Glenmark
A new way for a new world

Driven by innovation for a Better tomorrow

Integrated Annual Report
2021-22

Contents

Corporate Overview

Statutory Reports

Financial Statements

Scan the QR code to know more about us

Reference to further reading online

You can also find this report online: https://glenmarkpharma.com/investors/reports-presentations/

Driven by innovation we are crafting a better tomorrow for all.

Innovation is deeply embedded in Glenmark's culture; it is how we differentiate ourselves in our core markets and create exceptional value for our stakeholders.

Our R&D investments focus on identifying and fulfilling unmet patient needs; thereby raising the standard of care. The consistent demand of our products in India and other countries of the world is a testament to our end-to-end capabilities to offer patients quality medicines with affordable access.

Despite a challenging global macro environment, we delivered consistent performance through the year and achieved our key objectives. Continuing to prioritize patient needs, we are confident of growing our business by addressing crucial gaps and needs in therapy.

About this Report[1]

We at Glenmark Pharmaceuticals Limited ('GPL', 'Glenmark') are pleased to present our maiden Integrated Report for the Financial Year 2021-22 (FY 22). This report is prepared in accordance with the International Integrated Reporting Council's (IIRC) - <IR> Framework. Progressing from our Annual Report FY 21, our Integrated Report strives to provide comprehensive disclosures on our financial performance and value creation imperatives.

Scope and Boundary

The report covers Glenmark's financial and non-financial performance across its business activities as well as subsidiaries from April 1, 2021 to March 31, 2022, following an annual reporting cycle. Details regarding our ownership structure have been provided in the Corporate Governance section. We have not made any material restatement of historical information across this Integrated Report.

Reporting Standards and Frameworks

The content of our Integrated Report is in accordance with the <IR> framework and the Global Reporting Initiative (GRI) standards: Core option. We have also drawn reference to the 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. This report's financial and statutory information complies with the Companies Act, 2013, Indian Accounting Standards, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable regulations.

Integrated Thinking

We aim to embed the concept of 'integrated thinking' across our business activities and manufacturing processes. Keeping long-term value creation for all stakeholders at the core, we intend to drive innovative capabilities that help us address key challenges across the value chain. The aspect of integrated thinking and its implementation at Glenmark has been further explored across the 6 capitals of value creation in our integrated report.

Integrated Approach

In line with the <IR> framework, Glenmark's value creation model entails its interactions with the following 6 forms of capital:

Financial Capital

Glenmark's funds utilized for our core business activities and investments into R&D to create value-generated outcomes for our stakeholders.

Social & Relationship Capital

Glenmark's robust relationship with its stakeholders, which enables us to strengthen our efforts and augment accessibility to affordable healthcare.

Manufactured Capital

Glenmark's infrastructural assets that are leveraged to manufacture quality products and augment capacity to expand our product pipeline.

Human Capital

Glenmark's agile, innovative and dedicated workforce which supports us to achieve our ambitions and drive sustained business growth.

Intellectual Capital

Glenmark's knowledge-based and valued intangible assets that enable us to drive innovation across our therapeutic areas.

Natural Capital

Glenmark's responsible use of resources to drive efficacy across our business operations with a balanced approach to our triple bottom line.

[1] GRI 102-1, GRI 102-12, GRI 102-45, GRI 102-46, GRI 102-48, GRI 102-49 ,GRI 102-50, GRI 102-51, GRI 102-52, GRI 102-53, GRI 102-54

The subsequent sections of this Integrated Report showcase Glenmark's efforts to deliver value-generated outcomes not just for itself but also for its stakeholders. The report deep dives into our initiatives that drive excellence across our product portfolio, while ensuring responsible and sustainable manufacturing operations.

External Assurance

Our statutory auditor, Suresh Surana & Associates LLP, has provided assurance on our financial statements, which can be found on page 221 and 294 of this report. DNV GL 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 146 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, operational and sustainability performance of Glenmark for the reporting year FY 22.

Feedback

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

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.

Exploring the Limitless Possibilities of Science[1]

We aim to be a leading integrated, research-led, global pharmaceutical company. Over the past 45 years, we have built a global Branded Generics, Generics, Specialty and OTC business. With a strong focus on innovation, we have developed a robust presence in the therapy areas of Dermatology, Respiratory and Oncology.

With medications at various stages of clinical development, we have a well-established reputation for research expertise in both novel small molecules and biologics.

Our generics business caters to the requirements of over 80 countries while our API business sells products in more than 65 nations globally. Our 14 state-of-the-art manufacturing facilities and 4 R&D centres help us create breakthrough therapies for the global patient population.

At Glenmark, we are committed to driving a socially relevant and environmentally conscious approach to business.

We continue to focus on augmenting business resilience by embedding ESG considerations in every facet of our business in line with the UN Sustainable Development Goals (SDGs).

[1] GRI 102-16

Vision

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

Values

Achievement

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

Knowledge

We value knowledge such that it empowers our people to find innovative solutions to manage change.

Respect

We respect all our stakeholders.

Our Performance in Numbers

INR 123,049 Mn
Revenue from operations
12.4% YoY increase

INR 23,203 Mn
EBITDA
18.9% margin

INR 9,936 Mn
PAT
2.4% YoY growth

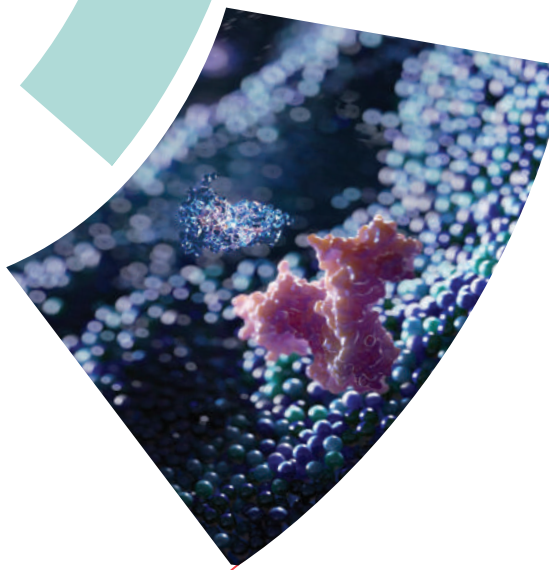
INR 33.4
Earnings per share

INR 22,598 Mn
Net Debt
INR 12,895 Mn lower compared to FY 21

USD 250 Mn+
Worth of cumulative out-licensing deals signed till date

1,429
Inventions till date*

1,284
Patents granted till date*



*Till 31st March 2022

Accomplishing Milestones for a Better Tomorrow

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

1979 **Launches 'Candid Cream'** and enters the dermatology segment.

1999 **First R&D facility** starts its operations in in Sinnar, Maharashtra.

2000 Goes public, commands a **market capitalization of USD 40 Mn**. on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) of India.

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

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

2002 Acquires API manufacturing plants at Ankleshwar, Gujarat.

2004 Enters its **first out-licensing agreement for GRC 3886** with Forest Laboratories for USD 35 Mn. (upfront and milestone payments)

2005 Enters its **second out-licensing agreement its molecule, Oglemilast** to Teijin Pharma, Japan for USD 6 Mn (upfront payment).

Launches front-end commercial sales in the US.

2006

Out-licenses its third molecule - Melogliptin to Merck KGaA for USD 31 Mn (total payment).

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

2007

Out-licenses first portfolio - TRPV1 antagonist molecules to Eli Lilly for USD 45 Mn.

2010

Out-licenses GRC 15300, its first-in-class TRPV3 antagonist to Sanofi-Aventis for USD 25 Mn (upfront payment).

2011

Out-licenses its first New Biological Entity (NBE), GBR 500 to Sanofi-Aventis for USD 50 Mn (upfront payment) and USD 5 Mn (milestone payment in 2014).

2012

Out-licenses mPEGS-1 Inhibitor to Forest Labs for USD 15 Mn (upfront payment).

2014

Commissions a new manufacturing facility in North Carolina, US for creation of injectable and oral solids.

To provide clinical GMP-grade biologics for clinical trials, a **new antibody manufacturing facility is established in La Chaux-de-Fonds, Switzerland.**

2016

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

2018

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

The US FDA approves Ryaltris®, formerly known as GSP 301 nasal spray, Glenmark's top respiratory pipeline candidate for review as a therapy for seasonal allergic rhinitis.

2019

Spins out its API arm, Glenmark Life Sciences and innovation subsidiary Ichnos Sciences Inc. which focuses on immuno-oncology.

2020

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

2021

Subsidiary Glenmark Life Sciences gets listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) of India.

Subsidiary Ichnos Sciences enters into an **exclusive licensing agreement with Almirall SA for the IL-1RAP antagonist ISB 880** for an upfront payment of EUR 20.8 Mn.

Retains its position in the coveted Dow Jones Sustainability Emerging Markets Index for the fourth consecutive year.

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

2022

The US FDA grants approval for Ryaltris® nasal spray for the treatment of symptoms of seasonal allergic rhinitis in adults and paediatric patients 12 years of age and older.

The Phase 1 Clinical Trial of novel molecule GRC 54276 in patients with advanced solid tumours and Hodgkin's lymphoma is approved.

Our Performance Scorecard

(In INR Mn, unless otherwise stated)

CONSOLIDATED FINANCIAL HIGHLIGHTS (IND AS)	2021-22	2020-21	2019-20	2018-19	2017-18
Total Income	**1,24,715.77**	**1,09,941.45**	**1,08,005.71**	**1,00,736.05**	**91,944.70**
Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)*	23,202.98	20,843.82	18,576.84	17,939.37	17,067.73
Depreciation and Amortization	4,867.15	4,435.54	4,171.66	3,259.05	3,018.76
Profit for the year	9,936.49	9,700.88	7,759.70	9,249.93	8,038.70
Equity Dividend	2.50	2.50	2.50	2.00	2.00
Equity Share Capital	282.17	282.17	282.17	282.17	282.17
Reserves and Surplus	90,584.30	70,364.10	60,422.88	55,769.67	51,352.60
Net Worth #	94,381.20	70,642.73	60,701.13	56,048.07	51,631.07
Net Debt	22,598.22	35,493.33	37,583.59	35,123.90	34,060.29
Gross PPE & Intangible Assets	1,06,749.11	96,284.71	90,618.37	78,714.71	64,377.15
Net PPE & Intangible Assets	65,880.33	61,873.32	59,020.87	50,144.57	40,993.20
Key Indicators					
Basic Earnings Per Share(INR)	33.37	34.38	27.50	32.78	28.49
Return on Capital employed (EBIT^/ Capital Employed **)	16.80%	17.27%	15.17%	16.14%	15.66%
Return on Equity^^	12.04%	14.77%	13.29%	17.18%	16.65%

* EBIDTA = Profit before exceptional items and tax + Depreciation + Finance Cost - Other Income
#Net Worth = Equity + Reserves + Non-controlling interests
^EBIT = Profit before exceptional items and tax + Finance Cost - Other Income
** Capital Employed = Equity Share Capital + Other Equity - Intangible Assets + Current & Non-Current Borrowing + Deferred Tax Liability
^^ Return on Equity = Net Profit / Average Shareholder's Equity

Innovation Pipeline in Clinical Trials

Glenmark's innovation pipeline (including Ichnos Sciences) has 7 clinical stage assets across focus areas; with additional multiple assets in pre-clinical/discovery stages.

Glenmark Pharmaceuticals

	Molecule	Therapy	Description/Target	Phase
1	**GRC 17536**	Pain	TRPA 1 antagonist for Diabetic Neuropathy	● ● ○
2	**GRC 39815**	Respiratory	RORyt inhibitor for COPD	● ○ ○
3	**GRC 54276****	Oncology	HPK1 Inhibitor for Solid Tumors	● ○ ○

Ichnos Sciences

	Molecule	Therapy	Description/Target	Phase
4	**ISB 1342**	Oncology	CD38 X CD3 bispecific antibody for Relapsed/ Refractory Multiple Myeloma; T-ALL	● ○ ○
5	**ISB 1442**	Oncology	CD38 X CD47 bispecific antibody for Relapsed/ Refractory Multiple Myeloma; T-ALL; AML	● ○ ○
6	**ISB 880***	Auto-Immune	IL-1RAP antibody for Autoimmune Diseases.	● ○ ○
7	**ISB 830**	Auto-Immune	OX40 antagonist for Atopic Dermatitis (IND for seropositive autoimmune diseases is open)	● ● ○

Phase 1 ● ○ ○ / ● ○ ○

Phase 2 ● ● ○ / ● ● ○

Phase 3 ● ● ● / ● ● ●

** Status as of August 2022

* Partnered with Almirall. Status as of August 2022

Message from the Chairman and Managing Director[1]

Innovation, a Way of Life at Glenmark

Glenn Saldanha
Chairman and Managing Director, Glenmark

Dear Shareholders,

FY 22 marked yet another year of our resilient performance through challenging times. Ensuring sustained focus on business continuity and innovation is what enabled us to deliver on our commitments. We are grateful to our dedicated teams, who have relentlessly focused on catering to diverse patient needs under demanding circumstances.

Driving Value through Innovation

At Glenmark, innovation is at the heart of what we do and is deeply embedded in our culture and value creation approach.

During the year, we further tapped into our innate strengths to raise the bar for innovation. I'm proud to share that Glenmark won the 'Indian Pharma Innovation of the Year' award for the second year in a row! The prestigious award was conferred by the Government of India (Department of Pharmaceuticals, Ministry of Chemicals & Fertilizers) and recognizes Glenmark's multiple patents and commercialized innovations over the last three years.

With a view to strengthen our emphasis on innovation and advance our clinical stage pipeline, we established the Global Innovative Medicines Group,

INR 12,787 Mn

Our total research and development expenditure for the year FY 22

[1] GRI 102-14

Our approach to innovation has always set us apart and our work over the past two decades speaks for itself. Our R&D investments drive the development of novel medicines for health conditions with substantial unmet needs. In addition, we continue to launch generic versions of innovator molecules that improve the standard of affordable treatment.

During the year under review, we have been persistent in pursuing our aim to discover first-in-class therapies in oncology, immuno-oncology, respiratory, and pain management. Our total research and development expenditure for the year stood at INR 12,787 Mn, which comprises 10.4 % of total revenue from operations.

Our Innovative Pipeline

We are committed to continuing our R&D efforts to address patient needs globally. A glance at Glenmark's on-going innovative pre-clinical and clinical development programs will reveal the length and breadth of our efforts. We have seven programs at various stages of clinical development concurrently running between the Innovative Medicines Group (in Glenmark Pharmaceuticals) and Ichnos Sciences. Four of these programs are likely to achieve Human Proof of Concept in 2023.

Innovative Medicines Group

GRC 17536 (TRPA1 antagonist) is the company's pain pipeline asset being developed as an orally administered treatment for pain in patients with painful diabetic peripheral neuropathy. The Phase 2b study was initiated in Q2 FY 22. It is currently ongoing in India with 238 patients randomized out of total 472 patients. The Good Laboratory Practice (GLP) toxicology studies for metabolite qualification were completed in Q3 FY 22. We are further planning to initiate discussions with the FDA to get feedback on the non-clinical package to support the clinical development up to the NDA filing in FY 23.

The Investigational New Drug (IND) enabling studies for our oncology pipeline asset GRC 54276 were completed with a Phase I submission to the DCGI in Q4 FY 22. We also recently received approval for initiation of Phase 1 study and have commenced with the Phase 1 trials.

GRC 39815 is a potent and selective retinoid-related orphan receptor gamma t (RORγt) inverse agonist that suppresses T helper type 17 (Th17) cell differentiation and interleukin 17 (IL-17) production. It is being developed as an inhaled treatment for patients with Chronic Obstructive Pulmonary Disease (COPD). It is currently under Phase 1 clinical development in the US.

Ichnos Sciences

Ichnos, Glenmark's fully owned clinical-stage biotechnology company, is at the forefront of innovation in oncology. Its pipeline of bi/multispecific antibody therapeutics for oncology continues to progress, and is now comprised of five programs, including two first-in-class clinical-stage assets, T-cell engager, ISB 1342, which targets CD38 and CD3, and ISB 1442, a CD38 x CD47 immune cell engager that leverages multiple mechanisms of cellular cytotoxicity. Both ISB 1342 and ISB 1442 are enrolling patients in Phase 1/2 dose escalation and expansion studies in relapsed/refractory multiple myeloma.

Using our proprietary BEAT® engineering platform, Ichnos developed its first trispecific antibody, ISB 2001, which binds to CD3 on T cells, and to BCMA and CD38 on myeloma cells. This product entered IND-enabling studies in H2 of FY 22. Additionally, two discovery stage assets are advancing and are poised to enable Ichnos to broaden from hematologic tumors to solid tumors.

Ichnos' pipeline also includes two monoclonal antibodies for autoimmune diseases. ISB 830 (telazorlimab), an

OX40 antagonist, that successfully completed a Phase 2b study in atopic dermatitis. The other being ISB 880, an IL 1RAP antagonist, that was licensed to Almirall S.A. (a global biopharmaceutical company headquartered in Barcelona) in December 2021. It has commenced with the Phase 1 trials.

Under the agreement, Almirall has been granted global rights to develop and commercialize the monoclonal antibody for autoimmune diseases. In addition to the upfront payment of EUR 20.8 Mn; we will also receive additional development and commercial milestone payments and tiered royalties based upon future global sales. Looking ahead, with a strong focus on biologics in oncology, we will keep making strides with our innovative pipeline of novel biologics candidates.

Strong Performance in Base Business

We are primarily focused on building a global branded generics, generics, specialty, and OTC business in Dermatology, Respiratory and Oncology. Additionally, we have a strong regional/ country-specific presence in other therapeutic areas like diabetes, cardiovascular and oral contraceptives.

Glenmark's collective response to COVID-19 was resolute and exemplary, which put us at a par with other globally acclaimed pharmaceutical companies. Our anti-viral drug, Favipiravir (FabiFlu®), continued to remain one among the highest selling drugs in the Indian pharma market (IPM) among all other therapies aimed at treating symptoms of COVID-19. It has assisted over 6.5 Mn patients and their families to date; making it one of the most successful introductions of its time. We joined hands with SaNOtize, a Canadian biotech, to bring to India and 13 other Asian countries, a unique nitric oxide nasal spray (FabiSpray® in India and VirX™ in Asia), which has the potential to change the trajectory of COVID-19 treatment.

During the year, our India business continued to outperform by surpassing industry growth rates, in line with the trend that has been in place for some years. As per IQVIA statistics, we were one of the fastest growing organizations in the Indian pharmaceutical market among the top 20 players for MAT March 2022.

Our India formulations business achieved several important milestones during the year. Our market share climbed to 2.34% over the previous year; effectively moving us up a spot to rank 13th. During this year, we further strengthened our position in our core therapeutic areas, and were ranked second in Dermatology, fourth in Respiratory and sixth in Cardiology segments.

Our Consumer Care business recorded robust growth during the year led by new product launches, and resident stalwarts like Candid cream and LaShield® sunscreen. Candid Powder continues to maintain its dominant status with market share of 63% in FY 22.

Along with our India business, it has been an excellent year for our global businesses with strong financial results and successful new launches across all

I'm delighted to inform you that Candid® Powder became the first brand in the consumer care business to enter the INR **100** Cr (USD 15 Mn) club!

> Our focus on building a global Respiratory portfolio was evinced from the top-of-the-lines products that we launched during the year, namely, Ryaltris®, Ryaltris®-AZ, Vilor-F™, Tiogiva®/Tavulus®, and Pulmicort Respules®.

our key markets. To mention some of the most noteworthy highlights, I am pleased that our Europe business achieved the milestone of USD 200 Mn in revenues and it continues to be a major contributor to our overall growth story.

Other markets in the Rest of the World (RoW) region such as Asia, Middle East, Africa, and Latin America witnessed signs of recovery despite the impact of lockdown due to the pandemic. We experienced strong secondary sales growth in key Asian markets like Vietnam, Thailand, Malaysia, and Philippines. We also saw strong double digit growth in markets like Kenya, Saudi Arabia and South Africa; while in Latin America, there was a positive growth momentum in some markets including Peru, Ecuador, Mexico and Columbia. Despite the upheaval in the region, our Russia/CIS business registered robust revenues.

Respiratory Portfolio

We started off the year with the launch of Tiotropium Bromide Dry Powder Inhaler (DPI) under the brand name, Tiogiva®, in UK. It was launched under the brand name, Tavulus®, in Spain a little later in the year. Tiotropium Bromide DPI is used to treat chronic obstructive pulmonary disease (COPD), which is a long-term condition that causes inflammation in the lungs, damaged lung tissue and a narrowing of the airways, making breathing difficult. These launches were part of a wider strategic exclusive in-licensing arrangement to market Tiotropium DPI in Western Europe and the UK. Our Colombian subsidiary entered into an exclusive licensing agreement with AstraZeneca Colombia S.A.S. for the commercialization of Astrazeneca's drug Pulmicort Respules® in the Colombian market. This partnership will ensure continued and increased access of this essential remedy, and thus bring in much needed therapeutic relief to asthma patients in Colombia.

Additionally, we continued to make headway in launching Ryaltris®, our first global branded specialty product, across the world. Ryaltris® is a fixed dose combination nasal spray that combines an antihistamine (Olopatadine) with a steroid (Mometasone Furoate) for treatment of allergic rhinitis. During the fiscal, we received US FDA's NDA approval for Ryaltris® in addition to marketing authorization in 16 markets across the European Union and the United Kingdom. Since its launch, this nasal spray is being marketed in

Australia, Italy, Ireland, South Korea, the Czech Republic, Poland, Russia, South Africa, Ukraine, Uzbekistan, South Africa, the Philippines, Peru and Ecuador.

In India, we had two key launches with the introduction of Ryaltris®-AZ and Vilor-F™. Glenmark became the first company in the world to launch Ryaltris®-AZ (a customized formulation nasal spray of Ryaltris®) as a novel fixed dose combination of Mometasone Furoate and Azelastine for the treatment of allergic rhinitis. Vilor-F™, a formulation consisting of a combination of ultraLABA and intranasal corticosteroid, is recommended for the management of asthma and COPD.

Glenmark Life Sciences

We listed our wholly owned API subsidiary, Glenmark Life Sciences Ltd. on the Indian exchanges. The IPO, which consisted of a fresh issue of INR 10.6 Bn and an offer for sale of up to INR 4.5 Bn by the company, was oversubscribed 44 times. We are confident that this has been a positive step in unlocking value for the organization and getting us closer to our ambition to become a leading API and Contract Development and Manufacturing Organization (CDMO) in India.

Operationally Speaking

At Glenmark, we are committed to manufacturing and delivering high-quality products to patients across the globe. Closely abiding by standards of 35 health authorities across the world is just one of the various ways in which we ensure compliance with stringent regulatory requirements. We delivered industry-leading products, while meeting our supply obligations. This was achieved through streamlined inventory and efficient supply chain management to ensure uninterrupted operations.

> It is also noteworthy that we reduced debt by an impressive **INR 12.9 Bn**, thereby mitigating the additional financing cost, arising from elevated interest rates.

Well-Oiled Growth Engine

Despite challenges in the operating environment, our financial performance demonstrated our collective will to deliver and grow. Our consolidated revenue increased by 12.4% reaching INR 123,409 Mn in FY 22, compared to INR 109,439 Mn in the previous year. We maintained our EBITDA margins at ~19%, and our overall PAT registering INR 9,936 Mn this year.

As we have entered the new fiscal, besides strategically increasing our footprint geographically with a keen focus on new markets that are becoming more regulated, we will be trying to make our existing manufacturing processes more efficient and productive in the industry, with an emphasis on automation, digitization, and productivity improvements across the entire value chain. This will also allow us to drive development of effective drugs, while remaining cost-competitive.

A Sustainable and Responsible Enterprise

At Glenmark, we have a dedicated ESG Committee, governed by the Board, to supervise our progress against ESG priorities.

In order to improve our governance and in line with the Kotak Committee recommendations, we will consider separating the roles of Chairman and Managing Director to two separate individuals over the next three years.

We are aiming to reduce our environmental impact, particularly in the areas of hazardous waste disposal (Target: Zero-Waste-to-Landfill by 2027), water (Target: Neutrality by 2025), and carbon emissions (Neutral on Scope 1 and 2 Emissions by 2030). We are also

committed to the Science Based Targets Initiative for target-setting and are in the process of ratifying these goals.

I am happy to share that Glenmark was listed on the prestigious Dow Jones Sustainability Index (DJSI) for the fourth consecutive year. We rank among only 15 companies from India to be listed on the DJSI Emerging Markets Index in FY 22. Further, Glenmark was the first domestic pharmaceutical company to raise sustainability linked loans by raising USD 228 Mn during the year.

Our social responsibilities form an integral part of our business operations. Our societal initiatives are undertaken under the umbrella of 'Joy of Giving'. During the year we positively impacted several lives across countries with 47 Glenmark locations across 31 countries participating this annual program. We have also touched 2.6 million lives till date, which brings us closer to our goal of impacting 3 million lives by FY 25.

In line with our commitment to bring positive changes, we continued achieving success with several corporate social responsibility (CSR) projects carried out through the year. I am pleased to share that during the year under review, we could touch more than 1,25,000 lives through our Child Health intervention programs. Additionally, we served over 25,000 pregnant and lactating women through our various interventions.

It is always heartening to have our efforts appreciated, and I'm honored to share that we were conferred with the three prestigious awards in the year. We received the Gold Award under the 'CSR Health Impact Awards COVID Indigenous Response Project', the Silver Award under the 'CSR Health Impact Awards Food For All Initiative'; while also securing a Runners-up position for the 'India Pharma CSR of the Year Award'.

Leading from the Front

Looking forward, our strategic priority for FY 23 will be to further our innovative product pipeline, successfully launch our branded new products (especially, Ryaltris®), sustain our EBITDA margins, and continue enhancing free cash generation for further debt reduction. We will also be maintaining our primary focus on optimizing our research and development and capital expenditure; while continuing to focus on profitable growth.

We were selected for the Production Linked Incentive (PLI) scheme aimed at improving India's manufacturing capabilities and enhancing exports. Glenmark was one of the 11 companies under Group A, and I believe that we are well placed to meet the objectives and guidelines of the scheme.

Our goal will continue to be leading from the front, putting innovation at the forefront to bring breakthrough and affordable pharmaceuticals to our patients; while also paving the road for a better and more sustainable tomorrow. At which point, I am reminded of our team's tenacity and the unwavering support of our stakeholders. I would want to take this opportunity to thank all of my colleagues and team members for their efforts and diligence in bringing value to our stakeholders and contributing to our collective success. Together, we are looking forward to a more exciting and rewarding journey ahead of us.

Regards,

Glenn Saldanha

Board of Directors[1]

Glenn Saldanha

Chairman and 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 has evolved from an Indian branded generics business into a research-driven and innovation-led organization. Glenmark also won for two consecutive years the 'Indian Pharma Innovation of the Year' award, conferred by the Government of India.

V. S. Mani

Executive Director and Global Chief Financial Officer

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

Cherylann Pinto

Executive Director – Corporate Services

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

Bernard Munos

Non-Executive Director

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

Sridhar Gorthi

Non-Executive Director

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

[1] GRI 102-18

Blanche 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.

Brian W. Tempest

Non-Executive Director

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

Rajesh V. Desai

Non-Executive Director

Mr. Desai is a Non-Executive Director at Glenmark Pharmaceuticals Limited. He has 36 years of rich experience, and has been the Executive Director and Chief Financial Officer of Glenmark until 2016. Mr. Desai led the Finance, Legal and IT functions at Glenmark, and has contributed significantly to its growth story.

Saira Ramasastry

Non-Executive Director

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

D. R. Mehta

Non-Executive Director

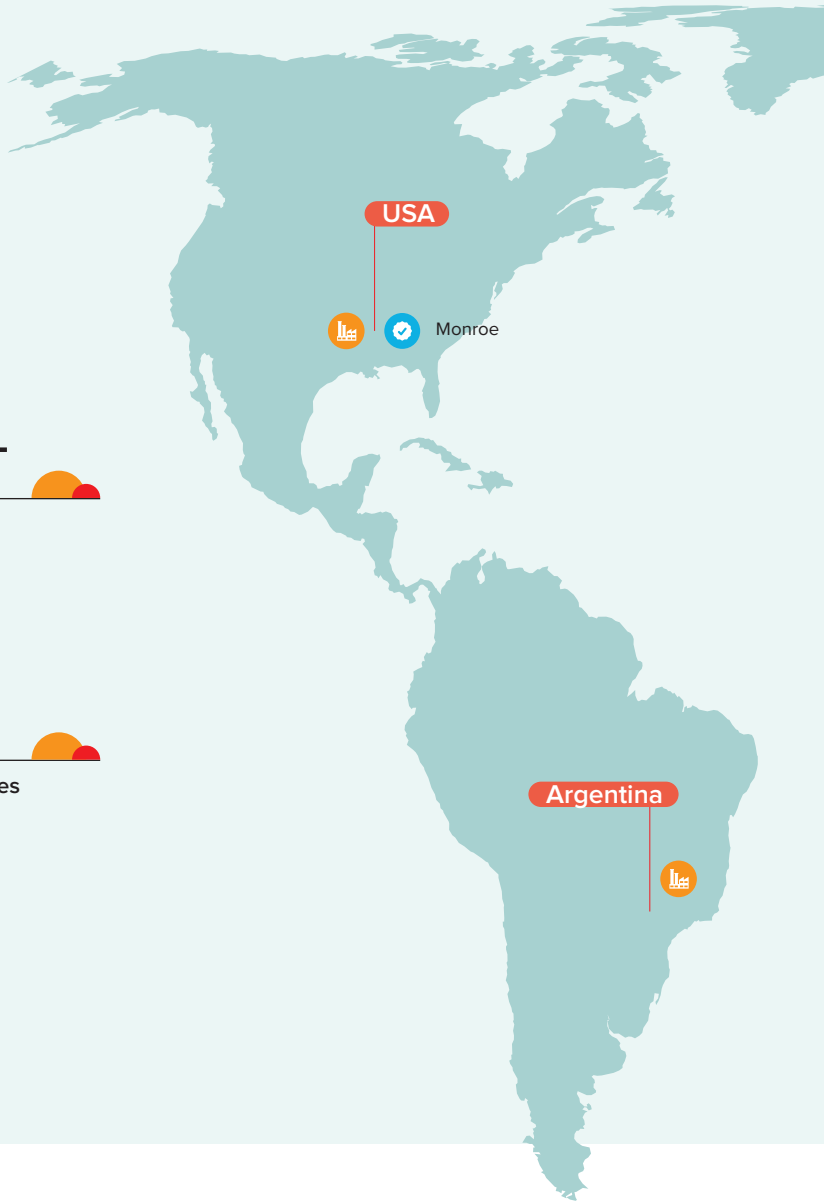
Mr. Mehta is a Non-Executive Director at Glenmark Pharmaceuticals Limited. He has almost four decades of experience in civil administration and management of public affairs. Mr. Mehta joined the IAS in 1961 and has held positions in the Government of Rajasthan and the Government of India. He has served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

Dipankar Bhattacharjee

Non-Executive Director

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

Our Vast Canvas of Operations[1]



4
Continents where our facilities are present

80+
Countries have our commercial presence

50+
Offices

14
State-of-the-art manufacturing facilities

8
Manufacturing facilities approved by US-FDA

4
R&D centres

USD 1.65 Bn
Global revenue

64%
Turnover from international markets

Goa	
Indore	
Baddi	
Nalagarh	
Nashik	
Sikkim	
Aurangabad	
Monroe	
Pilar	
Vysoke Myto	

Ankleshwar	
Dahej	
Kurkumbh	
Mohol	
Le Chaux-de-Fonds	
Sinnar	
Mahape	
Taloja	
Lausanne	

Formulation Facility

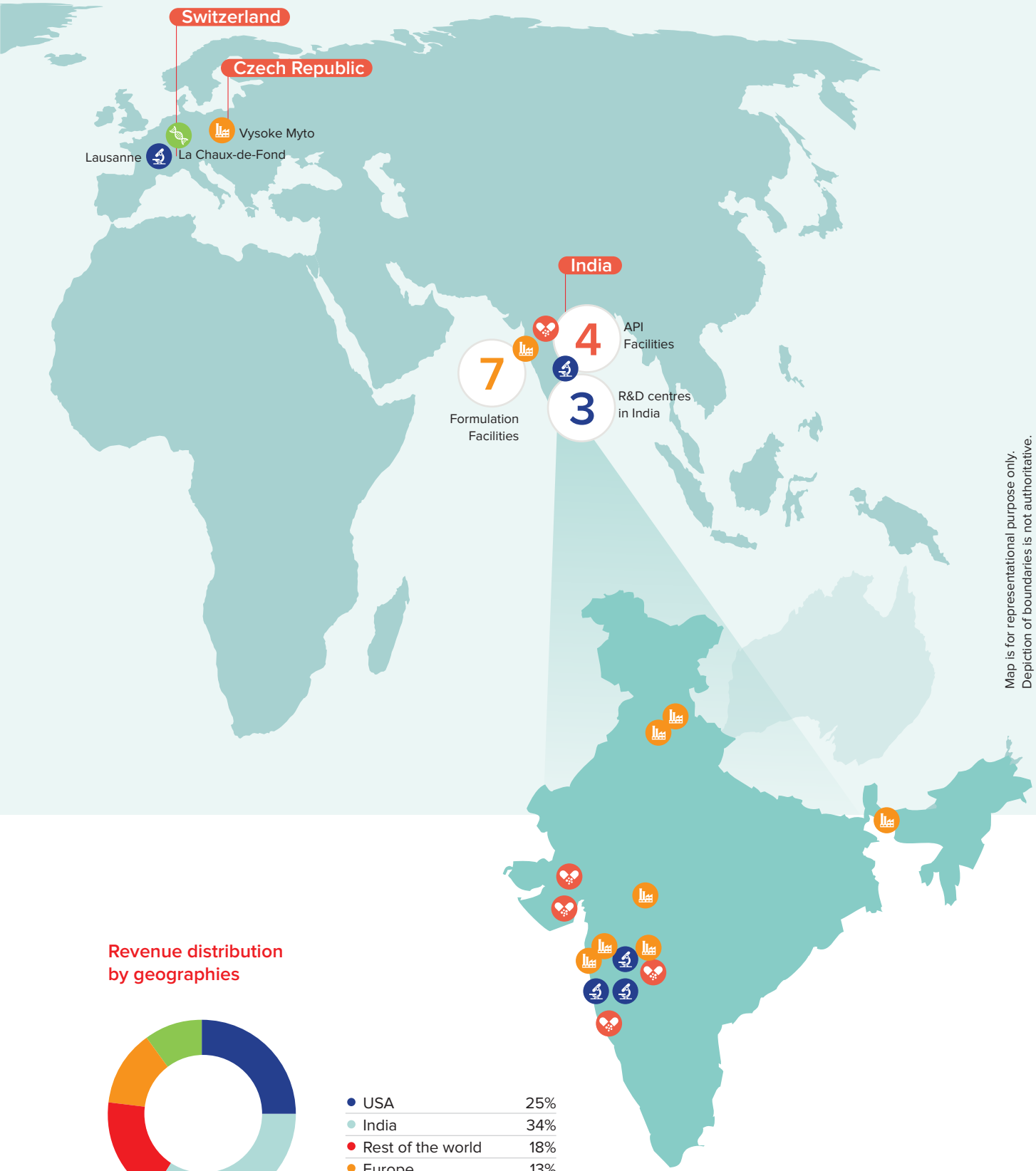
API Facility

US FDA Approved

R&D Centers

NBE Facility

[1] GRI 102-2, GRI 102-3, GRI 102-4, GRI 102-6, GRI 102-7



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

Revenue distribution by geographies

USA	25%
India	34%
Rest of the world	18%
Europe	13%
API	10%

Glenmark
A new way for a new world

Glenmark
Pharmaceuticals Limited

Progressing with Innovation at the Core

Glenmark Pharmaceuticals is a worldwide, integrated, and innovation-driven organisation with a presence in the major markets of the world. Our market leadership requires a constant commitment to innovation. The objective is to deliver both specialised and affordable generics, as well as to build worldwide brands and have robust operations. We develop Branded Generics, Generics, Specialty and OTC products with focus on key therapeutic areas of oncology, respiratory and dermatology.

The full spectrum of our product portfolio

Fastest

growing company for the period of 2018 to 2022 (CAGR 15.95 vis-à-vis IPM CAGR of 11.09)

Amongst the

Top 5

fastest growing companies in Indian pharma market (IPM)

Glenmark's comprehensive range of branded products in key disease segments in India

Ranked 6 in Cardiology

Ranked 15 in Diabetes

Ranked 4 in Respiratory

Ranked 2 in Dermatology

10 brands featuring in Top 300 in MAT March 2022

Brands	Value (INR in crore)
FABIFLU	**524.0**
TELMA	325.7
TELMA-H	226.6
TELMA-AM	180.1
ASCORIL-LS	169.3

Brands	Value (INR in crore)
CANDID	145.6
ASCORIL +	142.0
CANDID-B	126.9
ALEX	116.0
ASCORIL D PLUS	103.4

Note: Data according to IQVIA MAT March '22

India

We were ranked

2nd in Dermatology,

4th in Respiratory

6th in Cardio Vascular

India business grew at

15.5%

during the year

Launched

31

products in FY 22

North America

19 ANDAs

filed with USFDA in FY 22

15th

largest amongst US generic pharmaceutical companies in terms of volume*

Launched

10

products in FY 22

Europe

Ryaltris®

marketing approval received in all EU markets

Launched

Ryaltris®

in UK, Czech, Poland, Ireland# and Italy

Europe business recorded sales in excess of

USD 200 Mn

for the first time

Rest of the World (Asia, MEA, RCIS and LATAM)

Secondary sales in Asia grew

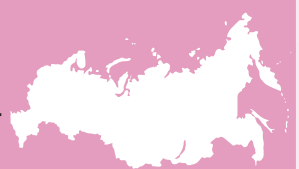
53%

YoY during the quarter

Secondary sales in Russia grew by

31%

YoY during the quarter



Primary sales in MEA recorded growth of

13%

YoY during the quarter

*Source: IQVIATM – Last 12 Months Ending March 2022

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

Launched in Q1 FY23

Innovation Fuels Our Drive Towards A Healthier Tomorrow

Over the last four decades, we have journeyed along the high road to innovation, evolving from a generics company to an innovation-driven, integrated, global pharmaceutical company. Our sustained investment in research and development helps us accomplish better health outcomes for patients in need. We are dedicated to finding solutions for unique medical needs in oncology, dermatology, and respiratory treatments for inflammatory diseases.

Respiratory

We, at Glenmark, focus on building a global respiratory portfolio and its specialised products. At the beginning of the year, we became one of the first companies to introduce a generic version of tiotropium bromide dry powder inhaler (DPI) in the UK under the trade name Tiogiva®. As a part of our wider strategic exclusive in-licensing arrangement to market Tiotropium DPI in Western Europe, we launched Tavulus® in Spain and Tiotropium in Germany. We also launched Beclometasone in Germany to provide asthma patients access to a high-quality, cost-effective inhaler.

Our fully owned subsidiary, Glenmark Specialty S.A. (Switzerland), received FDA approval in the United States for its novel Ryaltris® nasal spray; for the treatment of symptoms of Seasonal Allergic Rhinitis in adults and paediatric patients 12 years of age and older. Ryaltris® has also received commercial approval and is available in 14 countries across Asia, Europe, and Latin America.

In Malaysia, the prevalence of allergic rhinitis (AR) is relatively high. For the treatment of minor cases of allergy, doctors frequently use oral medications. Glendes® is a modern, chirally pure version of the well-known oral antihistamine Loratidine. With our current brands Glencet and Momate NS, we also have a strong foothold in this portfolio in Malaysia. To serve as a one-stop destination for AR management, we launched Glendes®. Further, in Brazil we have launched Salbutamol to relieve symptoms of asthma and chronic obstructive pulmonary disease (COPD) such as coughing, wheezing and feeling breathless.

We had two significant product launches in India with the introduction of Ryaltris®-AZ and Vilor-F™. We were the first Company to launch Ryaltris®-AZ as a novel fixed dose combination of Mometasone furoate 50 mcg and Azelastine 140 mcg. As Ryaltris®-AZ spray has less adverse effects than oral antihistamines. It is frequently used as the first-line treatment for moderate to severe allergic rhinitis. Vilor-F™ is the combination of Ultra LABA and ICS with once-a-day dosing as other available options to be administered twice a day. Vilor-F™ helps patients against persistent breathlessness, risk of exacerbation and cardiac complications.

Glendes®

Tavulus®

Vilor-F™

Ryaltris®-AZ

Ryaltris®

Tiotropium

Beclometasone

Salbutamol

Ryaltris®

Providing an effective cure for allergic rhinitis

Approximately 10–30% of people worldwide suffer from allergic rhinitis, and it is gradually becoming a medical challenge. The disease can have a considerable adverse impact on a person's quality of life, leading to functional deficits in most cases and chronic problems such as asthma in certain patients. Patients needed a simple-to-use, effective drug that would relieve symptoms and aid them in regaining their quality of life due to the low compliance to available therapies in areas such as RCIS.

The frequency of allergic rhinitis can reach up to 25% throughout Africa, the Americas, Asia, and Europe. In Russia, 10–20% of the population suffers from allergic rhinitis, with rates as high as 38% in some areas. In other CIS countries, the situation is pretty similar. Every year, about 25% of people in Europe experience the sometimes-disabling consequences of allergic rhinitis. In the US, this illness affects about 17 million people. According to studies, over 2.4% of 13–14-year-old Indian kids exhibit allergic rhinitis symptoms.

The symptoms (runny or stuffy nose, nasal irritation, persistent sneezing, itchy, red, or watery eyes) can prevent patients from carrying out their daily activities for days or even weeks. These may significantly affect both health and quality of life. It was essential that a workable substitute be developed to address the global medical challenge that allergic rhinitis poses due to low conformance to existing therapies, which was observed in various instances.

Innovative novel fixed-dose combination nasal spray for allergic rhinitis

Ryaltris® is our novel treatment for allergic rhinitis.

It is a fixed-dose combination nasal spray that contains a steroid (Mometasone Furoate 25 mcg) and an antihistamine (Olopatadine Hydrochloride 665 mcg). One of our important launches in FY 21 was Ryaltris®, our first branded specialty medicine, which received very encouraging response from patients and doctors from the moment of its launch. Ryaltris® marked a very significant turning point for us, as it demonstrated our capacity to create and market exclusive speciality pharmaceuticals across geographies.

Australia, the Czech Republic, Ecuador, Italy, Peru, Poland, Russia, South Africa, Ukraine, the United Kingdom, Ireland#, the Philippines and Uzbekistan are currently offering Ryaltris®. The US FDA has given its permission, and it is now awaiting action from Health Canada and other international regulatory bodies.

Launched in Q1 FY23

Launched

In countries including Australia, the Czech Republic, Ecuador, Italy, Peru, Poland, Russia, South Africa, Ukraine, the United Kingdom, Ireland#, the Philippines and Uzbekistan.

Approved

In Combodia and Zambia.

Ease of use

drives the success of Ryaltris® as it offers fast and effective relief.

Go-getters of Glenmark working relentlessly to make it a success

Our teams continue to work hard to get Ryaltris® commercially released in each of their individual markets. The fact that this treatment was swiftly approved in some locations and received regulatory approvals in other important markets is still a noteworthy instance of coordinated cross-functional effort.

Czech Republic

Ryaltris® was granted regulatory approval in the Czech Republic in 2021. It was launched in the autumn of the same year. It is the first product with centralised marketing assistance, and what's remarkable is that the international campaign is unified.

Ryaltris® is a perfect fit for the Czech market owing to mometasone's dominant position in monotherapy. For this purpose, Ryaltris® is the most natural way to continue treating AR patients. Due to its superior and more pleasant taste in particular, Ryaltris® is regarded as being superior to DYMISTIN. Both doctors and patients praise its effectiveness, and there have been a few occasions in which patients have not experienced a runny nose throughout an allergic season. The patients were extremely grateful for this effective treatment.

The doctors are excited to have a second fixed-dose combination for AR treatment for their patients in the market and find working with Ryaltris® to be attractive. When we find that Educational Societies (ALLERG, ENT) see us in a completely different light and wish to collaborate with us, it is a significant development for us.

Launched in Q1 FY23

Poland

We believe, that it was a true honour for us to introduce Ryaltris® to the Polish market. Having a brand with such a huge potential offers the chance to build a robust foundation for the creation of pharmaceuticals for the pulmonary therapeutical field. The market's support for Ryaltris® is expanding quickly according to early sales data. Only 10% of the approximately 9 million Poles who have allergic rhinitis receive the proper care.

Mono drugs, which are intranasal steroids, have yearly sales of over EUR 17 Mn. However, the therapeutic effects they provide are not as impressive as those of Ryaltris®. Many of our target physicians believe that after using Ryaltris®, a patient doesn't switch back to his/her original treatment, as the patient's quality of life is greatly enhanced by the reduction of eye and nose problems.

Introducing quality medications to enhance the quality of life

In a brief period, Ryaltris® has achieved amazing success in a variety of markets, and patients have benefited from it. The success of Ryaltris® is consistent with our ongoing efforts to guarantee high-quality medical care at an affordable price to patients.

Key opinion leaders across the globe have to say this about Ryaltris®

Eli O. Meltzer, MD
Clinical Professor of Pediatrics,
Division of Allergy & Immunology
University of California,
San Diego, USA

"I am happy to learn that the millions of patients in many countries who suffer from allergic rhinitis will now be able to be treated with the excellent pharmacological option, Ryaltris®. This medication is a combination of both an intranasal antihistamine and intranasal corticosteroid. In well controlled studies, it has shown better efficacy and similarly good safety to the individual agents. The improved capability of this spray product is especially important for patients with moderate or severe symptoms who cannot be well managed by only one nasal medication."

Renowned ENT Surgeon
Gauteng North,
South Africa

"The beauty of Ryaltris® is in its uniqueness, the combination of Olopatadine and Mometasone in a Nasal Preparation are a blessing for patients.

