tax expense</b>	7		
Current tax		11,155.52	4,162.90
Deferred tax		7,517.93	(868.87)
<b>Total tax expense</b>		<b>18,673.45</b>	<b>3,294.03</b>
<b>Profit for the year from continuing operations</b>		<b>(18,308.50)</b>	<b>(895.61)</b>
Attributable to :			
Non-controlling interest		681.46	801.55
Equity shareholders of Glenmark Pharmaceuticals Limited		(18,989.96)	(1,697.16)
<b>Profit before tax from discontinued operations</b>		<b>5,326.92</b>	<b>6,286.09</b>
<b>Tax expense of discontinued operations</b>			
Current tax		1,284.32	1,506.11
Deferred tax		69.32	110.37
<b>Total tax expense</b>		<b>1,353.64</b>	<b>1,616.48</b>
<b>Profit for the year from discontinued operations</b>		<b>3,973.28</b>	<b>4,669.61</b>
Attributable to :			
Non-controlling interest		-	-
Equity shareholders of Glenmark Pharmaceuticals Limited		3,973.28	4,669.61
<b>Profit/(loss) after tax for the period from continuing and discontinued operations</b>		<b>(14,335.22)</b>	<b>3,774.00</b>
Attributable to :			
Non-controlling interest		681.46	801.55
Equity shareholders of Glenmark Pharmaceuticals Limited		(15,016.68)	2,972.45
<b>Other comprehensive income for the year from continuing operations</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Remeasurement of the post-employment benefit obligation		(163.06)	165.09
- Income tax relating to the above		42.75	(23.20)

# Consolidated Statement of Profit and Loss

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
<b>Items that will be reclassified to profit or loss</b>			
- Exchange differences on translating foreign operations		(399.03)	1,849.80
- Income tax relating to the above		(79.97)	(451.52)
<b>Other comprehensive income/(loss) for the year</b>		<b>(599.31)</b>	<b>1,540.17</b>
<b>Total comprehensive income for the year from continuing operations</b>		<b>(18,907.81)</b>	<b>644.56</b>
<b>Other comprehensive income for the year from discontinued operations</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Remeasurement of the post-employment benefit obligation (net of tax)		(56.23)	(2.90)
<b>Total comprehensive income for the year from discontinued operations</b>		<b>3,917.05</b>	<b>4,666.71</b>
<b>Total comprehensive income for the year from continuing and discontinued operations</b>		<b>(14,990.76)</b>	<b>5,311.27</b>
<b>Total comprehensive income attributable to:</b>			
Non-controlling interest		672.00	800.83
Equity shareholders of Glenmark Pharmaceuticals Limited		(15,662.76)	4,510.44
<b>Earnings per equity share of ₹ 1 each for profit from continuing operations</b>	<b>30</b>		
Basic (in ₹)		(67.30)	(6.01)
Diluted (in ₹)		(67.30)	(6.01)
<b>Earnings per equity share of ₹ 1 each for profit from discontinued operations</b>			
Basic (in ₹)		14.08	16.54
Diluted (in ₹)		14.08	16.54
<b>Earnings per equity share of ₹ 1 each for profit from continuing and discontinued operations</b>			
Basic (in ₹)		53.22	10.53
Diluted (in ₹)		53.22	10.53

The accompanying notes are integral part of the financial statements.  
As per our report of even date attached.

**For Suresh Surana & Associates LLP**

Chartered Accountants  
Firm's Registration No.: 121750W / W100010

**Vinodkumar Varma**

Partner  
Membership No. 105545

Place: Mumbai  
Date : 24 May 2024

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 : 24 May 2024

**Cherylann Pinto**

Executive Director  
DIN : 00111844

**Harish Kuber**

Company Secretary &  
Compliance Officer



# Consolidated Statement of Changes in Equity

(All amounts in million of Indian Rupees, unless otherwise stated)

## A Equity share capital

Particulars	Amount
<b>Balance as at 1 April 2022</b>	<b>282.17</b>
- Shares issued during the year	-
<b>Balance as at 31 March 2023</b>	<b>282.17</b>
- Shares issued during the year	0.02
<b>Balance as at 31 March 2024</b>	<b>282.19</b>

## B Other equity

Particulars	Reserves and surplus						Other comprehensive income		Total attributable to owners of Glenmark Pharmaceuticals Limited	Non Controlling interest	Share-holders' equity	Total
	Securities premium reserve	Capital reserve	Capital redemption reserve	Stock compensation reserve	General reserve	Special Economic Zone reinvestment reserve account	Retained earnings	Currency translation reserve				
<b>Balance as at 1 April 2023</b>	<b>16,853.60</b>	<b>1.00</b>	<b>200.00</b>	<b>176.17</b>	<b>1,455.13</b>	-	<b>94,570.39</b>	<b>(18,799.23)</b>	<b>94,457.06</b>	<b>3,653.36</b>	<b>98,110.42</b>	<b>(1,178.42)</b>
Dividends to equity shareholders	-	-	-	-	-	(705.42)	-	-	(705.42)	(473.00)	-	-
Shares issued under Employee Stock Option Scheme	11.98	-	-	-	-	-	-	-	11.98	-	-	-
Employee share based compensation expense including transfer from Stock compensation reserve(refer note 13(VII))	-	-	-	6.14	-	90.08	-	-	96.22	-	-	-
Transfer from Retained earning	-	-	-	-	-	(820.90)	-	-	-	-	-	-
Transfer to Retained earning	-	-	-	-	-	(754.10)	754.10	-	-	-	-	-
Transaction with non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transactions with owners</b>	<b>11.98</b>	<b>-</b>	<b>-</b>	<b>6.14</b>	<b>-</b>	<b>(682.14)</b>	<b>-</b>	<b>(597.22)</b>	<b>(473.00)</b>	<b>(473.00)</b>	<b>(1,070.22)</b>	<b>(14,335.22)</b>
Profit for the year	-	-	-	-	-	(15,016.68)	-	-	(15,016.68)	681.46	-	(3,856.16)
Decrease in non-controlling interest on account of sale of shares of subsidiary company	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other Comprehensive Income:</b>												
Exchange difference on translation of foreign operations (net of tax)	-	-	-	-	-	(0.19)	-	(479.00)	(479.19)	0.19	-	(479.00)
Remeasurement of the net defined benefit plans (net of tax) (refer note 2.7)	-	-	-	-	-	(166.89)	-	-	(166.89)	(9.65)	-	(176.54)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15,183.76)</b>	<b>(479.00)</b>	<b>(479.00)</b>	<b>(15,662.76)</b>	<b>(3,184.16)</b>	<b>(18,846.92)</b>	<b>(18,846.92)</b>
<b>Balance as at 31 March 2024</b>	<b>16,865.58</b>	<b>1.00</b>	<b>200.00</b>	<b>182.31</b>	<b>1,455.13</b>	<b>66.80</b>	<b>78,704.49</b>	<b>(19,278.23)</b>	<b>78,197.08</b>	<b>(3.80)</b>	<b>78,193.28</b>	<b>(18,846.92)</b>

# Consolidated Statement of Changes in Equity

(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	Shareholders' equity	Total
	Securities premium reserve	Capital reserve	Capital redemption reserve	Stock compensation reserve	General reserve	Retained earnings				
<b>Balance as at 1 April 2022</b>	<b>16,853.60</b>	<b>1.00</b>	<b>200.00</b>	<b>163.01</b>	<b>1,455.13</b>	<b>92,109.07</b>	<b>(20,197.51)</b>	<b>90,584.30</b>	<b>3,514.73</b>	<b>94,099.03</b>
Dividends to equity shareholders	-	-	-	-	-	(705.42)	-	(705.42)	(662.20)	(1,367.62)
Gain on offer for sale (net of tax)	-	-	-	-	-	-	-	-	-	-
Employee share based compensation expense including transfer from Stock compensation reserve (refer note 13(VII))	-	-	-	13.16	-	54.58	-	67.74	-	67.74
Transaction with non controlling interest	-	-	-	-	-	-	-	-	-	-
<b>Transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.16</b>	<b>-</b>	<b>(650.84)</b>	<b>-</b>	<b>(637.68)</b>	<b>(662.20)</b>	<b>(1,295.88)</b>
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
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,112.16</b>	<b>1,398.28</b>	<b>4,510.44</b>	<b>800.83</b>	<b>5,311.27</b>
<b>Balance as at 31 March 2023</b>	<b>16,853.60</b>	<b>1.00</b>	<b>200.00</b>	<b>176.17</b>	<b>1,455.13</b>	<b>94,570.39</b>	<b>(18,799.23)</b>	<b>94,457.06</b>	<b>3,653.36</b>	<b>98,110.42</b>

Refer notes 12 and 13 for details on equity share capital and other equity

The accompanying notes are integral part of the financial statements.  
As per our report of even date attached.

**For Suresh Surana & Associates LLP**

Chartered Accountants

Firm's Registration No.: 121750W / W100010

**Vinodkumar Varma**

Partner

Membership No. 105545

For and on behalf of the Board of Directors

**Glenn Saldanha**

Chairman & Managing Director

DIN : 00050607

**Cherylam Pinto**

Executive Director

DIN : 0011844

**V S Mani**

Executive Director &

Global Chief Financial Officer

DIN : 01082878

Place: Mumbai

Date : 24 May 2024

Place: Mumbai

Date : 24 May 2024

# Consolidated Statement of Cash Flows

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>(A) Cash flow from operating activities</b>		
Profit before tax from continuing operations	364.95	2,398.42
Profit before tax from discontinuing operations	5,326.92	6,286.09
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortisation	6,308.10	6,112.68
Finance costs	5,173.94	3,495.83
Interest income	(172.59)	(227.66)
Dividend income	(0.02)	(3.52)
(Profit)/loss on sale of property, plant and equipments	(8.26)	(57.25)
Income from Mutual fund	(70.51)	-
Fair valuation of Investment	(7,449.54)	(0.26)
Provision for gratuity and compensated absence	496.46	414.92
Provision for doubtful debts / expected credit losses	(53.07)	118.72
Bad debts written off	229.57	-
Employee share based compensation expense	49.62	67.74
Provision for sales returns	10.80	1.51
Exceptional items - expense / (income)	9,009.55	7,658.54
Unrealised foreign exchange (gain)	(3,425.91)	(2,861.62)
<b>Operating profit before working capital changes</b>	<b>15,790.01</b>	<b>23,404.14</b>
<b>Adjustments for changes in working capital:</b>		
- (Increase)/Decrease in trade receivables	9,695.09	(8,487.44)
- (Increase)/Decrease in inventories	(5,138.58)	(3,751.69)
- (Increase)/Decrease in other assets	(5,181.90)	(167.73)
- Increase/(Decrease) in trade payable and other liabilities	(7,344.14)	1,662.05
<b>Net changes in operating assets and liabilities</b>	<b>(7,969.53)</b>	<b>(10,744.81)</b>
Income taxes paid (net of refund)	(10,474.92)	(6,405.41)
<b>Net cash generated from operating activities</b>	<b>(2,654.44)</b>	<b>6,253.92</b>
<b>(B) Cash flow from investing activities</b>		
(Increase)/decrease in bank deposits and margin money	(1.29)	(1.14)
Interest received	171.61	227.66
Dividend received	0.02	3.52
(Increase)/Decrease in non-current asset	(165.03)	0.47
Investment made	-	(60.08)
Proceed from sale of investment	-	50.00
Proceed from sale of subsidiary (net of expenses)	54,496.09	-
Proceed from Mutual fund (net)	70.51	-
Payments for purchase of property, plant and equipment and intangible assets (including capital-work-in-progress)	(8,983.78)	(6,077.63)
Proceeds from sale of property, plant and equipment, intangible assets and brands, net of related cost, remediation cost and legal cost	20.80	572.29
<b>Net cash used in investing activities</b>	<b>45,608.93</b>	<b>(5,284.91)</b>
<b>(C) Cash flow from financing activities</b>		
Proceed from issue of equity shares	12.00	-
Proceeds/ (repayment) from long-term borrowings	-	11,631.90
FCCB premium paid on repurchase of bonds	-	(1,527.26)
Repayments of long-term borrowings	(36,494.87)	(5,132.21)

# Consolidated Statement of Cash Flows

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Proceeds from /(repayment) of short-term borrowings (net)	4,811.20	(200.00)
Interest paid	(5,167.82)	(3,115.41)
Payment of lease liability (with interest)	(1,044.26)	(1,065.52)
Dividend paid (inclusive of dividend paid to non-controlling interest)	(1,177.52)	(1,366.06)
<b>Net cash used in financing activities</b>	<b>(39,061.27)</b>	<b>(774.56)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,893.22</b>	<b>194.45</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>14,430.26</b>	<b>14,105.26</b>
Effect of exchange rate changes on cash and cash equivalents	176.79	123.87
Cash and bank balance adjusted on sale of subsidiary	(1,917.57)	-
Cash balance transferred from business acquisition	-	6.68
<b>Cash and cash equivalents at the end of the year</b>	<b>16,582.70</b>	<b>14,430.26</b>
<b>Cash and cash equivalents comprise of :</b>		
Cash on hand	9.78	10.36
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	16,572.92	11,581.67
Cash and cash equivalents for discontinued operations (asset held for sale)	-	2,838.23
	<b>16,582.70</b>	<b>14,430.26</b>

## Note :

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.
- Figures in bracket indicate cash outflow.
- Reconciliation of Financing Activities

Particulars	As at 31 March 2023	Borrowings made during the year	Amount buy back / repaid during the year	FCCB premium and Issue cost	Exchange difference/ translation	As at 31 March 2024
Long term borrowings*	39,977.20	-	(36,494.87)	-	(1,909.97)	1,572.36
Short term borrowings	3,500.00	4,811.20	-	-	22.40	8,333.60

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

\*Refer note 14(i) for current / non current classification

The accompanying notes are integral part of the financial statements.  
As per our report of even date attached.