It works immediately where required, without the systemic side effects one would associate with an Oral Antihistamine alone. My Wife and many patients' daily lives have been made far more pleasant as a result"

Allergy Specialist
Eastern Cape,
South Africa

"Running an Allergy Cinic I do see more moderate to severe Allergic Rhinitis patients, those desperate ones! Ryaltris® makes a huge difference in their lives. In the past week I had a patient with a blocked nose, poor quality sleep and eye symptoms that made her stop wearing make-up to work. She phoned after four days, thanking me for changing her life.

Patients that have persistent symptoms leading to recurrent episodes of sinusitis, needing antibiotics now do not see a doctor besides for a Ryaltris® repeat! One asthmatic patient stated that at follow-up consultation, her asthma was well controlled now, and all I did was to change her INS to Ryaltris®. Allergic Rhinitis well controlled, all possible due to Ryaltris®.

Dermatology & Other therapies

We launched Canditral- SB in India to treat fungal infections of the mouth, throat, toenails, fingernails or lungs. Conventional Itraconazole (ITZ) absorption is dependent on the gastric acid secretion of patients, which leads to unpredictable bioavailability and patient-to-patient variability in results. Since its absorption is lower in the fasting state, ITZ has to be taken with meals, especially fatty meals, to achieve optimal absorption and bioavailability. Concomitant use of gastric acid-lowering agents such as proton pump inhibitors (PPIs) reduces its absorption, leading to a further reduction in bioavailability.

In a real-world context, it is difficult to ensure all of these factors to obtain the optimum ability of ITZ. Because of these factors, the bioavailability of conventional itraconazole (CITZ) is only up to 55%, and this, too, fluctuates widely depending on the amount of gastric acid secretion, which leads to wide interpatient variability and variations in the clinical response in patients.

We introduced Canditral SB, a super bioavailable (SB) itraconazole, to solve this problem. In the place of pellets, Canditral SB's Superbit technology and amorphous powder of itraconazole and HPMC P coating allow it to release the medicine in the duodenum, which is the site of absorption. Due to unique technology, SB itraconazole improves bioavailability, reduces patient-to-patient variability and hence offers predictable and improved clinical outcomes.

Candid Dusting Powder

Candid Prickly Heat Powder

Canditral SB 65


Syntran-SB (130)

Candid 200

Candid Soap

La Shield

Scalpe Pro

Scalpe+

Canditral SB 130

Candid Cream


Canditral 100


LULICAN_XL

Other therapies

To treat the symptoms of Lennox-Gastaut Syndrome (seizures), we launched Rufinamide tablets in the USA. With our end-to-end capability coupled with our API capacity, we became one of the first generic drug manufacturers in the US to provide an affordable alternative to Banzel® Tablets, 200 mg and 400 mg. The launch represents our commitment to offering our patients high-quality, reasonably priced healthcare.

Rufinamide tablets

Covid-19 therapies

We collaborated with Canadian biotech firm SaNOtize Research & Development Corp. to manufacture, market and distribute its breakthrough Nitric Oxide Nasal Spray (NONS) for COVID-19 treatment in India and other Asian markets including Singapore, Malaysia, Hong Kong, Taiwan, Nepal, Brunei, Cambodia, Laos, Myanmar, Sri Lanka, Timor-Leste and Vietnam. We launched NONS under the brand name FabiSpray® in February 2022, after receiving manufacturing and marketing approval from the Drugs Controller General of India (DCGI) as part of the accelerated approval process.

FabiSpray®, Nitric Oxide Nasal Spray, is designed to kill the COVID-19 virus in the upper airways. It has proven anti-microbial properties with a direct virucidal effect on SARS-CoV-2. NONS when sprayed over nasal mucosa acts as a physical and chemical barrier against the virus, preventing it from incubating and spreading to the lungs. A Phase 3 clinical trial was conducted in adult COVID-19 patients across 20 clinical sites in India. The double-blind, parallel arm, multicentre study, conducted in 306 patients evaluated the efficacy and safety of Nitric Oxide Nasal Spray versus normal saline nasal spray in non-hospitalized adult patients. All patients received standard supportive care in the study.

The trial analyzed patients with risk of progression of disease - non-vaccinated patients, patients in the middle and older age group and patients with co-morbidities. Primary endpoint was met: Reduction in log viral load in the NONS group was statistically significant and superior to the control (placebo) group ($p < 0.05$). The median time to virological cure was 4 days in the NONS group and 8 days in the placebo group ($p < 0.05$). A significantly higher proportion of patients demonstrated a 2-point improvement on the WHO Progression Scale (a validated clinical endpoint) in the NONS group as compared to the placebo group ($p < 0.05$). • NONS was safe and well tolerated by patients. No patients experienced moderate, severe, serious Adverse Events (AE) or death in the study. In 2021, clinical trials from its innovator, SaNOtize showed NONS was a safe and effective antiviral treatment of SARS CoV-2. In the first 24 hours, NONS reduced the average viral load by around 95%, and then by more than 99% within 72 hours. NONS has been tested in healthy volunteers and patients as part of Canada and UK clinical trials. SaNOtize has an ongoing global Phase 3 prevention trial, which will further add to its efficacy. As per studies conducted in the Utah State University USA, NONS is proven to kill 99.9% of SARS-Cov-2 virus including Alpha, Beta, Gamma, Delta, and Epsilon variant within 2 minutes.

NONS has already received a CE mark in Europe, which is an equivalent of marketing authorization in case of a Medical Device. By virtue of the CE mark, SaNOtize has permission to launch NONS in the EU. NONS is also approved and being sold in Singapore, Hong Kong, Israel, Thailand, Indonesia and Bahrain, under the name enovid™ or VirX™. Outside of India, NONS has also been approved globally for protection against viruses, including SARS COV-2.

Additionally, we also quickly moved to mobilise our research and development, active pharmaceutical ingredients (APIs), and formulation teams to develop an efficient, timely medication against COVID-19 as the globe struggled with the global healthcare crisis in 2020. Our experts concluded that the best course of action would be to repurpose favipiravir, an antiviral that prevents RNA viruses like SARS-CoV-2 from multiplying inside cells. As a result, we developed the worldwide antiviral drug FabiFlu® (favipiravir) to treat mild to moderate COVID-19.

We are the only organisation from India to conduct a Phase 3 study and the first to receive restricted emergency use approval for Favipiravir (FabiFlu) in mild to moderate Covid-19. Upon receiving the emergency use approval, we commenced a 1000+ patients post-marketing surveillance (PMS) study in mild to moderate Covid-19 symptoms after receiving restricted emergency use approval for (FabiFlu®). This PMS study was the first and largest post marketing study conducted in India on favipiravir in mild to moderate COVID-19 patients. Interim data from the study revealed no new safety signals or concerns and safety is in line with known side-effects of the drug. So far around 6.5 million patients have be treated using FabiFlu® since its launch in June 2020.

Fabispray

FabiFlu

Diabetes

REMO®

Combating type 2 diabetes with our innovative anti-diabetes drug

Type 2 diabetes is causing a major health risk to the global population. If we look at India, the scenario is alarming with 77 million cases. The Diabetes Atlas 2019 by the International Diabetes Foundation predicts that 700 million individuals would be affected by the condition worldwide by 2045, with India anticipated to have the second-highest number of cases at 134 million.

Other dangers associated with type 2 diabetes include cardiovascular and renal problems. The fact that the medicine is expensive makes the situation worse. Responding to the crisis with alacrity, we developed revolutionary anti-diabetic medications that were both affordable and effective. The drugs provided stable blood sugar levels, and reduced complications associated with diabetes.

Remogliflozin reduced HbA1c levels in a randomised, double-blind clinical trial by 0.76% compared to dapagliflozin, another SGLT2 inhibitor, which reduced them by 0.70%. Remogliflozin showed a favourable safety profile, with no instances of severe genital or urinary tract infections, according to the study. Due to its short half-life, Remogliflozin has a distinct pharmacokinetic profile and It is quickly cleared from a patient's body, lowering the risk of long-term negative effects.

India's novel First Triple Drug FDC crosses new milestones

We were the first Company in the world to launch a globally researched innovator molecule, Remogliflozin in 2019, which had been the subject of extensive global study. It was introduced under the brand names Remo® and Remo®-Zen, and its price was almost 50% lower than that of other SGLT2 inhibitors available at the time on the Indian pharmaceutical market, making effective diabetes therapy affordable for the average person.

We introduced a fixed-dose combination of Remogliflozin Etabonate and Vildagliptin in 2020. This medication combines SGLT2i and Dipeptidyl Peptidase 4 inhibitor (DPP4i), two treatments that will have a significant impact on the way diabetes is treated in the future. We also launched a fixed-dose combination of Remogliflozin+Metformin under the brand names Remo®-M and Remo®-Zen M.

Adding a new chapter to our stellar track record of launching 'many firsts', we were the world's first company to introduce the fixed dose combination of Remogliflozin (100 mg), Vildagliptin (50 mg), and Metformin (500/1000 mg) in 2021 in India. The innovative combination is endorsed by leading guidelines and is also approved by regulatory bodies, with the added benefit of improving patient compliance.

The combination was launched under to brand name Remo® MV & Remo®-Zen MV. According to IQVIA MAT MAY 2022, Remo® MV entered the top 15 list of successful new launches in the Indian pharmaceutical market within 8 months of its launch. The novel combination also aided our entire Remogliflozin franchise cross the INR 100-crore mark.

Remogliflozin is an innovative, patent-protected sodium glucose co-transporter-2 (SGLT2) inhibitor that has been tested in 26 clinical trials to treat Type 2 diabetes in adults. Patients now pay INR 14 per tablet and INR 28 per day for FDC treatment thanks to Remo®-V and Remo®-Zen V, which is INR 65 less than what competitors were charging.

Adding a new chapter to our stellar track record of launching 'many firsts', we were the world's first company to introduce the fixed dose combination of Remogliflozin (100 mg), Vildagliptin (50 mg), and Metformin (500/1000 mg) in 2021 in India.

Remo® MV

Remo®-Zen MV

55%

reduced cost for Remo® and Remo®-Zen compared to other innovator brands in SGLT2 inhibtor market

40%

market share captured by Remo® in fixed-dose combination (FDC) category of SGLT2i+DPP4i category within 6 months of launch of Novel RMV Combination (IQVIA Mar '22)

Recognised

by Economic Times Healthcare Awards for improving patients' accessibility to SGLT2 inhibitors

1,29,621

patients benefited with Remo® Franchise (IQVIA MAT Jun '22)

Highest

prescribed brand Remo®-V amongst the SGLT2i+DPP4i brands (SCRIP: Mar'22)

Key Leaders' opinion on REMO® MV

Dr Ambrish Mithal
Chairman and Head of
Endocrinology and Diabetes
Max Healthcare

"Winning combination with good synergy of 3 molecules none of which cause hypoglycemia and require little dose adjustment! This FDC truly simplifies therapy for patients."

Dr. Subhash Kumar Wangnoo
Endocrinologist and Diabetologist,
MBBS, MD, DM (Endocrinology)
New Delhi

"The triple drug combination of Remogliflozin+Metformin+Vildagliptin offers a unique benefit of rapid glycemic control vis-à-vis other Conventional OADs available in the market."

Dr. Suhas Erande
M.D. (Med)
Pune

"The triple drug combination of Remogliflozin+Metformin+Vildagliptin benefit lies in the compliance it offers to the patient, a product which is an HCP can just prescribe and forget without worrying much about any unwanted side effect/adverse event to the patient."

Glenmark
LIFE SCIENCES

Glenmark Life
Sciences Limited

Integrating Science, Technology and Economics

Glenmark Life Sciences was established in 2019 to sharpen our focus on the expanding API business. By exploring the intrinsic potential of chemistry and our R&D capabilities, we at Glenmark Life Sciences create high-quality, affordable APIs.

To attract global customers, we have built capacities and increased our manufacturing efficiency. We are now led by an autonomous management team and have developed close ties with prominent generic pharmaceutical firms operating primarily in the highly regulated markets of the US and Europe.

Our ability to service customers in a complicated regulatory framework reinforces our differentiated positioning with customers. This provides us an added layer of stability and durability. We carefully integrate science, technology and economics across the product development life cycle and the entire commercialisation process to stay ahead of the curve.

Dr. Yasir Rawjee
MD & CEO

We work with

16 of the 20 largest generics companies globally.

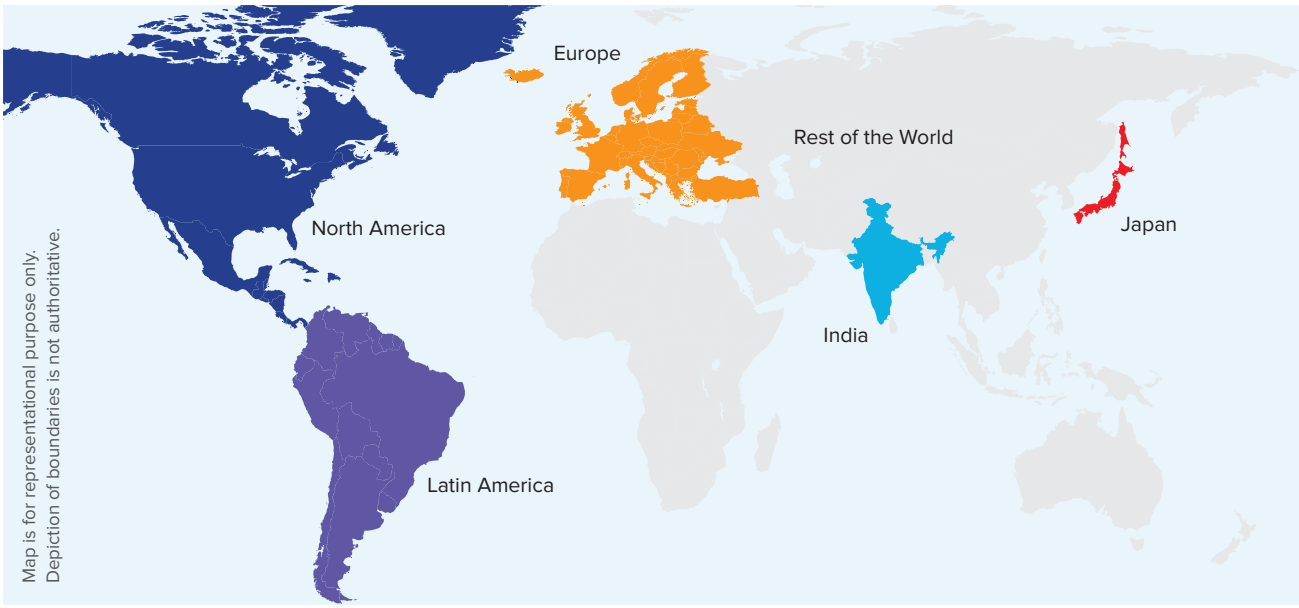
A closer look into our business

Our business banks upon a portfolio of 137 molecules that have been developed over the years. These molecules cater to chronic therapeutic segments such as cardiovascular disease (CVS), central nervous system disorders (CNS), pain management and anti-infectives.

The addressable front-end market size of these molecules is USD 180 Bn across major markets of the world. We have filed these molecules in all the markets, which are on our radar. Such a strategy enables us to service our pharmaceutical customers, who are present in these markets at the front end. As a result of these filings, we can commercialise these APIs to over 700 customers worldwide.

In addition to our generic pharma customers, we offer these molecules to innovator players as part of their life-cycle management strategy, post genericization of their portfolio. This allows us to leverage our existing portfolio to generate additional business through innovative players who are looking for a affordable option for their APIs across various market segments.

6 Global Markets



16

Of the world's 20 largest generics companies as customers

4 Plants

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

750+ MT

Annual Production Capacity

436

DMFs and CEPs across major markets

137

High-quality API Products

26

Products in development pipeline; including 2 Iron complex and 7 Oncology products

3

Plants USFDA inspected

2

Facilities ISO 14001:2015 and ISO 45001:2018 certified

~300

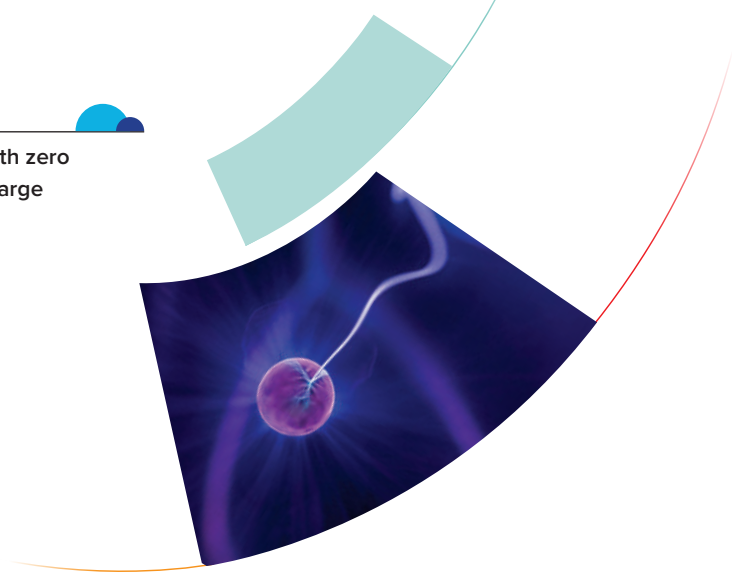
R&D Personnel

4

Facilities with zero liquid discharge capabilities

76

Granted patents (owned/co-owned)



Our key therapy areas include:

- Cardiovascular (CVS) Disease
- Central Nervous System (CNS) Disorders
- Diabetes
- Gastrointestinal Health
- Pain Management
- Oncology
- Anti-infectives

Highlights for FY 22

INR 21,232 Mn
Revenue from Operations
12.6% YoY increase

INR 6,308 Mn
EBITDA
6.6% YoY increase

INR 4,187 Mn
PAT
19.1% YoY increase

3.4 times
Fixed Asset Turnover Ratio

INR 7,357 Mn
Cash from Operations
48.1% YoY increase

Tracking at 28.6%
ROCE

Dahej facility of GLS.

...ichnos...

Ichnos Sciences

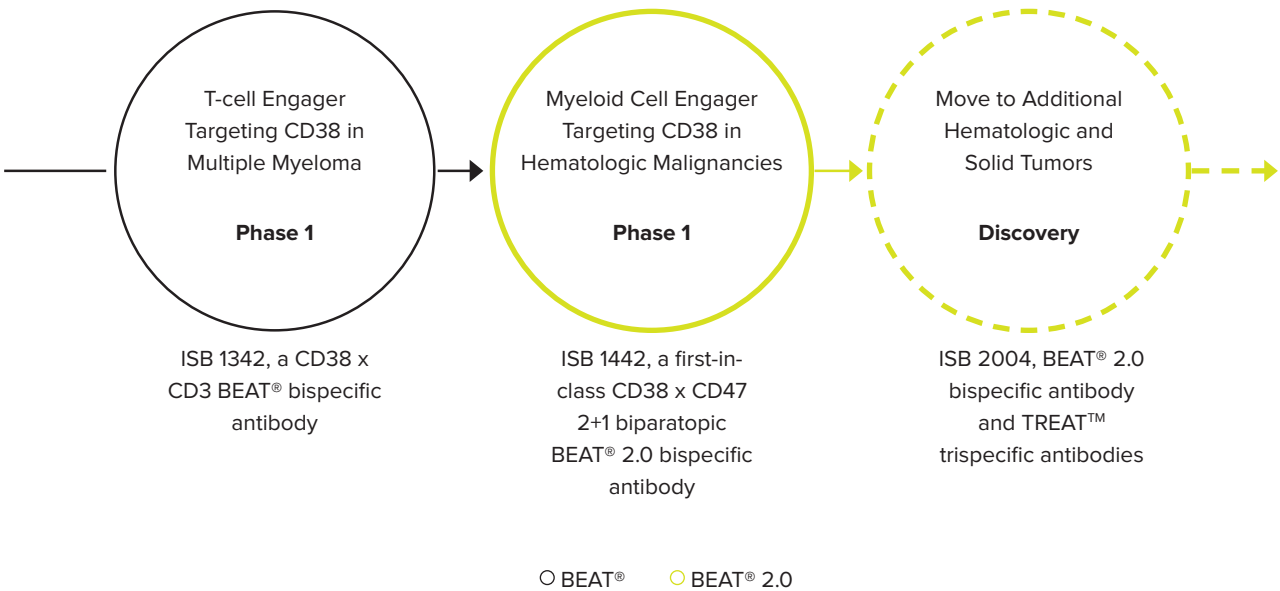
Because Cure is Possible

Ichnos is led by President and CEO, Cyril Konto, MD, and a team of accomplished executives with a combined 160+ years of industry experience. It is a clinical-stage biotechnology company at the forefront of innovation in oncology. The company leverages its novel proprietary* BEAT® protein engineering platform, which allows maximum flexibility and manufacturability of full length multispecific antibodies, to discover innovative compounds that can engage multiple targets simultaneously, expand the pipeline and drive long-term value.

Wholly owned by Glenmark Pharmaceuticals, the company employs approximately 225 highly skilled employees across three locations in the U.S. and Switzerland. It is a fully integrated biotech business with core capabilities in biologics discovery, antibody engineering, CMC, and clinical development. A scientific advisory board (comprising 9 accomplished executives with expertise in drug development, immuno-oncology and protein engineering) was convened in the second half of fiscal year 2022 and continues to guide Ichnos.

Dr. Cyril Konto
President and CEO

Ichnos' strategy starts with a validated target in multiple myeloma, then expands



*Bispecific Engagement by Antibodies based on the TCR

Pipeline

With five initial programmes in oncology that engage different immune cell targets, Ichnos has a robust pipeline targeting hematologic malignancies and solid tumors. The two most advanced products, ISB 1342, a bispecific antibody that binds CD38 on multiple myeloma cells and CD3 on T cells, and ISB 1442, a biparatopic bispecific antibody targeting CD38 and CD47 on tumour cells, are both in Phase 1 studies for relapsed/refractory multiple myeloma.

Ichnos' current focus is to obtain clinical proof of concept with these two compounds. ISB 2001, Ichnos' first trispecific antibody, which targets BCMA, CD38 and CD3, moved to IND-enabling studies in the first half of calendar year 2022. ISB 2004 and ISB 2005, which are both in Discovery, are positioned to enable Ichnos to move into solid tumor indications.

Diversity of Immune Cell Engagement and Indications Across Hematologic and Solid Tumors

Asset	Description	Preclinical	Phase 1	Phase 2	Phase 3	Status
Compounds						
ISB 1342	CD38 x CD3 BEAT® 1.0 bispecific antibody	Relapsed/Refractory (RR) Multiple Myeloma; T-ALL under consideration				Phase 1 Orphan Drug
ISB 1442	CD38 x CD47 BEAT® 2.0 bispecific antibody	RR Multiple Myeloma; AML and T-ALL under consideration				Phase 1
ISB 2001	BCMA x CD38 x CD3 TREAT™ trispecific antibody	RR Multiple Myeloma				IND-Enabling studies
Candidates						
ISB 2004	BEAT® 2.0 bispecific antibody	Hematologic Malignancies/ Solid Tumors				Discovery
ISB 2005	TREAT™ trispecific platform	Solid Tumors				Discovery

T-cell acute lymphoblastic leukemia (T-ALL) and Acute myeloid leukemia (AML)

Additionally, Ichnos has two monoclonal antibodies for autoimmune diseases that are being divested to enhance the strategic focus on oncology. ISB 880, an IL 1RAP antagonist, was licensed by Almirall in December 2021. Ichnos received an upfront payment of EUR 20.8 Mn and is entitled to future development and commercial milestone payments and tiered royalties based upon future global sales. ISB 830 (telazorlimab), an OX40 antagonist that successfully completed a Phase 2b study in atopic dermatitis, is available for partnership.

Out-Licensing Autoimmune Disease Programs to Enable Greater Focus on Oncology

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

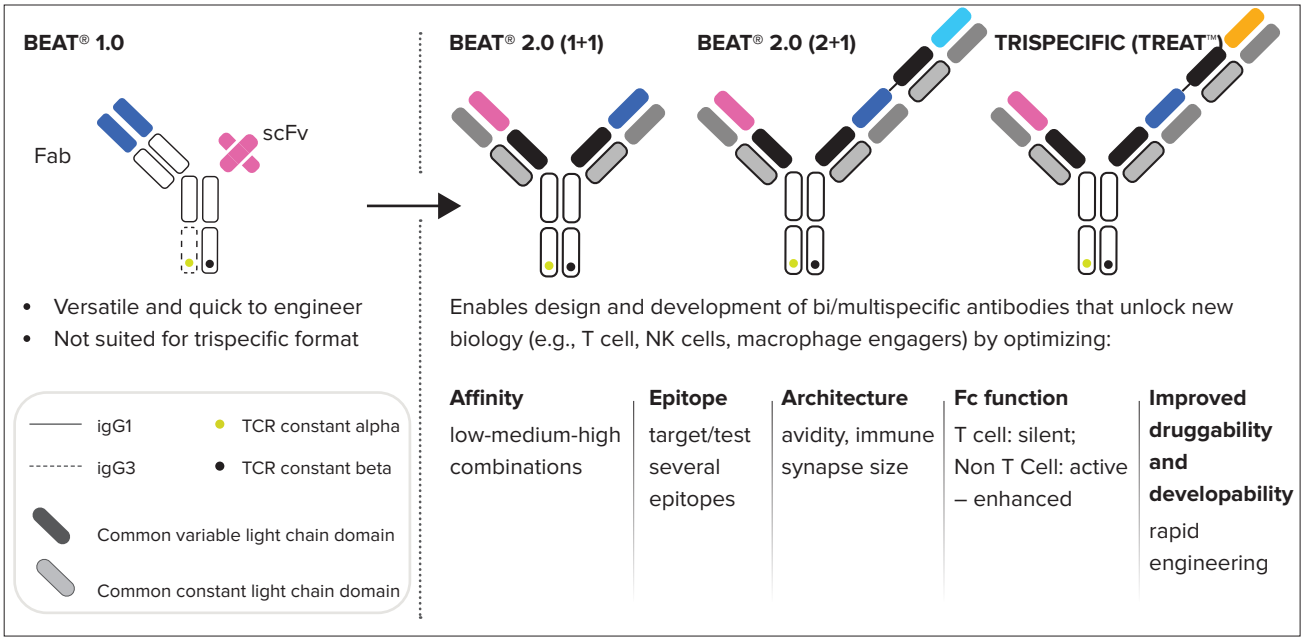
Clinical Stage Oncology Platform

Multiple myeloma (MM) remains incurable and Ichnos continues to enroll patients who have relapsed following multiple other lines of therapy in Phase 1 dose escalation/expansion studies of ISB 1342 and ISB 1442. Both drugs have potential to overcome common mechanisms of resistance to available therapies.

About the BEAT® Platform

Ichnos' proprietary BEAT bi/multispecific antibody platform is one of the most advanced bispecific antibody technologies in terms of 4 key features:

1. Efficient technology for heavy chain heterodimerization
2. Additional Fc engineering enables use of processes facilitating removal of even minor traces of antibodies produced with non-heterodimerized Fc domain
3. Utilization of common light chain
4. Excellent stability characteristics



Bispecific Engagement by Antibodies based on the TCR

Process Development and Manufacturing

Ichnos' GMP-certified manufacturing facility and in-house scientific and technical experts with extensive CMC knowledge enable efficient, integrated processes that expedite advancement from discovery to clinical testing. By maintaining this activity within Ichnos, the company is able to increase asset value through intellectual process filings and enhance flexibility by reducing reliance on contract manufacturing organisations for Phase 1/2 studies.

Licensing and Partnerships

In addition to partnerships for the autoimmune disease monoclonal antibodies in the pipeline, Ichnos is interested in accelerating its oncology assets and platform development by collaborating with other companies, and is open to exploring different business models. By working with Ichnos, potential partners would have an opportunity to collaborate on research and discovery activities using the world-class proprietary BEAT® platform. Such arrangements would leverage the full potential of the platform to create and develop multispecific antibodies, aiming at targets identified as attractive by partners.

Stakeholder Engagement[1]

At Glenmark, we have a structured stakeholder engagement process that enables us to establish transparent and trustworthy communication across our prioritized stakeholder groups. Stakeholder inclusivity and prioritization is undertaken based on their impact on Glenmark. We establish communication channels with each stakeholder group to enhance our understanding of their challenges, needs and aspirations. Additionally, the process also helps us identify and prioritize material topics. This has enabled us to strengthen our strategy and capabilities for value-creation. Key insights into our prioritized stakeholder groups have been provided further.

[1] GRI 102-40, GRI 102-4, GRI 102-42, GRI 102-43

Internal

Employees

Key Interests

- Career Progression
- Holistic well-being
- Health and Safety
- Human Rights

Senior Management

Key Interests

- Risk Management
- Ethical and transparent business conduct
- Sustained business performance

External

Patients

Key Interests

- Product quality
- Product availability
- Affordable access to healthcare
- Grievance redressal

Regulators

Key Interests

- Regulatory compliance
- Intellectual Property Rights

Suppliers

Key Interests

- Increased ESG awareness
- Supplier assessments
- Robust Governance (Supplier Code of Conduct)

Shareholders and Investors

Key Interests

- Economic performance
- Ethical business conduct
- Regulatory and ESG compliance

Healthcare Professionals

Key Interests

- Product quality and availability

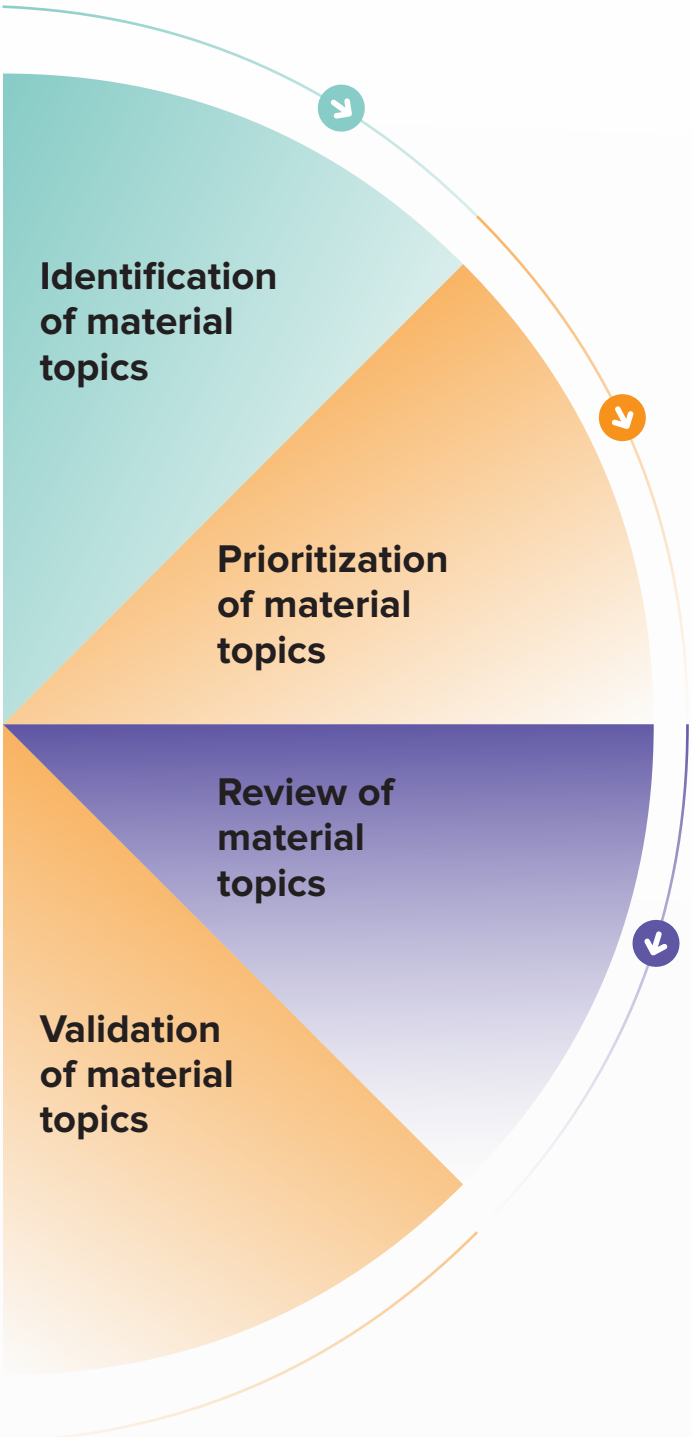
Communities

Key Interests

- Healthcare services
- Health and well being
- Community welfare

Materiality Assessment[1]

Our identified stakeholders' expectations and concerns inform our strategy, policies, and action plans. Our materiality assessment process enables us to align our prioritized material topics to the evolving ESG landscape. The following is an overview of the steps undertaken:



1. A detailed list of material topics was established based on sectoral insights, stakeholder concerns, as well as the macroeconomic and regulatory environment.
2. Identified key material topics in accordance with the Global Reporting Initiative (GRI) standards
3. Material topics at Glenmark were prioritised based on their importance to our stakeholders, as well as their relevance for our strategic goals and commercial operations.
4. Incorporated key inputs from internal and external stakeholders, using survey-based assessment tools.
5. Prioritised our material topics based on the importance and relevance to our business and stakeholders

In FY 22, we undertook a materiality review, in consultation with our senior management and internal stakeholders. Through our materiality review, we affirm our current material prioritized topics for FY 22. We also aim to conduct a revised materiality assessment in the upcoming financial year.

[1] GRI 102-44, GRI 102-47

Our prioritized material topics

Our material topics guide our strategic planning process and operational management

Action Oriented Environmental Consciousness

- Managing our carbon emissions
- Waste Management
- Water Management
- Energy Efficiency
- Impact of Climate Change on Health

SDGs in focus

Socially Relevant and Inclusive

- Community Engagement
- Human Resource Development
- Promoting Diversity
- Patient Safety
- Employee Health and Safety
- Human Rights
- Enhancing availability and accessibility of medicines

SDGs in focus

Ethical and Accountable Governance

- Compliance and Risk Management
- Promoting Innovation
- Responsible Supply Chain
- Business Ethics
- Intellectual Property Rights
- Digital Transformation

SDGs in focus

Driving ambitious ESG action

Our prioritized material focus areas enable purposeful direction for our strategic action areas. This drives impactful outcomes across our business activities and helps us achieve our strategic ambitions. Achieving these ambitions will support us in our journey towards long-term value creation.

Environmental Consciousness

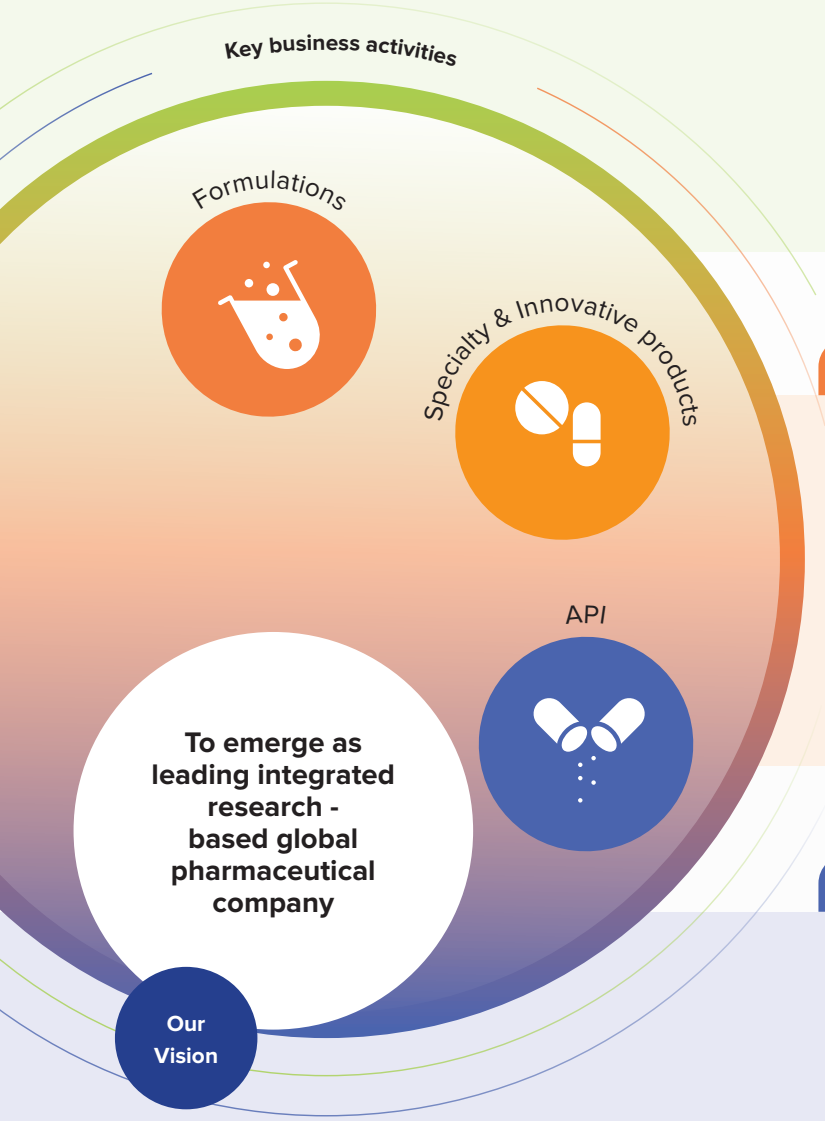
Strategic focus areas	Strategic actions
1 Climate Action 2 Water Management 3 Waste Management	• Monitor usage and conserve energy • Decarbonize operations and enhance Green House Gas (GHG) inventorization • Implement 3 R principle • Ensure water management • Promote co-processing of hazardous waste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

Socially inclusive

Strategic focus areas	Strategic actions
4 Employee wellbeing and development 5 Product safety, quality and accessibility 6 Community development	• Create learning and development opportunities for employees • Promote employee health & safety • Promote workforce diversity • Commitment to Human Rights • Ensure availability of quality products • Expand market penetration and access of affordable medicines • Enable access to healthcare and community support programs

Ethical Governance

Strategic focus areas	Strategic actions
7 Responsible supply chain management 8 Risk Management 9 Business ethics 10 Digital transformation 11 Promoting innovation	• Implement Supplier sustainability protocol and optimize supply chain • Maintain robust Enterprise Risk Management framework • Capacity building on business ethics • Undertake digital transformation • Enhance R&D capabilities and undertake development of new products, inventions and patents



Strategic ambitions	Sustainable Development Goals (SDGs)
Carbon Neutral by 2030	
Water Neutrality by 2025	
Zero waste to landfill by 2027	

Strategic ambitions	Contribution to global goals
16 Global safety programs by 2023	
Global presence and quality affordable medicines	
Impact 3 million lives by 2025	

Strategic ambitions	Contribution to global goals
Consistent R&D investments	
Enhance Supplier assessment and engagement	

Forward-looking Strategy to Grow Sustainably

In pursuit to become the leading innovation focused integrated global pharmaceutical company, we have identified some key strategic priorities for the organization.

Focus on creating a global Respiratory play

Glenmark has a strong presence in the Respiratory segment globally and with the launch of Ryaltris® it has further cemented its position in the market.

Ryaltris®– Global Innovative branded specialty

(olopatadine hydrochloride and mometasone furoate) Nasal Spray for the treatment of symptoms of Seasonal Allergic Rhinitis in adults and paediatric patients 12 years of age and older

a) **North America** - NDA approval for the product was received from USFDA and is planned to be launched in FY 23. We are awaiting the regulatory approval in Canada.

b) **Europe** – We have received the approval for marketing in all EU markets and UK for Ryaltris®. The product was launched in the UK, the Czech Republic, Poland and Italy and is planned to be launched in several markets in FY 23, including Belgium, Ireland, and Nordic countries.

c) **ROW** – Across RoW markets, Ryaltris® is launched in Australia, Russia, South Africa, Ukraine, Uzbekistan, the Philippines, Peru, Ecuador, Namibia, Botswana. Regulatory approval is awaited in several markets including Brazil, Malaysia, South Korea, and so on in FY 23.

d) **China** - Grand Pharmaceutical (China) Co. Ltd. initiated the Phase 3 study in China in the Q4 of 2022.

India

a) Glenmark is one of the Top 5 players in respiratory segment in India as per IQVIA MAT '22

b) We have improved our ranking in respiratory segment from 6th in 2017 to 4th in 2022 in India as per IQVIA MAT March.

c) Glenmark has 5 respiratory brands in Top 300 brands in Indian pharmaceutical market.

Europe

a) We plan to leverage existing branded portfolio of Soprobec® (Beclamethasone MDI), Salmex (Salmeterol/Fluticasone DPI), Tiogiva®/Tavulus® (Tiotropium DPI) and Ryaltris® (olopatadine/ mometasone nasal spray) to expand presence in respiratory segment

b) We further plan to initiate at least 2-3 filings in FY 23

USA

a) Completed pivotal bio-study on Flovent pMDI and initiated clinical trial with 2,634 patients; expect to file ANDA in CY23

b) We plan to file at least one more respiratory pMDI in CY23

c) Additionally, we plan to continue the momentum and file more respiratory products beyond FY 24.

RoW

a) Leverage the launch of Ryaltris® in multiple markets in Asia, MEA and LATAM to improve Glenmark's standing in the respiratory segment.

b) Currently, Glenmark is ranked 3rd in the expectorant market in Russia as per IQVIA MAT '22

c) Glenmark has commercialised 4 respiratory products in Brazil (Levolukast tablets, Salbutamol pMDI, Beclomethasone pMDI, Mometasone Nasal spray) on our own or through our partners. Additionally, we have filed 3 more products that are awaiting approval

d) We inked agreement with AstraZeneca to commercialize its product Pulmicort Respules® in Colombia

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

a) Glenmark has been investing in complex generics and innovative products regularly and the global launch of Ryaltris® showcases the ability of the Company to innovate and launch complex products.

b) In addition, the Company is planning to file multiple complex respiratory products in key markets such as the US and Europe.

c) It has already completed a pivotal biostudy on Flovent pMDI and initiated a clinical trial with 2,634 patients and is expecting to file in CY23. In addition, 2-3 additional products are being planned to be filed in FY 23.

d) Glenmark continues to target Loss of Exclusivity (LOE) opportunities in the US in complex products such as inhalation, injectables and other non-solid oral dosage categories.

e) The Company will further focus on moving the pipeline of innovative products forward as it sees Specialty and Innovative segments to be the primary growth drivers, going forward.

f) Glenmark's wholly owned subsidiary Ichnos Sciences' current pipeline has 4 clinical stage assets with one out-licensed asset.

Continue to gain market share in India business

a) Glenmark plans to continue to outperform India's Pharmaceutical market, while maintaining leadership position across focused therapy categories.

b) Glenmark aims to be in the top 10 players by revenue in the Indian Pharmaceutical Market in a few years while maintaining focus on key therapeutic areas such as Dermatology, Respiratory, Cardio-Vascular, Oncology and Diabetes.

c) We continue to focus on innovative product launches in India and have launched Ryaltris®-AZ nasal spray, Vilor-F™, Syntran SB/ Canditral SB and novel Zita Plus Pio in Indian market across FY 22.

d) Glenmark is focusing on enhancing a 360° stakeholder management with improved doctor engagement, direct to customer outreach through microsites and chatbots.

e) In addition, geographical expansion within India will provide a broader base to continue the momentum going forward.

Expand presence in Europe and RoW markets

a) Glenmark has a large pipeline of products across therapeutic areas, which can be commercialised in fast growing markets.

b) Glenmark has been broadening its base continuously in ROW markets such as Asia and the Middle East, Africa. In FY 22, Glenmark entered into countries such as Hong Kong, Yemen and Republic of Malawi.

c) Glenmark would be leveraging the existing portfolio and new launches to enter new markets in key regions such as Europe and Asia.

Monetise the innovation portfolio through licensing deals

a) Glenmark has a strong track record of partnerships, having completed 8 out-licensing deals till now with global pharma companies such as Eli Lilly, Merck, Sanofi, Almirall, among many others.

b) Recently, Ichnos Sciences Inc. (a subsidiary of Glenmark) completed a EUR ~21 Mn exclusive licensing agreement for the IL-1RAP antagonist ISB 880. Under the agreement, Almirall is granted global rights to develop and commercialise this monoclonal antibody for autoimmune diseases. Ichnos will retain rights for antibodies acting on the IL-1RAP pathway for oncology indications.

c) The Company has a rich pipeline of innovative products across Oncology and Pain therapeutic areas. Glenmark would be looking to monetise these assets through licensing deals with partners.

Expand API business and leverage new business opportunities

a) The API arm of Glenmark – Glenmark Life Sciences (GLS) aims to strengthen its presence in the market through new product launches, geographic expansion, CDMO business, and specialty business. The Company plans to tap new markets becoming more regulated and pursuing second source opportunities with top generic players.

b) GLS is also focusing on expanding into complex API platforms and developing products in the iron compounds and oncology space.

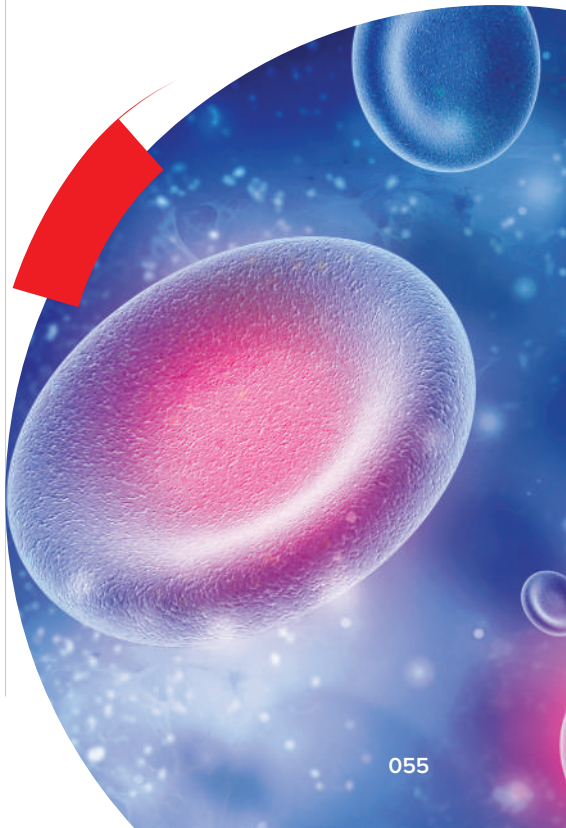
c) The capacity expansion at Dahej and Ankleshwar and Greenfield plant at Solapur are all planned to cater to the increasing market demand.

d) Focus continues to remain on enhancing operational efficiencies through debottlenecking, second/third generation process adoption, backward integration, adoption of flow chemistry in manufacturing and pursing alternate vendor development (AVD) opportunities.

Sharper focus on free cash generation

a) Glenmark targeted to reduce its debt exposure in FY 22 and successfully delivered a debt reduction of INR ~13 Bn. A major portion of the debt reduction exercise was driven by proceeds from GLS IPO.

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



Continuous focus on operational excellence and efficiency

a) We plan to continue the momentum on improving operational efficiency across our value chain ranging from raw material and packing material procurement, manufacturing to supply of finished formulations' globally.

b) Our improved processes will help us mitigate the increasing input cost pressure and sustain competitive margins across markets.

c) We plan to maintain our best-in-class manufacturing practices across our facilities and ensure industry-leading quality for all our products.

Focusing on Sustainability

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

- Glenmark secured its position in the prestigious Dow Jones Sustainability Emerging Markets Index for the fourth consecutive year
- The EHS policy puts significant emphasis on meeting and exceeding all EHS standards and ensure the applicable statutory requirements are adhered to at all times.
- We have launched several initiatives for resource efficiency, conservation of non-renewable energy sources and decrease in green-house gases from our operations.
- We also guide and encourage our contractors and suppliers to follow EHS best practices.

b) Employee Upliftment

- **Learning and development**

i. Glenmark Learning Academy - Our online learning academy provides access to a range of career development, behavioural, micro learning modules, specific to an employee's role.

ii. Aspire Learning Management System - Our cloud-based learning management system provides a one-stop solution for training our employees with various blended solutions.

iii. Virtual Development Centre for India Formulation - By introducing a development plan for our internal talent, we have enabled the reduction of hiring cost by filling 69% of our positions internally.

- **Our commitment to human rights**

i. We have identified five strategic pillars towards integrating the ethos of human rights protection across our business operations.

ii. We undertook a human rights assessment conducted by a third-party independent organisation with expertise in assessment and management of human rights impacts.

c) Corporate Social Responsibility

Our CSR philosophy is inspired by our corporate vision of enriching lives and embodies our commitment to creating a healthier and happier world. Over the years, the convergence of our corporate culture and capabilities has facilitated the sustainable transformation of communities.

Dow Jones Sustainability Indexes

4th Year
in a Row

1 of 4
Indian Pharma

1 of 15
Indian Companies

90th
Continuous percentile improvement

Our Value Creation Model

We have established a robust business model that represents Glenmark's philosophy to drive ethical and responsible practices across its core businesses and manufacturing processes. Built on the foundation of our values and strategic action areas, our business model incorporates a myriad of internal and external factors that impact our business activities.

Inputs

Financial Capital
- INR 7,895 Mn of capital expenditure
- INR 12,787 Mn investment in R&D

Manufactured Capital
- 14 Manufacturing Facilities across 4 Continents with state-of-the-art equipment
- Integration of digitalization interventions to enhance operational efficiency

Intellectual Capital
- Robust R&D Pipeline
- 4 R&D centers globally
- 15,415 employees including 1,400+ employees engaged in R&D

Human Capital
- Robust performance management & rewards processes to build a meritorious culture
- Focussed approach on talent management and learning and development to grow talent internally and be a future ready organization
- Employee-centric policies and well-being initiatives to boost employee engagement

Social and Relationship Capital
- INR 423 Mn spent on CSR
- 6,800 employees volunteered for CSR activities

Natural Capital
- 8,34,571 KL of water consumed across sites
- 11,15,900 GJ of total energy consumption

Our Value Creation approach

Our Vision

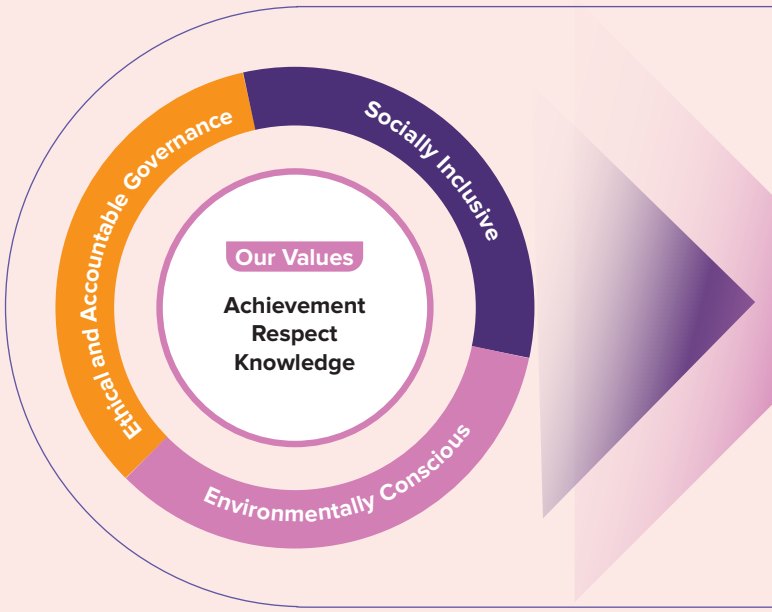
To emerge as a leading integrated research – based global pharmaceutical company

Our Commitment

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

Our Business

- Formulations
- Specialty & Innovative products
- API



- Research & Development
- Technological advancements to yield efficiency and productivity
- Registration, Filings of our products and regulatory approvals of manufacturing facilities
- Products –
  - API
  - Formulations

This in turn supports us to enhance our positive impacts and mitigate the negative ones, enabling us to generate long-term value for all our stakeholders. Furthermore, our performance across the 6 capitals of value creation showcases our ability to allocate resources in order to drive quality and efficiency across our business activities.

Key Therapy Areas

Respiratory

Dermatology

Oncology

Patient Centric Value Chain

Outcomes

Financial Capital
- YoY revenue growth – 12.4%
- Return on capital employed -16.8%
- Return on equity – 12%

Manufactured Capital
- Quality products across 25+ dosage forms
- Enhanced efficiency and productivity across our manufacturing facilities through robust systems and processes

Intellectual Capital
- 1,284 patents granted and 1,429 inventions
- Submitted a total of 19 ANDA applications to the U.S FDA
- Out licensed ISB 880 our monoclonal antibody asset for autoimmune diseases

Human Capital
- Rich pool of capable and diverse talent within the organization
- Highly engaged and productive workforce helping the organization to grow globally
- 14% women representation across our workforce

Social and Relationship Capital
- Impacted 2.6 million people through CSR activities
- Generated employment opportunities for local communities

Natural Capital
- 5% of total energy consumption is from renewable energy sources
- 11,98,002 KL of water saved till FY 22
- 4,942 MT of hazardous waste co-processed in FY 22

Our Ambitions

Environment
- Become Carbon Neutral by 2030*
- Achieve Water Neutral operations by 2025
- Zero waste to landfill at all our plant locations by 2027

*Scope 1 & 2

Social
- 16 Global safety programs by 2023
- Aspire to impact 3 million lives by 2025
- Deepen global presence and deliver quality affordable in new markets

Governance
- Maintain an ethical business culture to drive robust governance practices beyond compliance
- Continue maintaining high quality products and product transparency

Environmentally and socially conscious supply chain

Responsible marketing, sales and distribution

- Healthcare professionals
- Communities
- Business partnerships and alliances

Meeting the needs of patients

Responsible Governance at Glenmark[1]

Glenmark's corporate governance philosophy is based on our ambition to achieve sustained growth in an ethical and responsible manner

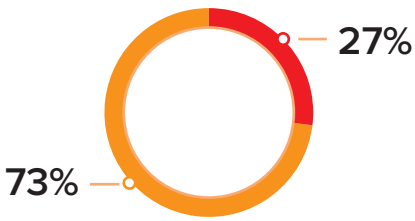
Strong governance is crucial to achieve each ambition across our business strategy and to enhance long-term stakeholder value. We are guided by Glenmark's global Code of Conduct (CoC) which enables us to lead the way for value creation through good governance. Our corporate governance structure and values are established by purpose-driven leadership, setting a strong tone at the top.

Glenmark is committed to the highest standards of governance, integrity and ethics. We strive to maximize shared value by enhancing the accessibility and affordability of medicines across the world. We also encourage good governance and sustainability across our business model by staying updated on the macroeconomic landscape, our capital inputs and evolving stakeholder requirements.

Good Governance at Glenmark[2]

The Board of Directors provides strategic leadership and guidance to integrate prudent and efficacious control systems in place that safeguard stakeholder interests. This enables us to evaluate and manage risks that ensures sustained business growth and long-term value creation. Our board members are some of the finest among the industry, establishing a balance of industry expertise and diversity. Our Board is accountable and responsible for the performance of the Company, along with ensuring adherence to the highest standards of ethical conduct.

Board Diversity



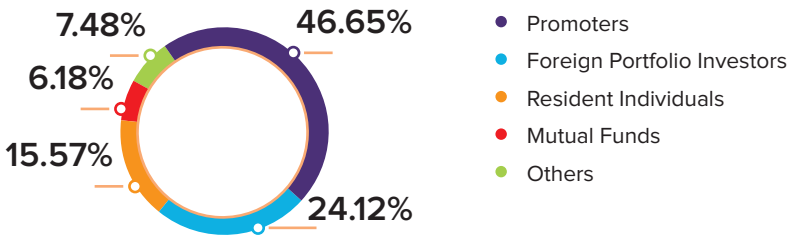
Board performance evaluation[3]

Glenmark's board performance evaluation is conducted on an annual basis, guided by our Performance Evaluation Framework and Policy. We encourage and evaluate Board members on their efforts to augment economic, social and environment outcomes across our business activities.

[1] GRI 103-1 GRI 103-2 GRI 103-3, GRI 102-18, GRI 405-1 | [2] GRI 102-26 | [3] GRI 102-28

Our Shareholding Pattern as on 31st March 2022[4]

Ownership Structure (% of Equity)



Board committees and policies[5]

In accordance with the provisions contained under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, we have formed the Committees of the Board. These committees support the Board to effectively delegate duties and responsibilities. The formal written terms of each board committee are reviewed periodically and delegated in line with the Board's responsibilities. The Board ensures regular oversight of these responsibilities for holistic coverage across our business activities. Further details regarding our committees can be accessed through our Report on Corporate Governance.

01 **Audit Committee**

02 **Stakeholders Relationship Committee**

03 **Nomination and Remuneration Committee**

04 **Risk Management Committee**

05 **Corporate Social Responsibility Committee**

06 **ESG Committee**

07 **Operations Committee**

Remuneration process[6]

The Nomination and Remuneration Committee reviews and approves the plans, policies, and programmes for Executive/Non-Executive Directors, Senior Management, and Key Managerial Personnel. Compensation at the Board level is approved by shareholders and disclosed in the Company's financial statements. The Nomination and Remuneration Committee approves the Executive Directors' annual salary based on criteria established by the shareholders, according to the remuneration process described in the annual report. It consists of a fixed component and a performance incentive. The Board determines the compensation for the Company's Executive and Non-Executive Directors based on the recommendation of the Nomination and Remuneration Committee. Non-Executive Directors are entitled to a fixed sitting fees for attending each Board and the committee meeting.

Vigil mechanism[7]

As a purpose-driven Company, we believe in upholding the highest standards of ethics and integrity across our business activities. We forbid any conduct of discrimination or unethical practices in the workplace. We have established a comprehensive vigil mechanism, inclusive of our whistleblower policy[8], to respond to any issues or concerns raised by our employees.

Environmental, Social and Governance (ESG) at Glenmark[9]

Our ESG committee supports Glenmark's ongoing commitment to embed sustainability across our business activities. The committee actively engages in our boardroom discussions to provide its inputs on the environmental, social and governance impact of our business operations. This enables us to accelerate progress towards our ESG strategy.

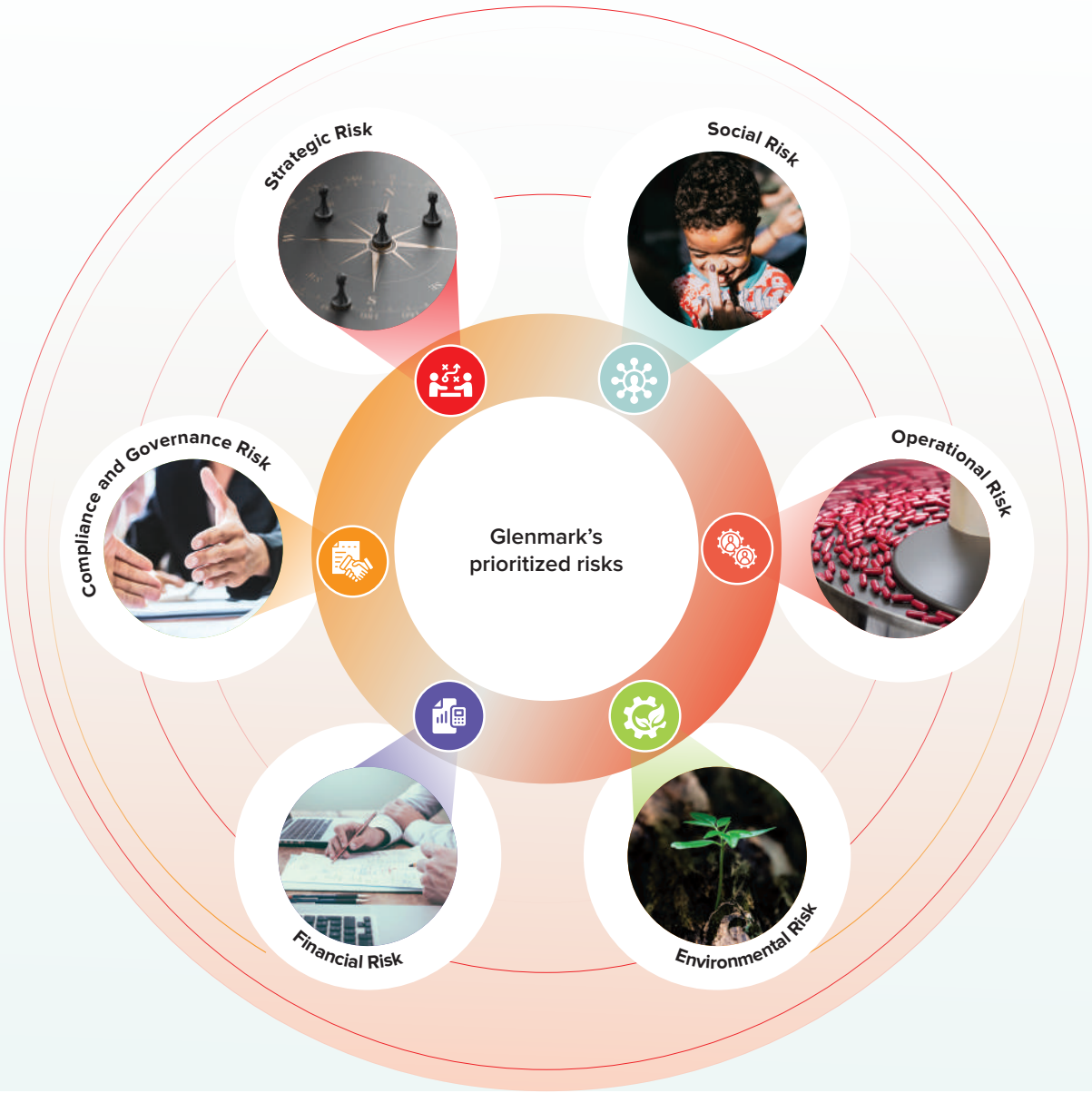
The committee comprises two Independent Directors and is chaired by our Chairman and Managing Director. It aims to inculcate prioritized ESG aspects across our long-term business strategy and develop a comprehensive approach to address identified ESG risks and opportunities. The committee also conducts periodic interactions with stakeholders to understand their viewpoint on Glenmark's ESG initiatives and overall progress. Further, we conduct quarterly meetings to evaluate and analyze established action areas.

[4] GRI 102-5 | [5] GRI 102-19 | [6] GRI 102-36 | [7] GRI 103-1, GRI 103-2, GRI 103-3, GRI 102-33 | [8] The Whistleblower policy set in accordance to the Companies Act, 2013, Listing regulation and the Securities and Exchange Board of India Act,1992 | [9] GRI 102-19

Our Risk Management Model[1]

At Glenmark, we keep a close watch on the external environment in order to seize new possibilities and take proactive steps to mitigate risks. We have deployed a strong risk governance system that not only analyses the types of risks, but also their likelihood and impact on our ability to create value. We consistently strengthen our risk mitigation strategies, to enable greater agility and efficiency across our businesses and manufacturing operations. The Company has formulated a new Risk Management Policy in line with SEBI amendments. It includes a framework for the identification of risks and measures for risk mitigation. It also details the roles and responsibilities of the Risk Management Committee.

Glenmark's prioritized risks



[1] GRI 102-11, GRI 102-30

Key enablers of Glenmark's Risk Management System

Risk Management Framework

We identify, monitor and mitigate risks associated with our business operations, through our risk management framework. The framework is based on our governance policies and procedures that enable our employees to raise their issues and concerns to the respective senior management.

Enterprise Risk Management Program

Our Enterprise Risk Management (ERM) program assists to review and assess significant risks associated with our business operations and ensure best practices to mitigate the identified risks.

Risk Management Committee

The Risk Management Committee monitors and reviews our risk management plan to ensure proper implementation of policies and processes to address identified risks and mitigate them.

Risk identification and management process

Step 1

Risk Identification

We identify risks associated with our new products, product quality, supply chain continuity, product pricing, global political and economic scenarios, compliance with tax laws, anti-bribery and corruption, environment, health and safety conditions, among others through our comprehensive risk management framework. The identification of key risks enables us to develop cost-effective strategies to assess and mitigate them.

Step 2

Risk Analysis

We review and assess the identified significant risks through our robust ERM program. The program ensures implementation of internal control systems to monitor our key business risks on a regular basis. Furthermore, it enables us to evaluate the impact of these risks on our productivity and achievement of business objectives.

Step 3

Risk Evaluation

We analyze the level of risk identified, including the wider context of the risk and risk tolerance thresholds of the Company. Based on the analysis, we prioritize risks and their mitigation measures.

Step 4

Risk Treatment

We have a robust framework that is used for risk treatment. This involves risk avoidance, reduction, sharing and retention. The process enables us to mitigate the adverse effects of risk from the very source.

Financial Capital

We continue our investments in generics, complex generics, innovative products and capacity expansion to broaden our product portfolio.

Our investments into manufacturing processes and systems further enable us to ensure product safety and quality, positively impacting the lives of patients. Our efforts to expand our business activities and drive responsible business growth also help us to achieve our vision of enhancing accessibility and availability of medicines across communities.

Strategic business objectives

- Consistent Revenue growth
- Sustainable profitability
- Enhanced free cash flow generation

Governance enablers

- Audit Committee
- Risk Committee

Performance highlights

INR 123,049 Mn
Revenue from operations

INR 23,203 Mn
EBITDA

INR 9,936 Mn
PAT

Material topics

- Enhancing availability and accessibility of medicines
- Promoting innovation

Stakeholder in focus

- Shareholders
- Investors

SDGs in focus

Interlinkage with <IR> capitals

Manufactured Capital

Investments in manufacturing capacities

Intellectual Capital

INR 12,787 Mn
R&D investments

Social & Relationship Capital

INR 423 Mn
spend across CSR initiatives

Human Capital

Strengthened investments in upskilling our workforce

Long term value creation through consistent financial performance[1]

At Glenmark, we lay strong emphasis on prudent financial management through judicious capital allocation, enhancing revenue streams and cost optimization initiatives. These initiatives are critical to fulfilling our strategic ambitions of developing complex generics and innovative products in our key therapy areas.

These continued efforts have also helped us in preserving stakeholder value even in the most turbulent times such as the ones that we have seen in the recent years. The pandemic and geo-political crisis led to supply chain disruptions and challenges which impacted overall financial outputs as well.

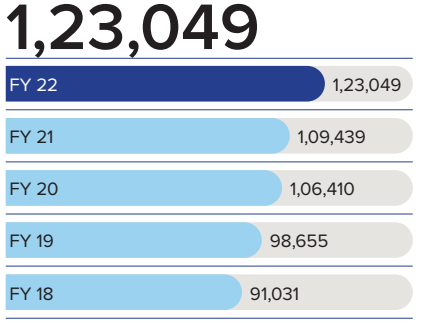
Despite these hurdles, our business operations remained resilient and we delivered on our key objectives for the financial year by achieving a revenue growth of 12.4%, maintaining EBITDA margins at around 19% and debt reduction to the extent of INR 12.9 Bn. We remain committed to maintaining our strategic objectives of bolstering our financial health by expanding our global footprint, enhancing free cash generation and reducing debt.

Revenue from operations

Our efforts are reflected through consistent growth in our revenue. For FY 22, our revenue stood at INR 123,049 Mn, recording a strong growth of 12.4% over the previous financial year.[2] This success was achieved by diversified growth across geographies, primarily led by India Formulations, Europe and the Rest of World (Asia, MEA, RCIS and LATAM) markets. Our Europe business achieved a significant milestone of USD 200 Mn annual revenue for the first time.

During the year, Ichnos Sciences entered into an exclusive licensing agreement with Almirall SA for the IL-1RAP antagonist ISB 880 for an upfront payment of EUR 20.8 Mn, further establishing us as a leading innovation-driven pharmaceutical company. We continue to capitalize on identified opportunities to monetize our innovation portfolio.

Revenue from operations (INR in Mn)



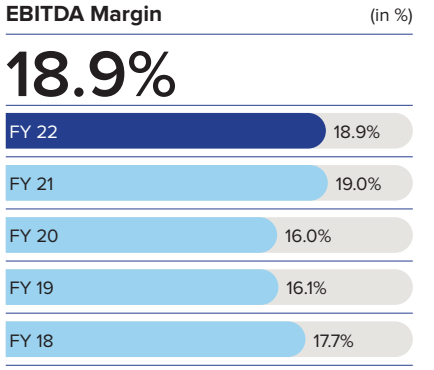
Our profitability

Our cost reduction efforts are comprehensive, covering all aspects of our product cost such as raw material costs and yields. Owing to these interventions, our gross margin for FY 22 was reported at 64.4 per cent.

We ensure effective financial oversight through meticulous planning and budgeting, clear policies, effective internal controls and accountability.

Our financial performance has remained consistent over the years and Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA) (before exceptional items) stood at 18.9 per cent, while the EBIT was at 14.1 per cent for the current reporting period. Our Profit After tax (PAT) for the current reporting year stood at 8.1 per cent for FY 22.

EBITDA Margin (in %)



The Return on Equity (ROE) and Return on Capital Employed (ROCE) for FY 22 were 12% and 16.8%, respectively.

[1] GRI 103-1, 103-2, 103-3
[2] GRI 201-1

Debt and Interest Cost

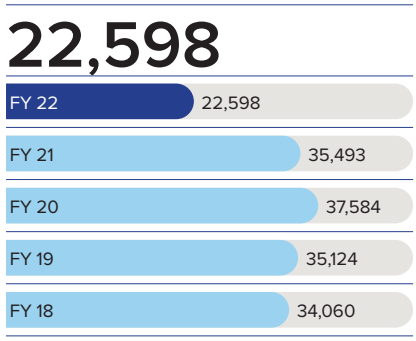
On August 6, 2021, we listed our wholly owned API subsidiary, Glenmark Life Sciences Limited on the Indian exchanges. The IPO was subscribed 44x and raised INR 15,136 Mn against a stake of 17.15% equity comprising of a primary issue of INR 10,600 Mn and a secondary issue of INR 4,536 Mn.

This value unlocking exercise helped us strengthen our balance sheet by significantly reducing our gross debt by 22 per cent to INR 36,703 Mn. The Net Debt at the end of the year stood at INR 22,598 Mn, a reduction of 36.33 per cent as compared to the previous financial year. Consequently, our Net Debt to Equity ratio stood at 0.2 as against 0.5 for the previous financial year, while the interest coverage ratio improved from 4.9 times to 5.8 times. At the end of the year, the net debt to EBITDA ratio stood at 1x as against 1.7x last year.

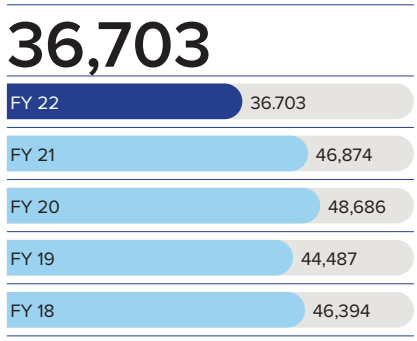
During FY 22, S&P Global revised our long term rating from 'BB-' to 'BB' and affirmed Outlook 'Stable'. Fitch Ratings affirmed the Long-Term Issuer Default Rating (IDR) as 'BB' and Outlook 'Stable.' CRISIL affirmed our Long-Term Rating as 'AA-' and revised Outlook to 'Positive' from 'Stable'. Short term rating reaffirmed as A1+. India Ratings and Research (Ind-Ra) has affirmed Long-Term Rating as 'AA-' and revised Outlook to 'Positive' from 'Stable'. Our Short-Term Rating was affirmed at A1+. This was an outcome of prudent management of our operations and working capital, free cash flow generation and the funds we received through the listing of our subsidiary Glenmark Life Sciences.

Our cash conversion cycle (working capital days) stood at 98 days for FY 22.

Net Debt (INR in Mn)



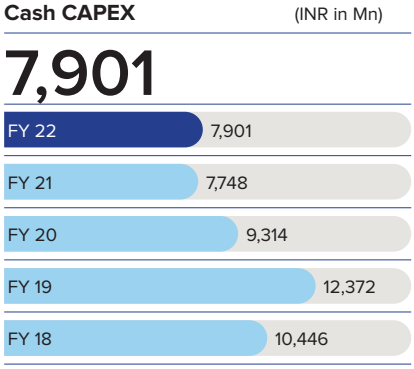
Gross Debt (INR in Mn)



Capital expenditure

During the year our capital expenditure stood at INR 7,901 Mn (cash). These investments are critical to support our strategic objectives of entering new markets, capitalizing on growth opportunities in emerging markets, ensuring business continuity and developing novel and innovative products.

Cash CAPEX (INR in Mn)



[3] GRI 201-2

R&D investments

Our innovation strategy is strongly supported by consistent investment in Research & Development (R&D). Our investment in R&D is consistently higher than our industry peers. Our total R&D expenditure for FY 22 stood at INR 12,787 Mn. During FY 22, we invested INR 6,627 Mn in Ichnos, our integrated biotechnology company. These investments enable us to develop novel treatment solutions for existing and emerging disease challenges.

Responsible investments

During the year, we raised a sustainability linked loan (SLL) of USD 228 Mn[3], a first by an Indian pharmaceutical company. This evidences our commitment to our goal of supporting sustainable business activities.

Manufactured Capital

Glenmark Pharmaceuticals is committed to growing in excellence, supported by a strong impetus on sustainability in our operations.

We remain focused on augmenting the resilience of our physical assets, producing quality products, ensuring compliance to regulatory standards, efficiency improvements and strategic cost optimization across our business activities.

Strategic business objectives

- Ensure customers get high quality products on time.

Governance enablers

- Risk Management Committee
- ESG Committee

Performance highlights

79%

of our sites are ISO 14001:2015 certified

Adherence

to the standards of 35 different health authorities across our extensive geographical presence

Implemented

solvent reduction and recycling, enabling green chemistry and cost effectiveness across some API processes

Material topics

- Ensuring Product Quality

Stakeholder in focus

- Investors
- Shareholders
- Suppliers
- Regulators
- Patients
- Healthcare professionals

SDGs in focus

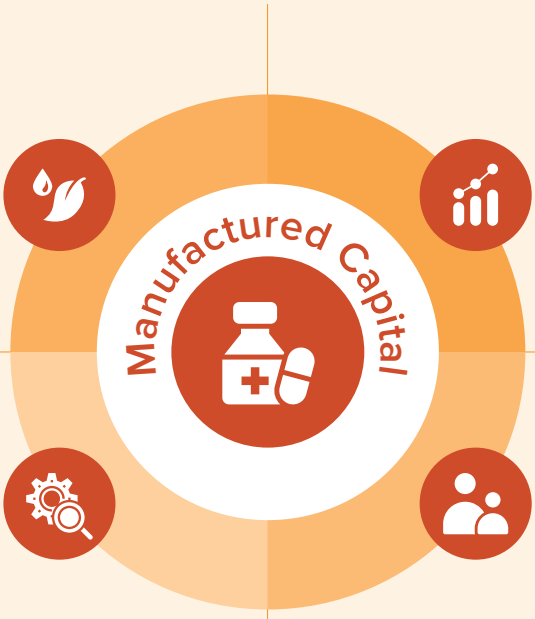
Interlinkage with <IR> capitals

Natural Capital

Ethical and environmentally-conscious production techniques across our manufacturing operations

Financial Capital

Investments to strengthen manufacturing capabilities and facility upgrades



Intellectual Capital

Digitalization of Quality Management Systems and implementation of eBMR & eBPR

Human Capital

L.I.F.T leadership development program for high-potential managers in operations

True to our commitment to manufacture quality products, our manufacturing facilities and operational processes are driven by the highest standards of quality and excellence. We encourage emerging innovations to boost efficiency and take conscious measures to adapt to the shifting competitive environment, deploying agile solutions to enhance our product portfolio. Our quality assurance team ensures compliance to regulatory and voluntary quality standards, supporting our effort to ensure product safety and efficacious business processes.

Enabling a future-ready growth strategy

Our facilities across the globe support our branded generics, generics, specialty and over-the-counter product pipelines that enable us to meet existing and emerging medical challenges. We have 14 cutting-edge manufacturing facilities across our formulations and API businesses as well as 4 state-of-the-art R&D centers. We are also diversifying our capabilities and expanding our manufacturing capacity to accommodate for growing production volumes across the geographies in which we operate. We have established a strategic and ambitious roadmap for our manufacturing facilities, developed in line with our business strategy. This enables us to translate our aspirations into action through dedicated growth levers, supporting us to enhance productivity, improve safety and reduce our environmental footprint.

Our key growth levers

Expand capacity in line with our corporate business strategy

Integrate automation and digitization across facilities

Strengthen product quality and pharmacovigilance processes

Achieve cost optimization

Our infrastructural assets are equipped with modern equipment and digital technologies that enable us to maintain quality and drive productivity. During the year, hot melt extrusion technology was installed at our Indore facility which is the latest tablet manufacturing technology. To further our operational excellence, we have integrated digital and automation based interventions across our operations in order to focus on meeting increasing demands for our products across the globe. We leverage these initiatives to operate our plants at optimum capacity utilization.

We track a myriad of indices across our operational processes to enhance efficiency, improve productivity, ensure on time supply and support quality production our growing product portfolio. We have established quality, EHS and productivity indices that enable us to monitor and track progress across audit observations, batch rejections, incident management, resource consumption and manpower productivity, among others. The adoption of process intensification techniques has supported us to improve productivity, yield and manufacturing efficiency.

We also ensure strict alignment with observations shared by regulatory agencies, continuously upgrading our systems to meet the standards of excellence as held by our stakeholders.

We have also set up a Manufacturing Compliance team within the manufacturing organization which keeps checking the health of manufacturing practices and focuses on improving the quality of our documentation and investigations.

Enhancing our manufacturing capabilities

With a strong presence across 4 continents, we manufacture medications in 25+ dosage forms and several therapy areas including our key therapy areas of respiratory, dermatology and oncology. The increase in our market outreach across the globe is supported by the consistent and strategic enhancement of installed capacity across our facilities and implementation of process intensification techniques at our API facilities. This also supports us to reduce turnaround time to market. In FY 22, we undertook capacity enhancement at some of our sites to cater to the growing demand across emerging markets.

Capacity expansion at GLS

Ankleshwar facility

During the year, 3 new pharmaceutical modules became fully operational at our Ankleshwar facility. Two of these pharmaceutical modules cater to higher volume products enabling batch size increases thereby permitting capacity expansion on higher volume APIs; while also reducing the overhead unit (per kg). Additionally, smaller volume APIs are produced in the third module.

Dahej facility

The brownfield expansion for generics API products at our Dahej facility is well underway. The ramp up of capacity from 140KL to 380KL will permit much larger volumes and numbers of APIs to be supplied out of the Dahej facility.

The project work is ongoing to build a facility for potent products at Dahej that will have 2 independent modules for medium scale manufacturing. As we foray into more complex APIs, oncology APIs being a focus area, the infrastructure needed to manufacture these highly potent molecules needs to be created.

Solapur site

We have received the environmental clearance and commenced construction work at our Solapur manufacturing site. We will add 600-800 KL capacity over the next three to four years, thereby facilitating our expansion in the Rest of World (RoW) markets. This will also enable us to pursue backward integration on a much bigger scale, thereby protecting our supply chain. Following necessary regulatory approvals, we will turn our focus on the regulated markets for our next phase of growth.

We anticipate a fully functional site to be ready by mid FY 25, giving the company an additional site to expand for the next 4-5 years.

Our manufacturing plants

Formulations

Aurangabad, India

Dosage Category

Oral solids (Tablets)
Inhaler
Nasal Spray
Topical Foam

Approvals

US-FDA
SUKL-Czech Republic
WHO – GMP
ANMAT-Argentina
ANVISA-Brazil
NDA – Uganda

ISO 14001:2015 & ISO 45001: 2018 certified*

*ISO 14001:2015 (Environmental management systems) and ISO 45001:2018 (Occupational health and safety management systems)

Formulations

Baddi, India

Dosage Category

Oral solids (Tablet & Capsule)

Oral liquids

Semi Solids (Cream, Ointment, Gel & Lotion)

Inhaler

Nasal Spray

Approvals

WHO GMP

US FDA

ANVISA - Brazil

UK-MHRA (EU)

SUKL- Czech Republic

MOH Ukraine

SAHPRA – South Africa

MOH Russia

INVIMA, Colombia

ZAZIBONA

NAMIBIA MEDICINES REGULATORY COUNCIL

ZIMBABWE

TFDA TANZANIA

ZANZIBAR

GULF HEALTH COUNCIL (GHC)

GMP -RUSSIA

MEXICO (COFEPRIS)

TFDA TAIWAN

DIGEMID PERU

SFDA SAUDI ARABIA

ANMAT ARGENTINA

ISO 14001:2015 & ISO 45001:2018 certified

Formulations

Nalagarh, India

Dosage Category

Oral liquids

Semi solids (Ointments, Creams and Lotion)

Approvals

FDA Philippines

TFDA – Tanzania

NDA – Uganda

FDA- Kenya

WHO-GMP

Local FDA

ISO 14001:2015 & ISO 45001:2018 certified

Formulations

Nashik, India

Dosage Category

Oral solids

Oral liquids

Powder

Shampoo

Semi Solids (Lotion & Ointment)

Approvals

WHO – GMP

ANVISA -Brazil

NDA – Uganda

NAFDAC – Nigeria

TFDA – Tanzania

EFDA – Ethiopia

MCC – South Africa

INVIMA – Columbia

RU – GMP Russia

ZFDA-Zanzibar

MCAZ-Zimbabwe

ZMRA-Zambia

DIGEMID-Peru

Pharmacy & Poison Board -Kenya

GHC

MOH-Yemen

ISO 14001:2015 & ISO 45001:2018 certified

Formulations

Sikkim, India

Approvals

WHO-GMP (CDSCO)

Local FDA

Dosage Category

Oral Solids

ISO 14001:2015 & ISO 45001:2018 certified

Formulations

Goa, India

Dosage Category

Oral Solids

Semi solids

Approvals

US-FDA

SAHPRA South Africa

WHO – GMP

ANVISA Brazil

MHRA UK

RU – GMP Russia

SUKL – CZ

TGA- Australia

ISO 14001:2015 & ISO 45001:2018 certified

Formulations

Indore, India

Dosage Category

Oral solids

Semi solids (Ointment & Creams)

Immuno Suppressant Block

Approvals

US-FDA

UK MHRA

WHO – GMP
ANVISA Brazil
FDA Taiwan,
Zambia Medicines Regulatory Authority

Ministry of Health-Argentina

ISO 14001:2015 & ISO 45001:2018 certified

Formulations

Vysoke Myto, Czech Republic

Dosage Category

Oral Solids

Approvals

Manufacturing licence for medicinal products (Issued by SUKL)

Distribution licence for medicinal products (Issued by SUKL)

Certificate of GMP Compliance of Manufacturer (Issued by SUKL)

ISO 14001:2015 & ISO 45001:2018 certified

Formulations

Pilar, Argentina

Dosage Category

Liquid and Lyophilized injections

Approvals

ANMAT Local MOH

ANVISA Brazil

INVIMA Colombia

COFEPRIS Mexico

SFDA Saudi Arabia

MCC South Africa

GCC UAE – KSA-Oman

DRAP Pakistan

Ukrainian GMP

CHMP Kenya

EU GMP

Vietnam GMP

Indonesia GMP

FDA Philippines

NMRA Sri Lanka

FDA Thailand

ISO 14001:2015 & ISO 45001:2018 certified

Formulations

Monroe, USA

Dosage Category

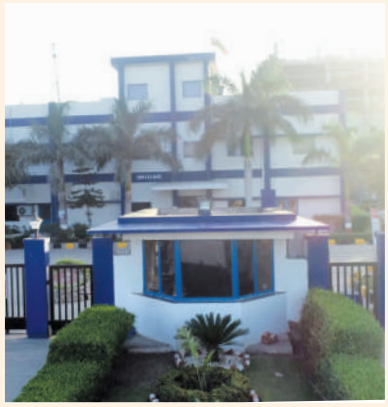
Oral solids, injectables and nebulized products

Approvals

US - FDA

API

Dahej, India



Dosage Category

API

Approvals

USFDA

EDQM (Europe)

PMDA (Japan)

FNSM (French National Agency)

KFDA (South Korea)

WHO

CDSCO, India

Gujarat State FDA

ISO 14001:2015 & ISO 45001:2018 certified

API

Mohol, India

Dosage Category

API

Approvals

USFDA

WHO, CDSCO, India

State FDA

API

Kurkumbh, India

Dosage Category

API

Approvals

Maharashtra FDA

API

Ankleshwar, India

Dosage Category

API

ISO 14001:2015 & ISO 45001:2018 certified

Approvals

USFDA
MHRA (UK)
FIMEA (Finland)
Romania (Europe)
PMDA (Japan)
COFEPRIS (Mexico)
Health Canada
Korean FDA (KFDA) (South Korea)
WHO, CDSCO, India
Gujarat State FDA

Product quality and safety

At Glenmark, we are committed to manufacturing and delivering high-quality products to patients across the globe. The presence of strong governance systems and review mechanisms to ensure quality control enables us to maintain compliance with stringent regulatory requirements across our product portfolio.

With quality as the topmost priority, we adhere to the standards of 35 different health authorities across our extensive geographical presence.

Strengthening our Quality Management System (QMS)

Glenmark focuses on quality by design and we continue to leverage our innovation-centric strategy to achieve operational excellence. We have implemented a robust Quality Management System (QMS) that establishes quality standards and methods for all our business units. Our QMS adopts a compliance approach, which encompasses the entire product lifecycle, from development to commercialization. The QMS is updated regularly based on new regulations and evolving compliance requirements to guarantee that operations comply with Current Good Manufacturing Practices (cGMP) criteria across the globe. This in turn assures a consistent supply of quality and dependable products.

We have implemented Current Good Manufacturing Practices (cGMP) throughout our manufacturing facilities, Good Distribution Practices (GDP) across our distribution network, Good Warehousing Practices (GWP), and Good Pharmacovigilance Practices (GVP), to ensure efficient post-marketing surveillance and Good Documentation Practices (GDP), in order to establish transparency and traceability across our quality management systems. We have also implemented several proactive control mechanisms, such as a Continuous Improvement Process (QIP), to integrate multiple checks and balances throughout our value chain. A QIP system ensures error elimination and a methodical approach to product quality control.

Further, we consistently collect regulatory intelligence to evaluate new recommendations issued by various regulatory organizations which propels our efforts to integrate industry best practices across our facilities and enhancement of our business processes.

Ensuring audit readiness

At each manufacturing site, a dedicated Quality team oversees and ensures the delivery of consistent quality performance and audit readiness. We monitor the successful implementation of standards, processes, and cGMP compliance by performing periodic internal audits that analyze information across manufacturing sites, evaluating KPIs and operational data. The team audits each site on a regular basis to assess its status in terms of regulatory requirements, processes, and cGMP compliance. Audits are conducted at least once in a year for all plants and more frequently for certain significant plants including Goa, Baddi, Indore, and Aurangabad.

During the year, a total of 12* and 5 regulatory inspections were conducted at GPL and GLS respectively.

Pharmacovigilance[1]

As we progress in our research-led capabilities and augment our rapidly diversifying product portfolio, it is imperative for us to ensure drug safety and efficacy across our manufacturing facilities. Our Pharmacovigilance (PV) philosophy is based on our values of knowledge, respect, and achievement. Our PV unit monitors the risk-benefit profile of all our products and takes timely corrective action and communication to ensure patient safety[2]. Various PV operations, including signal identification, aggregate report, and risk management plans (RMPs) with appropriate risk reduction methods, are used to examine the risk and benefit profile of products using concerns reported in association to the product usage around the world.

Our PV strategy focuses on building robust structures and procedures that are supported by the right mix of experience, resources, and technology. Further, the evaluation of a product's safety implications is a collaborative endeavor involving numerous parties and methods. In FY 22, there were no incidents of noncompliance with regulations pertaining to the health and safety issues of our products[3].

We have a well-structured governance system that allows us to handle pharmacovigilance-related operations successfully. Our governance framework includes numerous systems and balances to guarantee that PV is managed effectively across our global operations. Furthermore, in order to meet a range of PV-related regulatory criteria, our facility is subjected to frequent audits and inspections. In addition to our governance structure, we have built a dedicated platform for the EU/EEA Qualified Person Responsible for Pharmacovigilance (QPPV) and other Regional Heads/QPPVs to engage with appropriate Local Pharmacovigilance Responsible Persons (LPVRPs) in the EU, Americas, Asia Pacific, Africa, the Middle East, and Russia-CIS.

Leveraging automation and digitization to drive operational efficiency

At Glenmark, we leverage automation and digitization across our manufacturing systems and processes in our dedication to the strong pursuit of product quality, operational efficacy and productivity. In this regard, we have implemented projects such as batch size increase, eBPR and cycle time reduction across our manufacturing facilities. We also implemented eBMR at our Aurangabad site, which is now successfully being implemented across other sites.

All critical manufacturing equipment across our facilities are provided with Programmable Logic Controller (PLCs), which are validated as per 21 CFR Part 11. The data procured from these machines is dependable, with robust audit trails to ensure consistency and traceability of any discrepancies. This enables us to reduce the operator's intervention by use of pre-defined methods.

We also continue to implement technological interventions across our operations to enhance our manufacturing capabilities and processes.

Key technological interventions at Glenmark

- Implemented e-Batch Manufacturing Record (eBMR) at our Aurangabad site
- In process of implementing eLogs at all our USFDA sites
- Implemented Trackwise at our Goa and Baddi sites. Rollout at other sites in-progress.
- Installed the latest Tablet Manufacturing Technology, i.e., Hot melt extrusion technology at our Indore facility
- Installed in-house developed unique innovative technology for dual chamber filling of Fabispray Nasal Spray
- Installed automated duct cleaning system at our Goa and Indore facilities for cleaning of Fluid Bed dryer as well as tablet coating machine ducts
- Provided Programable Logic Controllers (PLC) validated as per 21 CFR Part 11 to all critical manufacturing equipments.
- Adopted data logger system in Quality Control stability chambers and in some material storage areas, along with integrating Product Transfer System (PTS) and batch metering system for solvent dispensing

*At Goa, Baddi, Indore and Aurangabad | [1] GRI 103-1, GRI 103-2, GRI 103-3 | [2] GRI 416-1 | [3] GRI 416-2

Key insights into our digital, automation and other initiatives

Plant automation & process control

- Automation of critical plant processes linked to documentation and core manufacturing functions.
- Enables support in strengthening accountability and compliance across process lines.

Trackwise/eQMS`

- Digitization of quality management processes across our global operations
- Incorporated digital and technology driven programs to further strengthen our quality assurance process
- Effective documentation of root cause of complaints and investigation conclusions

eLogbooks

- Implementation of electronic logbooks enables operational efficiency and productivity across quality, production, planning and maintenance.
- The process also integrates clarity and transparency across Glenmark's production and business activities.

Solvent recycling and green chemistry

- Integrated solvent recycling and process simplification objectives to processes
- The process ensures cost effectiveness of our manufactured products

Case processing

- Implemented automation processes for case processing and submission of Individual Case Safety Report within the Argus safety database
- Data mapping is performed and validated in line with the requirements of our Quality Management System
- The process led to a substantial reduction in turnaround time and manual effort

PADER Automation

- Periodic Adverse Drug Experience Reports (PADER) is a type of aggregate safety report which is submitted to the United States Food and Drug Administration (USFDA) after obtaining marketing authorization approval
- The automation project ensures compliance to quality and regulatory requirements for medium to high complexity cases
- It also facilitates adherence to submission timelines

Intellectual Capital

Innovation is at the heart of our processes and systems, enabling us to drive growth across our therapeutic areas and product pipelines.

We make conscious efforts to advance our business activities by leveraging innovative capabilities to deliver value accretive solutions to all our stakeholders. Our R&D capabilities support us in accelerating our efforts to introduce novel therapies and address unmet patient needs across the globe. In our operations, digital interventions enable operational agility and help us achieve process excellence.