### For Suresh Surana & Associates LLP

Chartered Accountants  
Firm's Registration No.: 121750W / W100010

### Vinodkumar Varma

Partner  
Membership No. 105545

Place: Mumbai  
Date : 24 May 2024

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 : 24 May 2024

### Cherylann Pinto

Executive Director  
DIN : 00111844

### Harish Kuber

Company Secretary &  
Compliance Officer

# Notes to the Consolidated Financial Statements

(All amounts in million of Indian Rupees, unless otherwise stated)

## NOTE 1 – BACKGROUND INFORMATION AND SUMMARY OF MATERIAL 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-de-fonds 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 million unless otherwise stated.

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material 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.

#### MATERIAL ACCOUNTING POLICIES

##### 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

(All amounts in million of Indian Rupees, unless otherwise stated)

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.

### 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 subsidiary 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.



(All amounts in million of Indian Rupees, unless otherwise stated)

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.

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

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.

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

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-licensed 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 licensing 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 consolidated 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, 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

(All amounts in million of Indian Rupees, unless otherwise stated)

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 (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

(All amounts in million of Indian Rupees, unless otherwise stated)

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, 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



(All amounts in million of Indian Rupees, unless otherwise stated)

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.



(All amounts in million of Indian Rupees, unless otherwise stated)

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, 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 than 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

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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 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

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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.

### 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 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

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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.

### 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 notes 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

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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 utilised 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 i 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.

#### 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 ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards)

Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

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## 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	Effective Group Shareholding (%) as on	
				31 March 2024	31 March 2023
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	Netherlands	GHSA	100%	100%
Glenmark Arzneimittel Gmbh - Germany	31 March	Germany	GHSA	100%	100%
Glenmark Arzneimittel Gmbh - Austria (with effect from 9th November 2023)	31 March	Austria	GHSA	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 (Up to 6th March 2024)	31 March	India	GPL	7.84%	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%	-
Glenmark Healthcare Limited (with effect from 12th May 2023)	31 March	India	GPL	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
<b>Gross carrying value</b>										
<b>Balance as at 1 April 2023</b>	140.77	282.68	10,329.37	5,739.26	25,382.13	2,127.14	4,347.64	195.17	48,544.16	10,658.24
- Acquisitions through business combinations	-	-	-	-	-	-	-	-	-	-
- Other acquisitions	-	37.24	1,423.72	14.37	1,926.08	85.93	292.17	6.90	3,786.41	2,317.14
- Disposals/Transfers	-	-	(0.30)	5.84	(2,080.05)	15.21	(162.97)	(6.41)	(2,228.68)	(9,155.08)
- Translation adjustment	0.56	-	(31.95)	75.27	53.28	1.20	(25.33)	(3.15)	69.88	372.94
<b>Balance as at 31 March 2024</b>	141.33	319.92	11,720.84	5,834.74	25,281.44	2,229.48	4,451.51	192.51	50,171.77	4,193.24
<b>Accumulated Depreciation</b>										
<b>Balance as at 1 April 2023</b>	-	79.94	2,601.14	1,427.35	10,696.56	1,380.15	3,065.98	165.98	19,417.10	-
- Depreciation charge for the year	-	3.94	382.00	255.56	2,746.27	115.92	313.53	22.41	3,839.63	-
- Disposals/Transfers	-	-	(0.05)	5.84	(2,073.47)	13.22	(118.40)	(5.99)	(2,178.85)	-
- Translation adjustment	-	-	(89.43)	20.72	(2.08)	(5.34)	(8.62)	(12.13)	(96.88)	-
<b>Balance as at 31 March 2024</b>	-	83.88	2,893.66	1,709.47	11,367.28	1,503.95	3,252.49	170.27	20,981.00	-
<b>Net carrying value</b>										
<b>As at 31 March 2024</b>	141.33	236.04	8,827.18	4,125.27	13,914.16	725.53	1,199.02	22.24	29,190.77	4,193.24
<b>Particulars</b>	<b>Freehold Land</b>	<b>Leasehold Land</b>	<b>Factory Building</b>	<b>Other Building</b>	<b>Plant and Equipment</b>	<b>Furniture and Fixture</b>	<b>Office Equipment</b>	<b>Vehicles</b>	<b>Total</b>	<b>Capital Work-in-Progress</b>
<b>Gross carrying value</b>										
<b>Balance as at 1 April 2022</b>	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)
- Classified as Assets held for sale	-	(274.38)	(2,924.04)	(92.50)	(5,413.52)	(255.51)	(70.65)	(2.92)	(9,033.52)	(493.54)
- Translation adjustment	8.86	-	427.70	403.19	735.39	65.36	290.60	11.94	1,943.04	595.47
<b>Balance as at 31 March 2023</b>	140.77	282.68	10,329.37	5,739.26	25,382.13	2,127.14	4,347.64	195.17	48,544.16	10,658.24
<b>Accumulated Depreciation</b>										
<b>Balance as at 1 April 2022</b>	-	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)	-
- Classified as Assets held for sale	-	(179.3)	(172.09)	(3.65)	(1,185.58)	(74.30)	(33.33)	(0.40)	(1,487.28)	-
- Translation adjustment	-	-	124.47	94.30	198.01	23.92	196.71	6.96	644.37	-
<b>Balance as at 31 March 2023</b>	-	79.94	2,601.14	1,427.35	10,696.56	1,380.15	3,065.98	165.98	19,417.10	-
<b>Net carrying value</b>										
<b>As at 31 March 2023</b>	140.77	202.74	7,728.23	4,311.91	14,685.57	746.99	1,281.66	29.19	29,127.06	10,658.24

#### Notes

- 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 2024

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	1,183.35	418.15	346.18	2,245.56	4,193.24
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,183.35</b>	<b>418.15</b>	<b>346.18</b>	<b>2,245.56</b>	<b>4,193.24</b>

#### 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-in-progress (classified as Assets held for sale)	(432.28)	(61.26)	-	-	(493.54)
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>2,517.77</b>	<b>3,570.41</b>	<b>1,840.47</b>	<b>2,729.59</b>	<b>10,658.24</b>

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 2024 and 31 March 2023.

#### 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
<b>Gross carrying value</b>				
<b>Balance as at 1 April 2023</b>	<b>4,803.78</b>	<b>122.56</b>	<b>463.72</b>	<b>5,390.06</b>
- Additions	545.30	24.39	135.19	704.88
- Deletions	(46.39)	(0.28)	(77.48)	(124.15)
- Translation adjustment	(43.72)	(0.02)	6.68	(37.06)
<b>Balance as at 31 March 2024</b>	<b>5,258.97</b>	<b>146.65</b>	<b>528.11</b>	<b>5,933.73</b>
<b>Accumulated Depreciation</b>				
<b>Balance as at 1 April 2023</b>	<b>2,910.19</b>	<b>52.62</b>	<b>261.58</b>	<b>3,224.39</b>
- Depreciation charge for the year	753.00	44.95	153.95	951.90
- Deletions	(46.40)	(0.28)	(175.94)	(222.62)
- Translation adjustment	(9.27)	(0.01)	(1.42)	(10.70)
<b>Balance as at 31 March 2024</b>	<b>3,607.52</b>	<b>97.28</b>	<b>238.17</b>	<b>3,942.97</b>
<b>Net carrying value</b>				
<b>As at 31 March 2024</b>	<b>1,651.45</b>	<b>49.37</b>	<b>289.94</b>	<b>1,990.76</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Other Building	Office Equipment	Vehicles	Total
<b>Gross carrying value</b>				
<b>Balance as at 1 April 2022</b>	<b>4,438.71</b>	<b>90.87</b>	<b>354.54</b>	<b>4,884.12</b>
- Additions	567.83	31.67	98.96	698.46
- Deletions	(197.61)	-	(32.11)	(229.72)
- Classified as Assets held for sale	(231.60)	-	-	(231.60)
- Translation adjustment	226.45	0.02	42.33	268.80
<b>Balance as at 31 March 2023</b>	<b>4,803.78</b>	<b>122.56</b>	<b>463.72</b>	<b>5,390.06</b>
<b>Accumulated Depreciation</b>				
<b>Balance as at 1 April 2022</b>	<b>2,193.11</b>	<b>16.43</b>	<b>183.90</b>	<b>2,393.44</b>
- Depreciation charge for the year	744.50	36.18	122.20	902.88
- Deletions	(125.74)	-	(70.36)	(196.10)
- Classified as Assets held for sale	(28.94)	-	-	(28.94)
- Translation adjustment	127.26	0.01	25.84	153.11
<b>Balance as at 31 March 2023</b>	<b>2,910.19</b>	<b>52.62</b>	<b>261.58</b>	<b>3,224.39</b>
<b>Net carrying value</b>				
<b>As at 31 March 2023</b>	<b>1,893.59</b>	<b>69.94</b>	<b>202.14</b>	<b>2,165.67</b>

#### NOTE 4 - GOODWILL

The net carrying amount of goodwill can be analysed as follows:

Particulars	31 March 2024	31 March 2023
Opening balance	736.19	600.19
Addition during the year/ Effect of translation adjustments	(62.60)	136.00
Closing balance	<b>673.59</b>	<b>736.19</b>

#### 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 2024	As at 31 March 2023
Europe	663.58	716.41
Rest of the world (ROW)	10.01	19.78
<b>Total</b>	<b>673.59</b>	<b>736.19</b>

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 2024	31 March 2023	31 March 2024	31 March 2023
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.