Strategic business objectives

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

Material topics

- Promoting innovation
- Intellectual property rights

SDGs in focus

Governance enablers

- ESG Committee
- Intellectual property policy

Stakeholder in focus

- Healthcare professionals
- Patients
- Regulators

Performance highlights

19
ANDAs filled during FY 22

1,429
inventions till date

1,284
patents granted till date

436
DMFs and CEPs across major markets (GLS)

Interlinkage with <IR> capitals

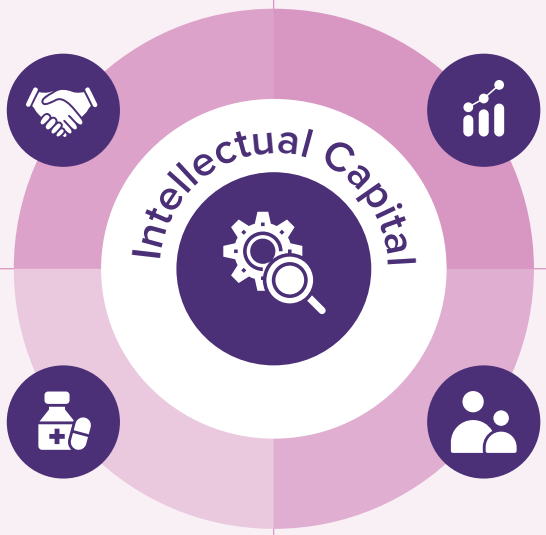
Social & Relationship Capital

5
publications in national and international reputed journals,

8
poster presentations in scientific forums

Financial Capital

INR **12,787** Mn
invested in R&D



Manufactured Capital

R&D centers in India and Switzerland

Human Capital

Global workforce of
15,415
including
1,434
employees in R&D

As Glenmark continues to grow from a generics company to an integrated, research-led global pharmaceutical company, we embed innovation and R&D at the heart of what we do to develop breakthrough therapies for patients. With more than four decades of strong innovation and R&D, we leverage purposeful business practices to deliver value generated outcomes for all our stakeholders.

Driven by innovation[1]

In order to accelerate our value creation journey and to cater to the unmet needs of patients, we strengthen our R&D capabilities and investments across our portfolio of differentiated medicines in dermatology, oncology, respiratory, autoimmune illness and pain management. Our R&D strategy includes pursuing new discovery and development approaches in our core disease segments. This enables us to offer effective, high-quality, and affordable treatment options to all patients. We consistently maintain the highest standards of process innovation and quality in our R&D and manufacturing operations. The outcome of our efforts is translated into the development of a specialty pipeline, which enables us to provide affordable solutions for unmet medical requirements across market segments. Further, we consciously strive to develop innovative solutions amidst the most challenging situations such as the Covid-19 pandemic to address unmet medical requirements.

Our ongoing R&D initiatives are targeted at designing innovative treatment options that broaden our product portfolio and help us address challenges of current and emerging diseases. During the financial year, our R&D investments stood at INR 12,787 Mn.

As we renew our focus on responsible business operations, strengthen our existing product portfolio and increase our presence in new geographies, we continue to drive progress across the value chain in complex generics and innovative medications. We also leverage diverse capabilities across our subsidiaries to enable breakthrough innovation across our product portfolio.

Glenmark
A new way for a new world

Focus Areas

Formulations- Generics, Branded generics, Specialty, OTC, Innovative Molecules

Key Therapy Areas

Respiratory
Dermatology
Oncology

Strategic actions

- Expand our core therapies and specialty products
- Augment our share from Rx to OTC

Glenmark LIFE SCIENCES

Business Segments

API

Focus areas

Non-commoditized APIs with high-end chemistry

Strategic actions

- Expand our key offerings
- Continue to integrate new technological interventions across our operations

...ichnos...

Business Segments

Innovative R&D

Focus area

Immuno-oncology

Strategic actions

- Continue to develop our product pipeline
- Selective partnering

[1] GRI 103-1, 103-2, 103-3

Glenmark Pharmaceuticals Limited (GPL)

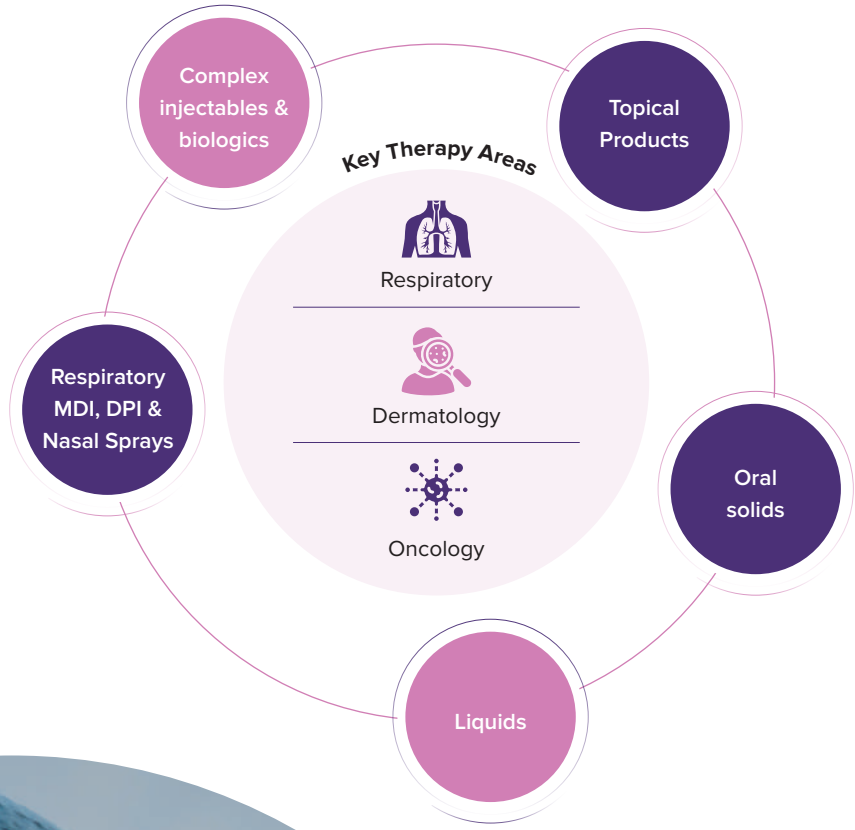
At GPL, we have a strong focus on our key therapeutic areas of Respiratory, Dermatology and Oncology. Our product portfolio ranges from oral solids, topical products to complex injectables and biologics. We now have 10 brands among the top IPM 300 brands in the country, which is up from six last year. Our current portfolio consists of 174* products authorized for distribution in the U.S. marketplace. In FY 22, we submitted a total of 19 ANDA applications to the U.S. FDA, while 12–15 ANDA applications are expected to be submitted in FY 23. Further, 48* products are pending with the US FDA in different phases of the approval process, of which 20* are Paragraph IV applications.

R&D centers of GPL

- Mahape, India
- Taloja, India
- Sinnar, India

*As on 31st March 2022

Supported by strong R&D, manufacturing capabilities, market outreach and our stakeholders, we have achieved significant milestones across our product portfolio. Key insights into our product portfolio are provided below.

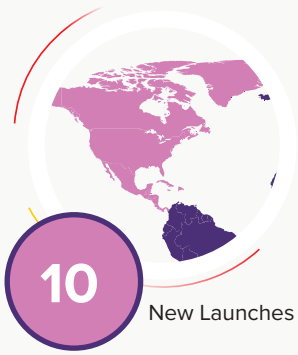


Key product launches during the year

India & Glenmark Consumer Care

a. Remo® MV and Remo®-Zen MV (Remogliflozin, Vildagliptin and Metformin range)
b. Tenepact (Tenecteplase (IHS) 40 mg + L-Arginine I.P 440 mg + 85% Ortho Phosphoric acid I.P. 136 mg + Polysorbate 20 I.P. 3.4 mg)
c. FabiSpray® (Nitric Oxide)
d. Enoxaparin (Enoxaparin Sodium I.P. 40/60 mg + Water for Injections I.P. 0.4/0.6 mL)
e. Ryaltris® AZ Nasal Spray(Mometasone furoate B.P. 50 mcg + Azelastine Hydrochloride B.P. 140 mcg)
f. Zita Plus R (Remogliflozin Etabonate 100 mg + Teneligliptin 10 mg)

North America



a. Rufinamide Tablets USP
b. Theophylline Extended-Release Tablets
c. Telmisartan Hctz Tablets
d. Abiraterone Acetate Tablets

Europe

1. Tiotropium (Tiogiva® and Tavulus®)
2. Beclomethasone pMDI
3. Deferasirox tablets
4. Lenalidomide capsules
5. Ryaltris® Nasal Spray
6. Fulvestrant Injection
7. Sunitinib capsules
8. Nitrofurantoin capsules

Asia, MEA, LATAM and RCIS Region (RoW)

a. Ryaltris® Nasal Spray
b. LA Shield IR30
c. Salbutamol MDI
d. Abiraterone Acetate tablets
e. Tigebax injection
f. Glentriz (Imiquimod Cream 12 x 250mg Cream Sachets)
g. Ascoril SF

Key Products launched during the year

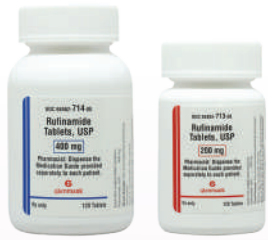
Remo® MV and Remo®-Zen MV

Remogliflozin + Vildagliptin+ Metformin, a Fixed Dose Combination (FDC) was launched during the year to enhance patient access to SGLT2 and DPP4 inhibitors for effective treatment of diabetes.

The medicine was launched at a cost 53% lesser than the competing brands in the Indian market.

Tiogiva® and Tavulus®

As a step towards strengthening our respiratory franchise, we launched a bioequivalent version of Tiotropium Bromide dry powder inhaler (DPI) under the brand name - Tiogiva® in UK and Tavulus® in Spain, for the treatment of chronic obstructive pulmonary disease (COPD).



Rufinamide Tablets

Glenmark launched the therapeutic equivalent of Banzel® tablets, to provide quality and affordable healthcare to our patients. Glenmark was one of the first ANDA applicants to submit a substantially complete ANDA for Rufinamide Tablets USP, 200 mg and 400 mg, with a paragraph IV certification and received final approval in 2016

Ryaltris®

Ryaltris®, our first branded speciality product globally, is a fixed dose combination nasal spray that combines an antihistamine (Olopatadine) with a steroid (Mometasone Furoate) for treatment of allergic rhinitis.

In FY 22, Glenmark's Ryaltris® was the first specialty brand which received USFDA approval for its NDA product which has also acquired marketing permission in 17 EU and UK countries.

Ryaltris®-AZ

Ryaltris®-AZ Nasal Spray was launched in India during the year for the treatment of moderate to severe allergic rhinitis. Glenmark is the first company in the world to launch Ryaltris®-AZ, as a novel fixed dose combination of Mometasone furoate 50 mcg + Azelastine 140 mcg.

This will provide patients a far more convenient, cost effective treatment option in the country.

FabiSpray®

Nitric Oxide Nasal Spray was launched in India in partnership with SaNOtize, under the brand FabiSpray®. The product aims to treat adult patients with Covid 19 who have a high risk of progression of the disease.

The phase III trials in India established the safety of the product and demonstrated a reduction in the viral load by 94% in 24 hours and 99% in 48 hours.

FabiSpray® was also launched in Singapore and Hong Kong under the brand name VirX®

Key highlights for FY 22

- Expanded our innovator Remogliflozin franchise with a new launch in Remo® MV
- Introduced Canditral SB 130 mg and Syntran SB 130 mg and Canditral SB 65 mg and Syntran SB 65 mg
- Launched the first Vilanterol product in India, as Vilor-F™ 100 & Vilor-F™ 200 DPI for COPD indication
- Introduced India's first Probiotic based product across our dermatology portfolio - Elovera Pro Cream and Elovera Pro Lotion

Looking forward

Our R&D centers concentrate on the development of complex molecules, new product development, cost reduction programs, and process enhancements. Further, our R&D activities include ongoing process optimization to increase productivity, shorten process cycles and qualify lower-cost processes for regulated markets.

As we expand our R&D capabilities, we further establish new growth levers across our business activities and product portfolio. We believe that our research and development will continue to lead to new inventive processes that can boost production efficiency, enable cost-effective manufacturing processes and address unmet patient needs in the global market. Across the medium-term horizon, we aim to focus on the development of products such as nasal sprays, nebulizers, dry powder inhaler and metered dose inhalers, as a drug-device combination. In the long-term, our ambition is to develop complex technologies that involve formulation development based on nano technology, fluid bed process, spray dried technology, iron complexes as well as New Chemical Entities (NCE's).

Innovative medicines group

Innovation continues to be a key growth driver for Glenmark. In order to increase our focus on the in-house discovery and development of novel molecules, we have created a distinct sub-group within Glenmark called the "Innovative Medicines Group". Through this division, we will continue the development of innovative therapies to address critical unmet medical needs and to improve the lives of patients and their families with serious diseases.

Our current specialty pipeline consists of two respiratory molecules in various stages of clinical development, 1 molecule each in the therapy areas of pain and oncology. Each of these molecules has the potential to improve patient outcomes by proving to be safer and more effective than currently available therapies. Brief insight into the status of our pipeline is provided below:

Therapy	Molecule	MoA/Class	Phase
Respiratory	GBR 310	Biosimilar for Asthma, CIU	●●○
Respiratory	GRC 39815	RORγt Inverse Agonist for COPD	●○○
Pain	GRC 17536	TRPA1 Inhibitor for DPN	●●○
Oncology	GRC 54276	HPK1 Inhibitor for Solid Tumors	●○○

Phase 1 ●○○ Phase 2 ●●○ Phase 3 ●●●

GBR 310

GBR 310 is a biosimilar candidate being developed for the treatment of asthma and chronic idiopathic urticaria (CIU). Glenmark has completed a Phase 1 study which assessed the pharmacokinetics of GBR 310 in comparison to the reference product. The trial randomized a total of 168 subjects out of which 162 completed the study at the end of April, 2018.

Asthma affects more than 18 million people above 18 years of age in the U.S. Allergic asthma is unique because it is triggered by exposure to year-round allergens like pet dander and dust mites. Allergies trigger asthma attacks in 60-90 percent of children and in approximately 50 percent of adults with asthma.

Chronic spontaneous urticaria (also known as Chronic Idiopathic urticaria) is a disease that occurs as spontaneously recurring hives or welts. It occurs across all age groups and approximately one percent of the general population suffers from the disease. Among patients with CSU, 70% report symptoms that last for more than one year and 14% report symptoms that last for more than five years.

GRC 17536

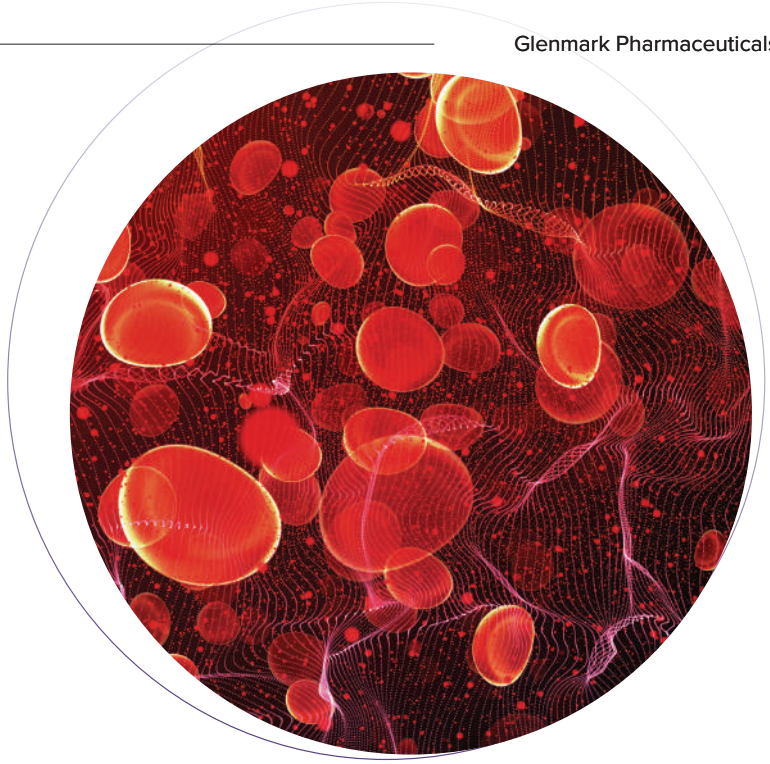
GRC 17536 is a potent and selective antagonist targeting transient receptor potential ankyrin 1 (TRPA1), a nonselective cation channel that is expressed predominantly on nociceptive, peripheral afferent, sensory neurons.

TRPA1 acts as final common pathway for a large number of chemically diverse pro-nociceptive stimuli generated in several chronic diseases including diabetic peripheral neuropathy (DPN), chemo therapy induced neuropathy, post-traumatic neuropathy and post herpetic neuralgia.

Activation of TRPA1 by reactive metabolites generated in diabetic subjects has been considered to play an important role in the pathophysiology of pain in DPN.

DPN is the most common complication of DM with a lifetime prevalence of 8-51%. Approximately 25 to 50% of DPN patients suffer from painful DPN. Patients with painful DPN have poor QOL and high disease burden as well as increased health care costs. Currently approved drugs for DPN are not efficacious in 30-50% of patients, are not disease modifying and have significant adverse effects that limit their 'CI Intellectual Capital use. These contribute to suboptimal clinical outcomes in a large proportion of subjects, resulting in a high unmet need for specific treatments with better safety profile and novel approaches to identify subjects likely to respond to treatment. Six single and multiple dose Phase 1 clinical pharmacology studies of GRC 17536 have been completed and have been found to be well tolerated with an acceptable safety profile. In addition, completed Phase 2a proof of concept study of GRC 17536 in patients with DPN showed superiority of active drug vs placebo for the primary endpoint (change from baseline in average pain intensity [API] at Day 28 in predefined subgroup of DPN patients with preserved small nerve fiber function.

A Phase 2b dose range finding, multicenter, placebo-controlled, parallel group study in patients with DPN is currently ongoing.



GRC 54276

GRC 54276 is a novel, orally active Hematopoietic progenitor kinase 1 (HPK1) inhibitor that is being developed as an orally administered treatment for patients with solid tumours. Despite recent advances especially in the advent of immunotherapies therapies, cancer is still the 2nd most common cause of death globally.

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

IND enabling studies were completed in Q4 FY 22. Currently, a phase 1, open label first in human study investigating the safety, tolerability, pharmacokinetics, and preliminary antitumor activity of GRS 54276 alone and in combination with anti-PD-1/PD-L-1 monoclonal antibody in subjects with advanced solid tumours and Hodgkin's lymphoma is ongoing.

GRC 39815

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

GRC 39815 is currently in Phase 1 clinical development program in the US. The Part 1 of a Phase 1 single ascending dose (SAD) study was completed in Q3 FY 22 and Part 2 (GRC 39815 estimation in BAL fluid) is currently ongoing. A Phase 1 multiple ascending dose (MAD) study is currently being planned as well.

Clinical Trials

At Glenmark, we implement innovative solutions that support us to drive efficient clinical trials for patients. All our clinical trials are conducted globally across various geographies. In India, trials are conducted through hospitals across the country with wide geographical distribution, including a diverse patient population that helps to ensure that the study subjects adequately reflects targeted patient population represented. Our early phase development including Phase 1 studies are conducted globally. In FY 22, we conducted a total of eight* clinical trials.

Developing a solution to any medical ailment is a long process and requires thorough research. Glenmark is committed to following all applicable local and global regulations and guidelines across jurisdictions, to ensure compliance with ethical requirements for conducting clinical trials.

In FY 22, we achieved significant milestones that included the successful completion of clinical trials and the launch of Remogliflozine-Teneligliptin and Nitric Oxide Nasal Spray. We initiated clinical trials for two innovative molecules GRC17536, GRC39815 along with Fluticasone and Lobeglitazone.

*GPL only

Glenmark Life Sciences (GLS)

R&D centers of GLS

Mahape, India | Ankleshwar, India | Dahej, India

GLS, a subsidiary of GPL, manufactures high-value and non-commoditized APIs across chronic therapeutic areas of cardiovascular disease, central nervous system disorders, pain management and anti-infectives. The API portfolio includes specialized as well as technically complex molecules.

GLS consistently aims to increase its research-led capabilities with a robust presence of almost 300 R&D personnel that support to enhance the existing product portfolio and increase efforts to identify opportunities that propel innovative growth. The business is supported by a strong presence of research scientists and engineers across our R&D centers. There are requisite teams for new product development, complex products, oncology product development, technology transfer, life cycle management and project management. GLS also provides a range of services and solutions to its stakeholders such as intellectual property management and regulatory science.

With 3 R&D centers in Mahape, Ankleshwar and Dahej in India, the company's chemistry capabilities include polymorphism screening, pharmaceutical salt screening, particle size distribution studies, high pressure reactions, high temperature reactions, cryogenic reactions, asymmetric hydrogenation etc. Technologies that use enzymatic transformation and continuous flow chemistry can also be handled.

The R&D centers prioritize the development of complex molecules, cost improvement programs and oncology products. With the support of advanced characterization techniques at the analytical research laboratories, GLS develops complex products such as iron complexes and oncology products. Sustainable chemical processes that support business continuity and ensure process safety have also been integrated.

With a diverse portfolio of 137 molecules, GLS continues to enhance its product portfolio, developing 8-10 new molecules per year.

GLS's strong market share in select and specialized APIs is supported by end-to-end capabilities, enhanced focus on sustainability and cost leadership across products.

137

high-quality API products

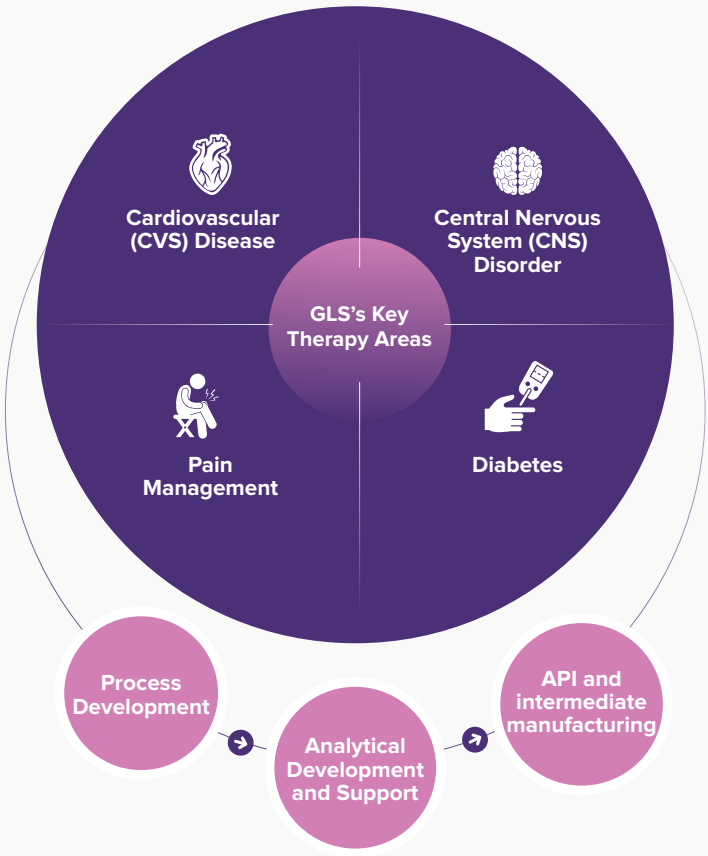
76

granted patents filed till date

Development

To create a relatively high entry barrier, GLS begins product development process with portfolio selection, focusing on non-commoditised APIs with high-end chemistry. It recently included complicated chemicals with an even higher entry barrier, both in terms of chemistry and characterisation. All its molecules are developed with an eye on the regulated markets initially, where it aims for first wave launches. For the initial wave of development, GLS prioritizes speed to market. It provides these APIs via cost-optimised processes in countries where patents expire earlier than in regulated markets. These processes will also enable it to serve customers in regulated markets in a second wave of launches.

GLS also puts a lot of effort on cost improvement projects (CIP) to deal with second wave releases. By offering its customers the lowest cost APIs, GLS helps them stay competitive and develop a successful lifecycle management strategy for its mature APIs. Additionally, timely filings enable customers to refer to a GLS DMF for a limited time.



436
DMF/CEPs filed

137
unique molecules in the portfolio across the globe

26
products in development pipeline including 2 Iron complex and 7 Oncology products

Generic API and CDMO Segment

GLS also provides Contract Development and Manufacturing Operations (CDMO) services to a myriad of multinational and specialty pharmaceutical companies. With strong capabilities in process chemistry, manufacturing and analytics, GLS continues to strengthen partnerships with innovator pharmaceutical companies.

It currently has three commercial projects with multinational and specialty pharmaceutical companies under the CDMO category. Regulatory filing completed for one iron compound and development to progress for 2 iron compounds that are in development pipeline with cumulative global front-end market size of more than USD 1.8 billion (Source: IQVIA MAT Mar'22). GLS also has seven products in the oncology space with global front-end market size of more than more than USD 15 Bn (Source: IQVIA MAT Mar'22).

Ichnos Sciences

Ichnos Sciences aims to shift the way the world thinks about innovation in medicine by developing potentially transformative biologic treatments in immuno-oncology. Headquartered in New York City, Ichnos has discovery and manufacturing operations at two sites in Switzerland - a biologics and early discovery research center in Lausanne, Switzerland and a biologics manufacturing and process sciences center in La Chaux-de-Fonds, Switzerland. Both Swiss research centers also house a full suite of in-house capabilities necessary for the discovery and development of new investigational biologics, from inception—including cell-line development, bioassay development, and antibody engineering—through preclinical and early clinical studies. As a fully integrated biotechnology company with approximately 225 employees, Ichnos has strong capabilities in research, antibody engineering, CMC and clinical development of biotechnologies.

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

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

*Bispecific Engagement by Antibodies based on the TCR

Intellectual Property Management

Intellectual Property (IP) represents Glenmark's most valuable resource, critical to continued innovation in novel therapeutic areas. Supported by a dedicated IP policy and Intellectual Property Management (IPM) team, we have established stringent measures to safeguard our Intellectual Property. Every project at Glenmark, from product selection to product launch ensures active involvement from the IPM team. The team serves as a custodian of Glenmark's patent portfolio and is well versed with the swift developments taking place on the global IP front. This supports us to integrate ethical practices in our operations and effectively monitor IP related considerations across the drug discovery and development lifecycle. We also hold the utmost respect for third party intellectual property, undertaking dedicated initiatives to protect the IP rights of our partners and peers.

As on 31st March 2022, we have

1,429

inventions and

1,284

patents granted

Technological interventions

Incorporating and adapting cutting edge technology helps promote efficiencies across the organization. At Glenmark we have established an overarching governance system to monitor technological interventions to safeguard all our intellectual assets. We have formulated an IT Steering Committee which conducts monthly review meetings where all new solutions are presented and finalized as per the business case. Furthermore, we have implemented an IT security roadmap to identify and address risks and opportunities associated with technological interventions. We not only safeguard our intellectual assets but also take measures for data security and privacy of our employees, vendors and customers. In regard to this, we have updated our data privacy policy and formed a Data Privacy Advisory committee that addresses all the risks of personal data processing of all stakeholders.

We regard digitalization as a critical enabler for our next phase of growth. We consistently endeavor to combine cutting-edge technologies and emerging digitalization concepts into our company's business model. Our digitalization-focused approach spans across all corporate functions and aims to maximize synergies and efficiencies. Additionally, we have digital roadmaps in place to support it. We have implemented various systems viz. Enterprise Resource Planning (ERP), Human Resources Information System (HRIS), Electronic Quality Management System (eQMS), Data Analytics, Regulatory systems, Pharmacovigilance systems to name a few with an aim to enhance operational processes, sales and marketing, personnel management, financial, supply chain management, analytical data processing and compliance. Some of our key initiatives have been provided below.

Analytics & dashboards

- Interactive data visualisation tools that enable us to drive accountability and transparency across our business units
- Data dashboards for people management and supply chain management support in leveraging efficiencies across our business activities

Beyond CRM

- Consistent transition towards Global CRM solutions
- Enables employees to leverage digital solutions for better integration of customer engagement, technology tools and business models, among others.

Supply Chain Management

- Implemented inventory dashboards that focus on material management
- Enhance master data management, systemic controls and exception management

AI & Bots

- Incorporating Artificial Intelligence (AI), Machine Learning and Bot based initiatives to drive efficacy across business functions
- Exploring the use of Machine Learning and Bots to manage resolution across IT service incidents before they occur

ASPIRE- Learning Management System

- Cloud-based learning management system, representing a one-stop solution to train employees across blended learning solutions
- The platform also monitors progress across employee learning and development

Resource and business planning

- Implementing best-in-class enterprise resource planning tools to enhance effective management practices
- 100% Implementation of SAP BPC solution for MIS reporting by FY 23

We have implemented technological interventions across our operations to safeguard our intellectual assets, enhance our information security and ensure data privacy for all our stakeholders.

Glenmark's Information security and Intellectual assets

- Implemented information security incident management policy and SOP
- Information Technology Security Operations Center (IT SOC) and CloudSEK (external brand monitoring tool) to monitor Glenmark's IT assets and security events, as well as further investigate and provide remediations for all incidents
- Stringent SOP's in place to safeguard IT assets
- Deployed Seclore for safekeeping of critical documents
- Regularly upgraded end points hardware and implemented patch management to eliminate any vulnerability in our systems
- Implemented Palo Alto with Next-Generation Firewall (NGFW) across all our data centers and Seclore for management of information rights

Stakeholders data privacy and security

- Implemented Sophos, an IT security solution for data encryption
- Distributed denial-of-service (DDOS) protection for network traffic
- IT security awareness trainings conducted for over 10,000 employees

We also have invested in cutting edge technologies such as Hyperconverged infrastructure (HCI), Enterprise storage and upgrade of PLC's for Infrastructure and Solutions like Tableau for data analytics, SAP Successfactors for validated Learning, Track and Trace solutions from -AntaresVision /TraceLink, Business Planning and Consolidation from SAP, HRIS system from DarwinBox, esign from MSBdocs, Electronic Batch Manufacturing Record (eBMR) from Caliber for more efficient manufacturing techniques and innovative approaches towards our business operations.

Social & Relationship Capital

As a responsible corporate citizen, we remain dedicated to our social and ethical commitments across Glenmark's business activities.

We recognize our role in building a resilient, healthy and thriving society. We strive to strengthen our relationships with all our stakeholders to drive innovative growth and deliver long-term value creation. At Glenmark, our strategic objectives aim to shape a healthier and equitable world through continued contribution towards affordable access to healthcare, empower our communities and maintain responsible supply chain.

Strategic business objectives

- Develop affordable medicines and medicines for unmet needs
- Empower communities through CSR initiatives
- Responsible supply chain

Governance enablers

- Corporate Social Responsibility Committee
- ESG Committee

Performance highlights

Over 2.6 Mn

lives positively impacted

Over INR 423 Mn

invested for CSR activities

Zero negative

environmental and social impacts across the supply chain

Material topics

- Community engagement
- Responsible supply chain management
- Enhancing availability and accessibility of medicines
- Impact of climate change on health

Stakeholder in focus

- Patients
- Suppliers
- Communities
- Employees

SDGs in focus

Interlinkage with <IR> capitals

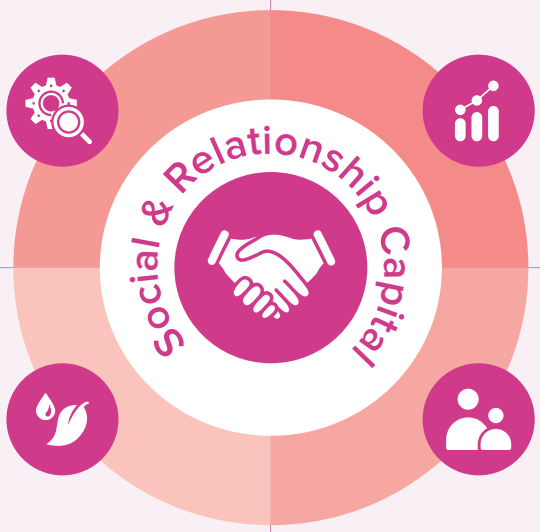
Intellectual Capital

Enhanced capabilities and innovative technologies to provide affordable medications across marginalized and underserved communities

Financial Capital

INR 423 Mn

spend across CSR initiatives



Natural Capital

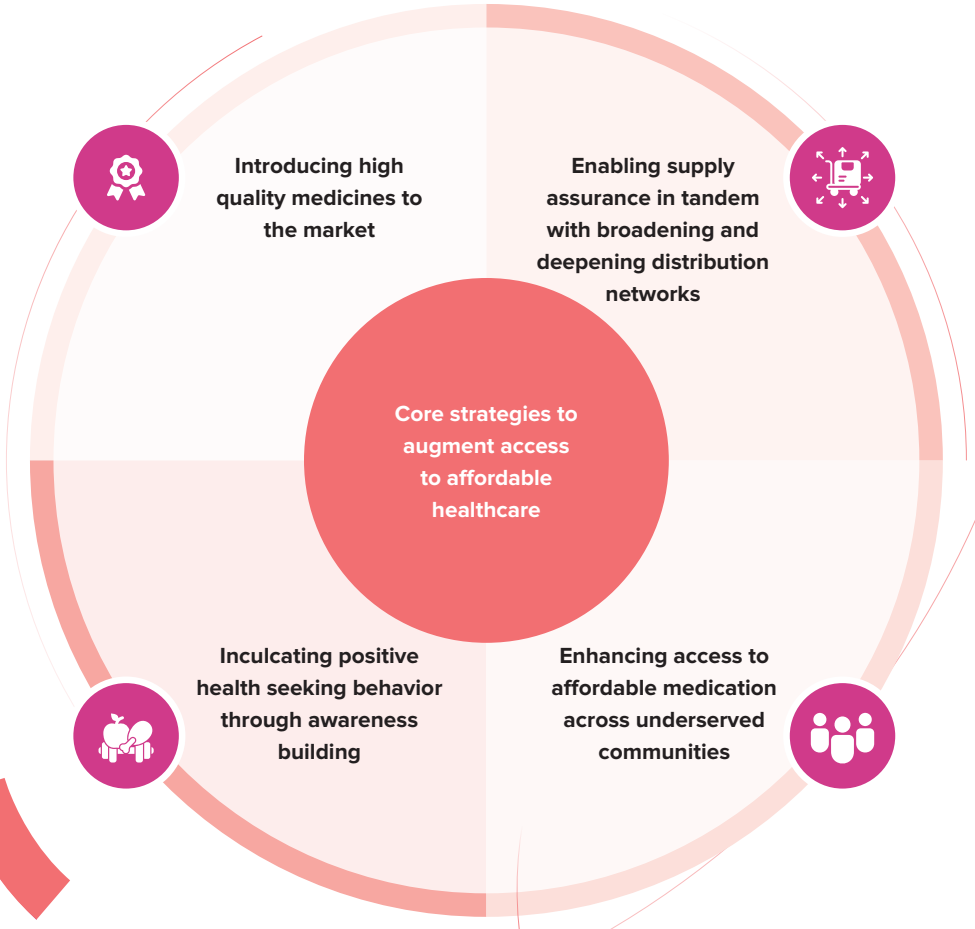
Robust Supplier Code of Conduct to onboard environmentally conscious vendors and suppliers

Human Capital

Employee volunteering to drive welfare initiatives across underserved and marginalized communities

Augmenting access to affordable healthcare

As a responsible organization, we are committed to achieving our goal of accelerating access to affordable healthcare in accordance with the requirements of all our patients and broader stakeholders across marginalized communities. In this regard, we strategically combine our innovation-focused ambition with strong market intelligence to consistently deliver high-quality and low-cost products.



We have established ourselves as an innovation driven company in both emerging and developed countries, demonstrating our commitment to encourage product affordability, quality, and accessibility. Additionally, we conduct in-depth research into the health and market demographics across the areas in which we operate. This enables us to develop solutions that lower access barriers like cost and availability. Our portfolio selection process places a special emphasis on products that address unmet needs of communities, orphan indications and new formulations that allow for easier administration. It also focuses on launching generic and other assets at significantly lower costs than originators as a way to provide essential drugs to underserved communities.

Our solifenacin succinate oral suspension was recently approved for marketing in the EU for neurogenic detrusor overactivity (NDO) in children aged 2 years and older, addressing an unmet need in a very specific pediatric population. Glenmark has also received tentative approval from the US FDA for a generic version of nintedanib capsules, a drug used to treat Idiopathic Pulmonary Fibrosis, an orphan disease that affects approximately 100,000 people in the United States. The cost of our medications and therapies like Remo® MV and Remo®-Zen MV is 53% lower than the other available SGLT2 & DPP4 combination brands, administered along with Metformin. Furthermore, Ryaltris® AZ was launched in India at an affordable price which is around 52% less as compared to the average price of the top 10 brands of similar drugs category in the market. In UK & Spain, we became one of the first companies to launch a bioequivalent version of tiotropium bromide dry powder inhaler under the brand name Tiogiva® and Tavulus® respectively, for the treatment of chronic obstructive pulmonary disease (COPD). During the year, we launched 10 new products in the US taking our total marketing portfolio in US 174 generic products authorized for distribution in the U.S. market.

Our partnerships and associations[1]

Our strategic associations with regulatory bodies and organizations play a vital role in our endeavor to provide affordable access to healthcare to our patients and marginalized communities. We are affiliated with numerous industries across India and globe, that enable us to strengthen our patient centric value chain.

Some of our key memberships in forums and industry organizations include:

- Bombay Chamber of Commerce & Industry (BCCI)
- Indian Pharmaceutical Association (IPA)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Confederation of Indian Industry (CII)
- Pharmaceuticals Export Promotion Council of India (Pharmexcil)
- Indian Drug Manufacturers' Association (IDMA)

Our key partnerships in FY 22 include:

Glenmark entered into an agreement with AstraZeneca to commercialize its product, Pulmicort Respules® in Colombia. The product aims to treat patients with asthma.

In partnership with SaNOtize, we launched Nitric Oxide Nasal Spray (FabiSpray®) in India to treat patients with Covid-19.

We have partnered with several companies globally to commercialize Ryaltris®, our novel treatment for allergic rhinitis.

During the year we entered into exclusive licensing agreement with Lotus International Pte. Ltd. for commercializing Ryaltris® in Singapore, Hong Kong and Vietnam. Our other partnerhships include Hikma Pharmaceuticals PLC (US), Menarini Group (Europe), Seqirus Pty. Ltd. (Australia & New Zealand), Yuhan Corporation (South Korea), Grandpharma (China) Co. Ltd. (China) and Bausch Health (Canada)

[1] GRI 102-13

Engaging and empowering our stakeholders

The healthcare landscape is continuously evolving, marked by demographic shifts and developments in life science as well as digital technology. In this regard, we continue to augment our efforts to provide consistent, affordable and accessible healthcare for all our patients and customers, including vulnerable and marginalized communities. Additionally, we periodically engage with our patients and consumers to gain a better understanding of their requirements as well as to convey the benefits and side-effects of our medications.

Our key engagement initiatives

- Engage with patients to create awareness about various health ailments
- Augment the use of digital technology to improve personalization and convenience of interactions with healthcare practitioners
- Boost patient outcomes by ensuring access to quality medications
- Participate in scientific and medical conferences to showcase our work in a wide range of therapeutic areas and platforms
- Enhance communication with our communities to better understand their requirements

Some of our patient outreach campaigns

1

COPD/Asthma Awareness Campaign

Asthma/COPD as a long-term respiratory condition that makes breathing difficult and can be a serious impediment for patients in leading a normal life. We conducted awareness campaigns on World Asthma Day, along with doctors and patients across the globe. The sessions were conducted through digital and physical modes of engagement such as the Glycopedia app, videos and webinar sessions. We conducted webinar sessions and engaged with 20,000 doctors. We also achieved an outreach of 500,000 patients to address current gaps in Asthma care and recommend required interventions.

2

Take Charge at 18

Maintaining healthy blood pressure is crucial for good heart health. Hypertension if left untreated can cause health conditions such as heart disease and strokes. As part of World Hypertension Month, we conducted public awareness rallies and mega screening camps to create awareness on the importance of the early diagnosis of blood pressure. Our initiative, #takechargeat18 targets people right from the age of 18 to enable better patient outcomes. Through this initiative, we enabled awareness for 2 million Indians on early blood pressure diagnosis within 3 months of our launch. We also screened more than 1.6 lakh people for blood pressure in just 1 week of the launch

3

DUC (Diabetes Under Control) Campaign

Awareness is key to providing a support system to patients living with diabetes. We conducted awareness campaigns to educate patients on the importance of diet, lifestyle changes and exercise as well as to recommend primary prevention and self-management interventions that can help them manage the condition better. Through the DUC campaign pages, we reached out to 1 lakh doctors a month and engaged with 5,000 doctors. These pages serve as a one stop destination for diabetes patients covering content on diabetes awareness and management

4

Psoriasis Awareness Campaign

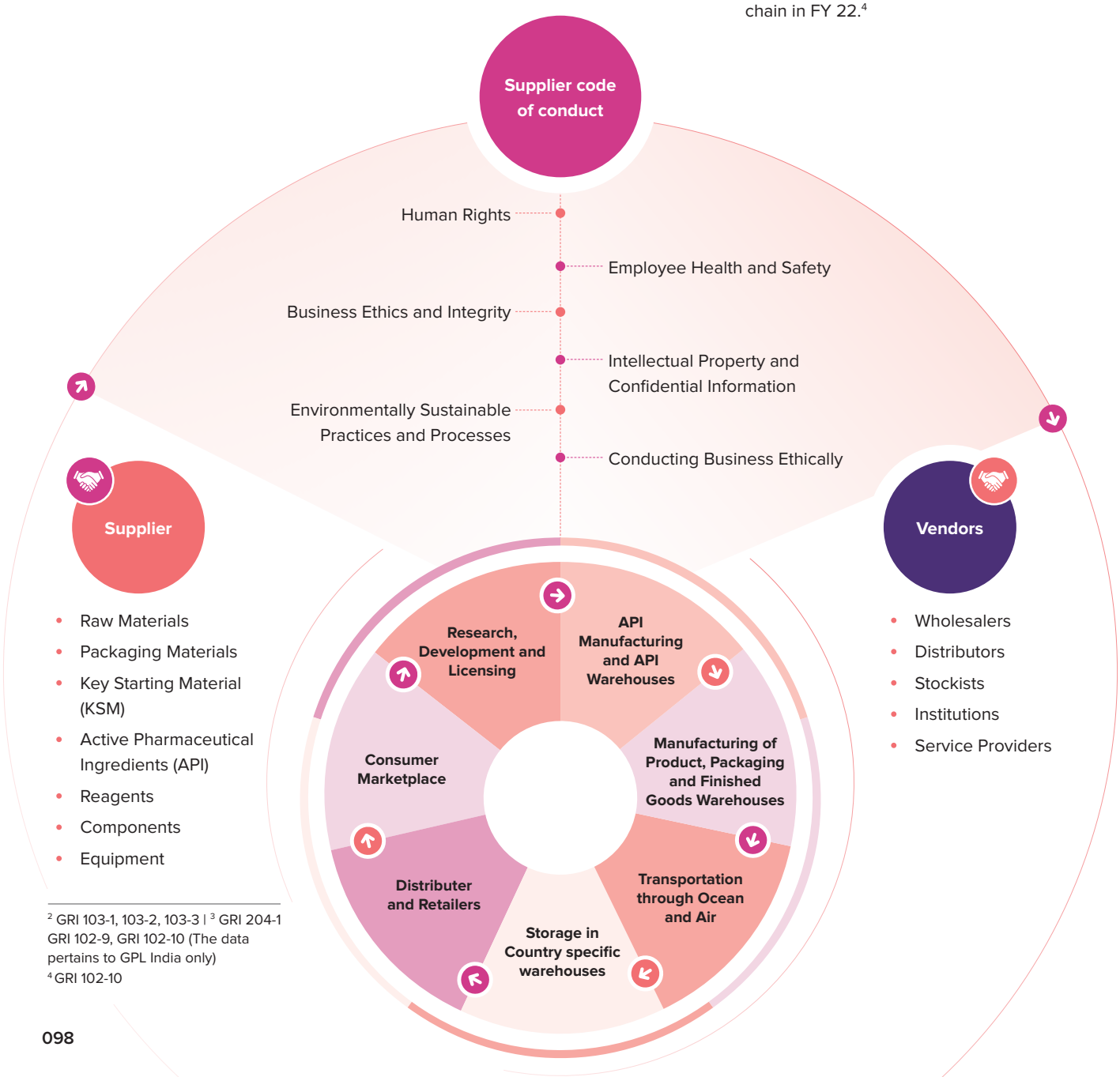
Dermatology remains a key therapy area for Glenmark. As part of our efforts to make an impact, we conducted an awareness campaign on Psoriasis to educate patients about this health condition, prevention measures, how to best live with this, and effective ways to manage this. We achieved an outreach of 5 lakh people through social media engagement initiatives. We also reached out to 2 lakh people through our website sessions.

Responsible supply chain management[2]

At Glenmark, we are cognizant of the importance of a secure and sustainable supply chain that ensures the quality and integrity of our products. Our dynamic supply chain has been a distinguishing element as it continuously enhances our efforts to accelerate innovation and achieve excellence across our product portfolio. In this regard, we make consistent and dedicated efforts towards improving the adaptability and efficiency of our supply chain.

Additionally, our commitment towards building a responsible supply chain is evident through the integration of ESG parameters across our supply chain strategy. Along with enhancing our global procurement practices, we also encourage sourcing materials from local vendors to generate additional growth opportunities. In FY 22, we locally procured ~80% (by value) of raw materials, packaging materials and traded goods.[3]

Our extensive supply chain network spans over 50 countries, covering the breadth and depth of the geographies that we operate in. In this regard, we have established a robust governance structure, comprising of dedicated supply chain and demand planning teams to augment efficacious planning and operations of our vast supply chain. At Glenmark, we further encourage adherence to all regulatory and voluntary ESG standards across our business activities through the Glenmark Code of Conduct. We have further established a Supplier Code of Conduct which ensures cascading of Glenmark's ESG commitments across the supply chain. There have been no significant changes in the organizational structure or supply chain in FY 22.[4]



[2] GRI 103-1, 103-2, 103-3 | [3] GRI 204-1 GRI 102-9, GRI 102-10 (The data pertains to GPL India only)
[4] GRI 102-10

We continuously evaluate our suppliers across various ESG parameters through our supplier sustainability protocol, which adheres to the principles of the Pharmaceutical Supply Chain Initiative (PSCI). The comprehensive screening process of the protocol helps us capture essential information pertaining to the performance and operations of all our suppliers. The protocol is based on three key elements which focuses on:

Ethical responsibility

Environmental responsibility

Social responsibility

These three elements ensure stringent assessment across all Environment, Social and Governance parameters. Our protocol is driven through a multi-layered blended approach to ensure that along with the internal assessments conducted by the suppliers; the outcomes of those assessments are also evaluated and analyzed by an independent third-party. Our comprehensive assessment program also provides guidance for all our suppliers, aligning them with industry best practices and local regulations while the scoring mechanism across the assessment helps us segment our suppliers into three major categories as follows:

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

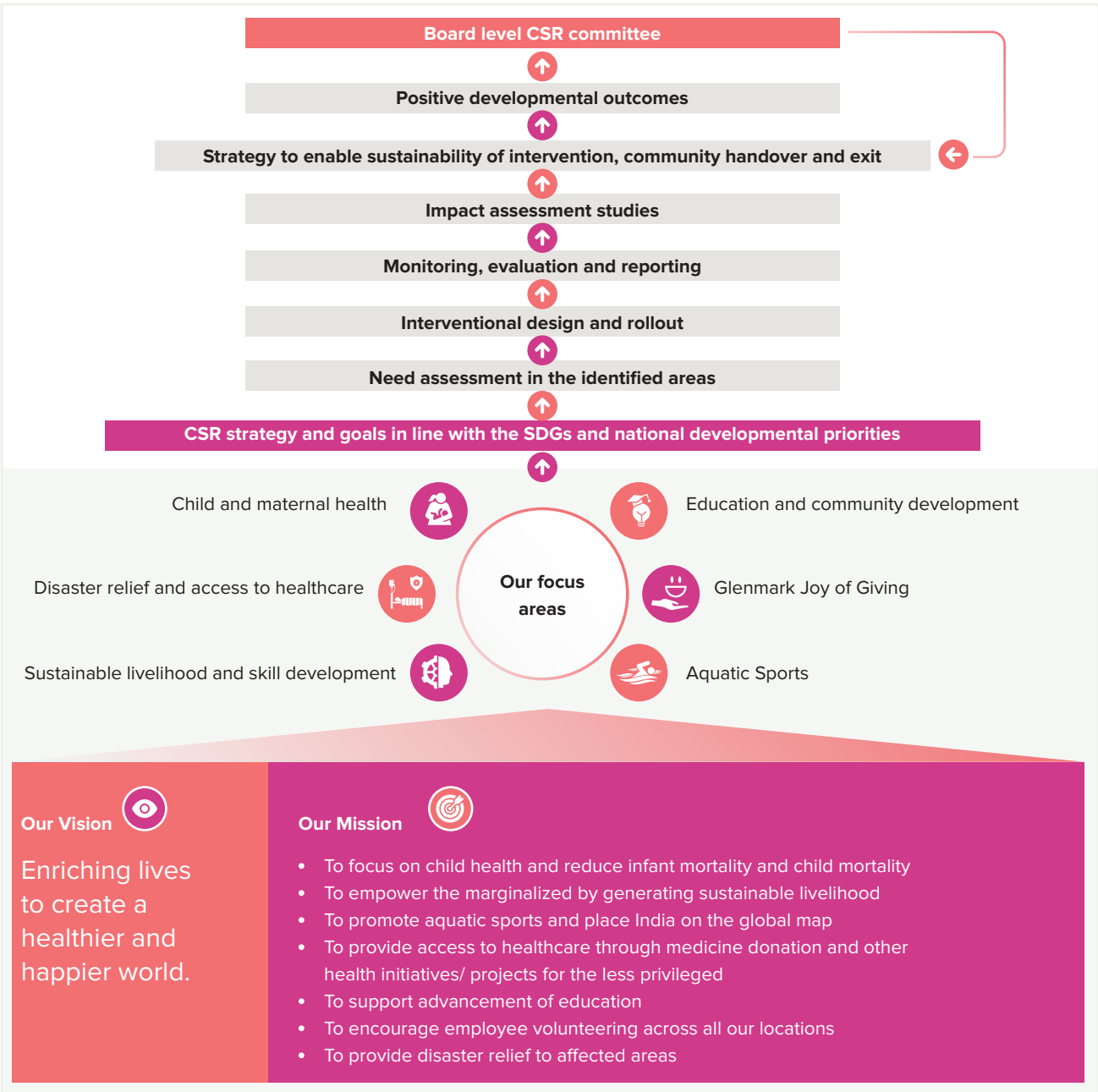
Before onboarding any supplier, we ensure stringent screening through our robust risk assessment process. We then validate the quality of their products, regulatory filings as well as past and current audit reports from regulators. This is further assured by retrieving documentary evidence consisting of their GMP and ISO certificates, among others. In FY 22 we conducted internal assessments for all our critical suppliers, followed by conducting an independent third-party assessment for a sub-group of our critical suppliers.[5] [6] There were zero observed cases of significant actual and potential negative environmental and social impacts with our suppliers during FY 22.[7] [8]

[5] GRI 308-1 | [6] GRI 414-1 | [7] GRI 308-2 | [8] GRI 414-2

Building resilient communities[9]

At Glenmark, our vision has been 'enriching lives to create a healthier and happier world for all', which also includes communities. All our activities are focused on creating long-term economic and social shared value. To deliver long-term value creation and enhance resiliency across our communities, we leverage our robust partnerships with stakeholders and implementation agencies that include 'Glenmark Foundation', 'Glenmark Aquatic Foundation', various NGO partners, Government bodies, academia and multi-lateral organizations, among others. Our initiatives that contribute towards the upliftment of communities are driven by our robust Corporate Social Responsibility (CSR) governance system. Our CSR governance system is guided by our CSR philosophy, policy, vision, mission and key focus areas. Additionally, we have adopted a digital dashboard to evaluate and document the progress of our initiatives, and enhancing value-driven outcomes across communities. Furthermore, progress reports are submitted to the CSR committee of the Board on a quarterly basis. The committee further ensures stringent review and effective implementation of all our CSR programs.

In FY 22, we did not identify any actual and potential negative impacts on local communities.



[9] GRI 103-1, GRI 103-2, GRI 103-3

Creating a positive impact[10]

Glenmark is committed to ethical and sustainable operations, harmonizing the interests of all stakeholders involved and promoting the welfare of the underprivileged segment of society. We undertook CSR initiatives in alignment with our key focus areas covering health and sanitation, livelihood and skill building, education, promotion of sports, disaster relief and access to healthcare as outlined in our CSR Policy.

Positively impacted over

2.6 Mn

lives over the years

19,90,000+

lives impacted through child health interventions over the years

Outreach to

3,05,000+

children through nutrition, immunization, and sanitation interventions

2,10,000+

pregnant & lactating women served through various interventions

Provided sustenance to

39,000+

malnourished children

6,800+

employee volunteers

50

Glenmark locations across 33 countries participated

62,400+

hours of voluntary service offered by our employees over the years

78,000+

individuals assisted through disaster relief interventions

6,400+

youth trained to improve their employment prospects

24,000+

differently abled individuals provided rehabilitation support

3,200+

Swimmers trained and 260+ medals accrued through Glenmark Aquatic Foundation

[10] GRI 413-1

Child and maternal health

Glenmark Foundation, the CSR arm of Glenmark Pharmaceuticals and Glenmark Life Sciences, actively works towards improving child health and reducing infant/child mortality, and has in place a 360° child health strategy to align with its theme of 'Healthier Children, Healthier World'. Our flagship projects, described below, are the realization of our strategy that bring us closer to our vision.

Project 'Kavach'

It focuses on child and maternal health interventions across regions of Himachal Pradesh, Sikkim, Madhya Pradesh, Gujarat, and Maharashtra in India. Our target audience encompasses adolescents, newly married women, pregnant mothers, newborns, and children up to the age of six. Our aim is to encourage positive health-seeking behavior among pregnant women and lactating mothers. Additionally, we create awareness among communities about right nutrition, good hygiene practices, and immunization facilities for children.

In Madhya Pradesh, India, we have provided ambulatory care to remote forest-based villages, which do not have easy access to health care. The service attends to those children with Severe Acute Malnutrition (SAM) who have been referred to the nutritional rehabilitation center. Moreover, we have continued one of our initiatives started during the pandemic – that of supplying a food basket to malnourished children and pregnant women. We further ensured that most of the malnourished children recover at home, in a non-facility-based care. To promote direct intake of micronutrients in malnourished children, we have continued to support backyard nutrition gardens which has also helped as an additional source of income.

In Himachal Pradesh, India, we have set up a Reproductive Child Health (RCH) center in Solan district, in partnership with Health Department of Solan District and our NGO partner. We also provided basic physical diagnostic services through mobile medical units in places where health care facilities are not adequately available, along with providing health services such as immunization, antenatal and post-natal care, and general OPD across villages. Additionally, we organized awareness campaigns, education, counselling and referral activities for family planning, basic healthcare and hygiene for our target audience.

In Sikkim, India, we have been providing healthcare facilities in East Sikkim district through 'Health on Wheels' (HoW), a mobile healthcare unit. Through HoW, we have conducted numerous health checkups and camps, as well as school awareness programs for children to ensure their well-being. Additionally, we distributed free medicines and met with government officials to facilitate better on ground coverage of the initiatives under the program. Furthermore, we provided complete immunization for children below 6 years of age, and transport facilities for serious pediatric patients and emergency cases to nearby hospitals.

In Gujarat, India, we worked towards cultivating positive health-seeking behavior along with delivering primary healthcare services backed with strengthened infrastructural capabilities, which are provided by our Reproductive Child Health (RCH) Centre. In our effort to bridge this gap on access to health care, we have arranged for a telemedicine facility for the communities that we serve. A toll-free helpline number was made available for this purpose in Himachal Pradesh, Gujarat, Delhi NCR, Madhya Pradesh, and Rajasthan.

In Maharashtra, India, we run the mMitra project along with our NGO partner. This is a unique initiative that combines the utility of modern technology with the power of accurate medical information to provide relevant preventive messages on antenatal and neonatal care. This information is provided free of cost to pregnant women and new mothers via mobile based voice messages. These short voice messages are sent in the language of choice to each enrolled woman.

Combating Household Air Pollution

Utilization of primitive cooking techniques that rely on solid fuels pose several multifaceted challenges. Given their propensity to higher exposure levels to the fumes, women and children are most vulnerable to the health hazards including diseases such as ischemic heart disease, child pneumonia, chronic obstructive pulmonary disease (COPD) and lung cancer. It was observed that globally, approximately 4 million people die from illness caused due to household air pollution each as well as about 50% of the pneumonia linked child mortality has been attributed to exposure to particulate matter (soot) inhaled from in-door air pollution.

With the pressing need to discover innovative and affordable solutions, Glenmark endeavors to address this complex situation to enable safer and energy efficient cooking. In collaboration with the CSIR-National Environmental Engineering Research Institute (NEERI), an institution under the Government of India, we strive to tackle household air pollution through promotion cost effective and energy efficient cook stoves. In this regard, we aim to upgrade the existing models of mud stoves through a scientifically guided approach to improve thermal efficiency and control emissions.

Glenmark, along with its partners CSIR-National Environmental Engineering Research Institute (CSIR-NEERI) and Spandan Samaj Seva Samiti, was invited by the Ministry of Science and Technology (MoST) and the Ministry of Earth Sciences (MoES), GoI, to be a part of 'TECHNEEV@75', a program aimed at displaying the Science, Technology and Innovation (STI) capacity at a societal foundation level. We were a part of the session, 'Rural Energy Technology: Improved mud cook-stove 'PAVAK' for disadvantaged communities in rural India'.

Other Pioneering Collaborations

We drive innovative programs to enable multi-stakeholder engagement and enhance awareness on important aspects of child and maternal health. We design these initiatives to increase stakeholder participation, enhance engagement quotient and develop solutions that create tangible impact across our communities.

Partnership with United Nations World Food Program

Glenmark Foundation had a unique opportunity to support the enhancement of the Learning Management System for civil supplies officials developed by United Nations World Food Program (UNWFP) India. It has modules on One Nation One Ration Card, Aadhaar seeding, enabling seamless access to food across the country. The further enhanced interactive/immersive features of the platform supported by Glenmark include gamification, 10 Indian languages, social networks and ability to publish videos.

Immuno-Booster Recipe Competition

Glenmark Foundation, in association with United School Organisation and Rise Infinity Foundation, launched a national competition seeking home-based recipes from school teachers and students. The goal was to gather recipes with indigenous roots, to improve and boost the immune system.

Meri Poushtik Rasoi Contest

Glenmark Foundation conducted a nation-wide recipe contest for creating a repository of indigenous food and nutrition based on traditional knowledge from Indian home kitchens. This contest in partnership with Idobro Impact Solution was introduced with the aim of identifying, collating and appreciating the nutrition rich native recipes that we have in our Indian cuisine. The recipes are to be disseminated and used to tackle malnutrition at local and grassroots levels. The contest was open to four categories, i.e., NGOs, professionals, Anganwadi/ASHA workers, and other food enthusiasts. We received over 550 entries across 23 states.

Glenmark Nutrition Awards

The Glenmark Nutrition Awards were organized in partnership with the UN World Food Programme and Idobro Impact Solutions. The awards recognize those stakeholders who have taken initiatives and stringent actions to combat malnutrition in India. In FY 22, the awards' theme was 'Diet Diversity and Innovation' across three categories, namely, Urban NGOs, Rural NGOs, and Others such as CBOs, voluntary groups, civil society organisations, and individuals. The Nutrition Awards received over 260 entries from 24 states and over 170 cities across India. The participants were judged based on parameters such as innovation, impact, inspiration, and their collaboration for encouraging diet diversity and eradicating malnutrition.

Glenmark Nutrition Awards

Sustainable Livelihood and Skill Development

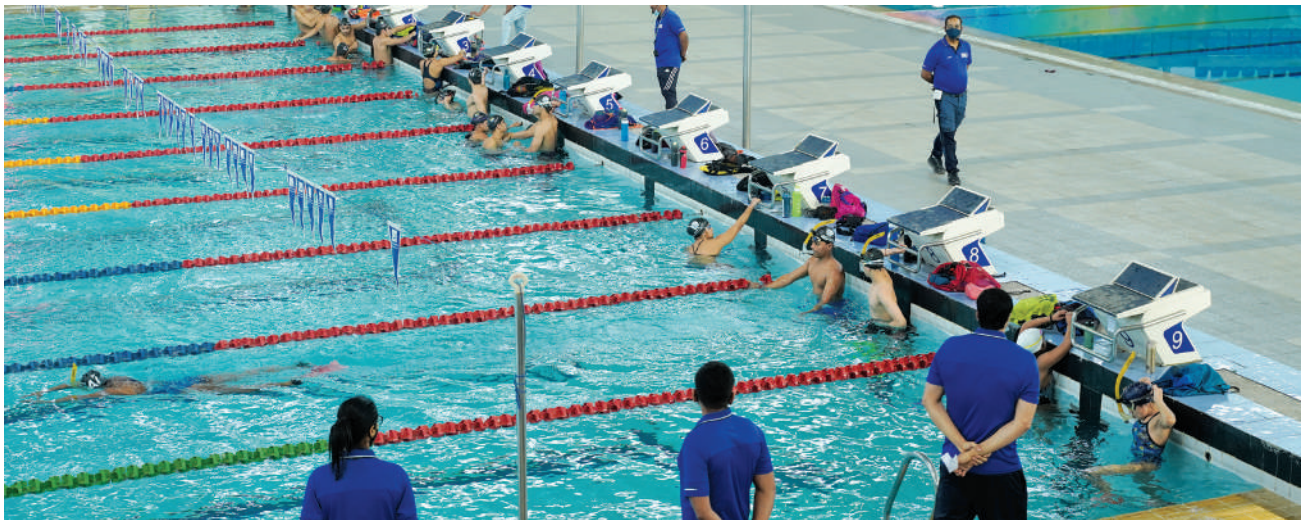
Glenmark has undertaken skill development programs to empower the young generation and enhance the employment rate in India. In FY 22, we have trained over 500 individuals through our skill development program. Additionally, to encourage sustainable livelihoods, we supported the rehabilitation of over 1,000 differently abled individuals through the Jaipur Foot Program by sponsoring the distribution of artificial limbs, fitments, and calipers.

Promoting swimming as a sport

The Glenmark Aquatic Foundation (GAF) supports Indian swimmers to elevate India's performance at international swimming competitions. It runs four high performance swimming centers in Mumbai, Delhi, Bengaluru, and one newly introduced in Thiruvananthapuram, in partnership with Sports Authority of India SAI. Additionally, GAF has extended its current partnership for the SAI Glenmark TIDM program in Delhi with Sports Authority of India till 2025. Furthermore, GAF had also organised the first bilingual Swim Coaches Clinic in association with American Swim Coaches Association (ASCA) & FINIS, and provided training to over 150 people. GAF, in collaboration with SAI, has launched swim.clinic, a multilingual website for swim education. FY 22 was a good year for Team GAF as it won multiple medals and awards including 7 Gold, 4 silver and 5 bronze at the 74th Senior National Aquatic Championships held in Bengaluru in October 2021.

Promoting Education and Community Relief

Education is a fundamental enabler of inclusive and sustainable development. At Glenmark, we support rural communities to overcome barriers and enable access to education. We also help educational institutes improve their infrastructure and provide resources to elevate student learning experience.



Glenmark Joy of Giving

We encourage our employees to come together to positively contribute towards the wellbeing of the community. Our initiative, 'Glenmark Joy of Giving' (JoG) enables employees to volunteer. Over the years our employees have globally volunteered for various causes to positively impact their surrounding communities. JoG enables Glenmark employees to make a meaningful contribution and serve the society. Under this initiative, employees provide both monetary and non-monetary support with the intent of helping the underserved communities around them.

Our employees from across the world came together to contribute towards the well-being and welfare of those less fortunate. In Brazil, Sweden, Czech Republic, Uganda, Tanzania, Russia, Germany, Poland, United Kingdom, Ukraine, Kazakhstan and Kenya, our employees contributed and engaged with orphan and abandoned children to share knowledge, motivate, and offer basic necessities as well as funds for medical emergencies. Our employees in The Netherlands and Romania provided support to organisations working with the destitute. Hospitals in Myanmar were supplied protective gear; while Glenmark's team in The Philippines contributed to the families affected by the typhoon Odette. Our Slovakia team extended their support to a NGO helping cancer patients; whereas the US team brought nutritious meals to homebound seniors. Our colleagues in Spain worked on raising awareness around respiratory diseases, specifically on the early detection of COPD, which is highly undiagnosed in Spain. In addition to these diverse initiatives across the world, employees across plants and R&D in India made more than 25,000 eco- friendly bags and distributed them around local communities.

We encouraged our employees to join the battle against hunger by providing meals to underserved families. Employees from different locations were encouraged to share their most cherished 'Joy of Giving' moments. For every photograph uploaded to the initiative's microsite, employees could donate five meals, with Glenmark matching this number; thereby pledging 10 meals for each entry. Thanks to the enthusiastic participation the world over, we were able to far exceed our target (10,000 meals) for this campaign, and pledged 50,000 meals in total. These meals were converted to nutrition kits, which were distributed by Glenmark Foundation amongst 175 tribal families residing in Yeroor Hills, in the Sanjay Gandhi National Park Region of Thane, Maharashtra through our partnership with ANNADA (Association for Nutrition and Development Action).

Glenmark team's donation as part of the 'Joy of Giving' initiative

The 'One Glenmark One Voice' campaign which was a unique initiative launched, allowed Glenmark employees all over the world to record audio stories for children with visual disabilities. Through this initiative, we received 2,000+ audio stories in five languages. Our employees from 16 different locations volunteered their time and successfully recorded these audio stories.

To ensure the health and well-being of communities in rural areas, Glenmark Life Sciences (GLS) initiated a program, ICU on wheels. Through the initiative, it provides ambulance services for critical patients across 130+ villages of Bharuch and Vadodara districts.

To address the issue of water scarcity in villages of Solapur district, we installed Alkaline water filters, borewell and pipeline which further enhanced the water quality in the villages improving health condition of the locals.

Additionally, GLS distributed nutrition kits in 12 villages of Gujarat and provided over 8,10,000 meals, benefitting 1,800 women. GLS also conducted skill development programs to empower youth and address the issue of unemployment, thereby training over 3,000 individuals. This also helped enhance the quality of learning and teaching in rural areas. Additionally, it donated E-learning equipment and software for 1st to 10th standard students of the Gujarat State Education Board status, benefitting over 5,000 villagers.

Employees from over 50 Glenmark locations across 33 countries reached out and helped improve lives of numerous people and communities through the 'Joy of Giving'

COVID Relief

The spread of COVID-19 had increased across the country and infected a significant number of people in its second phase, which also led to an increase in the number of deaths, which orphaned many children. To augment initiatives taken by the government for the rehabilitation of these children; Glenmark, in partnership with Women and Child Development Department, Maharashtra and our NGO partner, provided financial assistance to 500 children in Maharashtra. While acknowledging their emotional and personal loss, it was an effort to help them in their educational requirements as well as dietary needs.

Additionally, we also distributed dry ration kits to rag pickers in Mumbai, Maharashtra to ensure their physical well-being. Our efforts were also devoted towards engaging with women from Self Help Groups for making masks thereby developing their source of income. Under our COVID-19 initiatives, we further donated PPE kits and other protective and preventive supplies across India to the frontline workers.

Ration kit distribution by Glenmark Foundation

Human Capital

At Glenmark, we strive to build a diverse and engaged workforce, through our inclusive policies, comprehensive rewards, development opportunities and employee engagement practices, with a strong focus on building a culture of innovation.

We also focus on integrating organizational purpose in our work culture to build a future-ready workforce. This in turn enables us to leverage our collective knowledge, skills and commitment to excellence to transcend boundaries and improve the lives of our patients across the globe.

Strategic business objectives

- Employee centricity
- Employee Development
- Human Rights

Governance enablers

- Risk committee
- Nomination and remuneration committee
- ESG Board Committee

Performance highlights

27%

women leadership on Glenmark's Board of Directors

Women employees constitute

14%

of our workforce

41

EHS committees across our value chain

Material topics

- Employee health and safety
- Human resource development
- Promoting diversity
- Human Rights

Stakeholder in focus

- Employees
- Shareholders
- Senior Management

SDGs in focus

Interlinkage with <IR> capitals

Natural Capital

Robust EHS policy fostering a safe work environment

Intellectual Capital

Global workforce of 15,415 including 1,400+ employees in R&D

Social & Relationship Capital

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

Financial Capital

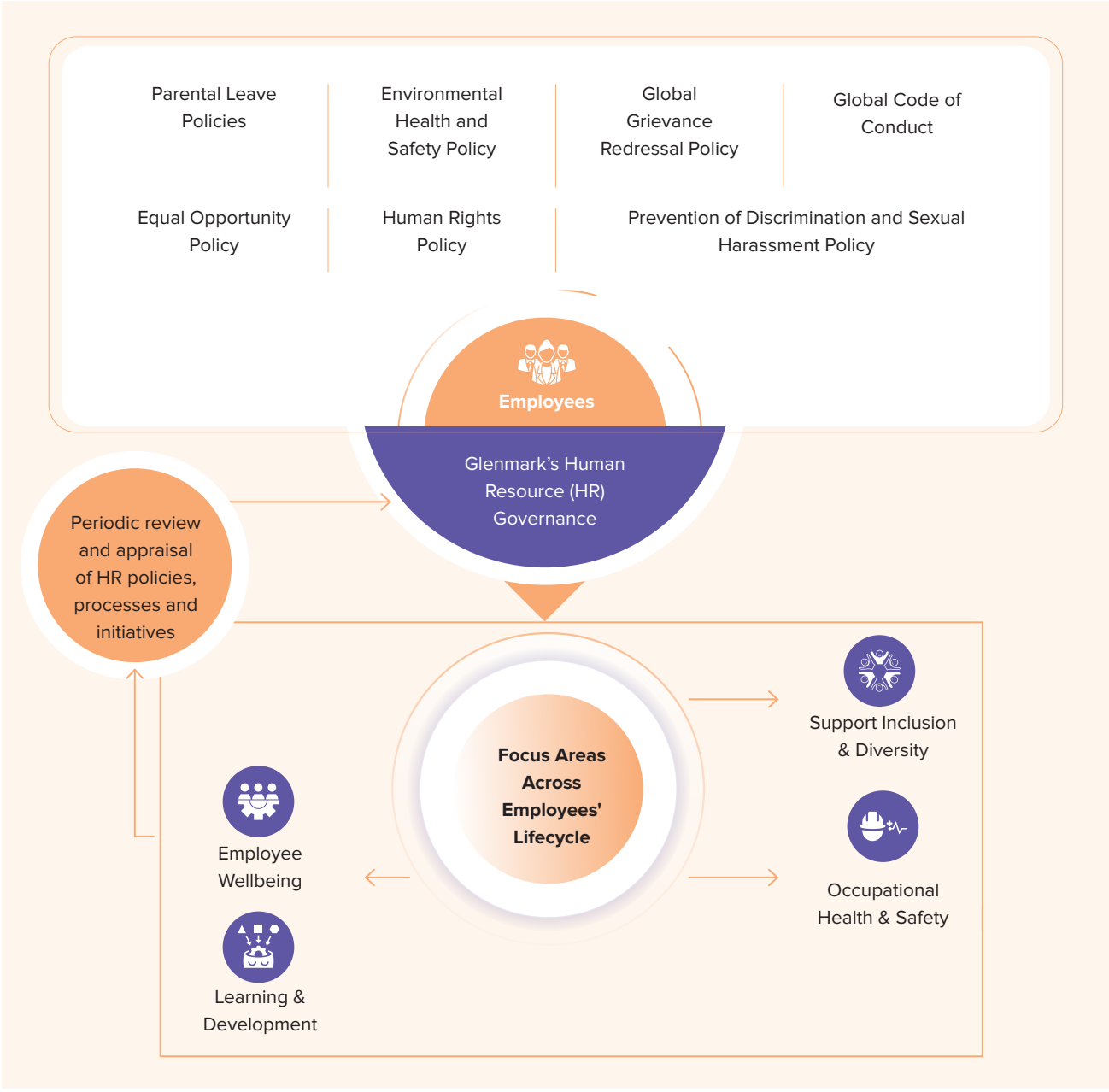
Investments in skill upgradation initiatives for employees

Fostering a high-performance and diverse work environment[1]

At Glenmark, our values of achievement, respect and knowledge represent the tenets of our workforce empowerment strategy. We believe that the elements of appreciation, trust and diversity are instrumental in establishing a motivated, agile and resilient workforce. Towards this objective, we consistently strengthen our human capital initiatives to enhance employee wellbeing and development.

We have established a curated 360-degree approach towards our People Strategy, encompassing key facets that contribute to employee development and wellbeing. We have a robust governance structure in place that is hinged on our HR focused policies, with periodic reviews conducted by our Board of Directors.

Our HR policies are established with the aim to drive effective governance, foster an inclusive work culture and enhance employee engagement. We hold periodic audits to ensure 100% compliance with regard to local and global regulations, in letter and spirit. Our HR policies are also periodically reviewed by the Board to ensure requisite and independent oversight.



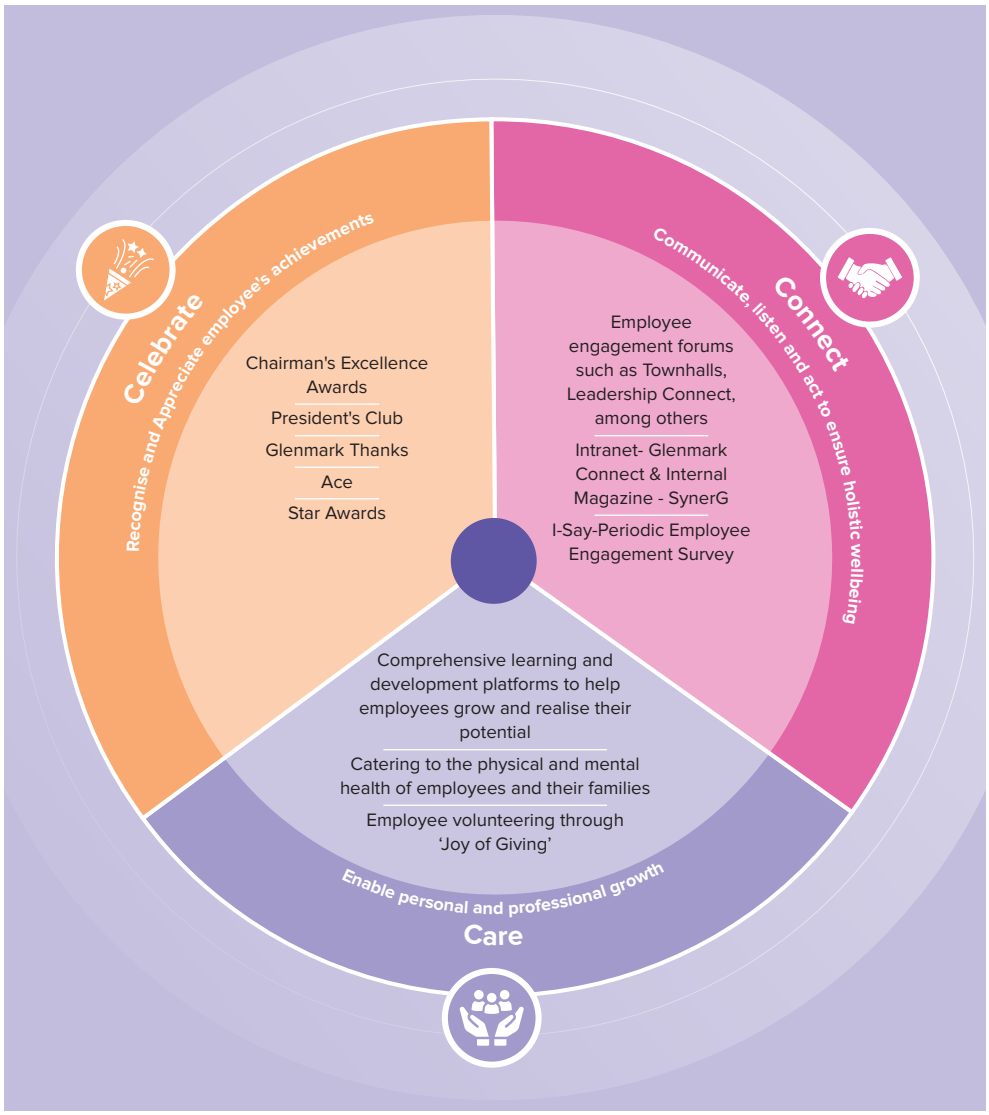
[1] GRI 103-1, GRI 103-2, GRI 103-3

Employee Centricity at the Core

In line with our values we strive to establish a culture where each and every one of our employees feels heard and valued. We aim to nurture a workplace where inclusiveness represents our way of life, rather than an initiative. We believe that understanding the aspirations and goals of our employees is the first step towards having a robust employee engagement plan. Transparency, training and development opportunities, health & safety, among others are the significant factors we focus on to create conducive work culture for all our employees. In this regard, we ensure that our employees remain Connected, Engaged and Empowered, in line with our business purpose and activities.

Our employee engagement philosophy is based on the three themes of Celebrate, Connect and Care. As we consider our employees to be our biggest assets, we have established employee-centric policies and interventions that drive positive employee engagement, enable professional growth and deliver job satisfaction. Key insights into our initiatives under our three themes have been provided below.

Pilar Team Bonding



Celebrate

Recognize and Appreciate employee's achievements

Glenmark is deeply focused on augmenting employee wellbeing and delivering excellence. While we continue to support employees' career growth, we also celebrate the small and big milestones along their professional journey. Employee recognition enables employees to feel valued and positions them to deliver their best every day. We have established several recognition programs such as 'Chairman's Excellence Awards', 'The Glenmark Thanks Platform', 'ACE Individual Award' and 'President's Club' and "Star Awards"

Highlights of our initiatives

Chairman's Excellence and functional Excellence Awards

Through this platform we aim to recognize the outstanding contribution of individuals and teams across the organization. These awards and recognition platforms are established in line with our values of knowledge and achievement, celebrating the extraordinary work of each employee.

President's Club

The President's Club is one of our most successful talent identification and recognition tools for front-line employees. Members undergo a rigorous selection process that scientifically and objectively measures employees' competencies.

Glenmark Thanks

Launched in FY 22, the global platform allows employees to share gratitude, encourage efforts and reward results through recognition.

ACE

The award aims to appreciate and recognize employees for a specific project or event that has been delivered beyond the employee's routine duties and responsibilities.

Star Awards

Star Awards are the annual rewards program meant to recognize and reward the high performers in Sales Team. They celebrate the achievement of the team and also motivate them to continue overachieving on their goals. MEA Star Awards was held physically after 3 years at Cairo, Egypt to celebrate the Top performers. Similar celebrations were held in other regions as well.

EU Star Awards for FY 22

Connect

Communicate, listen and act to ensure holistic wellbeing

A multitude of ideas, backgrounds and perspectives enable us to establish a strong and thriving work culture. We have established flexible and people-powered platforms that support an engaged, innovative and productive workforce. We have implemented platforms such as 'Synergy', 'Glenmark Connect', 'Leadership Connect', 'i-Say' and 'Town Halls', among others. Several other initiatives such as Get an Idea, AIM – All Ideas that Matter and Coffee with Champions enable exchange of ideas in the organization.

Highlights of our initiatives

Town Halls

Our townhalls are focused on both, business operations and employee centric topics. They represent an open forum for all employees to voice their concerns and contribute to organization-specific conversations.

Leadership Connect

Leadership Connect is a forum for senior leadership to regularly connect and engage with employees and share the organization's vision and strategy. This enables employees to connect with the purpose of the organization.

SynerG

Our internal magazine covers stories of our employees across our global operations. It aims to provide a shared sense of belonging among our employees.

i-Say

Our global employee engagement survey is based on our principle of 'You Speak, We Listen'. The survey is rolled out in 14 languages and encourages employees to voice their feedback.

Glenmark Connect

Our State of the art intranet offers opportunities to connect with a diverse set of employees across locations, roles and functions. It aims to keep employees connected and rooted in Glenmark's goals and values.

Traditional Koroga (cooking competition) in Kenya

Care

Enable personal and professional growth

At Glenmark, we invest in our people across the world and have a firm belief that our strength lies in our diversity. The inherent synergies of our employees catalyze operational efficiency and provide us with unmatched skills to deliver innovative products to all patients. Our goal is to support our employees to reach their full potential by enhancing their capabilities and establishing an environment that encourages them to thrive. We foster their curiosity by providing forums for them to communicate, brainstorm, and co-create new solutions. Our goal is to establish a work environment that stimulates entrepreneurial thinking and allows employees to openly express themselves and develop novel ideas.

Caring for our employees

At Glenmark, we prioritize each employee's physical, emotional and mental well-being. We focus on understanding their needs, support them to achieve their aspirations and equip them with indispensable skillsets. We have implemented a myriad of initiatives such as annual health checkups, vaccination drives, flexi-working hours, Group health, life and accident insurance, among others.

Employee Assistance Program

The program is free, voluntary and confidential for all our employees. It provides services such as counselling sessions, life coaches and mental well-being programs.

Czech mentorship program

Career counselling session for children of employees

The program aims to provide professional guidance to children of employees to empower them to make informed choices about their careers.

Beacon

As Glenmark's first employee mentoring initiative in North America, the program pairs employees with senior leaders who provide them topical guidance on professional front. This in turn helps employees to further develop core competencies and achieve performance par excellence. We have similar programs in other geographies as well.

BEACON
Mentoring at Glenmark

Empowering a diverse and inclusive work environment

At Glenmark, we strive to establish a work atmosphere that is free of prejudice and bias. We are an equal opportunity provider, with fair and inclusive work environment. Our "Equal Opportunity for All" philosophy is aimed at boosting diversity across the organization through different programs and actions at the apex and function levels. The presence of a multi-disciplinary workforce enables us to accelerate innovation-centric capabilities and create a better shared future for all our employees. Further details regarding our workforce are provided below.

Our total employee count across 40+ countries stood as

15,415

Women employees constitute

~14%

of our workforce

27%

women leaders on Glenmark's Board of Directors

1,434

R&D employees

Czech & Slovakia Cycle Meet

A Glance at Glenmark's Workforce[2]

Employee Category	<30 years	30-50 years	>50 years	Male	Female
Senior Management	0	73	62	117	18
Middle Management	3	437	85	437	88
Junior Management	497	1,827	144	2,072	396
Non-Management	3,933	8,107	247	10,684	1,603
Total	**4,433**	**10,444**	**538**	**13,310**	**2,105**

With the evolving industry landscape, we strive to attract and retain the best talent in the pharmaceutical industry. Our recruitment process is strongly rooted in strict guidelines on non-discrimination and fairness, regardless of gender, ethnicity, age or religion. We go beyond just providing jobs for our employees, by offering comprehensive benefit schemes and employee experience.

New joiners[3]

At Glenmark, we have implemented a comprehensive induction program to enable a smooth boarding process for the new joinees. This program aims to introduce our new joinees to Glenmark's systems and processes, compliance and orientation modules, among others.

Fly High with Glenmark is a global onboarding program, designed to introduce new joinees into the organization's culture, policies, processes and systems. The program represents a one-stop platform for complete and requisite information regarding the onboarding process at Glenmark. Employee attrition in FY 22 was 19%

Employee Category	<30 years	30-50 years	>50 years	Male	Female
Senior Management	0	19	8	25	2
Middle Management	2	65	6	56	17
Junior Management	204	248	13	366	99
Non-Management	1,916	1,076	31	2,638	385
Total	**2,122**	**1,408**	**58**	**3,085**	**503**

Ratio of remuneration women to men[4*]

As an equal opportunity provider, we ensure that salaries at entry-level are determined based on local minimum wage norms, roles, education qualifications and the availability of resources with the requisite knowledge and skills. Further details regarding remuneration and basic employee salary has been provided below.

Employee Category	Average Fixed and Total Compensation (Female:Male)
Senior Management	0.9
Middle Management	1.0
Junior Management	1.3
Non-Management	1.2

*Details of ratio of remuneration are specific to India operations only

[2] GRI 102-8 | [3] GRI 401-1 | [4] GRI 202-1, GRI 102-36, GRI 405-2

Parental Leave[5*]

At Glenmark, we have robust policies and initiatives in place to support a healthy balance between personal and professional growth for all our employees. As part of our comprehensive benefits package, we provide parental leave to all our full-time employees. Additionally, we have also established creche facilities across our operations to support productivity and emotional security as our employees return to work.

Further details regarding employees that have availed parental leave benefits for FY 22 have been provided below.

Total number of employees that took parental leave, by gender

Male	Female
394	50

Number of employees that returned to work in the reporting period after parental leave ended

Male	Female
394	48

Number of employees who returned to work after parental leave ended that were still employed 12 months after their return to work

Male	Female
276	29

Return to work rate

Male	Female
100%	96%

*Details for parental leave is specific to our India operations only

Augmenting learning & development initiatives[6]

At Glenmark, we believe that transforming revolutionary ideas into effective and practical solutions is driven by a highly-skilled workforce. We ensure our employees' overall development by providing development opportunities, fostering camaraderie, understanding of organizational values, ethics, objectives, and goals.

The Glenmark Competency Model

We aim to foster a culture of continual learning through The Glenmark Competency Model to guarantee that our talent remains relevant in the face of changing patient and healthcare requirements, technological advancements, and evolving business needs.

We offer a curated collection of learning engagements, which focus on building internal capability not just for current business imperatives, but also to ensure that we are a future-ready organization.

[5] GRI 401-3
[6] GRI 404-2

Global Learning Programs

We offer a host of best-in-class learning programs crafted to unlock employee potential in partnership with various reputed global learning experts. Anchored on the Glenmark Competency Model, the calendar offers programs across the categories of competency development programs, leadership transition, and professional excellence programs.

Glenmark Centre for Learning
Unlock Potential

Competency Development programs:

These high impact programs enable our employees to build requisite knowledge and skills. They are designed to provide an immersive experience and real-world practical applications.

Career Transition Programs:

As employees grow in the organization, their responsibilities, knowledge, skills and role expectations evolve. First Time Managers Program and Manager of Managers Program are curated for leaders to effectively adapt to new roles.

a. First Time Manager program

b. Manager of Managers program

Professional Excellence programs:

Time-tested, power-packed concepts, accompanied with practical tools have been incorporated in these programs to further hone the existing competencies of employees to make them more effective and efficient.

Leadership and talent development interventions

Our comprehensive leadership and high-potential development programs across different levels of the organization, allow us to enhance capabilities of our top talent. This enables them to contribute effectively to the organization's long term success.

a. GlenEagles & GOLD

Our flagship leadership programs include GlenEagles and GOLD, covering high-potential leaders at senior and middle management levels, respectively. During the program, participants undertake leadership assessments, coaching, learning workshops, action learning projects and interactions with senior leaders. Through these programs, we aim to build future leaders.

GlenEagles
FUTURE FOCUSED LEADERSHIP

GOLD

b. Winning in the marketplace:

Winning in the Marketplace

A flagship learning intervention for Commercial leadership, focused on enhancing business acumen, financial acumen and leadership skills, along with allied functions such as Regulatory Affairs, Medical Affairs, Demand Planning.

c. LIFT (Let's Ignite, Forge and Transform):

L.I.F.T.
Let's Ignite, Forge, Transform

A unique leadership program for developing future managers in Operations to undertake future leadership roles at our manufacturing sites. It is a journey aimed to build leadership and functional capabilities through role changes, projects and formal education.

LIFT Leadership Workshop

Business unit specific interventions

At Glenmark, we follow a two-pronged approach to training needs assessment. Apart from central learning interventions, we also cater to business unit specific needs. Some of the key programs are given below.

1

Learning on the GO (LOTG)

LOTG is Glenmark's R&D flagship learning platform where learners can interact with internal and external experts on topics of technical and functional interests. More than 80% of the R&D employees have participated in this program.

2

Sales Development Academy

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

3

Essence Series

Essence Series focuses on building of emotional intelligence at the workplace, implemented across seven manufacturing locations. 62 virtual sessions were conducted under the series, covering employees across levels.

4

EDGE-Coaching Journey

Through this journey, managers are encouraged to enhance their knowledge and skills, support on-the-job learning for their team and develop coaching mindset. More than 1,000 managers have undergone the level-1 training on coaching essentials, having a cascading impact on even larger section of employees.

Training hours[7]

Through our learning & development interventions, we aim to continuously upskill our employees to help them progress within the organization and achieve their potential. The programs given above are some of our key interventions. In FY 22, we covered our employees through number of functional and behavioral programs. The details are as under:

Mentorship Program in Poland

[7] GRI 404-1

Training hours

	Management	Non-management	Total
Male	1,14,092	5,71,474	6,85,566
Female	8,894	69,886	78,780

Embracing Human Rights[8]

Glenmark has consistently upheld the fundamental principles of human rights across our business activities and locations where we operate. We have a zero-tolerance policy towards any form of discrimination, child labor and forced labor across our value chain. Our Human Rights policy statement and its implementation adheres to applicable laws and upholds the spirit of human rights, as enshrined in existing international standards such as the Universal Declaration of Human Rights and the International Labor Organization's Fundamental Human Rights Conventions (ILO). Further, we ensure that our policy is periodically reviewed to ensure adherence with evolving global frameworks.

We are proud to be an equal opportunity employer and strictly condemn any kind of discrimination based on caste, religion, disability, gender, sexual orientation, race, color, ancestry, marital status or affiliation with a political, religious or union organization or majority/minority groups among others. Any suspected violations or breaches of human rights should be reported to the Human Resources team or globalcompliance@glenmarkpharma.com by all of our employees and stakeholders.

01 Globally, about 3% of our employees are covered by collective bargaining agreements through unions at Nashik, Baddi and Argentina.

02 No complaints raised for child or forced labour, human rights and discrimination across employment parameters

03 Undertook a human rights assessment by a third-party expert in human rights policies,

04 Human rights screening is extended to all our suppliers to strengthen adherence to human rights across the value chain

05 No violations of the rights of indigenous people

[8] GRI 412-1, GRI 412-2, GRI 409-1,GRI 406-1, GRI 407-1, GRI 411-1, GRI 102-41

Our Approach to Human Rights Protection

Glenmark hired a third-party independent organization to assess human rights implications and undertake a human rights evaluation. The purpose of the evaluation was to identify major human right impact areas and to implement proactive initiatives to make systems more robust. We intend to gradually increase the breadth of our commitment to safeguarding human rights across the value chain. This year, we have enhanced our focus towards internal stakeholders and assessing significant human rights impacts and concerns. During the human rights evaluation procedure, the essential parameters used are as follows:

- No child labor
- No discrimination
- Compliant working hours
- No bonded/ forced labor
- Occupational health and safety
- Workers involvement and protection
- The rights of freedom of association and collective bargaining

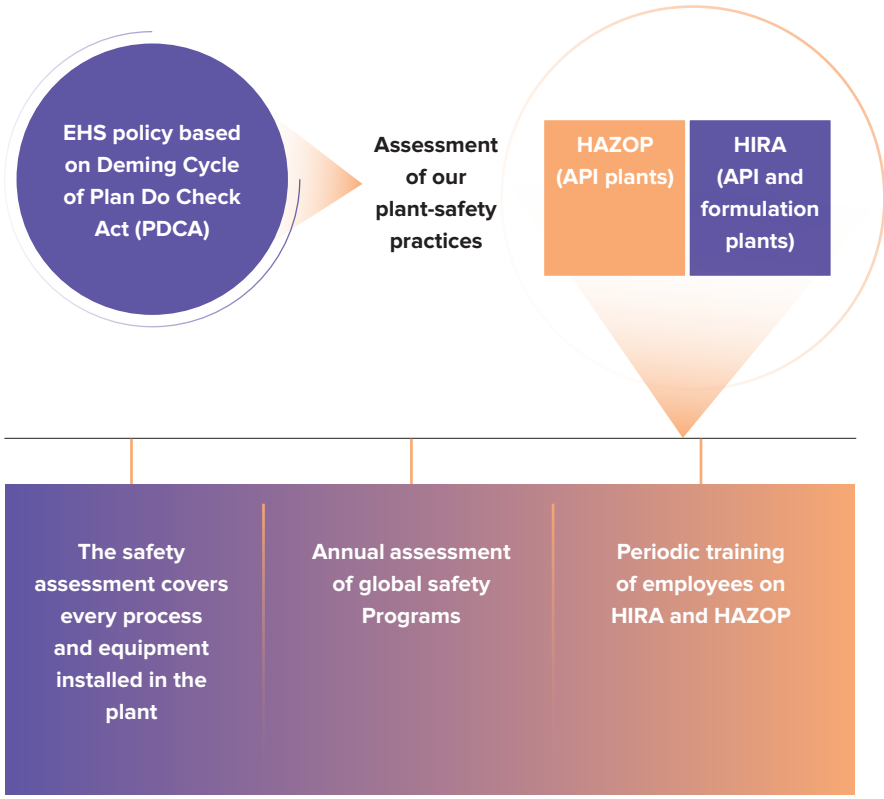
As a result of the evaluation, we were able to identify important human rights focus areas and have established a thought through and scientific approach to enhance our policies, systems and initiatives to strengthen human rights parameters across our business operations. In terms of human rights, there have been no known incidents of non-compliance or violations.