(All amounts in million of Indian Rupees, unless otherwise stated)

### 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.

## NOTE 5 - OTHER INTANGIBLE ASSETS

Intangible assets comprise of:

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
<b>Gross carrying value</b>				
<b>Balance as at 1 April 2023</b>	<b>3,947.62</b>	<b>44,977.86</b>	<b>48,925.48</b>	<b>1,238.15</b>
- Acquisitions through business combinations	-	-	-	-
- Additions	120.04	1,246.89	1,366.93	1,493.77
- Disposals/transfers	(5.05)	(11,215.02)	(11,220.07)	(279.31)
- Translation adjustment	16.24	328.77	345.01	(27.05)
<b>Balance as at 31 March 2024</b>	<b>4,078.85</b>	<b>35,338.50</b>	<b>39,417.35</b>	<b>2,425.56</b>
<b>Amortisation and impairment</b>				
<b>Balance as at 1 April 2023</b>	<b>2,936.84</b>	<b>23,799.97</b>	<b>26,736.81</b>	-
- for the year	365.67	12,958.97	13,324.64	-
- on disposals/transfers	(1.38)	(11,001.11)	(11,002.49)	-
- Translation adjustment	12.30	99.59	111.89	-
<b>Balance as at 31 March 2024</b>	<b>3,313.43</b>	<b>25,857.42</b>	<b>29,170.85</b>	-
<b>Net carrying value</b>				
<b>As at 31 March 2024</b>	<b>765.42</b>	<b>9,481.08</b>	<b>10,246.50</b>	<b>2,425.56</b>

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
<b>Gross carrying value</b>				
<b>Balance as at 1 April 2022</b>	<b>3,766.04</b>	<b>40,817.49</b>	<b>44,583.53</b>	<b>887.78</b>
- 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)
- Classified as Assets held for sale	(60.38)	(39.25)	(99.63)	(122.62)
- Translation adjustment	101.53	3,853.93	3,955.46	86.90
<b>Balance as at 31 March 2023</b>	<b>3,947.62</b>	<b>44,977.86</b>	<b>48,925.48</b>	<b>1,238.15</b>
<b>Amortisation and impairment</b>				
<b>Balance as at 1 April 2022</b>	<b>2,511.07</b>	<b>20,706.45</b>	<b>23,217.52</b>	-
- for the year	409.85	1,892.77	2,302.62	-
- on disposals/transfers	(19.75)	(7.56)	(27.31)	-
- Classified as Assets held for sale	(37.20)	(5.04)	(42.24)	-
- Translation adjustment	72.87	1,213.35	1,286.22	-
<b>Balance as at 31 March 2023</b>	<b>2,936.84</b>	<b>23,799.97</b>	<b>26,736.81</b>	-
<b>Net carrying value</b>				
<b>As at 31 March 2023</b>	<b>1,010.78</b>	<b>21,177.89</b>	<b>22,188.67</b>	<b>1,238.15</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

#### Ageing of intangible assets under development as on 31 March 2024

Particulars	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects-in-progress	1,336.27	403.99	225.18	460.12	2,425.56
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,336.27</b>	<b>403.99</b>	<b>225.18</b>	<b>460.12</b>	<b>2,425.56</b>

#### Ageing of intangible assets under development as on 31 March 2023

Particulars	Amount of intangible assets under development 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-in-progress (classified as Assets held for sale)	(69.95)	(27.19)	(5.12)	(20.36)	(122.62)
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>519.00</b>	<b>283.68</b>	<b>114.84</b>	<b>320.63</b>	<b>1,238.15</b>

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 2024 and 31 March 2023.

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 inter-alia, 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 Cash flow 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 2024	31 March 2023	31 March 2024	31 March 2023
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 ₹ 9,281.92 (2023 - ₹ 9,151.00).

(All amounts in million of Indian Rupees, unless otherwise stated)

**NOTE 6 - NON-CURRENT FINANCIAL ASSETS****(i) Investments**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unquoted</b>		
<b>(i) Equity shares</b>		
213,032 (2023 - 213,032) Equity Shares of Narmada Clean Tech Ltd. of ₹ 10 each. <b>(FVTPL)</b>	2.13	2.13
1 (2023 - 1) Time Share of Dalmia Resorts Limited <b>(FVTPL)</b>	0.02	0.02
18,000 (2023 - 18,000) Equity shares of Shivalik Solid Waste Management Ltd of ₹ 10 each <b>(FVTPL)</b>	0.18	0.18
<b>(ii) Preference shares</b>		
1,176,471 (2023 - 1,176,471) Preferred shares of Napo Pharmaceuticals Inc of USD 0.85 each <b>(at FVTPL)</b>	42.65	42.65
<b>(iii) Government securities</b>		
National Savings Certificate - Sixth Issue <b>(at amortised cost)</b>	0.02	0.02
<b>(iv) Other investment</b>		
Investment in Limited Liability Partnership (LLP) - ABCD Technologies LLP <b>(FVOCI)</b>	400.00	400.00
<b>Total</b>	<b>445.00</b>	<b>445.00</b>
<b>Quoted</b>		
<b>(i) Equity Shares (FVTPL)</b>		
9,000 (2023 - 9,000) Bank of India of ₹ 10 each	1.24	0.68
1,209 (2023 - 1,209) IDBI Bank Limited of ₹ 10 each	0.10	0.05
9,609,571 (2023- Nil) Glenmark Life Sciences Limited of ₹ 2 each (Please refer note 40)	7,450.30	-
<b>Total</b>	<b>7,451.64</b>	<b>0.73</b>
<b>Total</b>	<b>7,896.64</b>	<b>445.73</b>
Aggregate value of quoted investment	7,451.64	0.73
Aggregate market value of quoted investment	7,451.64	0.73
Aggregate carrying value of unquoted investment	445.00	445.00
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 ₹ 444.98 (2023 - ₹ 444.98) 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 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Security deposits*	637.44	289.76
Bank deposit including margin money	61.39	27.04
<b>Total</b>	<b>698.83</b>	<b>316.80</b>

\*Security deposits represent rental, utility and trade deposits given in the normal course of business realisable after twelve months from the reporting date.



(All amounts in million of Indian Rupees, unless otherwise stated)

## NOTE 7 - TAXES

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax expense	11,155.52	4,162.90
Deferred tax expense/(benefit)	3,142.84	(3,494.98)
Minimum Alternate Tax (MAT) Credit (Entitlement)/utilisation	4,375.09	2,626.11
<b>Total</b>	<b>18,673.45</b>	<b>3,294.03</b>

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 Group and the tax expense actually recognised in the consolidated statement of profit and loss can be reconciled as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Income tax expense at tax rates applicable to individual entities</b>	<b>12,973.34</b>	<b>3,964.63</b>
Tax adjustment for tax-exempt income		
- Income exempt from tax	(320.32)	(796.62)
Other tax adjustments		
- Additional deduction for R&D Expenditure	(5.45)	-
- Unrecognised tax benefit on losses of subsidiaries (net)	4,430.29	378.33
- Disallowed expenses	7,401.22	475.50
- Taxes for previous periods	12.37	37.53
- Tax impact for change in tax rate	(14,356.31)	(676.88)
- Effect of reversal of earlier year MAT credit Entitlement	4,398.34	-
- Effect of DTA not recognised on current year MAT credit	3,888.32	-
- Other allowances / disallowances (net)	251.65	(88.46)
<b>Actual tax expense (net)</b>	<b>18,673.45</b>	<b>3,294.03</b>

(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 2023	Recognised in the consolidated statement of profit and loss	Recognised in other comprehensive income	Effect of translation adjustment	As at 31 March 2024
<b>Deferred tax assets - Non current</b>					
Provision for credit losses	495.76	13.74	-	(36.00)	473.50
Unused tax losses	7,204.04	1,291.11	-	(474.49)	8,020.66
Difference in right-of-use asset and lease liability	128.97	25.07	-	(0.12)	153.92
Depreciation and accruals deductible on actual payment	5,407.86	(2,594.80)	41.07	(25.93)	2,828.20
MAT credit entitlement	7,221.80	(4,375.09)	-	-	2,846.71
<b>Total</b>	<b>20,458.43</b>	<b>(5,639.97)</b>	<b>41.07</b>	<b>(536.54)</b>	<b>14,322.99</b>
<b>Deferred tax liabilities - Non current</b>					
Other current assets	272.96	115.60	(1.68)	6.26	393.14
Difference in depreciation on property, plant and equipment	2,059.01	941.28	-	(458.41)	2,541.88
Mark to Market gain on shares held in Glenmark Life Sciences Limited	-	867.65	-	-	867.65
Other taxable temporary difference	72.47	(46.57)	-	-	25.90
<b>Total</b>	<b>2,404.44</b>	<b>1,877.96</b>	<b>(1.68)</b>	<b>(452.15)</b>	<b>3,828.57</b>
<b>Net deferred tax asset</b>	<b>18,053.99</b>	<b>(7,517.93)</b>	<b>42.75</b>	<b>(84.39)</b>	<b>10,494.42</b>

Particulars	As at 31 March 2022	Recognised in the consolidated statement of profit and loss	Recognised in other comprehensive income	Classified as assets held for sale	Effect of translation adjustment	As at 31 March 2023
<b>Deferred tax assets - Non current</b>						
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)	(18.12)	191.76	5,407.86
MAT credit entitlement	9,847.91	(2,626.11)	-	-	-	7,221.80
<b>Total</b>	<b>19,380.58</b>	<b>718.44</b>	<b>(22.22)</b>	<b>(18.12)</b>	<b>399.75</b>	<b>20,458.43</b>
<b>Deferred tax liabilities - Non current</b>						
Other current assets	306.47	(90.74)	-	-	57.23	272.96
Difference in depreciation on property, plant and equipment	2,353.19	152.85	-	(442.46)	(4.57)	2,059.01
Other taxable temporary difference	174.64	(102.17)	-	-	-	72.47
<b>Total</b>	<b>2,834.30</b>	<b>(40.06)</b>	<b>-</b>	<b>(442.46)</b>	<b>52.66</b>	<b>2,404.44</b>
<b>Net deferred tax asset</b>	<b>16,546.28</b>	<b>758.50</b>	<b>(22.22)</b>	<b>424.34</b>	<b>347.09</b>	<b>18,053.99</b>

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

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 and MAT credit for the year ended 31 March, 2024 is ₹ 3,667.56 and ₹ 3,888.32 respectively and for the year ended 31 March, 2023 is ₹ 944.36 and ₹ Nil respectively.

During the year ended 31 March 2024, the Group, based on probable future taxable profit, has recognized/(unrecognised) previously unrecognised/recognised deferred tax assets and MAT Credit of ₹ (692.84) and ₹ (4,398.34) respectively and for year ended 31 March 2023 is ₹ 465.56 & ₹ NIL respectively.

Deferred tax assets on unused tax losses will expire within period of 1 -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 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Prepaid expenses	12.79	7.60
Capital advances	303.45	263.77
Advance tax (net of provision)	1,176.07	1,254.48
<b>Total</b>	<b>1,492.31</b>	<b>1,525.85</b>

### NOTE 9 - INVENTORIES

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	5,795.56	6,486.08
Packing materials	3,140.86	2,976.62
Work-in-process	1,031.12	841.48
Stores and spares	1,106.49	1,142.12
Finished goods	11,929.05	10,198.79
Stock-in-trade	2,127.43	2,091.01
<b>Total</b>	<b>25,130.51</b>	<b>23,736.20</b>

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 ₹ 2,736.74 (2023 - ₹ 2,228.20). 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

## NOTE 10 - CURRENT FINANCIAL ASSETS

### (i) Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured</b>		
Considered good	18,584.12	36,651.69
Credit impaired	1,308.39	1,411.91
Allowance for credit impaired/ expected credit losses	(1,308.39)	(1,411.91)
<b>Total</b>	<b>18,584.12</b>	<b>36,651.69</b>

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 ₹ (53.07) (2023 - ₹ 118.72) has been recorded. The movement in the allowance for credit impaired/ expected credit losses is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	1,411.91	1,298.64
Foreign currency translation impact	(50.45)	(5.45)
Provision for credit loss during the year (net)	(53.07)	118.72
<b>Closing balance</b>	<b>1,308.39</b>	<b>1,411.91</b>

### Trade receivables ageing schedule as at 31 March 2024

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	11,037.19	4,890.52	1,339.95	726.89	120.03	461.64	18,576.22
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	7.90	7.90
(iii) Undisputed trade receivables - credit impaired	-	-	-	28.04	146.93	1,078.22	1,253.19
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	6.93	6.15	42.12	55.20
	<b>11,037.19</b>	<b>4,890.52</b>	<b>1,339.95</b>	<b>761.86</b>	<b>273.11</b>	<b>1,589.88</b>	<b>19,892.51</b>
Less - Provision for credit impaired / Expected credit losses							1,308.39
<b>Total</b>							<b>18,584.12</b>

(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	27,738.00	10,984.25	1,142.18	622.25	353.94	83.84	40,924.46
(ia) Undisputed trade receivables - considered good - classified as Assets held for sale	(173.19)	(4,119.55)	(41.00)	(0.63)	-	-	(4,334.37)
(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
	<b>27,564.81</b>	<b>6,864.70</b>	<b>1,122.74</b>	<b>741.83</b>	<b>531.37</b>	<b>1,238.15</b>	<b>38,063.60</b>
Less - Provision for credit impaired / Expected credit losses							1,411.91
<b>Total</b>							<b>36,651.69</b>

**(ii) Cash and cash equivalents**

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	16,572.92	11,581.67
Cash on hand	9.78	10.36
<b>Total</b>	<b>16,582.70</b>	<b>11,592.03</b>

**(iii) Bank balances other than cash and cash equivalents**

Particulars	As at 31 March 2024	As at 31 March 2023
Other bank balance - Dividend accounts (Refer note 1 below)	11.86	10.96
<b>Total</b>	<b>11.86</b>	<b>10.96</b>

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 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
Security deposits- (Refer note 1 below)	162.95	318.13
Export incentives	63.50	50.19
Bank deposit including margin money	57.81	90.67
Other receivables	1,451.71	840.98
<b>Total</b>	<b>1,735.97</b>	<b>1,299.97</b>

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	As at
	31 March 2024	31 March 2023
<b>Unsecured, considered good</b>		
Advances recoverable in kind	3,180.95	2,489.96
Input taxes receivable	6,709.80	4,851.37
Advance to vendors	2,078.01	1,329.22
Prepaid expenses	266.90	2,274.97
<b>Total</b>	<b>12,235.66</b>	<b>10,945.52</b>

## 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.

### 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.

**Special Economic Zone (SEZ) reinvestment reserve** - The SEZ Re-Investment reserve has been created out of profit of eligible SEZ units in terms of the provisions of Section 10AA(1)(ii) of the Income-Tax Act, 1961. The reserve has been utilised for acquiring new plant and machinery for the purpose of its business in terms of section 10AA(2) of the Income-Tax Act, 1961.



(All amounts in million of Indian Rupees, unless otherwise stated)

### NOTE 13 - EQUITY SHARE CAPITAL

Share capital	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>(I) Authorised</b>				
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
<b>Issued, subscribed and fully paid-up equity shares of ₹ 1 each</b>				
At the beginning of the year	282,168,156	282.17	282,168,156	282.17
Add: Issued during the year	20,000	0.02	-	-
<b>At the end of the year</b>	<b>282,188,156</b>	<b>282.19</b>	<b>282,168,156</b>	<b>282.17</b>

(II) List of shareholders holding more than 5% shares	As at 31 March 2024		As at 31 March 2023	
	% 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.	Promoter Name	Shares held by promoters as at 31 March 2024		
		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.	Promoter Name	Shares held by promoters as at 31 March 2023		
		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	-

\*\* The percentage shareholding above has been computed considering the outstanding number of shares of 282,188,156 as at 31 March 2024 and 282,168,156 as at 31 March 2023.

(IV) As at 31 March 2024, pursuant to Employee Stock Options Scheme 2016, 37,779 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

**(VI)** In the period of five years immediately preceding 31 March 2024, 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)**

**(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, 37,779 (2023 - 78,717) options were outstanding as at 31 March 2024, which upon exercise are convertible into equivalent number of equity shares. Employee stock compensation charged/(write back) during the year is ₹ (0.35) (2023 - ₹ 0.18).

The aggregate share options and weighted average exercise price under the above mentioned plan are as follows:

Particulars	2023-2024		2022-2023	
	Number	Weighted average price (₹)	Number	Weighted average price (₹)
Outstanding at the beginning of the year	78,717	319.71	78,717	319.71
Granted during the year	-	-	-	-
Forfeited during the year	(20,938)	479.48	-	-
Exercised during the year	(20,000)	28.55	-	-
Outstanding at the end of the year	37,779	385.31	78,717	319.71

Out of above Nil (2023 - 20,000) options outstanding as of 31 March 2024 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 2024	31 March 2023
Share price (₹)	600	600
Exercise price (₹)	600	600
Weighted average volatility rate	33%	31%
Dividend payout	250%	250%
Risk free rate	8.05%	7.10%
Average remaining life	-	1-4 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, 1,831,667 options were outstanding as at 31 March 2024, which upon exercise are convertible into equivalent number of equity shares. Employee stock compensation charged during the year is USD 321,043.50 and ₹ 26.58 (2023 - USD 442,097 and ₹ 35.71).

(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	2024		2023	
	Number	weighted average price USD	Number	weighted average price USD
Outstanding at the beginning of the year	15,78,853	1.35	16,45,000	1.35
Granted during the year	12,60,000	1.11	-	-
Forfeited during the year	10,07,186	1.11	66,147	1.35
Exercised during the year	-	-	-	-
Outstanding at the end of the year	18,31,667	1.11	15,78,853	1.35

Of the aggregate 1,831,667 options outstanding as of 31 March 2024, 1,309,270 are vested and balance of 522,397 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 values of options granted are determined using the Black-Scholes valuation model. Significant inputs into the calculation are:

Particulars	As at 31 March 2024	As at 31 March 2023
Share price (USD)	1.11	1.35
Exercise price (USD)	1.11	1.35
Weighted average volatility rate	74.57% to 78.28%	75.69% to 78.28%
Dividend payout	0%	0%
Risk free rate	0.37% to 2.96%	0.37% to 0.97%
Average remaining life	68 to 73 months	65 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.

## NOTE 14 - NON-CURRENT FINANCIAL LIABILITIES

### (i) Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured loans (at amortised cost)</b>		
External commercial borrowings (ECB) facility	-	7,462.18
IFC - ECB Facility	1,572.36	2,061.79
Sustainability Linked Syndicated ECB Facility	-	18,540.03
Term loans from banks	-	11,913.20
	<b>1,572.36</b>	<b>39,977.20</b>
Less: Current portion of non-current borrowings	(1,572.36)	(1,455.82)
<b>Total</b>	<b>-</b>	<b>38,521.38</b>

#### (A) 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 initially 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 an interest margin of 2.15% p.a. over SOFR.

(All amounts in million of Indian Rupees, unless otherwise stated)

The Company has divested 75% stake in its subsidiary, Glenmark Life Sciences Ltd. The sale proceeds from this divestment were used to prepay the ECB Facility. The Company prepaid and closed the entire loan of U.S. \$90,825,000 along with accrued interest in March, 2024.

**(B) 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 December 2023 and 3.26% over SOFR thereafter. During F.Y. 2023-2024, management sought to prepay the outstanding loan of US\$ 18.957 million to International Finance Corporation (IFC). Consequently, the outstanding loan is classified as the current portion of long-term loans.

**(C) 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 Company has divested 75% stake in its subsidiary, Glenmark Life Sciences Ltd. The sale proceeds from this divestment were used to prepay the ECB Facility. The Company prepaid and closed the entire loan of U.S. \$ 228,000,000 along with accrued interest in March, 2024.

**(D) Maturity profile of non-current borrowings**

Year ending	As at 31 March 2024	As at 31 March 2023
2024	-	1,455.82
2025	1,579.95	1,455.82
2026	-	5,202.31
2027	-	25,224.02
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 2024.

**(ii) Lease liability**

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liability (Refer Note 32)	1,516.91	1,771.22
<b>Total</b>	<b>1,516.91</b>	<b>1,771.22</b>

**(iii) Other non-current financial liabilities**

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits from customers	1,319.39	1,318.53
Other liability*	4,068.89	2,644.05
<b>Total</b>	<b>5,388.28</b>	<b>3,962.58</b>

\* includes liability towards settlement of claims/legal cases.

(All amounts in million of Indian Rupees, unless otherwise stated)

### NOTE 15 - OTHER NON-CURRENT LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Other liabilities	16.91	13.29
<b>Total</b>	<b>16.91</b>	<b>13.29</b>

### NOTE 16 - CURRENT FINANCIAL LIABILITIES

#### (i) Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Secured loans</b>		
Loans repayable on demand from banks	-	-
<b>Unsecured loans</b>		
From banks	8,333.60	3,500.00
Current maturity of non-current borrowings (Refer Note 14)	1,572.36	1,455.82
<b>Total</b>	<b>9,905.96</b>	<b>4,955.82</b>

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 4.95% - 8.80% p.a.

The Group has not defaulted on repayment of loan and interest during the year.

#### (ii) Lease liability

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liability (Refer Note 32)	886.43	830.39
<b>Total</b>	<b>886.43</b>	<b>830.39</b>

#### (iii) Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payable outstanding dues to Micro enterprises and Small enterprises under MSMED Act, 2006 [Refer Note (i) below]	173.32	547.83
Trade payable outstanding dues to creditors other than Micro enterprises and Small enterprises	25,185.93	19,456.43
<b>Total</b>	<b>25,359.25</b>	<b>20,004.26</b>

The Group's exposure to credit risk and currency risks are disclosed in Note 36

(All amounts in million of Indian Rupees, unless otherwise stated)

#### 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 2024	As at 31 March 2023
a) The principle amount remaining unpaid to any supplier at the end of the year	173.32	547.83
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 2024

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	173.32	-	-	-	-	173.32
(ii) Others	18,577.51	5,293.47	956.54	175.76	182.65	25,185.93
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>18,750.83</b>	<b>5,293.47</b>	<b>956.54</b>	<b>175.76</b>	<b>182.65</b>	<b>25,359.25</b>

#### 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
(ia) MSME - classified as Liabilities directly associated with assets classified as held for sale	(174.33)	-	-	-	-	(174.33)
(ii) Others	16,060.24	5,671.61	796.75	409.19	258.66	23,196.45
(iia) Others - classified as Liabilities directly associated with assets classified as held for sale	(1,940.00)	(1,747.81)	(29.25)	(10.20)	(12.76)	(3,740.02)
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>14,668.07</b>	<b>3,923.80</b>	<b>767.51</b>	<b>398.99</b>	<b>245.90</b>	<b>20,004.26</b>



(All amounts in million of Indian Rupees, unless otherwise stated)

#### (iv) Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due	44.04	430.66
Unclaimed dividend*	11.86	10.96
Employee dues	410.65	239.22
Sundry creditors for capital goods	718.08	417.20
Accrued expenses	9,085.21	11,017.55
<b>Total</b>	<b>10,269.84</b>	<b>12,115.59</b>

\*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 2024	As at 31 March 2023
Statutory dues	1,566.40	1,592.59
Other liabilities*	877.23	58.70
<b>Total</b>	<b>2,443.63</b>	<b>1,651.29</b>

\*Other liabilities includes advance from customers and other such adjustable balances.