Employee health and safety[9]

Human capital forms a crucial part of our operations, and we attribute our remarkable journey to the efforts of our people. Amidst the dynamic business environment, our strong and diverse workforce have been pivotal in gaining a competitive business advantage. In this regard, the safety, security, and well-being of our employees are a top priority at Glenmark.

We continue to foster a safe working culture through the development of our EHS policy which guides the implementation of a robust health and safety management system while adhering to the highest standards of safety. Our health and safety management covers all employees working across our manufacturing facilities. We periodically conduct Hazard and Operability Study (HAZOP) and Hazard Identification and Risk Assessment (HIRA) for identifying and assessing key risks and hazards associated with our operations and simultaneously adopt measures to mitigate them.

First-aid training session at Nalagarh



[9] GRI 403-1, GRI 403-2, GRI 403-7

We are aware of the inherent industrial risks pertaining to our operations and continuously update our safety practices, plants, and equipment to be safer, reliable, and efficacious. In this regard, we ensure that our health and safety management system is aligned with best global practices as well as national and internal standards.

11 global manufacturing facilities certified for ISO 14001:2015 and ISO 45001:2018 standards

Certificates were distributed to the participants who successfully completed the IS 14489:2018 code training. This training was jointly conducted by the corporate EHS & site EHS teams.

Our safety committee[10]

At various levels, we have established 41 EHS Committees which comprise of 422 management members, 26 non-management and 69 contract workers' representatives.

Our health and safety services[11]

- Provide safety by design of buildings and equipments
- Establish administrative controls (SOP's)
- Occupational health centers in majority of our facilities
- Provide PPE to all employees working at our premise

A safety exhibition was also organised to create more awareness about safety equipment, PPEs & RPEs.

Bringing safety to the forefront[12]

With the objective of mitigating any adverse events or catastrophic outcomes, we strive to propel awareness regarding responsible safety practices across our organization. In this regard, we empower our employees with proper safety trainings since they are the first respondents to any unforeseen incidents.

Global safety programs over the years

2016-17

Working at Heights + Chemical Safety + Contractors Safety + Lock out and tag out

2017-18

Confined space safety + Electrical Safety

2018-19

Machine Guarding + Emergency Preparedness and Response Plan

2019-20

Personal Protective Equipment + Management of Change Control

2020-21

Industrial Hygiene + Occupational Health Management

2021-22

Traffic Management + Manual Material Handling & Ergonomics

[10] GRI 403-4
[11] GRI 403-3, GRI 403-6
[12] GRI 403-5

Our safety trainings and programs

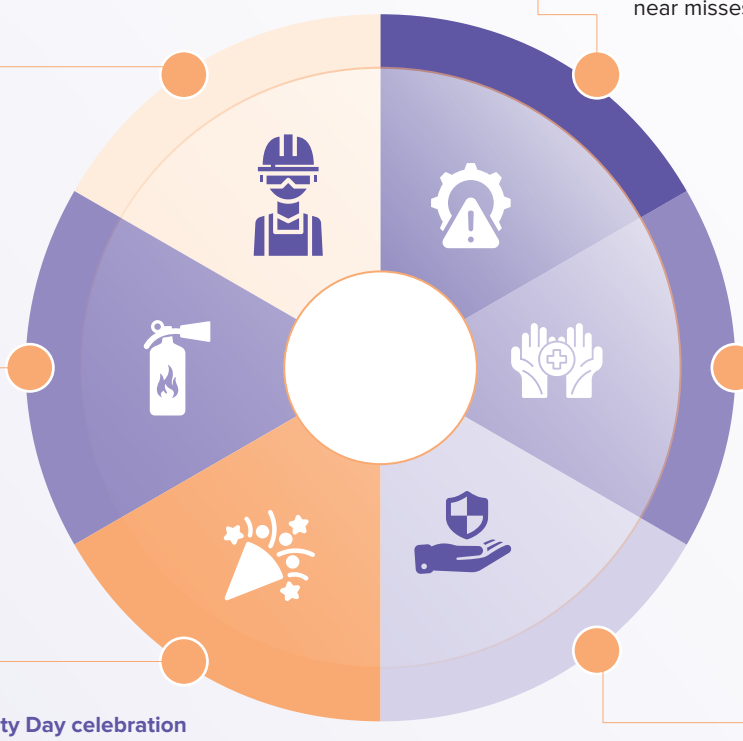
- Process safety management
- Job safety analysis
- Industrial hygiene
- First aid
- Powder safety
- Safety Data Sheets (SDS)
- ISO 45001 internal auditor course
- ISO 45001 lead auditor course
- Incident reporting
- Emergency preparedness
- COVID-19 management training
- Industrial hygiene
- IS14489 OHS auditing standard
- OHS E-Learning modules – LOTO
- Machine Guarding
- Contractors Safety

By 2023, we have set a target to implement 16 Global Safety Programs

Our SOPs are prepared in accordance with Good Documentation Practices (GDP), Current Good Manufacturing Practices (cGMP) and Good Laboratory Practices

Inculcating a safety mindset[13]

We regularly conduct employee engagement sessions to empower our employees to successfully identify and respond to hazardous situations. Through safety performance reviews and mock drills, we check the effectiveness of our established safety standards and gives us the opportunity to improve them. Making our employees a part of these initiatives helps embed a safety culture within our workforce



Safety performance review

We conduct safety performance reviews on fortnightly, annual and biannual basis for each facility. These reviews facilitate the recognition of gaps in the existing management safety plan

NEARly and Hazard Management

In order to prevent a hazardous situation turning into an adverse event, we provide our employees an online reporting portal to proactively report any such activities. We have incentivized the initiative by rewarding employees reporting maximum number of near misses and hazardous situations

Mock drills and fire-safety trainings

We ensure that our employees are trained for any unprecedented event through regular mock drills for fire and safety. This in turn augments are emergency-preparedness for safety-linked accidents

EHS inspections

To ensure health and safety practices at the ground level our Plant head conducts multiple weekly inspections. Additionally, daily inspections are conducted by our EHS Head.

Safety Day celebration

Through the celebration international safety days like World Safety and Health Day, National Safety day/week, we propel safety awareness and practices among the employees

Safety KIOSK

We have installed safety kiosks to offer automated technology-based safety trainings for contract workers, employees, and visitors

[13] GRI 403-4

Natural Capital

At Glenmark, we are cognizant of the impact our operations have on our surrounding environment and society.

We continuously enhance our efforts towards environmental stewardship, progressing from simply augmenting our sustainability efforts to understanding what the world needs from us. This enables us to invest in and implement curated initiatives that enable the greatest impact across our triple bottom line.

Strategic Business Objectives

- Energy conservation
- 3R principle
- Reduced consumption from water stress areas
- Circular economy and co-processing hazardous waste

Governance Enablers

- ESG Committee
- Environment, Health and Safety Policy

Performance highlights

53,651 GJ

of total energy consumption from renewable sources

79%

of our sites are ISO 14001:2015 certified

11,98,002 KL

of water saved
Base year: FY 13

4,942 MT

of hazardous waste co-processed

Material topics

- Managing our carbon emissions
- Energy efficiency
- Waste management
- Water management

Stakeholder in focus

- Investors
- Communities
- Patients
- Regulators

SDGs in focus

Interlinkage with <IR> capitals

Manufactured Capital

Integration of process modifications to reduce energy consumption across manufacturing processes

Intellectual Capital

Implementing innovative technological interventions to reduce our environmental footprint

Social & Relationship Capital

Conducting assessment of suppliers across environmental screening criteria

Financial Capital

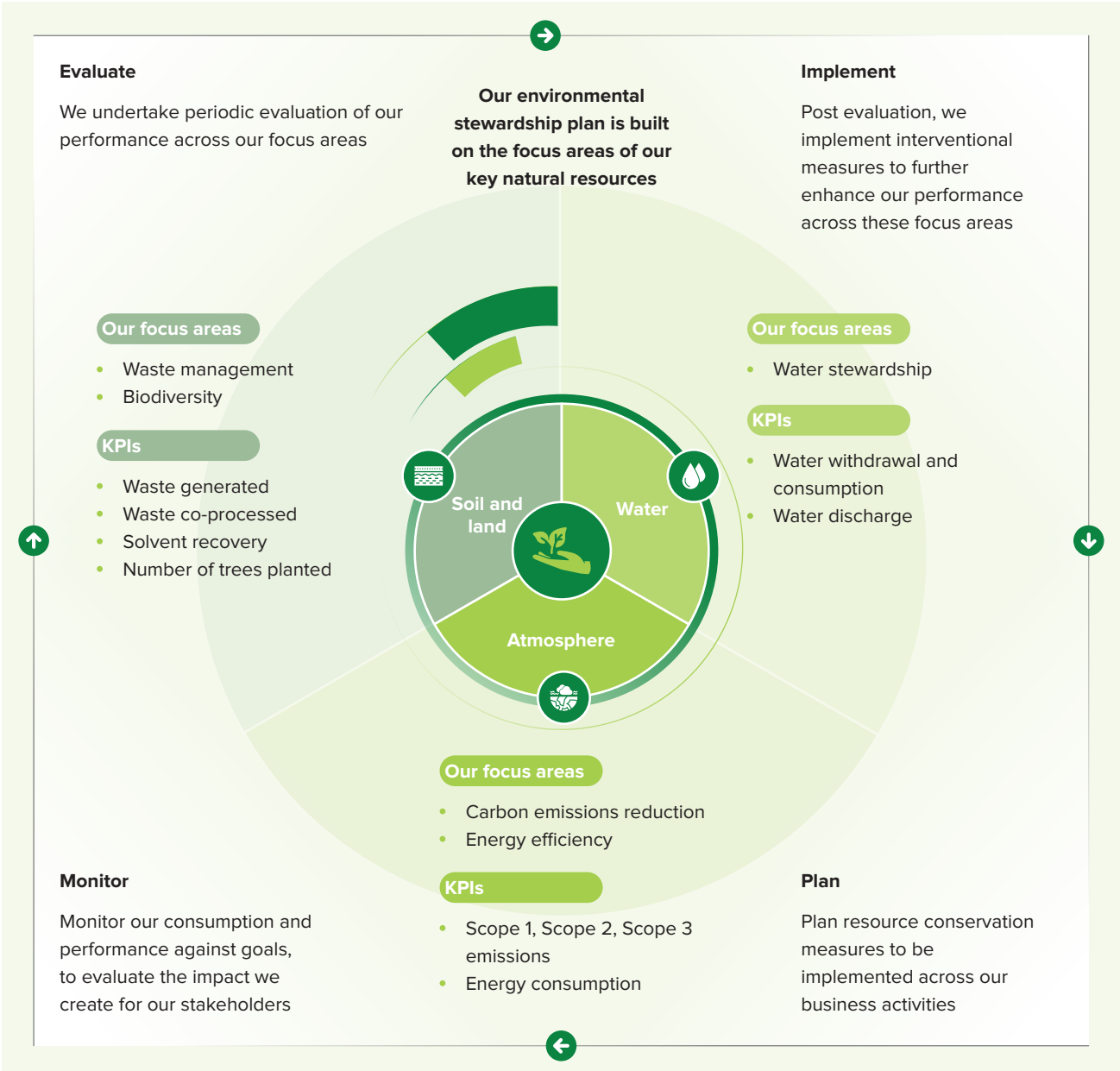
Invested INR 37 Mn towards energy conservation measures

Acting on climate change[1]

We operate in an evolving macroeconomic and regulatory landscape, where environmental risks could have a long-term impact on businesses across the world. The top three severe risks identified by the World Economic Forum in FY 22 include climate action failure, extreme weather, and biodiversity loss. These risks allow potential for severe adverse events that could impact human lives and the planet at large.[2]

We at Glenmark are committed to amplify our efforts in accelerating climate action and delivering positive value creation for all our stakeholders. In this regard, we leverage unparalleled synergies across our functions to deliver scalable progress in our business and manufacturing operations and achieve our climate ambitions

We have established a robust governance mechanism that helps us translate our strategic ambitions into actions and create a positive impact on our environment. Further, our EHS policy represents a strong foundation for our resource conservation plan. We also conduct periodic reviews to track the implementation and progress of all our environment focused initiatives. In FY 22, there have been no significant regulatory fines or sanctions for non-compliance with environmental laws or voluntary standards.[3]



[1]GRI 103-1 GRI 103-2, GRI 103-3 | [2]Global risk report 2022, WEF | [3]GRI 307-1

Climate Change strategy[4]

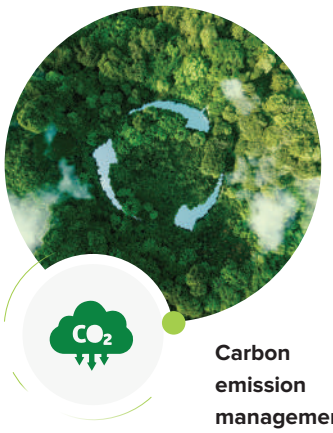
Climate change is a global concern for its impact on business activities, the environment and our society at large. It threatens ecosystems and biodiversity, affects water resources, disrupts human settlements and leads to extreme weather events. It also has significant consequences on human well-being, socio-economic activities and economic output of businesses. To address the impacts of climate change we have established a climate strategy that focuses on both climate adaptation and mitigation measures. We have also identified key climate linked risks and opportunities associated with our business operations. Additionally, we have developed strategies to mitigate the identified risks and embrace opportunities from the same. Our climate change strategy along with our action plan enables us to achieve our strategic ambitions and transition towards a low carbon economy.

[4] GRI 103-1, GRI 103-2, GRI 103-3

Climate change mitigation

As part of our mitigation plan, we have implemented decarbonization strategies across our business operations. Our approach is based on three focus areas of:

Energy management



Carbon emission management

Creating carbon sinks through afforestation

We initiated a plantation drive in FY 14 and have planted 38,782 saplings till date. Our plantation drive not only contributed to creating natural carbon sinks but also improved the air quality around our manufacturing facilities.

3,763

Saplings planted in FY 22

Climate change adaptation

In order to adapt to the changing climate scenario and ensure business continuity, we have established the following climate adaptation strategies:

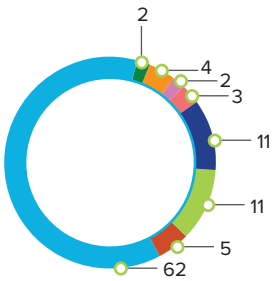
1. Enabling agile operational output to meet sudden demand surge
2. Proactive measures to secure workforce health and wellbeing during periods of heat stress
3. Investing in initiatives that enable resilience to extreme weather conditions across our manufacturing facilities
4. Driving science and innovation in the development of medicines for diseases linked to climate change

Energy management

The global economy is heavily dependent on fossil fuels. At COP26, India has announced the target of 50 per cent renewable energy by 2050 and 46 countries pledged to transition from coal to clean power by 2040.[5] As a responsible organization, we have enhanced our dependency on cleaner fuel alternatives across our operations in India, with a strong aim to contribute to national and global sustainability goals. Our facility at Nashik uses biodiesel and Aurangabad uses biofuel as a major source of direct fuel consumption, respectively. At our Baddi and Nalagarh facility, we have shifted from HSD to LPG for key functions such as boiler and hot water generation.

Additionally, we stringently monitor our energy consumption across facilities to help contribute towards our goals and enhance energy efficiency across our operations. We intend to maximize our energy consumption from renewable sources of energy. In FY 22, our total energy consumption stood at 11,15,900 GJ[6], and energy consumption from renewable sources was recorded as 53,651 GJ.[7]

Fuel mix (%)



- HSD (KL)
- Furnace oil
- LDO (KL)
- Natural Gas
- LPG (Kg)
- LSHS (KL))
- Biofuel (KL)
- Biodiesel (KL)

Spearheading towards an energy-efficient future

1,053 KL

of biofuel and biodiesel consumption

5%

of our energy is sourced from renewable sources

25,019.5 GJ

of energy sourced from renewable fuel sources

67%

of the energy consumption at Taloja & Mahape R&D centers from renewable energy sources

28,631 GJ

Electricity consumption from renewable sources

Initiatives undertaken for conservation of energy

1. Installed motion sensors and lighting system improvement methodologies across plants.
2. Optimized energy utilization by installing energy efficient pumps, motors and blowers.
3. Installed digitalized HVAC (Heating, Ventilation and air conditioning) systems across sites.
4. Enhanced use of biofuel and installed condensate recovery systems to reduce fuel consumption.
5. Process optimization by reducing DG sets and installation of automated dust collector at some facilities.

[5] Global risks report 2022- WEF | [6] GRI 302-1 | [7] GRI 302-4

Case study of fuel/energy reduction initiatives implemented

Steam leakage identification and rectification

Previous scenario

- The steam trap was identified to be inefficiently operating, resulting in entering of steam in condensate piping

Action taken

- We undertook a performance assessment of all the steam traps with respect to temperature difference
- Identified and rectified the faulty steam traps in addition to implementing periodic testing schedules

Positive impact

- Minimization of steam back pressure on equipment
- Reduction in Furnace Oil consumption due to less generation of steam

Fuel saved

- Reduction in Furnace Oil consumption by **18 MT/ per annum**

Installation of high-capacity Flash Steam Vessel

Previous scenario

- The capacity of existing steam flash vessel in condensate piping for recovery of flash steam was insufficient to meet the increasing demand of steam condensate recovery

Action taken

- The existing steam flash vessel was replaced by new higher capacity flash steam vessel in condensate piping
- Additional piping was installed for reduction in steam back pressure on equipment, enabling free flow of condensate towards recovery system

Positive impact

- Minimization of steam back pressure on equipment
- Increased condensate recovery
- Reduction in Furnace Oil consumption due to less generation of steam

Fuel saved

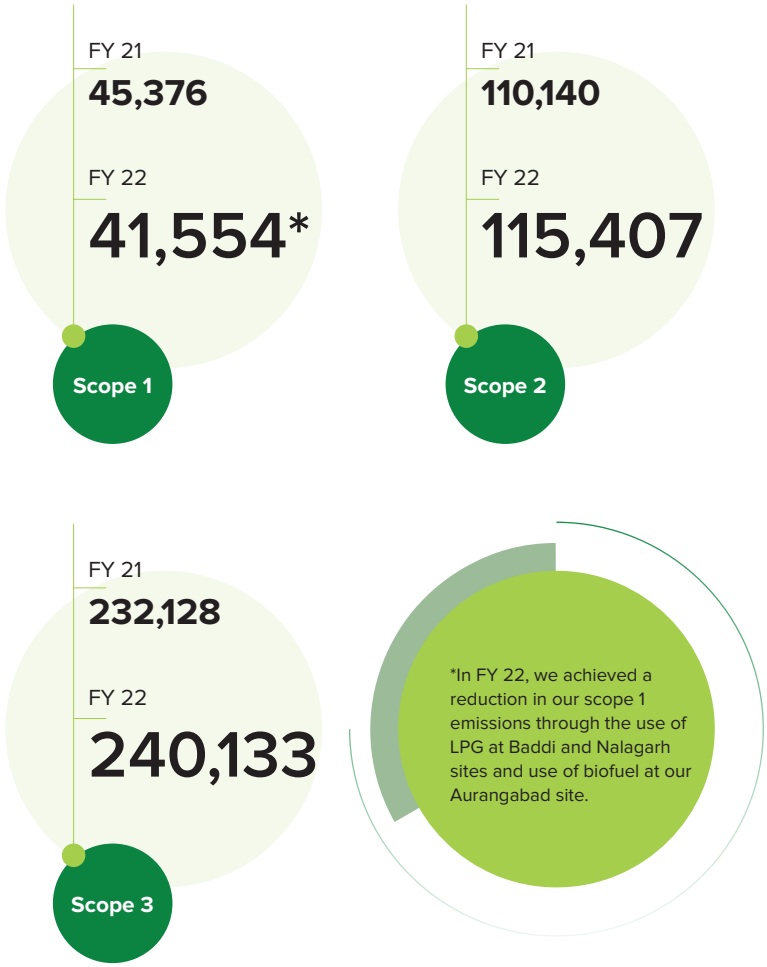
- Reduction in Furnace Oil consumption by **36 MT/ per annum**

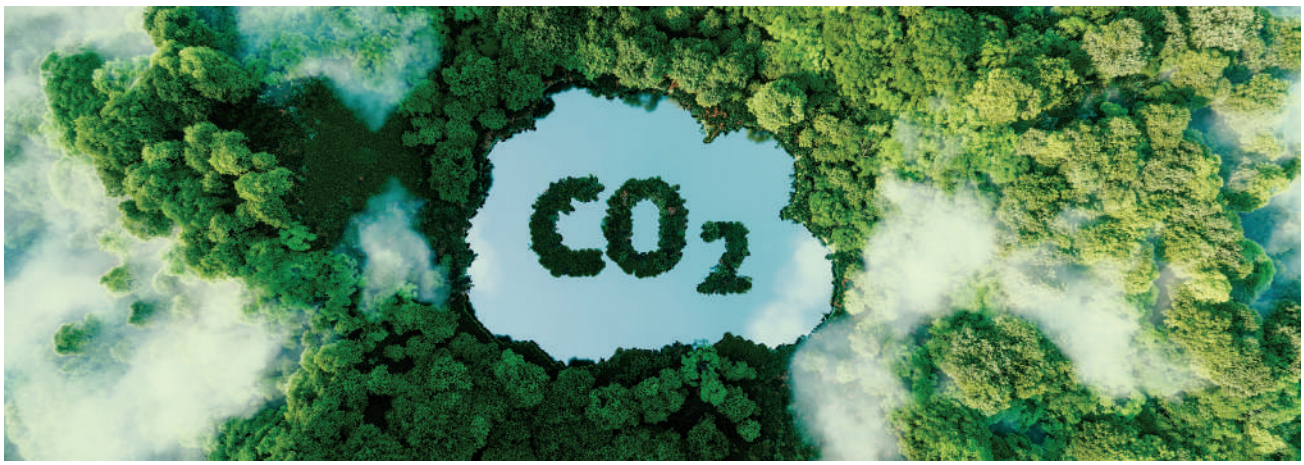
Carbon emissions*

In recent years, businesses and governments have pledged for aggressive investment in clean technologies, including landmark pledges on methane emissions and deforestation. We at Glenmark emphasize on effective monitoring and mitigation of our carbon emissions. In FY 22, we recorded 41,554 tCO2e of scope 1 emissions from the categories of stationary combustion, mobile combustion and fugitive emissions. Our scope 2 emissions were recorded as 115,407 tCO2e in FY 22. Further, our GHG inventory for scope 3 emissions include purchased goods and services, capital goods, fuel and energy related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commute, downstream transportation and distribution. In FY 22, our scope 3 emissions stood at 240,133 tCO2e[8]

In FY 22, we increased our dependency on indirect energy sources as compared to direct energy sources. This resulted in a decrease in our Scope 1 emissions. While our Scope 2 emissions has increased by approximately 4.7%, our energy intensity (Scope 1 and Scope 2) has reduced by 6.48% and we are continuously enhancing our dependency on renewable energy sources to further decrease our GHG emissions.

Green House Gas (GHG) emissions (tCO2e)





[8] GRI 305-1, GRI 305-2, GRI 305-3, GRI 302-3

Water stewardship*

Water consumption has been increasing globally at more than twice the rate of population in the last century, and an increasing number of regions are reaching the limit at which water services can be sustainably delivered.[9] At Glenmark, water management is vital considering our core business activities. In this regard, we have incorporated the 3 R principle, 'reduce, reuse and recycle' for water conservation across our operations.

*Scope includes only Indian Manufacturing and R&D operations

We aim to achieve water neutrality by 2025

11,98,002 KL

of water conserved

Base year: FY 13

[9] UN water

Water withdrawn from source and water stress sites

In FY 22, our total water withdrawal stood at 8,34,571 KL. Majority of our water withdrawal is from third party sources comprising of municipality water, tankers and spring water. Further, total water withdrawn from five of our water stress sites including Ankleshwar, Mohol, Dahej, Aurangabad and Indore was recorded as 4,77,383 KL. Till date, approximately 40% of our facilities are zero liquid discharge (ZLD),[10] out of which four of the sites (Ankleshwar, Mohol, Dahej and Aurangabad) are situated in water stress zones. To conserve water in water stress zones, we also implemented a rainwater harvesting project at Achana village in Indore. The project objective was to recharge ground water by repair and reconstruction of a dam as well as the development of a dam overflow management system. It helped to successfully recharge the groundwater table and supported ~200 tube wells and bore wells in the surrounding areas of the village.

Water Withdrawal by Source (KL)

Surface (Spring water, rainwater)

FY 22	8,685
FY 21	12,732

Groundwater

FY 22	279,059
FY 21	276,724

Third-party

FY 22	546,827
FY 21	485,435

Total water withdrawn (KL)

FY 22	8,34,571
FY 21	7,74,890

Water withdrawal from water-stressed sites

Water Withdrawal by Source (KL)

Groundwater

FY 22	15,761
FY 21	23,239

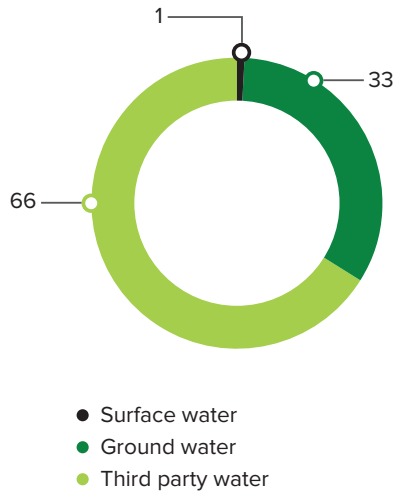
Third-party

FY 22	461,622
FY 21	407,712

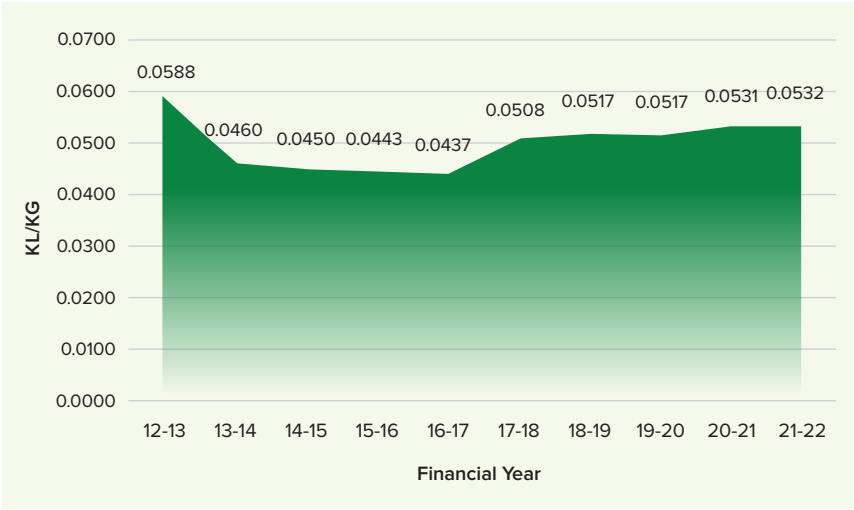
Total water withdrawn (KL)

FY 22	477,383
FY 21	430,951

Water withdrawal by source (%)



Specific water consumption trend

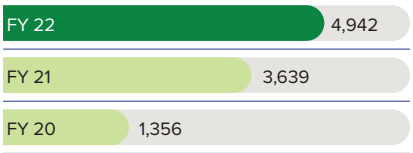


[10] GRI 303-1, GRI 303-3, GRI 303-4, GRI 303-5, GRI 303-2

Waste management[11]

At Glenmark, we implemented responsible waste management practices across our operations in line with the principles of circular economy, responsible waste handling and co-processing of hazardous waste. We have integrated a robust waste management strategy to minimize waste generation and optimize waste management. Our waste management initiatives are continuously reviewed and monitored to ensure their effectiveness for waste minimization. We segregate our waste into hazardous, domestic, e-waste, plastic and non-hazardous at the stage of production and adopt required methodologies for disposal of each waste type.

Hazardous waste co-processed (MT)



1 Hazardous waste

Co-processed the hazardous waste generated at six of our facilities including Goa, Ankleshwar, Dahej, Indore, Baddi and Sikkim, to efficiently dispose of the same without emission of harmful fumes.

2 Domestic waste

Converted bio degradable waste/ domestic waste into manure by vermicomposting methodology.

3 E-waste

Reuse of equipment and conventional processes for disposal of E-waste.

4 Post consumed plastic packaging waste

Achieved Extended Producer Responsibility (EPR) target of 100 percent for FY 22.

5 Non-Hazardous waste

Non-hazardous waste sold to Pollution Control Board (PCB) authorized vendors for recycling.

Further, we have integrated solvent recovery systems at two of our sites (Ankleshwar and Dahej) to induce recycling of solvents and reuse of the recycled solvent to enhance circular economy in our operations. For FY 22, we recovered 77 per cent of the solvent used across our process lines.

[11] GRI 306-2 GRI 306-4

Overview of waste management at Glenmark[12]

Achieved

100%

of Extended Producer Responsibility target for post consumed plastic packaging

Recycled

3,17,152 KL

of treated effluent wastewater in FY 22

Four of our facilities initiated

Zero

waste to landfill

Waste Type

Hazardous waste

Disposal mechanism in FY 22 (MT)

Co-processing
4,942

Incineration
1,165

Landfill
2,440

Recycling
2,073

Non-Hazardous waste

Disposal mechanism in FY 22 (MT)

Recycling
2,392

Waste Type in FY 22 (MT)

Hazardous Waste generated
10,985

Hazardous Waste disposed
10,619

[12] GRI 306-1, GRI 306-3 and GRI 306-5

Awards and Recognition

India Pharma Innovation of the Year award from the Government of India in India Pharma & India Medical Device Awards 2022

Conferred Gold Award by Integrated Health & Wellbeing (IHW) Council at the CSR Health Impact Awards for Project 'Health on Wheels' under rural health initiative category

Adjudged runners-up in the India Pharma CSR of the Year category by the Department of Pharmaceuticals (DoP), Ministry of Chemicals & Fertilizers

Glenmark Foundation has been awarded as one of the Best Corporate Foundations for our outstanding contribution to social causes and CSR efforts by World CSR Day & World Sustainability

Awarded at the 8th CSR India Awards by Greentech for outstanding achievements in the promotion of healthcare category

Conferred Silver Award by Integrated Health & Wellbeing (IHW) Council at the CSR Health Impact Awards for the COVID indigenous response project for robust Covid-19 initiatives

Declared winner of the category, 'Managing Risks and Risk Assessment at Work' at the 5th Annual Health Safety Environment Strategy Summit & Awards, 2022

Made it to the top 30 of the BW Businessworld's India's Most Sustainable Companies list 2021-22

Glenmark's Goa and Indore manufacturing sites won National Awards for Manufacturing Competitiveness (NAMC) Silver Medal for 2021.

Corporate Information

Registered Office

B/2, Mahalaxmi Chambers,
22, Bhulabhai Desai Road,
Mumbai - 400026, Maharashtra, India

Corporate Office

Glenmark House
B.D. Sawant Marg, Chakala,
Off Western Express Highway, Andheri (East),
Mumbai - 400099, Maharashtra, India
Tel.: +91 22 40189999
Site: www.glenmarkpharma.com
Email: complianceofficer@glenmarkpharma.com
CIN No: L24299MH1977PLC019982

Auditors

Suresh Surana & Associates LLP
Chartered Accountants, Mumbai

Cost Auditors

Sevekari, Khare and Associates,
Cost Accountants, Mumbai

Solicitor

Trilegal, Mumbai

Registrar and Transfer Agents

KFin Technologies Limited
(Formerly known as KFin Technologies Private Limited)
Selenium Tower B, Plot No 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad – 500 032

Banker

Bank of India

Company Secretary

Mr. Harish Kuber

GLENMARK PHARMACEUTICALS LIMITED

Manufacturing Facilities

Formulations

- E 37, MIDC Industrial Area, D Road, Satpur, Nashik - 422007, Maharashtra
- Plot No. S-7, Colvale, Industrial Estate Colvale., Bardez - 403513, Goa.
- Plot No. S-9, Colvale, Industrial Estate Colvale., Bardez - 403513, 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 454775, Madhya Pradesh
- Plot No. B-25, Five Star MIDC, Shendra, Dist. - Aurangabad, Maharashtra
- Samlik-Marchak, Industrial Growth Centre, Near Ranipool, Dist. - East Sikkim, 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, TTC Industrial Area, MIDC Mahape, Vashi, Navi Mumbai – 400705, Maharashtra
- Plot No. C 152, MIDC Sinnar Industrial Area, Malegaon, Dist. - Nashik – 422113, Maharashtra
- Plot No. M4, Taloja Industrial area, MIDC Taloja, Taluka Panvel, Dist. Raigad – 410208, Maharashtra

Clinical Research Centre

- Plot No. M4, Taloja Industrial area, MIDC Taloja, Taluka Panvel, Dist. Raigad – 410208, Maharashtra

ICHNOS SCIENCES INC.

Global Headquarters

- 1 World Trade Center, 76th Floor, Suite D, New York, NY 10007, USA

Research Center

- Route de La Corniche 5A 1066 Epalinges, Switzerland

Development and Manufacturing

- Chemin de la Combeta 5, 2300 La Chaux-de-Fonds, Switzerland

GLENMARK LIFE SCIENCES

- Plot number 3109 GIDC Industrial Estate, Ankleshwar, Dist. Bharuch – 393 002, Gujarat
- Plot Number Z-103/I ,SEZ, Phase II, Dist Bharuch,Gujarat,Dahej,-392130
- Plot Number 163-165/170-172, Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur - 413213, Maharashtra
- Plot Number A80, MIDC Area, Kurkumbh, Daund, Pune - 413802, Maharashtra

GRI Index & Independent Non-Financial Assurance Statement

GRI Index[1]

GRI Standard	Disclosure Title	Page No.	Report Reference
GRI 102: General Disclosures 2016			
Organizational Profile			
GRI 102: General Disclosures 2016	GRI 102-1: Name of the Organization	002	About this Report
	GRI 102-2: Activities, brands, products and services	018	Our Vast Canvas of Operations
	GRI 102-3: Location of headquarters	018	Our Vast Canvas of Operations
	GRI 102-4: Location of operations	018	Our Vast Canvas of Operations
	GRI 102-5: Ownership and legal form	061	Our Shareholding Pattern as on 31st March 2022
	GRI 102-6: Markets served	018	Our Vast Canvas of perations
	GRI 102-7: Scale of the organization	018	Our Vast Canvas of Operations
	GRI 102-8: Information on employees and other workers	116	A Glance at Glenmark's workforce
	GRI 102-9: Supply chain	098	Responsible supply chain management
	GRI 102-10: Significant changes to the organization and its supply chain	098	Responsible supply chain management
	GRI 102-11: Precautionary Principle or Approach	062	Our risk management model
	GRI 102-12: External initiatives	002	About this Report
	GRI 102-13: Membership of associations	095	Our partnerships and associations
Strategy			
GRI 102: General Disclosures 2016	GRI 102-14: Statement from senior decision-maker	010	Message from Chairman and Managing Director
Ethics & Integrity			
GRI 102: General Disclosures 2016	GRI 102-16: Values, principles, standards and norms of behavior	004	Exploring the limitless possibilities of science
Governance			
GRI 102: General Disclosures 2016	GRI 102-18: Governance structure	016	Board of Directors
	GRI 102-19: Delegating authority	061	Board Committees and policies
	GRI 102-26: Role of highest governance body in setting purpose, values and strategy	060	Good Governance at Glenmark
	GRI 102-28: Evaluating the highest governance body's performance	060	Board performance and evaluation
	GRI 102-30: Effectiveness of risk management process	062	Our risk management model
	GRI 102-33: Communicating critical concerns	061	Vigil Mechanism
	GRI 102-36: Process for determining remuneration	061	Remuneration process
Stakeholder engagement			
GRI 102: General Disclosures 2016	GRI 102-40: List of stakeholder groups	046	Stakeholder Engagement
	GRI 102-41: Collective bargaining agreement	120	Embracing human rights
	GRI 102-42: Identifying and selecting stakeholders	046	Stakeholder Engagement
	GRI 102-43: Approach to stakeholder assessment	046	Stakeholder Engagement
	GRI 102-44: Key topics and concerns raised	048	Materiality Assessment

[1] GRI 102-55

GRI Standard	Disclosure Title	Page No.	Report Reference
Reporting practices			
GRI 102: General Disclosures 2016	GRI 102-45: Entities included in consolidation of financial statements	002	About this Report
	GRI 102-46: Defining report content and topic boundaries	002	About this Report
	GRI 102-47: List of material topics	048	Materiality Assessment
	GRI 102-48: Restatements of information	002	About this Report
	GRI 102-49: Changes in reporting	002	About this Report
	GRI 102-50: Reporting period	002	About this Report
	GRI 102-51: Date of most recent report	002	About this Report
	GRI 102-52: Reporting cycle	002	About this Report
	GRI 102-53: Contact point for questions regarding the report	002	About this Report
	GRI 102-54: Claims of reporting in accordance with GRI standards	002	About this Report
	GRI 102-55: GRI content Index	140	GRI Index
	GRI 102-56: External assurance	146	Independent Non-Financial Assurance Statement
Topic Specific Disclosures			
Financial Capital			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundary	066	Long term value creation through consistent financial performance
	GRI 103-2: The management approach and its components	066	Long term value creation through consistent financial performance
	GRI 103-3: Evaluation of the management approach	066	Long term value creation through consistent financial performance
Economic Performance			
GRI 201: Economic Performance, 2016	GRI 201-1: Direct economic value generated and distributed	066	Revenue from operations
	GRI 201-2: Financial implications and other risks and opportunities due to climate change	067	Responsible investments
Manufactured Capital			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundary	076	Pharmacovigilance
	GRI 103-2: The management approach and its components	076	Pharmacovigilance
	GRI 103-3: Evaluation of the management approach	076	Pharmacovigilance
Pharmacovigilance			
GRI 416: Customer Health and Safety, 2016	GRI 416-1: Assessment of the health and safety impacts of product and service categories	076	Pharmacovigilance
	GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	076	Pharmacovigilance

GRI Standard	Disclosure Title	Page No.	Report Reference
Non-GRI	Digital transformation	077	Key insights into our digital, automation and other initiatives
Intellectual Capital			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundary	080	Driven by innovation
	GRI 103-2: The management approach and its components	080	Driven by innovation
	GRI 103-3: Evaluation of the management approach	080	Driven by innovation
Innovation			
Non-GRI	Promoting innovation	080	Driven by innovation
Non-GRI	Intellectual property rights	090	Intellectual Property Management
Human Capital			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundary	110	Fostering a high-performance and diverse work environment
	GRI 103-2: The management approach and its components	110	Fostering a high-performance and diverse work environment
	GRI 103-3: Evaluation of the management approach	110	Fostering a high-performance and diverse work environment
Human Resource Development			
GRI 202: Market Presence, 2016	GRI 202-1: Ratios of standard entry level wage by gender compared to local minimum wage	116	Ratio of remuneration women to men
GRI 401: Employment, 2016	GRI 401-1: New employee hires and employee turnover	116	New joiners
	GRI 401-3: Parental Leave	117	Parental leave
GRI 404: Training and Education, 2016	GRI 404-1: Average hours of training per year per employee	119	Training hours
	GRI 404-2: Programs for upgrading employee skills and transition assistance programs	117	Augmenting learning and development initiatives
Employee health and safety			
GRI 403: Occupational Health and Safety 2018	403-1: Occupational health and safety management system	121	Employee health and safety
	403-2: Hazard identification, risk assessment, and incident investigation	121	Employee health and safety
	403-3: Occupational health services	123	Our health and safety services
	403-4: Worker participation, consultation, and communication on occupational health and safety	123	Our safety committee
	403-5: Worker training on occupational health and safety	123	Bringing safety to the forefront
	403-6: Promotion of worker health	123	Our health and safety services
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	121	Employee health and safety
Promoting diversity			

GRI Standard	Disclosure Title	Page No.	Report Reference
GRI 405: Diversity and Equal Opportunity, 2016	GRI 405-1: Diversity of governance bodies and employees	060	Responsible governance at Glenmark
	GRI 405-2: Ratio of basic salary and remuneration of women to men	116	Ratio of remuneration women to men
Human Rights			
GRI 406: Non-Discrimination, 2016	GRI 406-1: Incidents of discrimination and corrective actions taken	120	Embracing human rights
GRI 407: Freedom of Association and Collective Bargaining, 2016	GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	120	Embracing human rights
GRI 409: Forced or Compulsory Labor, 2016	GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	120	Embracing human rights
GRI 411: Rights of indigenous people, 2016	GRI 411-1: Incidents of violations involving rights of indigenous peoples	120	Embracing human rights
GRI 412: Human Rights Assessment, 2016	GRI 412-1: Operations that have been subject to human rights reviews or impact assessments	120	Embracing human rights
	GRI 412: Human Rights Assessment, 2016	120	Embracing human rights
Social and Relationship Capital			
GRI 103: Management Approach, 2016	GRI 103-1: Explanation of the material topic and its boundary	098, 100	Responsible supply chain management, Building resilient communities
	GRI 103-2: The management approach and its components	098, 100	Responsible supply chain management, Building resilient communities
	GRI 103-3: Evaluation of the management approach	098, 100	Responsible supply chain management, Building resilient communities
Responsible supply chain management			
GRI 204: Procurement Practices 2016	GRI 204-1: Proportion of spending on local suppliers	098	Responsible supply chain management
GRI 308: Supplier Environmental Assessment 2016	GRI 308-1: New suppliers that were screened using environmental criteria	099	Responsible supply chain management
	GRI 308-2: Negative environmental impacts in the supply chain and actions taken	099	Responsible supply chain management
GRI 414: Supplier Social Assessment 2016	GRI 414-1: New suppliers that were screened using social criteria	099	Responsible supply chain management
	GRI 414-2: Negative social impacts in the supply chain and actions taken	099	Responsible supply chain management

GRI Standard	Disclosure Title	Page No.	Report Reference
Community engagement			
GRI 413: Local Communities, 2016	GRI 413-1: Operations with local community engagement, impact assessments, and development programs	101	Creating a positive impact
Natural Capital			
GRI 103: Management Approach 2016	GRI 103-1: Explanation of the material topic and its boundary	128	Acting on climate change
	GRI 103-2: The management approach and its components	128	Acting on climate change
	GRI 103-3: Evaluation of the management approach	128	Acting on climate change
GRI 307: Environmental Compliance, 2016	GRI 307-1: Non-compliance with environmental laws and regulations	128	Acting on climate change
Energy efficiency			
GRI 302: Energy, 2016	GRI 302-1: Energy consumption within the organization	131	Energy management
	GRI 302-3: Energy intensity	133	Carbon emissions
	GRI 302-4: Reduction of energy consumption	131	Energy management
Managing our carbon emissions			
GRI 305: Emissions 2016	GRI 305-1: Direct (Scope 1) GHG emissions	133	Carbon emissions
	GRI 305-2: Energy indirect (Scope 2) GHG emissions	133	Carbon emissions
	GRI 305-3: Other indirect (Scope 3) GHG emissions	133	Carbon emissions
Water management			
GRI 303: Water and Effluents 2016	GRI 303-1: Interactions with water as a shared source	135	Water withdrawn from source and water stress sites
	GRI 303-2: Management of water discharge-related impacts	135	Water withdrawn from source and water stress sites
	GRI 303-3: Water withdrawal	135	Water withdrawn from source and water stress sites
	GRI 303-4: Water Discharge	135	Water withdrawn from source and water stress sites
	GRI 303-5: Water Consumption	135	Water withdrawn from source and water stress sites
Waste management			
GRI 306: Waste 2020	GRI 306-1: Waste generation and significant waste-related impacts	137	Overview of waste management at Glenmark
	GRI 306-2: Management of significant waste-related impacts	136	Waste management at Glenmark
	GRI 306-3: Waste generated	137	Overview of waste management at Glenmark
	GRI 306-4: Waste diverted from disposal	136	Waste management at Glenmark
	GRI 306-5: Waste directed to disposal	137	Overview of waste management at Glenmark

Independent Non-Financial Assurance Statement[1]

DNV

INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV Business Assurance India Private Limited has been commissioned by the Management of Glenmark Pharmaceuticals Limited (Corporate Identity Number L24299MH1977PLC019982, hereafter referred as 'Glenmark' or 'the Company') to carry out an independent assurance of its non-financial/sustainability performance (qualitative and quantitative data) disclosed in Glenmark's Integrated Report 2021-22 ('the Report') in its printed and online formats. The sustainability performance in this Report covers disclosures corresponding to the reporting period 1st April 2021 – 31st March 2022 and related to material topics identified by Glenmark.

The sustainability disclosures have been prepared by Glenmark based on the Guiding Principles and Content Elements of the International <IR> Framework (January 2021, the '<IR> Framework') of the International Integrated Reporting Council ('IIRC'), the Global Reporting Initiative's (GRI's) Sustainability Reporting Standards ('GRI Standards') and other frameworks to which Glenmark subscribes, to bring out the various Content Elements of the <IR> Framework as well as performance trends related to identified material topics.

We performed a limited level of assurance based on DNV's assurance methodology VeriSustain™[1]. In doing so, we evaluated the quantitative and qualitative sustainability performance disclosures presented in the Report for the activities undertaken by the Company. Our assurance engagement was planned and carried out during April 2022 – August 2022.

The reporting topic boundaries of non-financial performance are based on the internal and external materiality assessment covering Glenmark's pharmaceutical operations as set out in the Report in the section "About this Report".

Responsibilities of the Management of Glenmark and of the Assurance Provider

The Management of the Company has the sole responsibility for preparation of the Report as well as the processes for collecting, analysing and reporting the information presented in the Report. The Management is also responsible for ensuring the maintenance and integrity of its referenced disclosures on sustainability performance and management approach in the Company's website. In performing this assurance work, DNV's responsibility is to the Management of Glenmark; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

DNV's assurance engagements are based on the assumption that the data and information provided by Glenmark to us as part of our review have been provided in good faith and are free from material misstatements or errors. We were not involved in the preparation of any statements or data included in the Report except for this Assurance Statement.

During the assurance process, we did not come across any limitations to the scope and boundary of the agreed assurance engagement. We understand that the reported disclosures on economic performance, including Corporate Social Responsibility (CSR) expenses incurred by the Company, and contributions to the Glenmark Foundation and Glenmark Aquatic Foundation are based on audited financial statements presented in the Annual Report and audited financial statements, which is subject to a separate independent statutory audit process and was not included in our scope of work. As part of our assurance process, we did not engage with any external stakeholders.

Basis of our Opinion

We planned and performed our work to obtain the evidence considered necessary to provide a basis for our assurance opinion, and as part of the assurance engagement, a multi-disciplinary team of sustainability and assurance specialists conducted assessments and interactions with key internal stakeholders at Glenmark's Corporate Office in Mumbai, India and sample operations based on DNV's sampling plan. We adopted a risk-

[1]*The VeriSustain protocol is based on the principles of various assurance standards including International Standard on Assurance Engagements 3000 (ISAE 3000) Revised (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the GRI Principles for Defining Report Content and Quality, international best practices in verification and our professional experience; and is available on request from www.dnv.com*

[1] GRI 102-56

DNV

based approach, that is, we concentrated our verification efforts on the issues of high material relevance to Glenmark and its key stakeholders. We undertook the following activities:

- Reviewed Glenmark's approach towards addressing the Guiding Principles and Content Elements of the <IR> Framework, including stakeholder engagement and materiality determination processes;
- Carried out onsite verification of sample operations of Formulations and Active Pharmaceutical Ingredients (API) in India, that is, manufacturing units located at Nashik and Aurangabad (Maharashtra), Ankleshwar (Gujarat) and remote verification at Samlik Marchak (Sikkim) to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy. DNV was free to choose sites for conducting assessments;
- Conducted interviews with senior management teams and other representatives including data owners and decision-makers responsible for implementation of the Company's policies and management of sustainability issues as disclosed within the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver Glenmark's sustainability objectives;
- Assessed the robustness of the data management systems, data accuracy, information flow and controls for the reported disclosures and specific performance data related to identified material topics, as well as the processes for data consolidation in context to the principle of Completeness as per DNV's VeriSustain;
- Examined and reviewed selected supporting evidence including documents, data and other information made available by Glenmark related to sustainability disclosures presented within the Report;
- Performed an independent assessment of Glenmark's reporting against the reporting requirements related to the Content Elements of the <IR> Framework and the value creation disclosures related to the capitals identified by Glenmark.

Opinion and Observations

On the basis of the verification undertaken, nothing has come to our attention that causes us to believe that the Report does not properly describe Glenmark's adherence to the Guiding Principles and Content Elements of the <IR> Framework including representation of the material topics, business model, disclosures on value creation through six (6) capitals, related strategies and management approach, and GRI Standards: Core option of reporting including the GRI 102: General Disclosures 2016, GRI 103: Management Approach 2016 and disclosures related to the following GRI topic-specific Standards which have been identified by the Company to bring out its performance against its prioritised material topics.

- GRI 201: Economic Performance 2016- 201-1;
- GRI 202: Market Presence 2016- 202-1;
- GRI 204: Procurement Practices 2016- 204-1;
- 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;
- GRI 306: Waste 2020 - 306-1; 306-2; 306-4; 306-5;
- GRI 307: Environmental Compliance 2016- 307-1;
- GRI 308: Supplier Environmental Assessment 2016- 308-1; 308-2;
- GRI 401: Employment 2016- 401-1, 401-3 ;
- GRI 403: Occupational Health and Safety 2018– 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7;
- GRI 404: Training and Education 2016 – 404-1, 404-2;
- GRI 405: Diversity and Equal Opportunity 2016 – 405-1, 405-2;
- GRI 406: Non discrimination 2016- 406-1;
- GRI 407: Freedom of Association and Collective Bargaining 2016- 407-1;
- GRI 409: Forced or Compulsory Labor 2016- 409-1;
- GRI 411: Rights of Indigeneous People 2016- 411-1;
- GRI 412: Human Rights Assessment 2016- 412-1, 412-2;
- GRI 413: Local Communities 2016- 413-1;
- GRI 414: Supplier Social Assessment 2016- 414-1, 414-2;
- GRI 416: Customer Health and Safety 2016– 416-1, 416-2;

Note: Scope 3 emissions reported as part of GRI 305-3 include emissions due to purchased goods and services, employee commute, business travel, Upstream transportation and distribution, Downstream transportation and distribution and Waste generated in operations.

Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain:

Stakeholder Inclusiveness
The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.
The Report identifies patients, channel partners, business partners, employees, suppliers, government and regulators, healthcare professionals, communities, shareholders and investors, and institutional partners as its key stakeholder groups across its pharmaceutical business. The Report brings out the various channels through which Glenmark engages with its stakeholder groups on a continual basis along with descriptions of formal and informal processes that are currently in place for identifying emerging stakeholder concerns. The modes and frequencies of engagement mechanisms, as well as the key concerns and expectations that arise from these engagements are explained within the Report.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

Materiality
The process of determining the issues that is most relevant to an organization and its stakeholders.
The Report describes the materiality assessment carried out by Glenmark covering its key business segments aimed at identifying significant environmental, social and governance topics which are important to its stakeholders and relevant to the Company's long-term value creation. The identified material topics and matters are prioritized based on impacts and relative importance, to form the overall report content. Glenmark confirms that material topics considered for disclosures within the Report were reviewed and validated by the Board and senior management personnel, aand that there are no significant changes in material topics from the previous reporting period.
In our opinion, nothing has come to our attention that Glenmark has missed out any known material issues, nor that the Report does not meet the requirements related to the Principle of Materiality.

Responsiveness
The extent to which an organization responds to stakeholder issues.
The Company has responded to key material topics through descriptions of its value creation process including evaluation of its business strategies through descriptions of the Company's policies, management approach, targets, performance indicators and governance mechanisms related to identified material topics such as key outcomes.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Responsiveness.

Reliability
The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.
The Report brings out Glenmark's sustainability performance related to its identified material topics using selected GRI topic-specific Standards. The sustainability performance data is captured on a monthly basis from across its businesses through its data management system, and subjected to internal audits. The majority of the data and information verified through our assessments at sampled manufacturing units and aggregated at the corporate level were found to be fairly accurate and reliable. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and these errors have been identified, communicated and corrected.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability.

Completeness
How much of all the information that has been identified as material to the organisation and its stakeholders is reported
The Report articulates disclosures related to the Company's sustainability performance for the identified material topics and reporting boundaries during the reporting period through appropriate GRI topic-specific Standards and Company-specific metrics, and the key requirements of the <IR> Framework related to Content

DNV

and Quality, including value creation through six (6) capitals, business model, strategy, management approach and descriptions of monitoring systems.

Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

Neutrality

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone

The Report has disclosed the key sustainability issues, challenges and performance faced by Glenmark during the reporting period in a neutral tone, in terms of content and presentation, and had also considered the overall sustainability context and external environment in bringing out its value creation disclosures across six (6) capitals.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct[2] during the assurance engagement and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement and GHG verification statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

For DNV Business Assurance India Private Limited

Lankalapalli, Bhargav Digitally signed by Lankalapalli, Bhargav Date: 2022.08.19 11:08:14 +05'30'	Radhakrishnan, Kiran Digitally signed by Radhakrishnan, Kiran Date: 2022.08.18 18:48:03 +05'30'
Bhargav Lankalapalli Lead Verifier DNV Business Assurance India Private Limited, India.	Kiran Radhakrishnan Assurance Reviewer DNV Business Assurance India Private Limited, India.

18th August 2022, Mumbai, India.

DNV Business Assurance India Private Limited is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

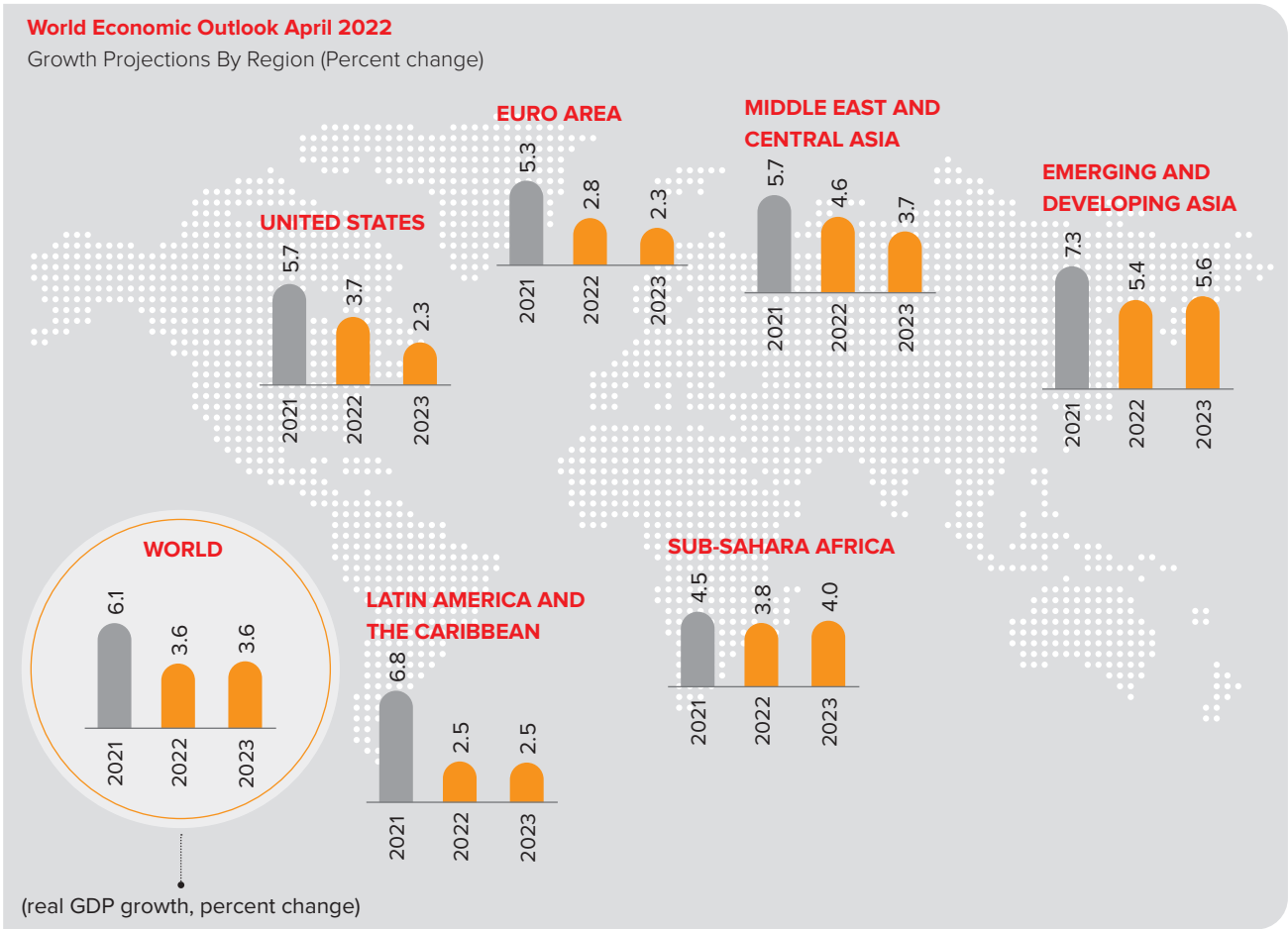
[2] *The DNV Code of Conduct is available on request from www.dnv.com (https://www.dnv.com/about/in-brief/corporate-governance.html)*

Management Discussion and Analysis

Macroeconomic Overview

The uncertain geopolitical situation has triggered a costly humanitarian crisis. This, coupled with the macroeconomic headwinds, is expected to result in significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries the hardest.

Global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. This is 0.8% and 0.2% lower for 2022 and 2023 than projected in January.



Source: IMF, World Economic Outlook, April 2022.
Note: Order of bars for each group indicates (Left to Right: 2021, 2022 projections, and 2023 projections)

Indian Economy

Though India continues to be one of the fastest growing large economy in the world after recording the strongest GDP rebound amongst the G20 countries in 2021, the Indian economy is progressively losing momentum as inflationary expectations remain elevated, global energy and food price increases, monetary policy normalises, and global conditions deteriorate. Real GDP is projected to grow by **6.9%** in fiscal year (FY) **2022-23** and **6.2%** in FY 24**,** despite a pick-up of corporate investment facilitated by the Production-Linked Incentive Schemes. While inflation will gradually decline, the current account deficit will widen due to the surge in energy import costs.*

The Global Pharma sector

The outlook for global spending on medicines has become clearer as the uncertainties of the last two years in a global pandemic have gradually given way to more predictable challenges and opportunities for healthcare systems and policymakers across developed and emerging economies. Healthcare has shown itself to be remarkably resilient during COVID-19, but challenges remain — and evidence-based decision-making is more important than ever.

While the short-term impact from COVID-19 in 2020 and 2021 has been significant, the long-term impact on growth trends is

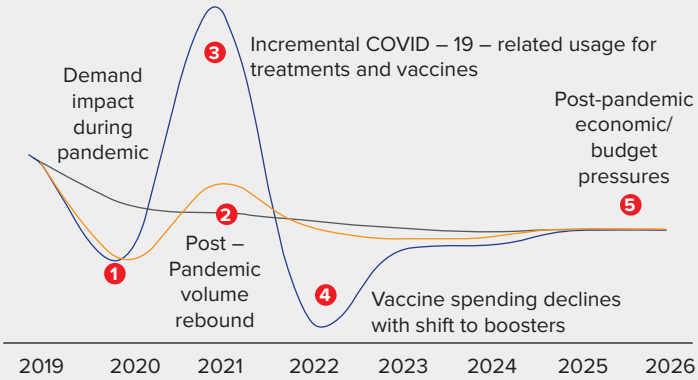
*Source - https://www.oecd.org/economy/india-economic-snapshot/

more muted. Including estimates of higher spending growth from COVID-19 vaccines and lower spending from existing treatments due to disruptions from the pandemic, the five-year CAGR to 2025 is expected to be 4.6%, compared to 4.5% if the pandemic had not taken place. The largest uncertainty in the next five years will be the potential impact of economic factors on countries' budgeting and whether there will be shifts in policies regarding healthcare and medicine spending.

Impact of Covid-19 on use of medicine

Comparison of current outlook to pre-COVID OUTLOOK

Constant dollar growth forecast (invoice)



Key events in the Outlook

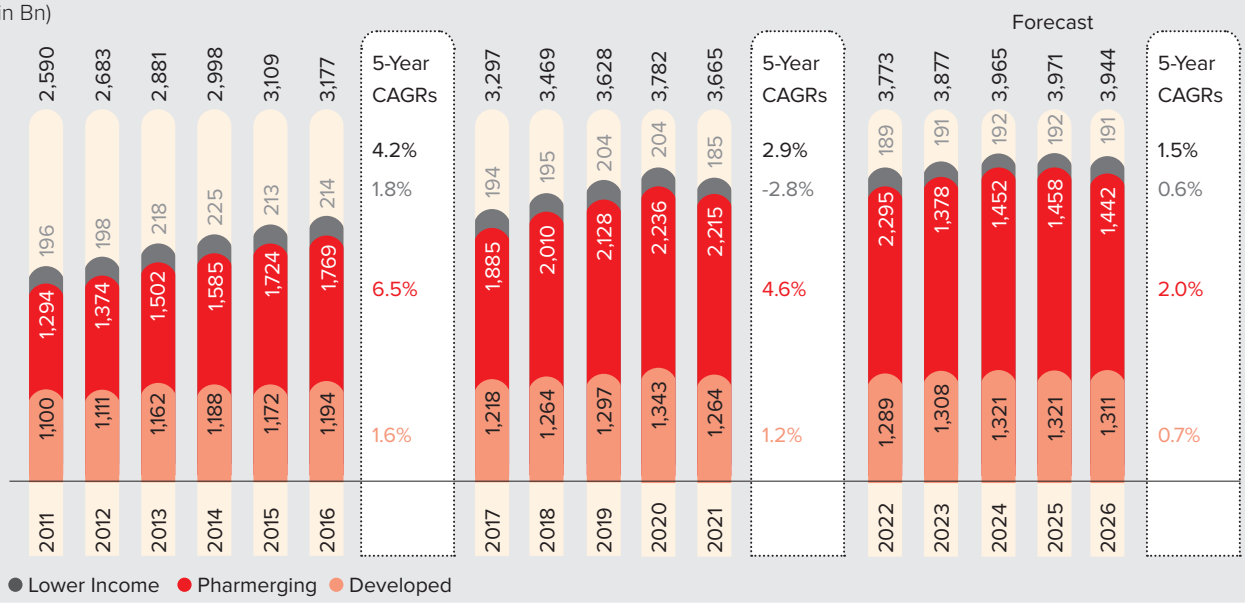
1. 2020: -2.1% (~USD 27Bn)
2. 2021: +1.1% above Pre-COVID-19 growth; +2.9% above 2020 growth excluding vaccines and therapeutics
3. 2021: +8% higher growth including vaccines and therapeutics compared to spending without them
4. 2022: Significant decline in required spending for COVID-19 vaccines as much of the world is inoculated to some degree
5. Expected budget pressures will emerge from longer-term pressures of sustained pandemic

Source: IQVIA Market Prognosis, Sep 2021; IQVIA Institute, Nov 2021

The use of medicines particularly in pharma-emerging markets grew in 2020 despite the pandemic but will normalize beginning in 2021

Historical and projected use of medicine by segment, 2011-2026, Defined Daily Doses (DDD)

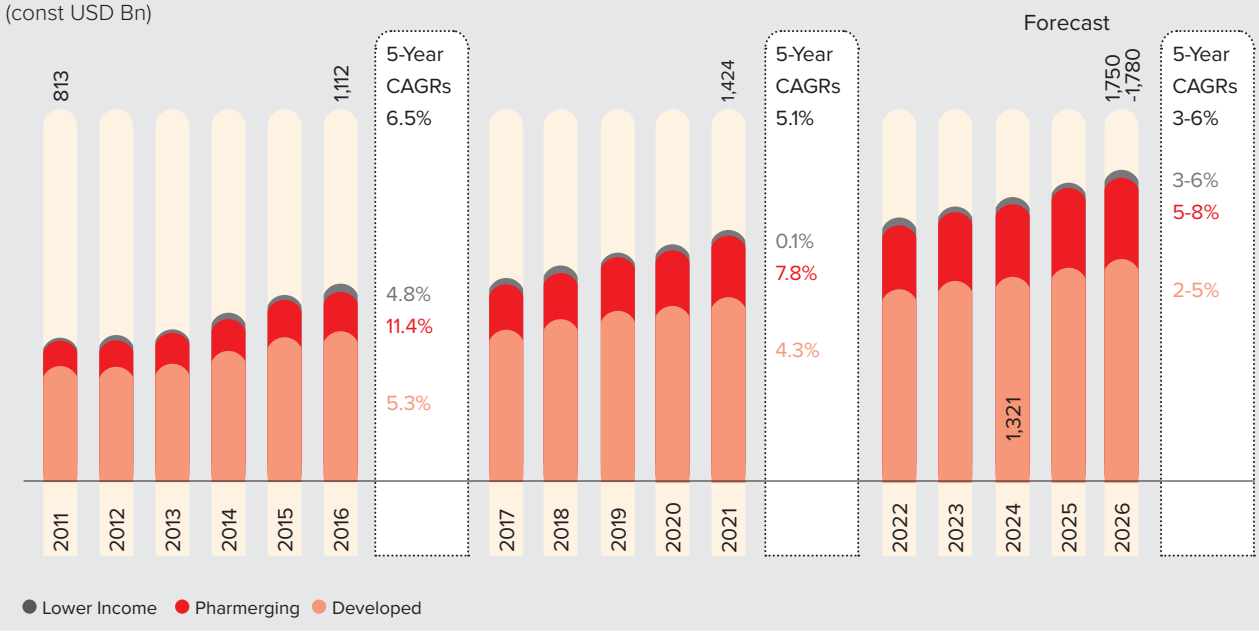
(in Bn)



Source: IQVIA Market Prognosis, Sep 2021; IQVIA Institute, Nov 2021

Notes: Chart represents IQVIA Institute estimates of global defined daily doses (DDD). These estimates are based on IQVIA audited data and application of WHO-DDD factors in IQVIA MIDAS as well as additional DDD calculation assumptions developed by the IQVIA Institute (see Methodology). Developed includes all countries classified by The World Bank as High Income or Upper Middle Income based on gross national income, excluding those in pharmerging. Pharmerging includes countries with per capita GDP <USD 30,000 in 2020 and forecasted 5-year aggregate pharma sales growth >USD 1bn (absolute or rounded) in at least two forecasts. Lower income includes countries classified as Lower Middle Income or Low Income by the The World Bank based on gross national income, excluding those in pharmerging. Most lower income countries are unaudited, however, and medicine use estimates are based on aggregate amounts of spending with no granular analysis possible.

Global medicine market size and growth 2011-2026



Source: IQVIA Market Prognosis, Sep 2021; IQVIA Institute, Nov 2021

Global medicine spending — the amount spent purchasing medicines from manufacturers before off-invoice discounts and rebates — is expected to reach USD 1.8 trillion by 2026, increasing at a rate of 3–6% per year Developed countries — those with upper middle or high incomes — are expected to grow from 2–5% through 2026, similar by comparison to the past five years

Also, Specialty medicines have been increasing as a share of spending in higher-income countries, such as the 10 largest developed countries and other high and upper-middle income countries, where they have reached 48% and 39% respectively in 2021, up from 26% and 22% 10 years earlier. Pharmerging countries have fallen behind largely due to cost and had 15% of spending in 2021 on specialty medicines, rising to 18% in 2026. Globally, specialty medicines will be 45% of global spending by 2026, with more than half of pending on these product in major developed markets.

Review of the Business Operations

Revenue Figures for Consolidated Glenmark Pharmaceuticals Ltd.

(INR in Mn)

	For the Year ended March 31		
	FY 22	**FY 21**	**Growth (%)**
India	40,855	35,365	15.5%
North America	30,366	30,764	-1.3%
Europe	15,218	13,276	14.6%
Rest of the World[1]	21,672	16,855	28.6%
API	12,709	12,074	5.3%
Total	**1,20,820**	**1,08,334**	**11.5%**
Other Revenue	2,229	1,106	101.6%
Consolidated Revenue	**1,23,049**	**1,09,439**	12.4%

Average conversion rate in 12M FY 22 considered as INR 74.38/USD 1.00

Average conversion rate in 12M FY 21 considered as INR 74.02/USD 1.00

Financial Summary (IND AS)

Material Consumed and Purchase of Traded Goods

Cost of material consumed including finished goods purchased were at INR 43,852.86 Mn in FY 22 as against INR 36,988.20 Mn in FY 21 and as a percentage to sale of products was at 36.0% in FY 22 as against 34.3% in FY 21.

Employee Cost

Employee cost was at INR 24,474.18 Mn in FY 22 as against INR 23,437.07 Mn in FY 21

Other Expenses

Other expenses include manufacturing overheads, selling and marketing expenses, administrative and general expenses and R&D expenses. Other expenses changed to INR 31,519.01 Mn in FY 22 as against INR 28,170.21 Mn in FY 21.

Finance Costs

Interest expenses were at INR 2,980.99 Mn in FY 22 as compared to INR 3,531.13 Mn in FY 21

Profit After Tax

Profit after tax for FY 22 was at INR 9,936.49 Mn as against INR 9,700.88 Mn in FY 21

Dividend

The board has recommended a final dividend of 250% (INR 2.5 per equity share of INR 1 each) on the equity share capital as at 31 March 2022 subject to the approval of shareholders.

Equity Capital

There is no movement in equity share capital during FY 22

Trade Payables

Trade payables changed to INR 22,886.61 Mn in FY 22 as against INR 22,377.68 Mn in FY 21

Income Tax Liabilities (Net)

Income tax liabilities changed to INR 931.20 Mn in FY 22 as against INR 501.20 Mn in FY 21

Short Term Borrowings

Short term borrowings changed to INR 3,700.00 Mn in FY 22 as against INR 5,130.15 Mn in FY 21

Other Current Liabilities

Other current liabilities changed to INR 1,461.43 Mn in FY 22 as against INR 1,527.50 Mn in FY 21

Trade Receivables (Net)

Trade receivables changed to INR 31,011.35 Mn in FY 22 as against INR 25,720.55 Mn in FY 21

Inventory

Inventory changed to INR 24,998.33 Mn in FY 22 as against INR 22,768.33 Mn in FY 21

Other Current Assets

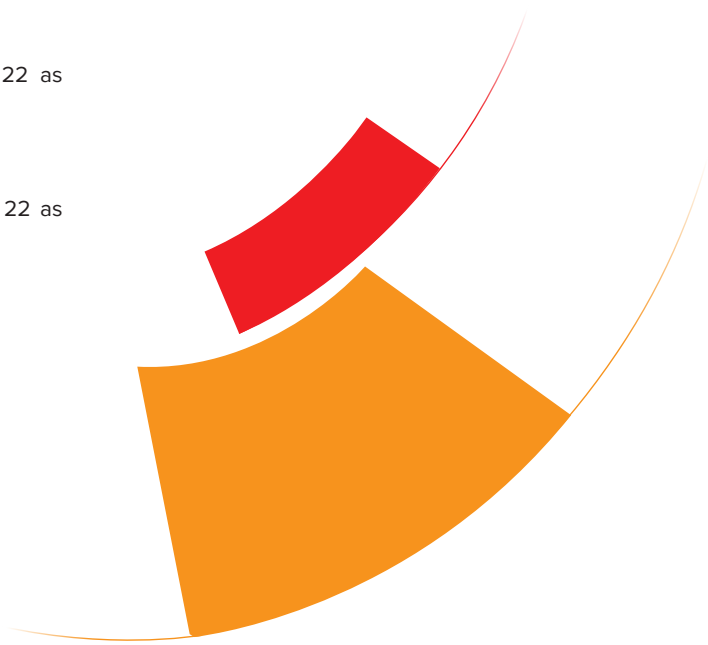
Other current assets changed to INR 11,566.36 Mn in FY 22 as against INR 12,755.50 Mn in FY 21

Property, Plant and Equipment (Excluding CWIP)

The gross block of property, plant and equipment increased to INR 52,066.89 Mn in FY 22 from INR 41,986.89 Mn in FY 21

Other Intangible Assets (Excluding CWIP and Goodwill)

The gross block of other intangible assets increased to INR 44,583.53 Mn in FY 22 from INR 40,481.09 Mn in FY 21



Key Highlights during the year

1. Glenmark listed its wholly owned Active Pharmaceutical Ingredient (API) subsidiary, Glenmark Life Sciences Ltd. on the Indian exchanges. The IPO consisted of a fresh issue of INR 10.6 bn and offer for sale of up to 6.3 Mn shares by the company and was subscribed over 44 times.

2. Glenmark was listed in the prestigious Dow Jones Sustainability Index (DJSI) for the fourth consecutive year. The company is among only 15 companies from India to be listed on the DJSI Emerging Markets Index this year. Company's inclusion in the list is a validation of its commitment to sustainability and ESG principles and reiterates its consistent performance across all sustainability indicators.

   Also, Glenmark was the first domestic pharma company to raise sustainability linked loans (SLL), by raising USD 228 Mn in SLLs during the year.

   A detailed ESG profile of the company is available under the investor section on https://glenmarkpharma.com/.

3. In Q3 FY 22, Ichnos entered into an exclusive licensing agreement with Almirall SA for the IL-1RAP antagonist ISB 880. Under the agreement, Almirall is granted global rights to develop and commercialize this monoclonal antibody for autoimmune diseases. Ichnos retains the rights for antibodies acting on the IL-1RAP for oncology indications. Ichnos received an upfront payment of EUR 20.8 Mn and will receive additional development and commercial milestone payments and tiered royalties based upon future global sales.

4. As per IQVIA, in April 2021, Fabiflu® (favipiravir) became the highest selling drug in the Indian Pharma market amongst all therapies. The success of Fabiflu® is a testament to the end-to-end capabilities of Glenmark to offer patients quality medicines with affordable access.

5. Glenmark was selected for the Production Linked Incentive (PLI) scheme aimed at improving India's manufacturing capabilities and enhancing exports. Glenmark is one of the 11 companies under group A and is well placed to meet the objectives and guidelines of the scheme thereby helping in the "Aatmanirbhar Bharat" strategy of the Government.

6. India business crossed INR 40,000 Mn in annual sales for the first time

   Europe business achieved significant milestone of USD 200 Mn annual revenues for the first time

7. Glenmark had several successes in its core respiratory franchise during the year. The company received USFDA approval for its NDA product Ryaltris® in the US and marketing approval in all 17 markets across EU and the UK during the year.

Glenmark Pharmaceuticals Ltd.

Glenmark Pharmaceuticals is primarily focused on building a global Generics, Specialty and OTC business in the therapy areas of Dermatology, Respiratory and Oncology. It also has strong regional/country-specific presence in other therapeutic areas like diabetes, cardiovascular and oral contraceptives.

India Formulations

During the year under review, the India formulations business registered revenue of INR 40,855 Mn as against INR 35,356 Mn in the previous fiscal year, recording growth of 15.5% YoY. The India business contribution was at 33% of the total revenues in FY 22 as compared to 32% in FY 21.

The India business continues to significantly outperform industry growth rates, continuing the trend of the past several years. As per IQVIA data, Glenmark was one of the fastest growing companies in the in the Indian Pharmaceutical Market (IPM) among the Top 20 players on a MAT March 2022 basis with growth of 23.8% as compared to IPM growth of 17.4%. For the year, Glenmark's India Formulation business is ranked 13th, up 1 rank from last year and its market share has increased to 2.47% as compared to 2.34% last year.

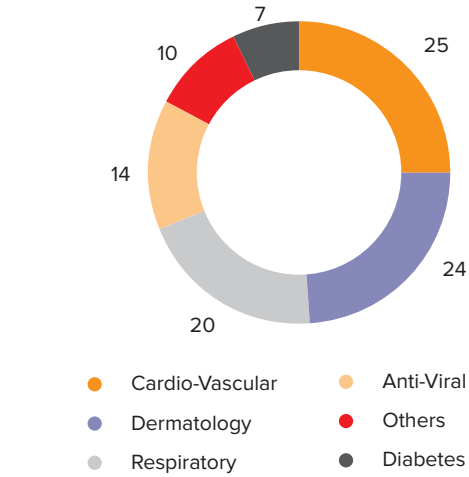
Glenmark's India business further strengthened its position in its core therapy areas such as Cardiac and Respiratory. As per IQVIA MAT March 2022, the Cardiac segment market share increased to 4.96% as compared to 4.76% last year; the respiratory segment market share increased to 5.43% as compared to 4.96% last year. The company was ranked 2nd in Derma segment, 4th in respiratory segment and 6th in cardiac segment during the year.

Glenmark's performance and revenue contribution across key therapy areas as per IQVIA MAT Mar '22

	Market Share	Rank
Dermatology	8.1%	2
Respiratory	5.4%	4
Cardio-Vascular	5.0%	6
Diabetes	1.8%	15
Anti-Virals	29.0%	1

Revenue Share

(%)



The India formulation business has achieved several important milestones during the current financial year. As per IQVIA MAT Mar '22, Fabiflu® was the sixth largest brand across all brands in India during the period. Ascoril D Plus became the 10th brand of Glenmark to enter the IPM 300 brand league. The company now has 10 brands in the top IPM 300 brands in the country up from 6 brands last year.

INDIA FORMULATIONS TOP BRANDS IN IPM 300 BRANDS LEAGUE AS PER IQVIA: MAT March 2022 Glenmark has the following ten brands among the top 300 brands in the Indian Pharmaceutical Market

All of the below names are brands	Val (Crores)
FABIFLU	524
TELMA	326
TELMA-H	227
TELMA-AM	180
ASCORIL-LS	169
CANDID	146
ASCORIL +	142
CANDID-B	127
ALEX	116
ASCORIL D PLUS	103

Ascoril D Plus became the

10th

brand of Glenmark to enter the IPM 300 brand league

The company launched 31 products during the year. Amongst key launches, in the respiratory segment, the company launched Ryaltris®-AZ nasal spray, a novel fixed dose combination of Mometasone furoate and Azelastine for the treatment of moderate to severe allergic rhinitis in India for patients above 12 years of age. Glenmark also launched the only Ultra LABA and ICS combination in India with once a day dosing schedule in Vilanaterol & Fluticasone Capsules for the treatment of COPD under the brand name Vilor-F™. In the derma segment, the company launched super bioavailable form of Itraconazole (suba-itraconazole) under brands Syntran SB/ Canditral SB™, further building on its anti-fungal franchise. Suba-itraconazole provides higher bioavailability at lower dosages as compared to tradition Itraconazole. In the diabetes segment, the company launched the novel Zita Plus Pio™ which contains Teneligliptin (20 mg) + Pioglitazone (15 mg), to be taken once a day, and is the first of its kind in India, offering a world-class and affordable treatment option to adult diabetic patients. In the oncology segment, the company launched Pazopanib and Darbepoetin during the year.

Remogliflozin continues to do well in India. Glenmark is the first company in the world to launch Remogliflozin and has launched multiple brand extensions, including combinations to leverage its positioning around the product. The company launched the first triple combination of Remogliflozin, Vildagliptin and Metformin in diabetes segment under the brand name Remo MV/Remozen MV during the year.

The company also launched Nitric Oxide Nasal Spray in India as a part of the accelerated approval process for treatment of adult patients with Covid 19 who have high risk of progression of the disease. Phase III trials in India demonstrated reduction in viral load of 94% in 24 hours and 99% in 48 hours and that the product was safe and well tolerated in Covid 19 patients. The product has been launched in India under Glenmark brand FabiSpray®. Glenmark has an exclusive long term agreement with Canadian biotech SaNOtize to commercialize FabiSpray® for COVID-19 treatment in India and certain other Asian markets.

The company successfully completed its Post Marketing Surveillance (PMS) study on Favipiravir in India. Glenmark is the only organization from India to conduct a 1000+ patient PMS study in mild to moderate COVID 19. The results showed no new safety signals or concerns till date supporting the safety and effectiveness of Fabiflu® in real-world settings.

India formulation business will continue to keep a focused approach and strengthen the key therapy categories to continuously outperform IPM. To bolster the performance, increased digital adoption will be a key lever in the current market scenario. Glenmark will continue to invest in new launches and will target to expand market share in existing product categories

Glenmark Consumer Care (GCC) Business

GCC business recorded revenue of INR 1,790 Mn in FY 22 with secondary sales growth of 12.6% YoY. This growth was led by new product launches, especially Candid Cream® where secondary sales grew 30% YoY annually while La Shield® recorded secondary sales growth of 95% YoY. In spite of headwinds at the beginning of the year due to Covid, Candid powder continued to maintain its dominant market leadership status with a market share of 63% in the current financial year. The company also launched Candid Prickly Heat Powder® during the quarter where the response has been encouraging.

North America

North America registered revenue from the sale of finished dosage formulations of INR 30,366 Mn (USD 408 Mn) for FY 22 as against revenue of INR 30,764 Mn (USD 416 Mn) for the previous fiscal, recording a decline of (1.8)% YoY.

In the fiscal year 2021-22, Glenmark was granted approval of 9 Abbreviated New Drug Applications (ANDA), comprising of 7 final approvals and 2 tentative approvals. Additionally, Glenmark was granted a 2nd tentative approval on a Prior Approval Supplement (PAS) for the 0.25 mg strength for Fingolimod Capsules. Notable approvals include: Lacosamide Tablets USP, Clindamycin Phosphate Foam, 1% and, Theophylline Extended-Release Tablets USP, 300 mg and 450 mg.

Glenmark launched 10 new products during fiscal year 2021-22, consisting of a mix of semi-solid preparations, delayed and immediate-release oral solids. Notable launches include Lacosamide Tablets USP (Generic Vimpat® tablets) and Rufinamide Tablets USP (Generic Banzel® tablets), where Glenmark was one of the first generics available for launch.

The company received NDA approval for Ryaltris® from the USFDA in FY 22 and plans to launch the product through its partner Hikma in FY 23. In addition, Ryaltris® approval is pending with the Canadian regulators.

Key Highlights for the business

- The Company filed a total of 19 ANDA applications with the U.S. FDA throughout the fiscal year FY 22 and plans to file 12-15 ANDAS in FY 23
- Glenmark received total of 9 ANDA approvals, of which 7 were final approvals and 2 tentaive approvals.
- Glenmark's marketing portfolio through March 31, 2022 consists of 174 generic products authorized for distribution in the U.S. market with top 3 position in ~85% of the marketed products
- The Company currently has 46 applications pending in various stages of the approval process with the US FDA, of which 20 are Paragraph IV applications.

Glenmark will continue to focus on complex high value products to move up the value chain. Recent USFDA approval on Ryaltris® is testament of the focus areas of the business. In addition Glenmark will ensure right steps are taken to maintain the focus on the cost advantage to remain competitive in the generics market.

Europe Formulations

FY 22 was a milestone year for European business, with annual revenues exceeding USD 200 Mn for the first time. The growth was led by healthy performance in both markets of Western Europe and Central & Eastern Europe with most markets recording healthy double digit growth.

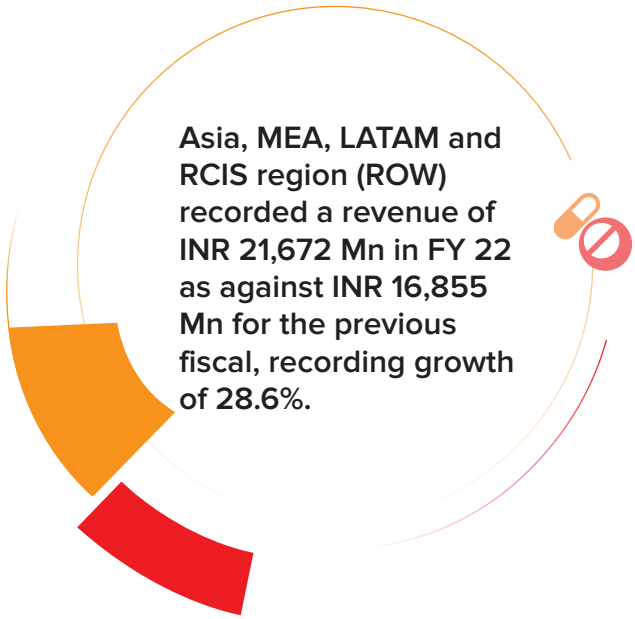
While growth in Western Europe was impacted by continued covid restrictions in some countries like Germany in the first half of the year, the region recovered significantly in the second half of the year as restrictions were eased. The Central & Eastern European region witnessed strong double digit revenue growth with strong growth trajectory in markets like Czech Republic and Poland.

The European region signed 18 contracts for in-licensing products in the current financial year. Amongst the key launches, the company launched eight products in Germany, five in the UK, three in Spain and two products in Czech Republic respectively during the financial year.

In an important milestone of the company's global focus on the respiratory segment, the company received marketing approval in all EU markets and the UK for Ryaltris® and successfully launched Ryaltris® in the UK, the Czech Republic, Poland and Italy during the year. The company has extensive plans to launch Ryaltris® in several markets in FY 23 including Belgium, Ireland and Nordic countries either with own front end or with its partner Menarini.

Glenmark became one of the first generic companies to successfully launch Tiotropium Dry Powder Inhaler, the bioequivalent version of Spiriva® Handihaler® under the brand name of Tiogiva® in the the UK during the year. The company has a strategic exclusive in-licensing agreement to market Tiotropium DPI in Western Europe under brand name Tiogiva® in Ireland, Sweden, Finland and Norway; Tavulus® in Denmark, Spain and Netherlands; and Tiotropium Glenmark® in Germany.

Glenmark has a comprehensive plan to grow its European business going ahead, including geographical expansion in new markets and expand its product portfolio to leverage products in key therapeutic segments like respiratory and dermatology. The response to Ryaltris® has been encouraging. The company launched the product with its partner Menarini in Italy during the quarter. Glenmark has a strategic plan to grow the existing respiratory specialty portfolio of Beclamethasone MDI, Salmeterol/Fluticasone DPI, Tiotropium DPI and Ryaltris®, further complemented by the launch of 15+ products in the segment in the next 4-5 years.



Asia, MEA, LATAM and RCIS Region (RoW)

Asia, MEA, LATAM and RCIS region (ROW) recorded a revenue of INR 21,672 Mn in FY 22 as against INR 16,855 Mn for the previous fiscal, recording growth of 28.6%.

The company witnessed healthy growth in base business in the region across all its key geographical segments.

Russia/CIS region

As per IQVIA MAT '22, Russia segment grew 27.6% in value terms as compared to retail market growth of 21.6%. Similarly, secondary sales grew 58% YoY in Ukraine as compared to the last financial year. The company had several notable launches in the region during the year, including Ryaltris®, Ryaltris® Mono and Ambroxol Solution™ in Russia.

The company has various strategic initiatives to strengthen the respiratory and derma franchises in the region going ahead.

Asia

The company witnessed signs of recovery in the region, despite the impact of lockdowns from the Covid pandemic during the period. This translated into strong secondary sales growth in the region especially in key markets like Vietnam, Thailand, Malaysia, and Philippines. Amongst the key launches during the year, Ryaltris® was launched in Philippines and Fabispray was commercialized under the brand name VirX™ in Singapore and Hong Kong.

The company has plans to launch both products in multiple markets in the region in the coming financial year.

MEA (Middle East and Africa)

The company witnessed recovery in all markets after easing of COVID restrictions. This was reflected in strong double digit growth in key markets like Kenya, Saudi Arabia and South Africa. The company expects the momentum to continue in FY 23.

LATAM (Latin America)

In LATAM, while the company recorded positive growth momentum in some markets including Peru, Ecuador, Mexico and Columbia, overall the business has been impacted by Brazil where the market remained challenging for the company due to the pandemic. The company is witnessing signs of recovery and expects positive momentum in the market going ahead. During the year, the company inked agreement with AstraZeneca to commercialize Pulmicort Respules® in Colombia.

The company has a detailed strategy of growing its respiratory franchise in the region, going ahead including its pending registration for Ryaltris® in Brazil.

GPL Specialty/Innovative R&D Pipeline

Ryaltris®

In Jan 2022, Ryaltris® (olopatadine hydrochloride and mometasone furoate) Nasal Spray, received FDA approval in the United States for the treatment of symptoms of Seasonal Allergic Rhinitis in adults and pediatric patients 12 years of age and older. The company is awaiting regulatory approvals for its filings in Canada, Brazil, Malaysia, and several other emerging markets. Glenmark's partner in Australia, Seqirus Pty Ltd. received TGA approval for pediatric (6-11 yrs) indication. Glenmark's partner in Mainland China, Grand Pharmaceutical (China) Co. Ltd., initiated a Phase 3 study in China in Q4 FY 22.

Ryaltris® sales continue to grow in Australia, the Czech Republic, Poland, Russia, South Africa, Ukraine, the United Kingdom, Uzbekistan, Philippines, Peru and Ecuador. Menarini, Glenmark's partner in select EU markets, launched Ryaltris® in Italy during the fourth quarter. Menarini plans to launch Ryaltris® in several other EU markets in FY 23, with launch planned in the first quarter across key markets like Belgium, Ireland and Nordic countries.

Glenmark is working with its partner in South Korea, Yuhan Corporation, to enable commercial launch in FY 23.

GBR 310

Glenmark had announced successful Phase 1 results for GBR 310 that suggest similarity in pharmacokinetic, pharmacodynamic, safety and immunogenicity profiles between GBR 310, and the reference product, Omalizumab, marketed in the U.S. under the brand name Xolair®. Glenmark is in discussion with potential partners to out-license the product.

GRC 17536

GRC 17536 (TRPA1 antagonist) is the company's pain pipeline asset being developed as an orally administered treatment for pain in patients with painful diabetic peripheral neuropathy. The Phase 2b study is currently ongoing in India with interim data for futility analyses expected by Q2 FY 23. GLP toxicology studies for metabolite qualification were completed in Q3 FY 22. The company plans to hold discussions with the FDA to get feedback on the non-clinical package to support the clinical development up to NDA filing this year.

GRC 54276

GRC 54276 (HPK1 Inhibitor) is the company's oncology pipeline asset being developed as an orally administered immuno-oncology (IO)-adjuvant treatment for patients with solid tumors in oncology. IND enabling studies were completed with a Phase I submission to the DCGI in FY 22. The company has recently received approval for initiation of Phase 1 study and the first patient visits are planned from Q1 FY 23. The company received approval for initiation of Phase 1 study in FY 22 and the Phase 1 trials are currently underway.

GRC 39815 (RORγt inhibitor)

GRC 39815 (RORγt antagonist) is the company's respiratory pipeline asset being developed as an inhaled therapy for treatment of mild to moderate COPD. It is currently under Phase 1 clinical development in the US with Phase 1 multiple ascending dose study planned in H1 FY 23.

Glenmark Life Sciences Ltd. (GLS)

Glenmark Life Sciences primarily includes manufacturing and marketing of Active Pharmaceutical Ingredient (API) products across all major markets globally. It also includes captive sales (i.e. use of API by GPL for its own formulations).