#### NOTE 18 - PROVISIONS

Particulars	As at 31 March 2024	As at 31 March 2023
Provisions for employee benefits:		
- Compensated absences (Refer Note 27)	358.46	267.57
- Defined benefit plan (Refer Note 27)	1,007.80	879.58
Provision for sales return and rebates	5,044.98	3,772.94
<b>Total</b>	<b>6,411.24</b>	<b>4,920.09</b>

#### Movement of provision for sales return and rebates

Movement of provision for sales return and rebates	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	3,772.94	3,589.11
Provided during the year	1,558.55	468.83
Utilised/reversed during the year	(286.51)	(285.00)
<b>Balance at the end of the year</b>	<b>5,044.98</b>	<b>3,772.94</b>

#### NOTE 19 - REVENUE FROM OPERATIONS

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	1,15,067.79	1,13,535.67
Sale of services	1,286.77	783.71
Other operating revenue*	1,776.41	1,512.97
<b>Total</b>	<b>1,18,130.97</b>	<b>1,15,832.35</b>

\*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	Year ended 31 March 2024	Year ended 31 March 2023
India	33,967.17	40,461.25
North America	30,942.54	31,480.87
Europe	25,555.73	20,055.74
Rest of the World (including Latin America)	27,665.53	23,834.49
<b>Total</b>	<b>1,18,130.97</b>	<b>1,15,832.35</b>

Reconciliation of revenue recognised in the consolidated statement of profit and loss with the contracted price:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue as per contracted price	2,77,090.05	2,82,193.42
Less: Trade discounts, sales and expiry returns	1,58,959.08	1,66,361.07
Sale of product, services and other operating revenue	<b>1,18,130.97</b>	<b>1,15,832.35</b>

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 2024	As at 31 March 2023
Contract liabilities from contracts with customers	<b>157.62</b>	<b>23.23</b>

## NOTE 20 - OTHER INCOME

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Dividend income	0.02	3.52
Interest income	61.76	70.00
Profit on sale of fixed assets	15.30	57.25
Exchange gain (net)	-	2,034.95
Miscellaneous income	8,322.86	723.29
<b>Total</b>	<b>8,399.94</b>	<b>2,889.01</b>

## NOTE 21 - COST OF MATERIALS CONSUMED

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Consumption of raw material and packing material	30,964.49	31,325.78
Consumption of stores and spares	613.73	531.49
<b>Total</b>	<b>31,578.22</b>	<b>31,857.27</b>

## NOTE 22 - PURCHASE OF STOCK-IN-TRADE

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Purchase of finished goods	14,511.70	13,124.66
<b>Total</b>	<b>14,511.70</b>	<b>13,124.66</b>

## NOTE 23 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(Increase)/Decrease in stock of finished goods, work-in-process and stock-in-trade	(1,956.22)	(2,406.57)
<b>Total</b>	<b>(1,956.22)</b>	<b>(2,406.57)</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

**NOTE 24 - EMPLOYEE BENEFITS EXPENSE**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	26,380.27	23,932.55
Contribution to provident and other funds and Retirement benefits (Refer Note 27)	2,038.99	1,874.25
Employee stock compensation cost	26.23	35.89
Staff welfare expenses	235.94	165.07
<b>Total</b>	<b>28,681.43</b>	<b>26,007.76</b>

**NOTE 25 - FINANCE COSTS**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses on		
- Bank loans	2,345.69	1,407.11
- Foreign currency convertible bonds	-	23.84
- Senior notes and ECB facility	2,266.21	1,470.00
- Lease (Refer Note 32)	192.54	186.35
- Others	355.25	403.06
<b>Total</b>	<b>5,159.69</b>	<b>3,490.36</b>

**NOTE 26 - OTHER EXPENSES**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Labour charges	1,207.26	980.13
Power, fuel and water charges	927.48	871.76
Repairs and maintenance - plant and machinery	65.40	72.74
Repairs and maintenance - building	47.14	40.22
Repairs and maintenance - others	1,542.80	1,419.82
Rent	626.12	555.99
Rates and taxes	63.44	101.62
Other manufacturing expenses	1,249.93	690.70
Consumable - Lab chemicals and reagents	3,406.77	2,599.99
Selling and Marketing expenses	1,995.53	1,659.77
Sales promotion expenses	5,157.15	5,269.74
Travelling expenses	2,829.99	2,535.18
Freight outward	3,770.05	4,442.45
Telephone expenses	61.29	52.28
Bad-debts written off / Provision for doubtful debts / expected credit loss (net)	176.50	130.43
Insurance	364.57	366.93
Electricity charges	312.50	245.70
Auditors remuneration		
- Audit fees	96.96	79.75
- Other services	3.95	3.65
- Reimbursement of expenses	1.04	0.98
Corporate social responsibility expense (Refer Note 35)	368.13	354.46
Legal and professional charges	2,103.28	2,444.89
Director sitting fees	12.63	9.73
Other expenses	6,972.62	5,970.27
<b>Total</b>	<b>33,362.53</b>	<b>30,899.18</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

## 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 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 Group recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	31 March 2024	31 March 2023
Current service cost	258.48	287.51
Curtailement and past service cost	(63.98)	(6.65)
<b>Personnel expenses</b>	<b>194.50</b>	<b>280.86</b>
Net interest on defined benefit schemes	44.52	44.51
Administration cost (excluding cost for managing plan assets)	0.97	0.84
Extinguishment due to discontinued operations	-	(19.50)
<b>Amount recognised in Profit and Loss</b>	<b>239.99</b>	<b>306.71</b>

The remeasurement components recognised in the statement of other comprehensive income for the Group's defined benefit plans comprise the following:

Particulars	31 March 2024	31 March 2023
<b>Actuarial (gains)/losses</b>		
- Based on adjustment of demographic assumptions	(2.93)	4.97
- Based on adjustment of financial assumptions	254.04	(162.43)
- Due to liability experience adjustment	56.42	(8.19)
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	(144.47)	4.44
Extinguishment due to discontinued operations	-	(3.88)
<b>Total remeasurement (benefit)/loss recognised in the statement of other comprehensive income</b>	<b>163.06</b>	<b>(165.09)</b>

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 2024	31 March 2023
Present value of funded obligations	2,887.20	2,891.04
Fair value of plan assets	(1,879.40)	(2,011.46)
<b>Net defined benefit liability</b>	<b>1,007.80</b>	<b>879.58</b>
Being:		
<b>Retirement benefit liabilities</b>	<b>1,007.80</b>	<b>879.58</b>

The movements in the net defined benefit liability recognised within the consolidated balance sheet are as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance:	879.58	975.90
Addition during the year	-	-
Cost recognised in income statement	239.99	326.21
Remeasurement (gains)/losses recognised in other comprehensive income	163.06	(161.21)
Actual employer contributions	(93.95)	(140.70)
Benefits paid	(134.10)	(133.06)
Exchange differences	(46.78)	102.52
Extinguishment due to discontinued operations	-	(90.08)
<b>Closing balance</b>	<b>1,007.80</b>	<b>879.58</b>

(All amounts in million of Indian Rupees, unless otherwise stated)

The change in the present value of defined benefit obligations are as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance:	2,891.04	2,704.61
Addition during the year	-	-
Current service cost	258.48	287.51
Interest cost on the defined benefit obligations	108.61	97.83
Actual employee contributions	63.89	100.13
Curtailment and past service cost	(3.17)	(6.65)
Actual benefit payments	(457.44)	(188.94)
Actuarial (gains)/losses - Demographic assumptions	(2.93)	4.97
Actuarial (gains)/losses - Financial assumptions	254.04	(162.43)
Actuarial (gains)/losses - Liability experience	56.42	(8.19)
Administration cost (excluding cost for managing plan assets)	0.97	0.84
(Gains) and Losses on settlements	(275.42)	-
Exchange differences	(7.29)	175.47
Extinguishment due to discontinued operations	-	(114.11)
<b>Closing balance</b>	<b>2,887.20</b>	<b>2,891.04</b>

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2024	31 March 2023
Beginning balance:	2,011.46	1,728.71
Added during the year	-	-
Interest income on plan assets	64.09	53.32
Actual employer contributions	93.95	140.70
Actual employee contributions	63.89	100.13
Actual benefit (paid)/ deposited	(323.34)	(55.88)
Actual return on assets (excluding interest income on plan assets)	144.47	(4.44)
(Gains) and Losses on settlements	(214.60)	-
Exchange differences	39.48	72.95
Extinguishment due to discontinued operations	-	(24.03)
<b>Closing balance</b>	<b>1,879.40</b>	<b>2,011.46</b>

The Group expects to contribute ₹ 921.93 to its defined benefit plans in F.Y. 2024-2025.

The principal actuarial assumptions used for the defined benefit obligations are as follows:

Particulars	31 March 2024	31 March 2023
Discount rate (weighted average)	1.50% - 9.40%	2.10% - 9.40%
Rate of compensation increase (weighted average)	1.50% - 8.00%	1.50% - 5.57%
Inflation rate (weighted average)	1.00% - 4.00%	1.00% - 3.75%

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2024	31 March 2023
Assets administered by respective Insurance companies	100%	100%

(All amounts in million of Indian Rupees, unless otherwise stated)

A breakup of the defined benefit plan related balance sheet amounts are as follows.

Particulars	31 March 2024	31 March 2023
Present value of funded obligations	2,887.20	2,891.04
Fair value of plan assets	(1,879.40)	(2,011.46)
<b>Net defined benefit liability</b>	<b>1,007.80</b>	<b>879.58</b>

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 2024	31 March 2023
Discount rate +0.25% / +0.50% p.a.	(123.44)	(115.56)
Discount rate -0.25% / -0.50% p.a.	71.99	95.42
Rate of compensation +0.25% / +0.50% p.a.	44.58	44.17
Rate of compensation -0.25% / -0.50% p.a.	(70.73)	(70.06)

#### 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 2024	31 March 2023
Current service cost	103.05	87.11
<b>Personnel expenses</b>	<b>103.05</b>	<b>87.11</b>
Net interest on defined benefit schemes	18.70	23.54
<b>Actuarial (gains)/losses</b>		
Based on adjustment of demographic assumptions	-	-
Based on adjustment of financial assumptions	10.68	(18.68)
Due to liability experience adjustment	50.85	(3.81)
Return on plan assets (excluding amounts in net interest on long term benefit schemes)	0.06	0.55
Extinguishment due to discontinued operations	-	(15.46)
<b>Amount recognised in Profit and Loss</b>	<b>183.34</b>	<b>73.25</b>

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 2024	31 March 2023
Present value of funded obligations	568.50	463.17
Fair value of plan assets	(210.04)	(195.60)
<b>Net long term benefit liability</b>	<b>358.46</b>	<b>267.57</b>
Being:		
<b>Retirement benefit plan assets</b>	-	-
<b>Retirement benefit plan liabilities</b>	<b>358.46</b>	<b>267.57</b>



(All amounts in million of Indian Rupees, unless otherwise stated)

The movements in the net long term benefit liability recognised within the consolidated balance sheet are as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance:	267.57	348.80
Added during the year	-	-
Cost recognised in income statement	183.34	88.71
Remeasurement (gains) / losses recognised in other comprehensive income	-	-
Actual employer contributions	-	-
Benefits paid	(92.68)	(105.64)
Exchange difference	0.23	1.00
Extinguishment due to discontinued operations	-	(65.30)
<b>Closing balance</b>	<b>358.46</b>	<b>267.57</b>

The change in the present value of long term benefit obligations are as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance:	463.17	535.05
Addition during the year	-	-
Current service cost	103.05	87.11
Interest cost on the long term benefit obligations	33.20	36.47
Actual benefit payments	(92.68)	(105.64)
Actuarial (gains)/losses - Demographic assumptions	-	-
Actuarial (gains)/losses - Financial assumptions	10.68	(18.68)
Actuarial (gains)/losses - Liability experience	50.85	(3.81)
Exchange difference	0.23	1.00
Extinguishment due to discontinued operations	-	(68.33)
<b>Closing balance</b>	<b>568.50</b>	<b>463.17</b>

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2024	31 March 2023
Beginning balance:	195.60	186.25
Interest income on plan assets	14.50	12.93
Return on plan assets	-	-
Actual employer contributions	(0.06)	(0.55)
Extinguishment due to discontinued operations	-	(3.03)
<b>Closing balance</b>	<b>210.04</b>	<b>195.60</b>

The Group expects to contribute ₹ 549.94 to its long term benefit plan in F.Y. 2024-2025.

The principal actuarial assumptions used for the long term benefit obligations are as follows:

Particulars	31 March 2024	31 March 2023
Discount rate (weighted average)	4.80% - 7.25%	5.45% - 7.40%
Rate of compensation increase (weighted average)	3.00% - 8.00%	3.00% - 5.00%

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2024	31 March 2023
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 2024	31 March 2023
Present value of obligations	568.50	463.17
Fair value of plan assets	(210.04)	(195.60)
<b>Net long term benefit liability</b>	<b>358.46</b>	<b>267.57</b>

The present value of long term benefit obligations by category of members are as follows :

Particulars	31 March 2024	31 March 2023
Active number of employees	12,668	13,437
Present value of obligations	568.50	463.17

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 2024	31 March 2023
Discount rate +0.50% p.a.	(21.91)	(20.45)
Discount rate -0.50% p.a.	23.48	21.90
Rate of compensation increase +0.50% p.a.	24.30	22.72
Rate of compensation decrease -0.50% p.a.	(22.83)	(21.36)

### 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 lump sum benefit, which is paid directly to the concerned employee by the fund. The Group contributed ₹ 1,615.66 (2023 - ₹ 1,494.29) towards the provident fund plan and others during the year ended 31 March 2024.

## NOTE 28 - RESEARCH AND DEVELOPMENT EXPENDITURE

During the year, the Group expenditure on research and development is ₹ 12,258.29 (2023 - ₹ 12,500.35).

## 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)  
 Mrs. Vijayalaksmi Iyer (Non-executive Director) (w.e.f. 10th February, 2023)  
 Mr. Dipankar Bhattacharjee (Non-executive Director)  
 Ms. Sona Saira Ramasastry (Non-executive Director)  
 Mr. Harish Kuber (Company Secretary & Compliance Officer)  
 Mr. D.R.Mehta (Non-executive Director up to 31st March 2024)  
 Mr. Bernard Munos (Non-executive Director up to 31st March 2024)  
 Dr. Brian W. Tempest (Non-executive Director up to 31st March 2024)  
 Mr. Sridhar Gorthi (Non-executive Director up to 31st March 2024)

#### Enterprises over which significant influence exercised by key management personnel/directors

Glenmark Foundation  
 Glenmark Aquatic Foundation  
 Trilegal

(All amounts in million of Indian Rupees, unless otherwise stated)

#### Other related party in which Directors are interested

Piramal Pharma Limited

#### Transactions with related parties during the year

Nature of Transactions	Year ended 31 March 2024	Year ended 31 March 2023
<b>Sale of materials and services</b>		
Piramal Pharma Limited	63.04	-
<b>Purchase of services</b>		
Trilegal	8.12	2.38
Piramal Pharma Limited	142.62	182.76
<b>Expenditure incurred for CSR activities</b>		
Glenmark Foundation	133.63	169.68
Glenmark Aquatic Foundation	70.00	62.45
<b>Transactions with key management personnel</b>		
Remuneration		
- Mr. Glenn Saldanha	168.61	161.85
- Mrs. Cherylann Pinto	60.84	45.86
- Mr. V S Mani	102.12	102.47
- Mr. Harish Kuber	5.53	5.71
Sitting fees paid to Non-executive Directors	12.00	9.10

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 2024	Year ended 31 March 2023
Profit for the year from continuing operations attributable to shareholders of Glenmark Pharmaceuticals Ltd, for basic and diluted	(18,989.96)	(1,697.16)
Profit for the year from discontinued operations attributable to shareholders of Glenmark Pharmaceuticals Ltd, for basic and diluted	3,973.28	4,669.61
Profit/(loss) after tax for the period from continuing and discontinued operations to shareholders of Glenmark Pharmaceuticals Ltd, for basic and diluted	(15,016.68)	2,972.45
Weighted average number of shares outstanding during the year for basic EPS	28,21,70,724	28,21,68,156
Effect of dilutive potential ordinary shares:		
Employee stock options	8,022	-
Weighted average number of shares outstanding during the year for diluted EPS	28,21,78,746	28,21,68,156
Earning per share for continuing operations (EPS)		
Basic EPS, in ₹	(67.30)	(6.01)
Diluted EPS, in ₹	(67.30)	(6.01)
Earning per share for discontinued operations (EPS)		
Basic EPS, in ₹	14.08	16.54
Diluted EPS, in ₹	14.08	16.54
Earning per share for continuing and discontinued operations (EPS)		
Basic EPS, in ₹	(53.22)	10.53
Diluted EPS, in ₹	(53.22)	10.53

(All amounts in million of Indian Rupees, unless otherwise stated)

## NOTE 31 - CONTINGENCIES AND COMMITMENTS

### (i) Contingent Liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Claims against the Group not acknowledged as debts</b>		
Disputed taxes and duties	8,269.41	1,097.92
Labour disputes	62.02	55.98

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) 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 Hydrochloride 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 Remogliflozin Etabonate + Metformin Hydrochloride 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 the Company. The matter is currently sub-judice.
- (c) The Company launched two fixed dose combinations (FDCs)- (i) Remogliflozine Etabonate 100 mg + Vildagliptin 50 mg+ Metformin Hydrochloride 500 mg and (ii) Remogliflozine Etabonate 100 mg + Vildagliptin 50 mg+ Metformin Hydrochloride 1000 mg under the brand name Remo MV during October 2021. The Company provided intimation of launch to NPPA on 13 October, 2021 in compliance with para 32 of DPCO 2013. NPPA responded to Company's intimation that para 32 cannot be self-invoked and that prior approval of NPPA is required. The Company sent its counter reply stating that para 32 does not contemplate an approval, what is required is a mere intimation along with DCGI approval for the new drug and valid patent. It was also highlighted by the Company that similar issue is pending for consideration of the Hon'ble Delhi High Court in W.P.(C) 3831/2020. However on 04 March, 2023 the Multidisciplinary Committee of experts of NPPA recommended the retail price of the aforesaid FDCs @ ₹8.76 per tablet and ₹9.06 per tablet respectively. Pursuant there to and in line with the recommendation NPPA issued notification dated 26 March, 2024 fixing the ceiling price. The Company has filed a writ petition challenging the fixation of ceiling price on the ground that the aforesaid FDCs are covered under para 32 of DPCO, 2013 and that they are exempt from price control. Notice has been issued to NPPA in the matter and the petition will be heard together with the previous writ petition relating to Remogliflozine Etabonate + Vildagliptin + Metformin Hydrochloride.

(All amounts in million of Indian Rupees, unless otherwise stated)

- (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. 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. In August 2023, GPI resolved the charge against it with a Deferred Prosecution Agreement (DPA) related to pravastatin only. As part of the DPA, GPI agreed to pay US \$30 million in six installments over five financial years and stop distributing pravastatin in the United States. Under the DPA, Glenmark Pharmaceuticals Ltd. may continue to sell pravastatin to non-Glenmark distributors in the United States.
- (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 (California, Illinois, New Mexico, New York, and Pennsylvania). GPL and GPI secured dismissals of all cases in Illinois and New York as well as many of the claims in Pennsylvania. The remaining 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 other legal proceedings, which are considered normal to its business. Some of these litigations have been resolved through settlement agreements with the plaintiffs.
- i. A multiple putative class and individual actions were filed in 2018 by purchasers of branded Zetia and generic Zetia (ezetimibe) against Glenmark Pharmaceuticals Ltd. (GPL) and its U.S. subsidiary Glenmark Pharmaceuticals Inc., USA (GPI) before the United States District Court for the Eastern District of Virginia seeking relief under the US antitrust laws. The Plaintiffs allege that GPL, GPI, 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. GPL and GPI arrived at a settlement with Three Plaintiff Groups collectively representing all of the claims against GPL, GPI 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"). The settlements made clear that they are commercial settlements and not on the basis of GPL and/or GPI having conceded or admitted any liability, offence, wrongdoing or illegality. Opt-out cases in Federal Court in California, Minnesota, and New Jersey are still pending. Motions to dismiss have been filed or will be filed shortly in all of those cases.

(All amounts in million of Indian Rupees, unless otherwise stated)

- ii. Multiple putative class and individual actions were filed in July 2020 by purchasers of branded Bystolic (nebivolol) against Glenmark Pharmaceuticals Ltd., its U.S. subsidiary Glenmark Pharmaceuticals Inc., USA, 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 other defendants motion to dismiss with prejudice, and the Second Circuit Court of Appeals confirmed the dismissal. Plaintiffs have the opportunity to request the US Supreme Court to review the Second Circuit decision. 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 2024 aggregate ₹ 1,306.58 (2023 - ₹ 1,408.86)

### (iii) Others

Particulars	As at 31 March 2024	As at 31 March 2023
Bank Guarantees	2,301.54	2,213.02

## 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	2023-24	2022-23
<b>As at 1 April</b>	2,165.67	2,490.68
Additions	704.88	698.46
Termination/ modification	98.47	(33.62)
Translation difference	(26.36)	115.69
Depreciation expenses	(951.90)	(902.88)
Classified as Assets held for sale	-	(202.66)
<b>As at 31 March</b>	<b>1,990.76</b>	<b>2,165.67</b>



(All amounts in million of Indian Rupees, unless otherwise stated)

ii) Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

Particulars	2023-24	2022-23
<b>As at 1 April</b>	2,601.61	2,916.72
Additions	704.88	698.46
Termination / modification	98.47	(33.62)
Accretion of interest	192.54	191.50
Translation difference	(149.90)	87.64
Payments	(1,044.26)	(1,065.52)
Classified as Liabilities directly associated with assets classified as held for sale	-	(193.57)
<b>As at 31 March</b>	<b>2,403.34</b>	<b>2,601.61</b>
Current	886.43	830.39
Non-current	1,516.91	1,771.22

iii) The following are the amounts recognised in continuing operations profit or loss for the year ended:

Particulars	31 March 2024	31 March 2023
Depreciation expense of right-of-use assets	951.90	887.15
Interest expense on lease liabilities	192.54	186.35
Expense relating to short-term leases and low value assets	626.12	555.99
<b>Total</b>	<b>1,770.56</b>	<b>1,629.49</b>

The Group had total cash outflows for leases of ₹ 1,670.38 (2023 - ₹ 1,621.51).

iv) The undiscounted maturity analysis of lease liabilities related to continuing operations is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
within 1 year	1,014.92	924.90
1-5 years	1,622.64	1,922.76
5 years and above	58.62	97.99
<b>Total</b>	<b>2,696.18</b>	<b>2,945.65</b>

## 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. Europe
4. Latin America and Rest of the World

(All amounts in million of Indian Rupees, unless otherwise stated)

**Information about revenues by geography:**

Geographical Revenue	Year ended 31 March 2024	Year ended 31 March 2023
India	33,967.17	40,461.25
North America	30,942.54	31,480.87
Europe	25,555.73	20,055.74
Latin America and Rest of the World	27,665.53	23,834.49
<b>Total</b>	<b>118,130.97</b>	<b>115,832.35</b>

**Analysis of assets by geography:**

As at 31 March 2024	India	North America	Europe	Latin America and Rest of the World	Total
Tangible Assets	16,733.87	13,453.63	1,120.01	2,076.50	33,384.01
Intangible Assets	2,398.53	1,994.00	7,891.08	388.45	12,672.06
<b>Total</b>	<b>19,132.40</b>	<b>15,447.63</b>	<b>9,011.09</b>	<b>2,464.95</b>	<b>46,056.07</b>

As at 31 March 2023	India	North America	Europe	Latin America and Rest of the World	Classified as Assets held for sale	Total
Tangible Assets	23,776.28	20,891.96	1,212.88	1,943.96	(8,039.78)	39,785.30
Intangible Assets	2,885.45	1,332.80	18,838.95	549.63	(180.01)	23,426.82
<b>Total</b>	<b>26,661.73</b>	<b>22,224.76</b>	<b>20,051.83</b>	<b>2,493.59</b>	<b>(8,219.79)</b>	<b>63,212.12</b>

**NOTE 34 - FAIR VALUE MEASUREMENTS****Financial instruments by category**

Particulars	As at 31 March 2024				As at 31 March 2023			
	FVTPL	FVOCI	Amortised cost	Total carrying value	FVTPL	FVOCI	Amortised cost	Total carrying value
<b>Financial assets</b>								
Non current financial assets	-	-	698.83	698.83	-	-	316.80	316.80
Investments	7,496.62	400.00	0.02	7,896.64	45.71	400.00	0.02	445.73
Trade receivables	-	-	18,584.12	18,584.12	-	-	36,651.69	36,651.69
Cash and cash equivalents	-	-	16,582.70	16,582.70	-	-	11,592.03	11,592.03
Bank balances other than cash and cash equivalents	-	-	11.86	11.86	-	-	10.96	10.96
Others current financial assets	-	-	1,735.97	1,735.97	-	-	1,299.97	1,299.97
Assets classified as held for sale	-	-	-	-	0.77	-	7,950.60	7,951.37
<b>Total</b>	<b>7,496.62</b>	<b>400.00</b>	<b>37,613.50</b>	<b>45,510.12</b>	<b>46.48</b>	<b>400.00</b>	<b>57,822.07</b>	<b>58,268.55</b>
<b>Financial Liabilities</b>								
Long term borrowings	-	-	-	-	-	-	38,521.38	38,521.38
Non current financial liabilities	-	-	6,905.19	6,905.19	-	-	5,733.80	5,733.80
Short term borrowings	-	-	9,905.96	9,905.96	-	-	4,955.82	4,955.82
Trade payables	-	-	25,359.25	25,359.25	-	-	20,004.26	20,004.26
Other current financial liabilities	-	-	11,156.27	11,156.27	-	-	12,945.98	12,945.98
Liabilities directly associated with assets classified as held for sale	-	-	-	-	-	-	4,640.88	4,640.88
<b>Total</b>	<b>-</b>	<b>-</b>	<b>53,326.67</b>	<b>53,326.67</b>	<b>-</b>	<b>-</b>	<b>86,802.12</b>	<b>86,802.12</b>

Fair value hierarchy:

The fair value of financial assets and liabilities as referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

(All amounts in million of Indian Rupees, unless otherwise stated)

The categories used are as follows:

- Level 1: Quoted prices for financial assets in an active market amounting to ₹ 7,451.64 (2023 - ₹ 0.73);
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs
- Level 3: Inputs which are not based on observable market data.

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 instruments value predominately consist of liability measured at amortised cost; the embedded derivative is measured at FVTPL.

### 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 :

- Gross amount required to be spent by the Group during the year ₹ 368.13 (2023 - ₹ 354.46) for continuing operations.
- Amount spent during the year on CSR activities by way of contribution to the trusts and projects undertaken

<b>2023-2024</b>			
<b>Particulars</b>	<b>Amount paid in cash</b>	<b>Amount carried forward to next year</b>	<b>Total amount</b>
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above:			
Promoting education	121.85	-	121.85
Promoting Healthcare including preventive Healthcare and Community Development, Skill Development and Livelihood	171.63	-	171.63
Training to promote olympic sports	70.00	-	70.00
Others	0.72	-	0.72
Impact Assessment Expenses	1.82	-	1.82
Surplus arising out of the previous financial years	8.75	-	8.75
Surplus carried forward to next year	-	(6.64)	(6.64)
<b>Total</b>	<b>374.77</b>	<b>(6.64)</b>	<b>368.13</b>

<b>2022-2023</b>			
<b>Particulars</b>	<b>Amount paid in cash</b>	<b>Amount carried forward to next year</b>	<b>Total amount</b>
(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)
<b>Total</b>	<b>363.21</b>	<b>(8.75)</b>	<b>354.46</b>

(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.

Previous year numbers includes foreign currency sensitivity related to Discontinued operations.

Thus, the foreign currency sensitivity analysis has been performed in relation to US Dollar (USD) and Euro (EUR).

US Dollar conversion rate was ₹ 82.16 at the beginning of the year and scaled to a high of ₹ 83.59 and to low of ₹ 81.70. The closing rate is ₹ 83.34. 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 2024		31 March 2023	
	USD (million)	₹	USD (million)	₹
<b>Short-term exposure</b>				
Financial assets	75.06	6,255.69	105.72	8,685.71
Financial liabilities	(103.36)	(8,613.99)	(116.67)	(9,585.96)
<b>Total</b>	<b>(28.30)</b>	<b>(2,358.30)</b>	<b>(10.95)</b>	<b>(900.25)</b>
<b>Long term exposure</b>				
Financial assets	-	-	-	-
Financial liabilities	-	-	(355.68)	(29,222.85)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>(355.68)</b>	<b>(29,222.85)</b>

If the INR had strengthened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	₹	₹
Net results for the year (loss)/gain	235.83	3,012.31
Equity	-	-

(All amounts in million of Indian Rupees, unless otherwise stated)

If the INR had weakened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	₹	₹
Net results for the year (loss)/gain	(235.83)	(3,012.31)
Equity	-	-

EUR conversion rate was ₹ 89.37 at the beginning of the year and scaled to a high of ₹ 92.28 and to low of ₹ 87.12. The closing rate is ₹ 89.93. 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 2024		31 March 2023	
	EUR (million)	₹	EUR (million)	₹
<b>Short term exposure</b>				
Financial assets	11.95	1,074.72	13.54	1,210.44
Financial liabilities	(17.07)	(1,535.02)	(19.08)	(1,705.47)
<b>Total</b>	<b>(5.12)</b>	<b>(460.30)</b>	<b>(5.54)</b>	<b>(495.03)</b>
<b>Long term exposure</b>				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

If the INR had strengthened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	₹	₹
Net results for the year (loss)/gain	46.03	49.50
Equity	-	-

If the INR had weakened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	₹	₹
Net results for the year (loss)/gain	(46.03)	(49.50)
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 18.957 million (2023 - USD 398.28 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 2024	31 March 2023
	₹	₹
Net results for the year (loss)/gain	(3.95)	(81.81)
Equity	-	-

(All amounts in million of Indian Rupees, unless otherwise stated)

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 2024 ₹	31 March 2023 ₹
Net results for the year (loss)/gain	3.95	81.81
Equity	-	-

The bank deposits are placed on fixed rate of interest of approximately 4.50% to 7.61%. As the interest rate does not vary unless such deposits are withdrawn and renewed, sensitivity analysis is not performed.

### 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 2024 ₹	As At 31 March 2023 ₹
Cash & cash equivalents	16,582.70	11,592.03
Bank balances other than cash and cash equivalents	11.86	10.96
Trade receivables	18,584.12	36,651.69
Investments	7,896.64	445.73
Other current financial assets	1,735.97	1,299.97
Other non-current financial assets	698.83	316.80
<b>Total</b>	<b>45,510.12</b>	<b>50,317.18</b>

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 2024 ₹	As At 31 March 2023 ₹
Outstanding for more than 6 months	2,656.41	2,222.18
Others	15,927.71	34,429.51
<b>Total</b>	<b>18,584.12</b>	<b>36,651.69</b>

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.



(All amounts in million of Indian Rupees, unless otherwise stated)

### 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 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
	Within 1 year	1 to 5 years	Within 1 year	1 to 5 years
Trade payable	25,359.25	-	20,004.26	-
Financial liabilities	11,156.27	-	12,945.98	-
Short term borrowings	9,905.96	-	4,955.82	-
Long-term borrowings	-	-	-	38,521.38
Other non-current financial liabilities	-	6,905.19	-	5,733.80
<b>Total</b>	<b>46,421.48</b>	<b>6,905.19</b>	<b>37,906.06</b>	<b>44,255.18</b>

For Long term borrowings refer Note 14 and for Lease obligations refer Note 32 for further details

### 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 includes non-controlling interest

Particulars	As at 31 March 2024	As at 31 March 2023
Total debt	9,905.96	43,477.20
Less: Cash & cash equivalents	16,582.70	11,592.03
<b>Net debt (A)</b>	<b>(6,676.74)</b>	<b>31,885.17</b>
<b>Total equity (B)</b>	<b>78,475.47</b>	<b>98,392.59</b>
<b>Net debt to equity ratio (A/B)</b>	<b>-8.51%</b>	<b>32.41%</b>

Dividends	31 March 2024	31 March 2023
<b>(i) Equity shares</b>		
Final/Interim dividend paid during the year ended (including dividend distributed by Glenmark Lifesciences Ltd.)	1,178.42	1,367.62

#### (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 2023 - ₹ 2.50) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

(All amounts in million of Indian Rupees, unless otherwise stated)

**NOTE 38 - ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III**

Name of the entity in the Group	Net assets (total assets minus total liabilities)		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	292.70%	229,706.20	-282.23%	51,672.91	7.94%	(47.58)	-273.04%	51,625.33
Glenmark Pharmaceuticals (Kenya) Limited	0.09%	74.41	-0.08%	15.30	-0.26%	1.54	-0.09%	16.84
Glenmark Pharmaceuticals (Australia) Pty.Ltd.	-0.05%	(37.10)	0.19%	(33.98)	-0.03%	0.16	0.18%	(33.82)
Glenmark Impex L.L.C	5.05%	3,961.30	-1.92%	351.04	110.66%	(663.22)	1.65%	(312.18)
Glenmark Pharmaceuticals Malaysia Sdn Bhd	0.37%	290.29	-0.08%	15.50	2.58%	(15.46)	-0.00%	0.04
Glenmark Pharmaceuticals (Nigeria) Ltd	-0.16%	(128.98)	0.55%	(101.01)	-32.32%	193.69	-0.49%	92.68
Glenmark South Africa (pty) Ltd	0.62%	489.96	0.00%	(0.03)	3.31%	(19.85)	0.11%	(19.88)
Glenmark Philippines Inc.	0.43%	333.99	0.10%	(18.43)	-0.26%	1.57	0.09%	(16.86)
Glenmark Pharmaceuticals FZE	0.97%	764.05	-0.92%	168.02	-1.14%	6.82	-0.92%	174.84
Glenmark Pharmaceuticals Egypt S.A.E.	-0.29%	(228.69)	0.88%	(161.90)	-19.32%	115.82	0.24%	(46.08)
Glenmark Pharmaceuticals South Africa (pty) Ltd	-0.15%	(119.97)	-0.10%	18.80	-1.10%	6.56	-0.13%	25.36
Viso Farmaceutica S.L.U., SPAIN	0.21%	167.38	-0.07%	12.68	-0.00%	0.01	-0.07%	12.69
Glenmark Therapeutics Inc.	1.13%	887.62	-0.14%	25.10	-2.02%	12.10	-0.20%	37.20
Glenmark Uruguay S.A.	1.05%	827.06	0.01%	(1.41)	-1.94%	11.62	-0.05%	10.21
Glenmark Pharmaceuticals Mexico, S.A. DE C.V.	1.25%	983.49	0.10%	(18.17)	-15.14%	90.75	-0.38%	72.58
Glenmark Pharmaceuticals Venezuela, C.A	-1.98%	(1,551.70)	0.00%	-	0.00%	-	0.00%	-
Glenmark Pharmaceuticals Peru SAC	0.16%	125.19	0.03%	(4.79)	-0.33%	1.98	0.01%	(2.81)
Glenmark Farmaceutica Ltda	1.88%	1,474.30	4.89%	(894.61)	-10.83%	64.89	4.39%	(829.72)
Ichnos Sciences SA	4.54%	3,561.83	29.74%	(5,444.36)	-13.80%	82.73	28.36%	(5,361.63)
Glenmark Holding S. A.	85.49%	67,090.57	-2.95%	539.61	140.89%	(844.35)	1.61%	(304.74)

(All amounts in million of Indian Rupees, unless otherwise stated)

Name of the entity in the Group	Net assets (total assets minus total liabilities)		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 Nordic AB	0.23%	177.44	-0.10%	17.68	-0.84%	5.02	-0.12%	22.70
Glenmark Pharmaceuticals SP z.o.o.	0.15%	117.78	-0.39%	71.60	3.45%	(20.70)	-0.27%	50.90
Glenmark Pharmaceuticals SK, S.R.O.	0.24%	187.31	-0.11%	20.61	0.29%	(1.71)	-0.10%	18.90
Glenmark Pharmaceuticals S.R.O.	6.60%	5,175.87	-2.75%	503.52	41.62%	(249.45)	-1.34%	254.07
Glenmark Pharmaceuticals Colombia SAS	0.18%	139.63	0.21%	(39.36)	-0.00%	0.01	0.21%	(39.35)
Glenmark Pharmaceuticals (Thailand) Co. Ltd	-0.01%	(7.45)	0.00%	(0.47)	-0.06%	0.36	0.00%	(0.11)
Glenmark Dominicana SRL	-0.00%	(0.14)	0.00%	-	-0.00%	0.01	-0.00%	0.01
Glenmark Pharmaceuticals Inc.	18.90%	14,829.12	151.51%	(27,739.23)	-69.70%	417.72	144.50%	(27,321.51)
Glenmark Pharmaceuticals Europe Ltd.	2.52%	1,977.20	-1.52%	278.68	-0.06%	0.34	-1.48%	279.02
Glenmark Pharmaceuticals B.V.	0.30%	233.39	-0.18%	33.34	0.17%	(1.00)	-0.17%	32.34
Glenmark Arzneimittel GmbH	1.86%	1,457.51	-0.62%	114.07	-0.39%	2.31	-0.62%	116.38
Glenmark Generics SA	1.42%	1,114.48	9.69%	(1,773.60)	-67.00%	401.57	7.26%	(1,372.03)
Glenmark Pharmaceuticals Distribution S.R.O.	3.75%	2,944.99	-0.75%	137.98	21.27%	(127.50)	-0.06%	10.48
Glenmark Specialty SA	4.57%	3,586.73	64.66%	(11,838.07)	-6.94%	41.61	62.39%	(11,796.46)
Glenmark Ukraine LLC	0.22%	174.09	-0.08%	14.11	-0.83%	4.99	-0.10%	19.10
Glenmark Pharmaceuticals Ecuador S.A.	0.05%	39.21	0.39%	(71.47)	-0.04%	0.21	0.38%	(71.26)
Glenmark Pharmaceuticals Singapore Pte. Ltd.	0.09%	66.84	-0.02%	3.28	0.02%	(0.12)	-0.02%	3.16
Glenmark Lifesciences Ltd	28.75%	22,565.48	-21.70%	3,973.26	9.38%	(56.23)	-20.72%	3,917.03
Ichnos Sciences Biotherapeutics SA	1.31%	1,024.92	-1.11%	202.56	-0.31%	1.85	-1.08%	204.41
Ichnos Sciences Inc.	46.51%	36,498.11	1.39%	(254.94)	-8.76%	52.51	1.07%	(202.43)
Sintesy Pharma S.R.L	0.06%	49.46	0.25%	(45.10)	0.03%	(0.17)	0.24%	(45.27)
Glenmark Healthcare Limited	0.11%	83.85	0.04%	(6.65)	0.00%	-	0.04%	(6.65)

(All amounts in million of Indian Rupees, unless otherwise stated)

Name of the entity in the Group	Net assets (total assets minus total liabilities)		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 Farmaceutica SpA	0.04%	32.62	0.02%	(2.97)	-0.05%	0.32	0.01%	(2.65)
Glenmark Arzneimittel GmbH, Austria	0.00%	0.19	0.01%	(1.38)	-0.00%	0.01	0.01%	(1.37)
Glenmark Pharmaceuticals Canada Inc.	0.18%	138.59	-0.10%	18.67	0.01%	(0.06)	-0.10%	18.61
<b>Subtotal</b>		<b>401,278.42</b>		<b>9,756.39</b>		<b>(528.32)</b>		<b>9,228.07</b>
Intercompany elimination and consolidation adjustments		(322,799.15)		(28,064.89)		(70.99)		28,135.88)
<b>Grand total</b>		<b>78,479.27</b>		<b>(18,308.50)</b>		<b>(599.31)</b>		<b>(18,907.81)</b>
Minority interest in subsidiary		(3.80)		681.46		(9.46)		672.00

**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 2024:**

Consolidated

Exceptional item in the Consolidated Financial Statements for the year ended 31 March 2024 is ₹ 9,009.55 million (loss) primarily comprises of stake sale (net of expenses) in Glenmark Lifescience Ltd, impairment of certain block at Monroe facility, De-prioritisation of certain intangibles, settlement & legal cost, remediation cost and working capital adjustments.

The US subsidiary Glenmark Pharmaceuticals Inc., USA ('Company') has entered into an agreement with the U.S. Department of Justice, Antitrust Division (DOJ) on 22 August, 2023 to resolve all of its court proceedings with the DOJ involving historical pricing practices relating to the generic drug pravastatin between 2013 and 2015. The Company has entered into a three-year Deferred Prosecution Agreement, and if the Company adheres to the terms of the agreement, including the payment of \$30 million, payable in six instalments, the DOJ will dismiss the pending Superseding Indictment.

The US subsidiary Glenmark Pharmaceuticals Inc., USA ('Company') is likely to enter into an agreement with the U.S. Department of Justice, Antitrust Civil Division (DOJ), subject to all necessary approvals being in place, to the extent of \$30 million (including related cost), to resolve all of its Civil court proceedings with the DOJ. 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 2024. Pursuant to all necessary approvals and on finalisation of settlement agreements, the crystallized liability will be accounted after adjusting the provisions in this respect.

Exceptional item in the Consolidated Financial Statements for the year ended 31 March 2024 ₹ 6,884.30 million comprises of the U.S. Department of Justice, Antitrust Division (DOJ) settlement, related cost and remediation cost of manufacturing sites in USA.

(All amounts in million of Indian Rupees, unless otherwise stated)

The Board of Directors of Glenmark Pharmaceuticals Inc., USA in their meeting held on 23 May, 2024 decided to impaired the block of OSD & Nebulizer within the manufacturing facility located in Monroe.

The decision was taken considering the high cost of production amidst pricing pressure & competition in the US market. The focus, going forward, will be only on injectables where complex generic products would be commercialized, mainly for US market.

In accordance with the provisions of IND AS 10 Events Occurring After Reporting Period, a total charge of ₹ 21,789.85 million (\$ 263.2 million) has been accrued as of 31 March, 2024 (including working capital adjustments).

Exceptional Item also includes de-prioritisation of certain intangibles of Glenmark Speciality SA aggregating to ₹ 11,000.77 million (\$133 million) and the consequent effect under the Accounting Standard IND AS 30 Impairment of Intangible Assets.

### 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 consolidated financials 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) and 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.

### NOTE 41 - DISCONTINUED OPERATIONS

Pursuant to Board approval dated 21 September 2023, the Company entered into share purchase agreement with Nirma Limited (the "Buyer") for the sale of 91,895,379 equity shares representing 75.00% of the current issued and paid-up equity share capital of Glenmark Life Sciences Limited ("GLS"), a subsidiary of the Company, to the Buyer at a price of ₹ 615/- per share, aggregating to ₹ 56,515 million (subject to adjustments as agreed among the parties), in accordance with the terms of the share purchase agreement dated 21 September 2023 among the Company, GLS and the Buyer. Accordingly, 91,895,379 equity shares representing 75% of the current issued and paid-up equity share capital of the GLS, were transferred by the Company to Buyer as follows:

- A. On 6 March 2024, 6,73,89,944 equity shares, representing 55% of the issued and paid-up equity share capital of the GLS were transferred by the Company to Buyer.
- B. On 12 March 2024, 2,45,05,435 equity shares, representing 20% of the issued and paid-up equity share capital of the GLS were transferred by the Company to Buyer.

As required by Ind-AS 105 "Asset Held for Sale and Discontinued Operations," GLS had been classified as discontinued operations after eliminating intercompany transactions and relevant disclosures made in the financial statements.

The financial performance and cash flow information presented are for the period from 1 April 2023 to 6 March 2024 and the year ended 31 March 2023

(All amounts in million of Indian Rupees, unless otherwise stated)

**(A) Analysis of profit from discontinued operations**

Particulars	For the period 1 April 2023 to 6 March 2024	Year ended 31 March 2023
Profit for the period/year from discontinued operations		
Revenue (includes other income)	20,120.40	21,901.77
Expenditure	14,793.48	15,615.68
Profit before tax	5,326.92	6,286.09
Income tax expenses	1,353.64	1,616.48
Profit after tax	3,973.28	4,669.61
Other comprehensive income/ (expense) (net of tax)	(56.23)	(2.90)
<b>Total comprehensive income</b>	<b>3,917.05</b>	<b>4,666.71</b>

**(B) Net cash flows attributable to the discontinued operations**

Particulars	For the period 1 April 2023 to 6 March 2024	Year ended 31 March 2023
Net increase /(decrease) in cash generated from discontinued operations		
Net cash inflow from operating activities	2,884.27	3,134.04
Net cash inflow/ (outflow) from investing activities	(1,013.61)	(1,541.45)
Net cash inflow/ (outflow) from financing activities	(2,791.31)	(3,875.93)
Net increase /(decrease) in cash generated from discontinued operations	(920.65)	(2,283.34)

**(C) The carrying amounts of assets and liabilities are as follows:**

Particulars	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment, Right-of-use assets and Intangible assets (including CWIP)	-	8,422.45
Other non-current assets	-	95.63
Inventories	-	6,041.71
Trade receivables	-	4,334.37
Cash and cash equivalents	-	2,838.23
Other current assets	-	1,286.51
<b>Assets classified as held for sale</b>	<b>-</b>	<b>23,018.90</b>
Lease liabilities	-	170.92
Deferred tax liabilities	-	424.34
Trade payables	-	3,914.35
Other current liabilities	-	1,078.53
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>-</b>	<b>5,588.14</b>

**(D) Gain on disposal of discontinued operations**

Particulars	Year ended 31 March 2024
Cash consideration received (net of cost to sell)	54,496.09
Net assets transferred	(22,565.51)
Non controlling interest	3,856.16
Goodwill on consolidation	(9.77)
Gain on disposal	35,776.97



(All amounts in million of Indian Rupees, unless otherwise stated)

**(E) Information of assets and liabilities transferred:**

Particulars	Period ended 6 March 2024
Property, plant and equipment, Right-of-use assets and Intangible assets (including CWIP)	8,919.14
Other non-current assets	256.28
Inventories	7,262.00
Trade receivables	7,995.30
Cash and cash equivalents	1,917.58
Other current assets	2,167.42
<b>Total Assets (A)</b>	<b>28,517.72</b>
Other non-current liabilities	784.20
Other current liabilities	5,168.01
<b>Total Liabilities (B)</b>	<b>5,952.21</b>
<b>Net Assets (A-B)</b>	<b>22,565.51</b>

**NOTE 42 - ACCOUNTING RATIOS**

Particulars	Continuing operations					
	Numerator	Denominator	F.Y. 2023-24	F.Y. 2022-23	% variance	Reason for variance
a) Current Ratio	Current Assets	Current Liabilities	1.28	1.85	-31%	Mainly due to rationalisation of working capital during the year
b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.13	0.44	-71%	Mainly on account of prepayment of loans at GPL and its subsidiary from the proceeds received from GLS stake sale and net decrease in shareholder's equity due to exceptional provisions made for U.S. Department of Justice, Antitrust Division (DOJ) settlement and remediation related cost, impairment of certain block at Monroe facility (US) and De-prioritisation of certain intangibles at Glenmark Specialty SA which was setoff against the exceptional gain on stake sale of GLS
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.95	1.21	61%	Mainly on account of lower scheduled payment of borrowings in FY 2023-24 as compared to previous year
(d) Return on Equity Ratio	Net profit - preferred dividends	Average shareholder equity	4.49%	4.89%	-8%	
(e) Inventory turnover ratio	Sale of products	Average inventory	4.71	5.21	-10%	
(f) Trade Receivables turnover ratio	Net sale of products and services	Average trade receivables	4.21	3.57	18%	
(g) Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	1.95	2.13	-9%	
(h) Net capital turnover ratio	Net sale of products and services	Working Capital	7.23	2.95	145%	Ratio has improved in FY 2023-24 due to rationalization of working capital during the year

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Continuing operations					Reason for variance
	Numerator	Denominator	F.Y. 2023-24	F.Y. 2022-23	% variance	
(i) Net profit ratio	Net profit	Net sale of products and services	3.41%	4.13%	-17%	
(j) Return on Capital employed	Earning before interest and taxes	Capital employed	8.10%	8.59%	-6%	
(k) Return on investment	Change in fair value of quoted investment (except subsidiary)	Average investment X Holding period	59.24%	42.73%	38.64%	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.+/- adjustment of Exceptional items and relevant tax expense and Non-recognition & De-recognition of deferred tax asset on the MAT credit
- (b) Debt service = Interest & Lease Payments + Scheduled Principal Repayments for the year
- (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 exceptional items and tax + Finance costs - Other Income
- (j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
- (k) Return on investment = Change in fair value of quoted investment (except subsidiary) / (Average investment x holding period)
- (l) Net Profit = Net profit after tax from continuing operations + adjustment of Exceptional items and relevant tax expense and De-recognition of deferred tax asset on the MAT credit

### NOTE 43 - 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:-
- 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
  - 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

- 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.
- j) The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).
- k) The Group has not given any loans or advances in the nature of loans to promoters, directors, KMPs and/ or related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand, or without specifying any terms or period of repayment.

#### **NOTE 44 - AUTHORISATION OF FINANCIAL STATEMENTS**

The consolidated financial statements for the year ended 31 March 2024 were approved by the Board of Directors on 24 May 2024.

As per our report of even date attached.

**For Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm's Registration No.: 121750W / W100010

For and on behalf of the Board of Directors

**Vinodkumar Varma**  
Partner  
Membership No. 105545

**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 : 24 May 2024

Place: Mumbai  
Date : 24 May 2024

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