For the entire year, external sales of Glenmark Life Sciences recorded revenue of INR 12,790 Mn as against INR 12,074 Mn in the previous financial year, recording growth of 5.3% over the previous fiscal.

ICHNOS Sciences

Glenmark invested INR 6,627 Mn (USD 89.4 Mn) in Ichnos Sciences as compared to INR 7,570 Mn (USD 102.3 Mn) in FY 21.

Review of the Financial performance

Statement of Profit & Loss

1) Growth in Revenue

Revenues for the period under review was INR 123,409 Mn, registering a growth of 12.4% over the previous year, led by strong growth in our India formulations, ROW, Europe and API businesses. India business growth was led by strong performance in key therapeutic segments like cardiology, diabetes and anti-virals.

12.4%

YoY growth in revenue

2) Growth in EBITDA and EBITDA margins

The company reported EBITDA of INR 23,203 Mn, registering a growth of 11.3% over the previous year. EBITDA margins were 18.9% as against 19% reported in the previous year. EBITDA growth was led by lower R&D in Ichnos offset by lower gross margins.

18.9%

EBITDA Margin in FY 22

3) Research & Development expenditure

R&D costs in the period under review was at INR 12,787 Mn, representing 10.4% of total revenues Of this, expenditure related to Ichnos was at INR 6,627 Mn.

Balance Sheet

1) Movement in debt and debt equity

Gross debt for the company stood at INR 36,703 Mn at the end of FY 22 as against INR 46,874 Mn at the end of the previous year. Net debt (after adjusting for cash in hand) stood at INR 22,598 Mn at the end of the period under review as against INR 35,493 Mn last year, representing a decline of INR ~13 Bn during the year. This was largely led by IPO proceeds from the listing of Glenmark Life Sciences Ltd. during the year.

₹ 12.9 Bn

Reduction in Net debt

2) Capex and its impact on Fixed assets

Capital expenditure during the year was at INR 7,895 Mn as against INR 7,670 Mn during the last financial year. Of this, Capital expenditure related to Tangibles was at INR 6,121 Mn as against INR 5,700 Mn in the last financial year. Expenditure on Intangibles (including computer software) was at INR 1,774 Mn representing a decline of (50.7)% as compared to the previous financial year.

3) Working capital management – Receivables / Inventory and working capital cycle

The company had debtors of INR 31,011 Mn at the end of period under review representing 92 debtor days as compared to INR 25,721 Mn and 76 debtor days in the previous year. Similarly, the company had INR 24,998 Mn of inventory representing 74 inventory days as compared to INR 22,768 Mn and 75 inventory days in the previous year. Net working capital days were at 98 days as compared to 86 days in the previous year

4) ROCE and ROE – comparison with the previous year

The Return on Equity (ROE) of the company was 12% as compared to 14.8% in the previous year. The Return on Capital Employed was at 16.8% as compared to 17.3% in the previous year.

Risk Management

PRINCIPAL RISK FACTORS AND UNCERTAINTIES

Company's business, financial condition and results of operations are subject to certain risks and liabilities that may affect the Company's performance and ability to achieve its objectives. The factors that the Company believes could cause its actual results to differ materially from expected and historical results have been discussed hereunder. However, there are other risks and uncertainties that may affect the Company's performance and ability to achieve its objectives that are not currently known to the Company, or which are deemed immaterial.

The Company has implemented an ERM programme through which it reviews and assesses significant risks on a regular basis to help ensure that there is a system of internal controls in place. This system includes policies and procedures, communication and training programmes, supervision and monitoring and processes for escalating issues to the appropriate level of senior management. Such a system helps facilitate the Company's ability to respond appropriately to risks and to achieve the Company's objectives and helps ensure compliance with applicable laws, regulations and internal policies.

The principal risks and uncertainties that might affect the Company's business are identified below. The listing agreement with the stock exchanges mandates the identification, minimization and periodical review of these risks and uncertainties. However, it is not possible for the Company to implement controls to adequately respond to all the risks that it may face and there can be no complete assurance provided that the steps that the Company undertakes to address certain risks, including those listed below under "Mitigating activities include," will manage these risks effectively or at all. The principal risk factors and uncertainties mentioned herein have not been listed in order of their importance.

DELIVERING COMMERCIALLY SUCCESSFUL NEW PRODUCTS

Risk description: Risk that R&D will not deliver commercially successful new products

The Company operates in highly competitive markets globally and faces competition from local manufacturers. Significant product innovations, technological advancements or the intensification of price competition by competitors may materially and adversely affect the Company's revenues. The Company cannot always predict the timing or impact of competitive products or their potential impact on sales of the Company's products.

Continuous development of commercially viable new products as well as the development of additional uses for existing products is critical to the Company's ability to increase overall sales.

Developing new pharmaceutical products is investment intensive, having a longer gestation period with uncertain outcome. A new product candidate can fail at any stage of the development process and one or more late stage product candidates could fail to receive regulatory approval. New product candidates may appear promising in development but after significant investment of Company's economic and human resources, may fail to reach the market or may have only limited commercial success. This could be, for example, as a result of efficacy or safety concerns, an inability to obtain necessary regulatory approvals, difficulty in manufacturing or excessive manufacturing costs, erosion of patent coverage as a result of a lengthy development period, infringement of patents or other intellectual property rights of others or an inability to differentiate the product adequately from those with which it competes.

Furthermore, health authorities have increased their focus on safety and product differentiation when assessing the benefit/risk balance of drugs, which has made it more difficult for pharmaceutical products to gain regulatory approval. There is also increasing pressure on healthcare budgets as a result of the increase in the average age and absolute population in developed and developing markets. A failure to develop commercially successful products or to develop additional uses for existing products for any of these reasons could materially and adversely affect the Company's revenues.

Mitigating activities include

The Company instead of following the traditional hierarchical R&D business model has its R&D business model based on smaller units in an attempt to encourage greater entrepreneurialism and accountability for our scientists,which the Company believes creates an environment that is more conducive to the development of commercially viable new products and the development of additional uses for existing products.

In addition, the Company plans to continue collaborating with other pharmaceutical companies, which the Company believes enables sharing the risk, availability of technical expertise and decrease the amount of time it takes to develop products.

The Company reviews both product development and external collaborations and targets are selected after

exhaustive screening and research across various parameters. The Company progressively evaluates both the scientific and financial considerations for a product as well as the potential benefits/risks associated with the continued development of the assets.

ENSURING PRODUCT QUALITY

Risk description: Risk to the patient or consumer as a result of the failure by the Company, its contractors or suppliers to comply with good manufacturing practice regulations in commercial manufacturing or through inadequate governance of quality through product development Patients, consumers and healthcare professionals trust the quality of our products at the point of use. A failure to ensure product quality is an enterprise risk which is applicable across all of the Company 's global operations.

A failure to ensure product quality could have far reaching implications in terms of the health of our patients and customers, reputation, regulatory, legal, and financial consequences for the Company.

The quality of the product may be influenced by many factors including product and process understanding, consistency of manufacturing components, compliance with current Good Manufacturing Practice (cGMP), accuracy of labelling, reliability and security of the supply chain, and the embodiment of an overarching quality culture.

The internal and external environment continues to evolve as new products, new markets and new legislation are introduced. Particular attention is currently being focused on security of supply, product standards and sound distribution practices.

New cGMP legislation is being introduced in many emerging markets including China and Brazil. On the inspection front, pharmaceutical inspectors are increasingly looking for global application of corrective actions beyond the original site of inspection.

Mitigating activities include

The Company has adopted a single Quality Management System (QMS) that defines Corporate quality standards and systems for the business units associated with Pharmaceuticals products and R&D investigational materials. The QMS has a broad scope, covering the end to end supply chain from starting materials to distributed product, and is applicable throughout the complete life cycle of products from R&D to mature commercial supply.

The OMS is periodically updated based on experience, new regulation and improved scientific understanding to seek to ensure operations comply with cGMP requirements globally, and supports the delivery of consistent and reliable products.

A team of Quality and Compliance professionals are aligned with each business unit to provide oversight and assist the delivery of quality performance and operational compliance. Management oversight of those activities is accomplished through a hierarchy of Quality Council Meetings. Staff are trained to seek to assure that standards, as well as expected behaviours based on the Company's values, are followed.

The Company's Head -Corporate Quality Assurance oversees the activities of the Company Quality Council which serves as a forum to escalate emerging risks, share experiences of handling quality issues from all business units and ensure that the learnings are assessed and deployed across the Company.

The Company has implemented a risk-based approach to assessing and managing its third-party suppliers that provide materials used in finished products. Contract manufacturers making Company products are audited to help assure expected standards are met.

SUPPLY CHAIN CONTINUITY

Risk description: Risk of interruption of product supply

Supply chain operations are subject to review and approval of various regulatory agencies that effectively provide our license to operate. The manufacture of pharmaceutical products and their constituent materials requires compliance with good manufacturing practice regulations. The Company's manufacturing sites are subject to review and approval by the FDA and other regulatory agencies.

Compliance failure by the Company's manufacturing facilities or by suppliers of key services and materials could lead to product recalls and seizures, interruption of production, delays in the approval of new products, and revoking of license to operate pending resolution of manufacturing issues. For example, non-compliance with cGMP requirements for US supply could ultimately result, in the most severe circumstances, in fines and disgorgement of profits. Any interruption of supply or the incurring of fines or disgorgement impacting significant products or markets could materially and adversely affect the Company's revenues.

Materials and services provided by third-party suppliers are necessary for the commercial production of our products, including specialty chemicals, commodities and components necessary for the manufacture and packaging of many of the Company's pharmaceutical products.

Some of the third party services procured, for example, services provided by clinical research organisations to support development of key products, are very important to the operation of the Company's businesses. The clinical trial processes should strictly adhere to GCP standards in terms of

quality, safety, procedures and other standards. Clinical trial service provider may lack in adhering to GCP standards.

Although the Company undertakes business continuity planning, single sourcing for certain components, bulk active materials, finished products, and services creates a risk of failure of supply in the event of regulatory non- compliance or physical disruption at the manufacturing sites.

The failure of a small number of single-source, third-party suppliers or service providers to fulfill their contractual obligations in a timely manner or as a result of regulatory non-compliance or physical disruption at the manufacturing sites may result in delays or service interruptions, which may materially and adversely affect the Company's revenues.

Mitigating activities include

The Supply Chain model of the Company is designed to help ensure the supply, quality and security of the Company's products and the Company closely monitors the delivery of our products with the intent of ensuring that our customers have the medicines and products they need.

Safety stocks and backup supply arrangements for high revenue and critical products are in place to help mitigate this risk. In addition, the standing of manufacturing external suppliers is also routinely monitored in order to identify and manage supply base risks.

The Company selects Clinical Trial agencies which are of repute and follows a process of regular monitoring and auditing of the clinical trial sites.

Where practical, dependencies on single sources of critical items are removed by developing alternative sources. In cases where dual sourcing is not possible, an inventory strategy has been developed to protect the supply chain from unanticipated disruptions. The Company has set up new manufacturing facilities/ upgraded the existing facilities which can continue the manufacturing operations in case of interruption of operations of a certain facility. The Company while filing for product approvals with various regulatory authorities registers multiple manufacturing sites.

PRODUCT PRICING

Risk description: Risk that the Company may fail to secure adequate pricing for its products or existing regimes of pricing laws and regulations become more unfavourable

Pharmaceutical products are subject to price controls or pressures and other restrictions in many markets, around the world. Some governments intervene directly in setting prices. For example, in India, the government enforces price control through bringing the products under DPCO. In addition, in some markets, major purchasers of pharmaceutical products have the economic power to exert substantial pressure on prices or the terms of access to formularies. Difficult economic conditions, particularly in the major markets in Europe, could increase the pricing pressures on the Company's pharmaceutical products.

Some markets follow the reference pricing for fixation of the price of the products. The price depends on the home market price or the price where the product was launched. The Company cannot accurately predict whether existing controls, pressures or restrictions will increase or whether new controls, pressures or restrictions will be introduced. Such measures may materially and adversely affect the Company's ability to introduce new products profitably and its financial results.

Mitigating activities include

The Company plans to initiate measures to reduce costs, improve efficiencies and reallocate resources to support identified growth opportunities in these markets. The Company is also continuously evaluating further strategic options to ensure the development of new capabilities and the ability to maximise the value of the Company's current and future portfolio.

The Company makes conscious efforts to launch new value added products with some differentiation i.e. improvised products which can fetch better pricing.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

Risk description: Risks arising from non- compliance with laws and regulations affecting the Company

The Company's global operations subjects it to compliance with a broad range of laws and regulatory controls on the development, manufacturing, testing, approval, distribution and marketing of its pharmaceutical products that affect not only the cost of product development but also the time required to reach the market and the uncertainty of successfully doing so. The Company operates globally in complex legal and regulatory environments that often vary among jurisdictions.

As those rules and regulations change or as governmental interpretation of those rules and regulations evolve, the potential exists for conduct of the Company to be called into question.

Historically, there have been more stringent regulatory requirements in developed markets. However, in recent years, emerging markets have been increasing their regulatory expectations based on their own national interpretations of US and EU standards. Stricter regulatory controls heighten the risk of changes in product profile or withdrawal by regulators on the basis of post-approval concerns over product safety, which could reduce revenues and result in product recalls and product liability lawsuits.

There is also greater regulatory scrutiny, on advertising and promotion and in particular on direct-to-consumer advertising.

MITIGATING ACTIVITIES INCLUDE

The Company's internal control framework is designed to help ensure we adhere to legal and regulatory requirements through continuous evaluation. We are in the process of further strengthening the framework in order to meet the evolving regulations.

The Company has implemented numerous mechanisms to monitor and support our compliance with legal and regulatory requirements. The following represent some examples of these mechanisms.

The Company's head of Regulatory oversees the activities of the Regulatory Team which includes promoting compliance with regulatory requirements and company wide standards, making regulatory services more efficient and agile, and further aligning regulatory capabilities with business needs at global and local levels.

The Company's senior management oversees the system of principles, policies and accountabilities to help ensure the Company applies the generally recognized principles of good medical science, integrity and ethics to the discovery, development and marketing of products. This includes reinforcing the Company's commitment to respecting a clear distinction between scientific engagement on the one hand, and product promotion on the other.

CHANGING GLOBAL POLITICAL AND ECONOMIC CONDITIONS

Risk description: Risk of exposure to various external political and economic conditions, as well as natural disaster that may impact the Company's performance and ability to achieve its objectives

Many of the world's largest economies, including the major markets in which the Company operates and financial institutions have recently faced extreme financial difficulty, including a decline in asset prices, liquidity problems and limited availability of credit. Due to the economic uncertainty in emerging markets there has been a huge devaluation of the currency in certain geographies in which the Company operates. Certain geographies have imposed restrictions on the imports as well as the remittances outside the country. In addition, the Company operates across a wide range of markets and these markets have the potential to encounter natural disasters that could impact business operations.

The economic conditions may also adversely affect the ability of our distributors, customers, suppliers and service providers to pay for our products, or otherwise to buy necessary inventory or raw materials, and to perform their obligations under agreements with the Company, which could disrupt our operations and negatively impact our business and cash flow. Some of our distributors, customers, suppliers and service providers may be unable to pay their bills in a timely manner, or may even become insolvent, which could also negatively impact our business and results of operations. These risks may be elevated with respect to our interactions with third parties with substantial operations in countries where current economic conditions are the most severe, particularly where such third parties are themselves exposed to risk from business interactions directly with fiscally-challenged government payers.

Such continued economic weakness and uncertainty could materially and adversely affect the Company's revenues, results of operations and financial condition. The Company's businesses may be particularly sensitive to declines in consumer or government spending. In addition, further or renewed declines in asset prices may result in a lower return on the Company's financial investments.

The Company has no control over changes in inflation and interest rates, foreign currency exchange rates and controls or other economic factors affecting its businesses or the possibility of political unrest, legal and regulatory changes or nationalisation in jurisdictions in which the Company operates.

Mitigating activities include

The extent of the Company's portfolio and geographic footprint assist in mitigating our exposure to any specific localised risk to a certain degree. External uncertainties are carefully considered when developing strategy and reviewing performance. The Company effectively manages its currency risk exposure.

COMPLIANCE WITH FINANCIAL REPORTING AND DISCLOSURE REQUIREMENTS

Risk description: Risk associated with financial reporting and disclosure and changes to accounting standards

New or revised accounting standards, rules and interpretations issued from time to time under the Indian Accounting Standards and IFRS could result in changes to the recognition of income and expense that may materially and adversely affect the Company's financial results.

Stock exchanges review the financial statements of listed companies for compliance with accounting and regulatory requirements. The Company believes that it complies with the appropriate regulatory requirements concerning its financial statements and disclosures.

Mitigating activities include

The Company keeps up to date with the latest developments for financial reporting requirements by working with the external auditor and other advisors to ensure adherence to relevant reporting requirements.

COMPLIANCE WITH TAX LAW

Risk description: Risk that as the Company's business models and tax law and practice change over time, the Company's existing tax policies and operating models are no longer appropriate

The Company's effective tax rate is driven by rates of tax in jurisdictions that are both higher and lower than that applied in India. In India, weighted deduction is applicable for R & D and tax concessions are available for setting up manufacturing units in specified zones.

Furthermore, given the scale and international nature of the Company's operations, intra-Company transfer pricing is an inherent tax risk as it is for other international businesses. Changes in tax laws or in their application with respect to matters such as transfer pricing, foreign dividends, controlled companies, R&D tax credits, taxation of intellectual property or a restriction in tax relief allowed on the interest on intra-Company debt, could impact the Company's effective tax rate and materially and adversely affect its financial results.

The tax charge included in the financial statements is the Company's best estimate of its tax liability, but until such time as audits by tax authorities are concluded, there is a degree of uncertainty regarding the final tax liability for the period. The Company's policy is to submit tax returns within the statutory time limits and engage with tax authorities to ensure that the Company's tax affairs are as current as possible, and that any differences in the interpretation of tax legislation and regulation are resolved as quickly as possible. In exceptional cases where matters cannot be settled by agreement with tax authorities, the Company may have to resolve disputes through formal appeals or other proceedings.

Mitigating activities include

The Company continuously monitors the changes in the tax policies in the key jurisdictions to deal proactively with any potential future changes in tax law.

Tax risk is managed by a set of policies and procedures to ensure consistency and compliance with tax legislation. The Company engages advisors and legal counsel to review tax legislation and applicability to the Company. The Company has attempted to mitigate the risk of more aggressive audits by being as up to date as possible with our tax affairs and working in real time with tax authorities where possible.

COMPLIANCE WITH ANTI-BRIBERY AND CORRUPTION LEGISLATION

Risk description: Risk of failing to create a corporate environment opposed to corruption or failing to instill business practices that prevent corruption and comply with anti- corruption legislation

The Company's international operations may give rise to possible claims of bribery and corruption. The Company operates in a number of markets where the corruption risk has been identified as high. Failure to comply with applicable legislation such as the US Foreign Corrupt Practices Act and the UK Bribery Act, or similar legislation in other countries, could lead to action against the Company.

This could potentially include fines, prosecution, debarment from public procurement and reputational damage, all of which could materially and adversely affect the Company's revenues.

Mitigating activities include

The Company has taken steps to develop a policy on Anti Bribery/Anti- Corruption (ABAC). The policy would prescribe ongoing training, and detailed requirements in respect to third party due diligence, contracting and oversight.

POTENTIAL LITIGATION

Risk description: Risk of substantial adverse outcome of litigation and government investigations

The Company operates globally in complex legal and regulatory environments that often vary among

jurisdictions. The failure to comply with applicable laws, rules and regulations in these jurisdictions may result in legal proceedings. As those rules and regulations change or as governmental interpretation of those rules and regulations evolve, prior conduct may be called into question. Also, notwithstanding the efforts the Company makes to determine the safety of its products through regulated clinical trials, unanticipated side effects may become evident only when the drugs are introduced into the marketplace.

PRODUCT LIABILITY LITIGATION

Pre-clinical and clinical trials are conducted during the development of potential pharmaceutical to determine the safety and efficacy of the products for use by humans following approval by regulatory authorities. Notwithstanding the efforts the Company makes to determine the safety of its products through regulated dinical trials, unanticipated side effects may become evident only when drugs are widely introduced into the marketplace.

In other instances, third-parties may perform analyses of published clinical trial results which, although not necessarily accurate or meaningful, may raise questions regarding the safety of pharmaceutical products which may be publicised by the media and may result in product liability claims. Claims for pain and suffering and punitive damages are frequently asserted in product liability actions and, if allowed, can represent potentially open ended exposure and thus could materially and adversely affect the Company's financial results.

In some cases, the Company may voluntarily cease marketing a product or face declining sales based on concerns about efficacy or safety, even in the absence of regulatory action.

SALES AND MARKETING LITIGATION

The Company operates globally in complex legal and regulatory environments that often vary among jurisdictions. The failure to comply with applicable laws, rules and regulations in these jurisdictions may result in civil and criminal legal proceedings brought against the Company.

Mitigating activities include

The Company attempts to mitigate the risks inherent in drug development through conscientious approaches to product development and distribution that focus on patient safety as an overriding priority, and that includes accurate documentation of the exercise of careful medical governance.

The Company has constructed a system of medical governance to help ensure the safety and efficacy of the drugs it produces. The Company's Chief Medical Officer (CMO) is responsible for medical governance for the Company. Safeguarding human subjects in Company clinical trials and patients who take Company products is of paramount importance, and the CMO has the authoritative role for evaluating and addressing matters of human safety. Senior physicians and representatives of supportive functions, as well as the lawyer who leads legal support for Pharmaceuticals R&D, is an integral component of the system.

In addition to the medical governance framework within the Company as described above, the Company uses several mechanisms to foster the early resolution of new disputes as they arise and reduce the number of such disputes that actually proceed to litigation.

The Company formalised processes for proactive risk/ dispute management. The programme aims to drive a more standardised practice to the early resolution of disputes and consistent use across the organisation, and establishes a specific vocabulary and identity for the concept of early analysis and resolution, thereby accelerating the desired culture shift. The Legal team also routinely trains the Company's employees on strategies to attempt to minimize the Company's litigation exposure.

MANAGING ENVIRONMENTAL, HEALTH, SAFETY AND SUSTAINABILITY COMPLIANCE

Risk description: Risk of ineffectively managing environment, health, safety, and sustainability ('EHSS') objectives and requirements

The environmental laws of various jurisdictions impose actual and potential obligations on the Company to remediate contaminated sites.

Failure to manage properly the environmental risks could result in additional remedial costs that may materially and adversely affect the Company's financial results.

The impact of this risk, should the risk occur, could lead to significant harm to people, the environment and communities in which the Company operates and the failure to meet stakeholder expectations and regulatory requirements.

Mitigating activities include

Management of EHSS risk is fundamental to the Company's performance and reputation. The Company is committed to appropriately managing EHSS risk and has embedded its importance into its operations.

The Company operates rigorous procedures to seek to eliminate hazards where practicable and protect employees' health and well-being,but the right culture is our essential starting point. Our employment practices are designed to create a work place culture in which all Company employees feel valued, respected, empowered and inspired to achieve our goals.

The Company's continuing efforts to improve environmental sustainability have reduced the Company's water consumption, hazardous waste, and energy consumption. The Company actively manages our environmental remediation obligations to ensure practices are environmentally sustainable and compliant.

INFORMATION TECHNOLOGY

Risk Description: Cyber security and data privacy regulations

A failure of Information Technology (IT) systems due to malicious attacks and/or non-compliance with data privacy laws can potentially lead to financial loss, business disruption and/or damage to our reputation.

Mitigating Activities include

- Foster a risk-aware culture that can anticipate and prevent attacks, and where necessary, effectively respond to security breaches
- Maintain strong cyber security infrastructure
- Compliance with data privacy law requirements through:
  - Performing gap analysis to identify existing weaknesses o Policy and procedure roll-outs
  - Creating awareness amongst employees on applicable privacy requirements
- Securing suitable insurance cover

REVENUE CONCENTRATION

Risk Description: Risk of Product/ Revenue concentration

A few products may account for nearly 2/3rd of the revenue of particular regions. This may lead to decline in the revenue on account of declining phase in the product life cycle. In some geographical regions, the substantial revenue may be generated from a particular region. Failure to have adequate market penetration or early movers advantage may affect long term growth and market share. The regional needs for products of a particular therapeutic segment/ category varies across geographies. The product development strategy may not be in synergy with the regional needs or may not be able to deliver the desired product in timely manner so as to replace the products at the end of the life cycle or enable the company to penetrate new markets. The risk of not having a long term product pipeline will lead to not being able to replace/ introduce new products to counter the risk of fall in the market share of ageing products as a result of the introduction of generic versions after the expiry of patents.

Mitigating activities include

The Company has a project management team which continuously monitors the short-term and long-terms needs of various geographies. Based on the research and interactions with the regional markets, the product development strategy is formulated. The product pipeline is built up based on a long-term vision of 3-5 years. The business plans are drawn up with an in-built mechanism to de-risk the concentration of revenues from a few customers and regions.

RISK DESCRIPTION: COVID-19

Multiple Covid waves were challenging for all of us as new variants affected diverse geographies at different times, thereby significantly impacting lives and livelihoods. The last wave witnessed low hospitalisation and mortality rates. Safety protocols remained in place and the leadership team of your Company closely monitored all regions. The measures adopted by the Company helped in maintaining smooth operations and protected team health. Enhanced controls, ensured uninterrupted flow of products throughout the pandemic.

Board's Report 2021-22

Your Directors have pleasure in presenting the 44th 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 2022.

FINANCIAL RESULTS:

(₹ in million)

Year ended 31 March 2021		Particulars	Year ended 31 March 2022	
Standalone	Consolidated		Standalone	Consolidated
75,679.33	109,439.29	Gross Total Revenue	81,415.81	123,049.03
18,698.65	13,379.30	Profit before tax and exceptional item	19,071.13	17,021.59
16,494.47	9,700.88	Profit for the year (after tax and attributable to shareholders)	19,977.89	9,936.49
24.84	44.32	Other Comprehensive Income for the year (not to be reclassified to P&L)	16.05	266.49
-	822.49	Other Comprehensive Income for the year (to be reclassified to P&L)	-	500.62
113,404.70	63,296.78	Surplus brought forward from last balance sheet	129,218.59	72,336.18
129,924.01	73,041.48	Profit available for appropriation	149,345.00	92,814.49
		Appropriations:		
705.42	705.42	Dividend	705.42	926.15

The Company has not transferred any amount out of the profit of the year to the General Reserves.

DIVIDEND

The Board of the Company had approved the Dividend Distribution Policy on 27 October 2016 in line with Regulation 43A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The policy is uploaded on the Company's website at https://glenmark.b-cdn.net/gpl_pdfs/about_us/Dividend%20Distribution%20Policy.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 year 2021-22 subject to the approval of the Shareholders at the ensuing Annual General Meeting (AGM). The dividend will be paid in compliance with applicable Section of the Companies Act, 2013 ('Act') & Listing Regulations. The dividend, if approved, will result in an outflow of ₹ 705.42 million.

RESULTS OF OPERATIONS

INDIAN ACCOUNTING STANDARDS (IND AS)

Financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

On Standalone basis the Company achieved gross revenue of ₹ 81,415.81 million as compared to ₹ 75,679.33 million in the previous year and the Standalone operating profit before tax and exceptional item was ₹ 19,071.13 million as compared to ₹ 18,698.65 million in the previous year.

On Consolidated basis the Company achieved a gross revenue of ₹ 123,049.03 million as compared to ₹ 109,439.29 million in the previous year and the Consolidated operating profit before tax and exceptional item was ₹ 17,021.59 million as compared to ₹ 13,379.30 million in the previous year.

INTEGRATED REPORT

The Company has voluntarily provided the Integrated Report, which includes both financial and non-financial information. The Integrated Report also covers aspects such as materiality assessment, forward looking strategy, value creation model, corporate governance, risk management, performance and prospects of value creation based on the six forms of capitals viz. financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital and natural capital.

CORPORATE GOVERNANCE

The Company believes Corporate Governance is at the core of stakeholder satisfaction. As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditor confirming compliance with the aforesaid Regulations forms an integral part of this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. V.S. Mani, Executive Director & Global Chief Financial Officer (DIN 01082878), retire 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. V.S. Mani seeking the re-appointment are included separately in the Notice of AGM.

Re-Appointment of Mr. Glenn Saldanha as Chairman & Managing Director and Re-Appointment of Mrs. Cherylann Pinto as Executive Director - Corporate Services

On the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held on 7 April 2022, subject to the approval of shareholders, had reappointed Mr. Glenn Saldanha as Chairman & Managing Director and Mrs. Cherylann Pinto as Executive Director - Corporate Services for a further period of 5 (Five) years with effect from 16 May 2022.

Pursuant to amendment (effective from 1 January 2022) to Regulation 17(1C) of Listing Regulations, Resolutions for the re-appointment of Mr. Glenn Saldanha as Chairman & Managing Director and Mrs. Cherylann Pinto as Executive Director - Corporate Services were proposed for the approval of the shareholders within a period of 3 months from the date of their re-appointment by the Board.

Accordingly, the ordinary resolutions for the reappointment of Mr. Glenn Saldanha as Chairman & Managing Director and Mrs. Cherylann Pinto as Executive Director - Corporate Services, were approved by the shareholders on 14 May 2022, with requisite majority through Postal Ballot.

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 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.

SEBI, vide its notification dated 3rd August, 2021, had enhanced the criteria of Independent Directors. Accordingly, all the Independent Directors had submitted revised declarations confirming their independence before 01 January 2022.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended. Mr. Dipankar Bhattacharjee, Independent Director, has successfully cleared the online proficiency self-assessment test conducted by IICA within the time limit prescribed under the Act, whereas all the other Independent Directors are exempted from passing the online proficiency test.

All the Independent Directors have affirmed compliance with the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Act.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings.

KEY MANAGERIAL PERSONNEL:

In terms of Section 203 of the Act, the following are the Key Managerial Personnel (KMP) of the Company:

- Mr. Glenn Saldanha - Chairman & Managing Director
- Mrs. Cherylann Pinto - Executive 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 2022 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, wherever applicable, are available for inspection of members on any working day at the Corporate Office of the Company between 11:00 a.m. to 1:00 p.m. The Company will also make available these documents upon request by any member of the Company interested in obtaining the same.

The policy for determining material subsidiaries may be accessed on the Company's website at https://glenmark.b-cdn.net/gpl_pdfs/about_us/Policy%20on%20Material%20Subsidiary.pdf

Initial Public Offer (IPO) of Glenmark Life Sciences Limited (GLS)

During the F.Y. 2021-22, GLS completed its IPO of 21,022,222 equity shares comprising a fresh issue of 14,722,222 equity shares and offer for sale by the Company of 6,300,000 equity shares of face value of ₹ 2 each at premium of ₹ 718 per share

aggregating to ₹ 15,136 million. Prior to the IPO, GLS was a Wholly Owned Subsidiary (100%) of the Company, which subsequent to listing befitted as a Subsidiary (82.84%) of the Company and the equity shares of GLS got listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with effect from 06 August 2021.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations of the Company, as required under Schedule V of Listing Regulations is provided in a separate section and forms an integral part of this report.

RELATED PARTY TRANSACTIONS

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act in the prescribed Form AOC-2 is appended as Annexure II to this report.

All Related Party Transactions are placed before the Audit Committee for it's approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Company avails professional advisory services from Trilegal, a firm in which one of the Directors of the Company is a partner.

In terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, the Company has formulated revised Policy on Related Party Transactions and its Materiality. The revised policy on Related Party Transactions and its Materiality is in line with the SEBI (LODR) (Sixth Amendment) Regulations, 2021 and is available on the Company's website at https://glenmark.b-cdn.net/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 by SEBI notification to the stock exchanges on a half-yearly basis.

AUDITORS AND AUDITORS' REPORT

- **STATUTORY AUDITORS:**

  At the 42nd Annual General Meeting held on 29 September 2020, the members approved the appointment of M/s. Suresh Surana & Associates LLP, Chartered Accountants (ICAI Firm Registration No.121750W/W-100010) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of 47th Annual General Meeting.

  The report given by the Statutory Auditor on the financial statements of the Company forms part of the Annual Report. There is no qualification, reservation, adverse remark or disclaimer given by the statutory auditor in their report.

- **COST AUDITORS:**
  The Board, on the recommendation of the Audit Committee, re-appointed Sevekari, Khare & Associates (Registration No. 000084) as Cost Auditors to audit the cost records of the Company for the F.Y. 2022-23 at a remuneration of ₹ 2.10 million.

  The Company has received consent from Sevekari, Khare & Associates to act as Cost Auditor for conducting the cost audit of the Company for F.Y. ending 31 March 2023.

  Pursuant to Section 148 of the Act read with The Companies (Cost Records and Audit) Rules 2014, as amended from time to time, the cost audit records maintained by the Company are required to be audited. In terms of the provisions of the Act, the remuneration payable to Cost Auditors is required to be ratified by the Shareholders at the ensuing AGM and accordingly, a resolution seeking ratification has been included in the Notice convening the AGM.

- **INTERNAL AUDITORS:**
  Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, Internal audit was conducted by M/s. R.G.N. Price & Co., for the F.Y. 2021-22. The internal audits 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 27 May 2022, appointed CS 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. 2022-23.

  The Company has received consent from CS Surjan Singh Rauthan to act as the auditor for conducting audit of the Secretarial records for the F.Y. ending 31 March 2023.

  The Secretarial Audit Report in the prescribed form MR-3 for the F.Y. ended 31 March 2022 is appended herewith as Annexure III to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

The Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

CHANGES IN CAPITAL STRUCTURE

There was no change in paid-up share capital in the F.Y. 2021-22.

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 Option 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 up to 1% of the paid up share capital of the Company as at 31 March 2017 i.e. ₹ 282,168,156/- (282,168,156 Equity Shares of ₹ 1/- each) i.e. 2,821,682 options which upon exercise would result in the issue of 2,821,682 shares of ₹ 1/- each.

During the F.Y. 2021-22, no options were issued and exercised and 325,440 options were cancelled. As of 31 March 2022, 78,717 options were outstanding.

On exercising the convertible options so granted, the paid-up equity share capital of the Company will increase by a like number of shares.

The information in compliance with Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended, is appended herewith as Annexure IV to this Report.

FINANCE

U.S. $ 200,000,000, 2.00 % Resettable Onward starting equity-linked securities (Bonds):

The Company had issued Bonds on 28 June 2016. The Bonds become convertible at the option of the holders' of the Bonds (the "Bondholders") after 1 December 2017 and upto the close of business on 18 June 2022 into equity shares. Each Bond will be convertible at the option of the holder thereof into fully paid equity shares at the initial conversion price determined on 30 November 2017.

On 30 November 2017, the Company set the initial conversion price (i.e. the price at which the ordinary shares of the Company will be issued upon conversion of Bonds subject to any further adjustments according to conditions) at ₹861.84 as determined in accordance with condition 6.1.3 of the Trust deed. As of 31 March 2022, none of the Bondholders have opted for the conversion option.

On 30 November 2017, the Company confirmed the fixed exchange rate as ₹ 64.5238 in accordance with the condition 6.1.1 (b) of the Trust Deed dated 28 June 2016 which provides that the fixed exchange rate shall be the FX rate (INR per U.S. $ 1) based on Bloomberg's "BFIX" USD/INR spot mid-price rate 12.00 (Hongkong time) on 30 November 2017.

Unless previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed on 28 June 2022 (Maturity Date) at 126.42% of their principal amount, together with accrued interest (if any), calculated upto but excluding the Maturity Date. The Company may, at its own discretion, redeem the Bonds in whole, but not in part, subject to satisfaction of certain conditions.

As per the original Trust Deed, each Bondholder has the right to require the Company to redeem in whole or in part, such Bondholder's Bonds, on 28 July 2021 (Put Option Date), at a price equal to 121.78% of its outstanding principal amount of Bonds, together with interest (if any) accrued but unpaid on 28 July 2021. This is amended in April, 2021(see note below on Tender Offer and Consent Solicitation).

The FCC Bonds were partially bought back in October 2018 (see note below on Buyback). In addition to that, the Company approved for tender and consent solicitation for amendment of FCC Bonds in February, 2021 (see note below on Tender Offer and Consent Solicitation). Further, the FCC Bonds were partially bought back in September, 2021 and April, 2022 (see note below on Buyback). The balance outstanding FCC Bonds were redeemed in May, 2022 (see note below on Buyback).

The FCC Bonds were delisted from the Singapore stock exchange in May, 2022.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – October, 2018:

In September 2018, the Company approved the launch of buyback of FCC Bonds ("Buyback FCCBs") from existing holders of FCC Bonds ("Buyback Bondholders"). MUFG Securities Asia Limited and J.P. Morgan Securities Limited were appointed as dealer managers, on behalf of the Company to buyback FCC Bonds at a buyback price of 105% of the principal amount outstanding (being U.S. $ 262,500 for each U.S. $ 250,000 of FCC Bonds), up to an aggregate purchase price of U.S. $ 100 million plus accrued and unpaid interest per FCC Bond. In October 2018, the Company agreed to buyback U.S. $ 86.5 million in aggregate principal amount (representing 346 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. These Buyback FCCBs represented 43.25% of the aggregate FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 90,825,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 113.5 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook buyback to monetize the opportunity available and to push maturity of external debt. The Company utilised proceeds from an unsecured External Commercial Borrowing facility of up to U.S.$ 100 million ("ECB Facility") from MUFG Bank, Ltd., Singapore Branch, to refinance these Bonds.

Tender Offer of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 and Consent Solicitation from Bondholders – April, 2021:

In March, 2021, the Company announced a launch of a tender offer of the FCC Bonds. The Hong Kong and Shanghai Banking Corporation Limited was appointed as the Dealer Manager on behalf of the Company to tender an aggregate principal amount of up to U.S. $ 38.5 million at a purchase price of 120.30% of the principal amount of the FCC Bonds **(Tender Offer)** and also invited the holders of the FCC Bonds to approve the amendment of the optional put notice period from not later than 30 days nor more than 60 days prior to the Put Option Date to a minimum of 150 days prior to the Put Option Date by passing an Extraordinary Resolution **(Consent Solicitation)**.

Tender Offer: In April, 2021, an aggregate principal amount of U.S. $ 36.75 million (representing 147 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) were validly tendered pursuant to the Offer. These tendered FCC Bonds represented 32.38% of the outstanding FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 44,210,250 plus accrued but unpaid interest. Following settlement, the tendered FCC Bonds were cancelled and U.S. $ 76.75 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook this tender to manage the Company's debt maturity profile by reducing near-term repayable outstanding indebtedness and to reduce interest costs. The Company utilised proceeds from unsecured External Commercial Borrowing facilities from Fifth Third Bank and International Finance Corporation to refinance these Bonds (see note below on Fifth Third Bank and IFC).

Consent Solicitation: An Extraordinary Resolution was duly passed at the Bondholders Meeting held on 12 April 2021, with 99.78 per cent. of votes cast in favour of the amendment to the optional put notice period. The Company also executed the Supplemental Trust Deed to make the amendment effective from 12 April 2021.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – September, 2021:

In September 2021, the Company executed a discrete buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 1 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 120.30% of the principal amount (representing 4 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 15 September, 2021, the Company paid an aggregate purchase price of U.S. $ 1,203,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 75.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – April and May, 2022:

In April 2022, the Company executed a buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 75 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 125.26% of the principal amount (representing 300 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 7 April, 2022, the Company paid an aggregate purchase price of U.S. $ 93,945,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 0.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Following the above buyback in April, 2022, the Company issued a Notice of early redemption to the remaining holders of FCC Bonds for principal value of outstanding U.S. $ 0.75 million for redemption in May, 2022. On 9 May, 2022, the Company paid an aggregate amount of U.S. $ 9,42,860.24 for the Buyback FCCBs, plus accrued but unpaid interest and concluded the redemption of FCC Bonds as per the terms of the Trust Deed.

Subsequently, the FCC Bonds were delisted from the Singapore stock exchange.

U.S. $ 90,825,000, MUFG Bank, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 100 million. In October 2018, the ECB Facility for U.S. $ 90,825,000 was raised and the proceeds were utilized for the purpose of repurchasing the FCC Bonds. The ECB Facility was raised from MUFG Bank, Singapore with an initial maturity of 5 years. The interest rate for the first 3 years is 4.956% p.a. and the interest for the subsequent 2 years is 5.25% p.a.

However, in December, 2021, the loan was extended to bullet maturity of December, 2026. The interest rate was fixed at 4.69% p.a. up to September, 2023 and thereafter at an interest margin of 1.95% p.a. over U.S.$ LIBOR .

U.S. $ 200,000,000, Syndication loan, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 200 million. During the period November, 2020 to January, 2021, the ECB Facility for U.S. $ 200 million was raised and the proceeds were utilized for the purpose of refinancing the 4.5% Senior Notes. The ECB Facility was raised from 9 Foreign banks with a maturity of 3.5 years. The interest margin is 3.15%p.a.over U.S. $ LIBOR. The Company refinanced this ECB by availing a new ECB – U.S. $ 228 million Sustainability Linked Loan in March, 2022 (see note below on U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility).

U.S. $ 28,000,000, Fifth Third Bank, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 28 million. The ECB Facility for U.S. $ 28 million was executed in March, 2021 and the Company availed the entire amount in April, 2021 and the proceeds were utilized for the purpose of refinancing the FCC Bonds. The ECB Facility was raised from Fifth Third Bank, National Association with a maturity of 3.5 years. The interest margin is 3.15% p.a. over U.S. $ LIBOR. The Company refinanced this ECB by availing a new ECB – U.S. $ 228 million Sustainability Linked Loan in March, 2022 (see note below on U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility).

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 and 2.83%p.a. thereafter.

U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 228 million. During March 2022, the Sustainability linked loan for U.S. $ 228 million was raised and the proceeds were utilized for the purpose of refinancing the U.S. $ 200 million Syndication loan and U.S. $ 28 million Fifth Third Bank loan. The ECB Facility was raised from 10 Foreign banks with a maturity of 5 years. The interest margin is 1.75%p.a. over SOFR.

CREDIT RATINGS

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

FCC bonds are listed on Singapore Exchange Limited. However, they were subsequently delisted in May, 2022.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Act, read with Rule 8 of The Companies (Accounts) Rules 2014 is appended herewith as Annexure V to this Report.

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 this Report. Any member interested in obtaining a copy thereof, may write to complianceofficer@glenmarkpharma.com.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company believes in giving back to society in some measure that is proportionate to its success in business. CSR aims at balancing the needs of all stakeholders. The Company's CSR initiative goes beyond charity and believes that as a responsible Company it should take into account its impact on society as much as creating business impact.

The report on CSR in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 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%20Policy.pdf

ANNUAL RETURN

Pursuant to Section 92 read with Section 134(3)(a) of the Act, the Annual Return as on 31 March 2022 is available on the Company's website at https://glenmarkpharma.com/investors/reports-presentations/annual-return-secretarial-audit-report-of-gls/

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sections 134(3)(c) and 134(5) of the Act, the Directors confirm that –

i. in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

ii. appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the profit of the Company for the year ended 31 March 2022;

iii. 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;

iv. the annual accounts have been prepared on a going concern basis;

v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively;

vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

BOARD PERFORMANCE EVALUATION

The Company has devised a Performance Evaluation Framework and Policy, which sets out a mechanism for the evaluation of the Board, the Committees and the Individual Directors.

Performance evaluation of the Board, the Committees and the Individual Directors was carried out through an evaluation mechanism in terms of the aforesaid Performance Evaluation Framework and Policy.

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. 2021-22, 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://glenmark.b-cdn.net/gpl_pdfs/about_us/familiarisation_programme_for_independent_directors.pdf

BOARD AND COMMITTEE MEETINGS

A calendar of Board and Committee Meetings to be held during the year was circulated well in advance to the Directors. Five Board Meetings were convened and held during the year. The Board has a duly constituted Audit Committee with Mr. Rajesh Desai as the Chairman and Mr. Sridhar Gorthi and Mr. Devendra Raj Mehta as members. There have been no instances during the year where recommendations of the Audit Committee were not accepted by the Board.

Details of the Composition, attendance of members and other details of the Board and its Committees, are provided in the Corporate Governance Report, which forms an integral part of this Annual 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' website at https://glenmark.b-cdn.net/gpl_pdfs/about_us/nomination_and_remuneration_policy.pdf

RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

The Company has put in place an Enterprise Risk Management Policy. The Risk register is updated at regular intervals. The details of risk management have been included in the Management Discussion and Analysis Report, which forms a part of this Annual 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.

During the F.Y. 2021-22 the Risk Management Policy was amended in line with the Regulation 21 of the Listing Regulations. The revised Policy has been approved by the Risk Management Committee and subsequently by the Board.

HUMAN RESOURCES

Company's industrial relations continued to be harmonious during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees and investments covered under Section 186 of the Act, forms part of the notes to the standalone financial statements forming a part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT (BRR)

In accordance with Regulation 34(2)(f) of the Listing Regulations, read with SEBI Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015, the inclusion of BRR as a part of the Annual Report is mandated for top 1000 listed entities based on the market capitalization. BRR for the F.Y. 2021-22 has been prepared in accordance with the format prescribed by SEBI. The summary of the BRR is appended herewith as Annexure VIII to this Report.

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 Act.
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. An Internal Complaints Committee has also been set up to redress complaints received regarding sexual harassment at workplace.

The Company has ensured wide dissemination of the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act by conducting sessions throughout the Company.

One (1) complaint was received and resolved during the F.Y. 2021-22, under the Sexual Harassment of Women at Workplace Act. No Complaint was pending as on 31 March 2022.

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 victimisation 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 Whistleblowers Policy may be accessed on the Company's website at 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 professionals, 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: 27 May 2022

Annexure I

Form No. AOC 1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCOIATES / JOINT VENTURES

₹ in Million

Sr. No.	Name of Company	Glenmark Pharmaceuticals (Kenya) Limited	Glenmark Pharmaceuticals (Australia) Pty. Ltd., Australia	Glenmark Impex LLC, Russia	Glenmark Pharmaceuticals Sdn. Bhd.,Malaysia	Glenmark Pharmaceuticals Nigeria Ltd., Nigeria	Glenmark South Africa (Pty) Ltd	Glenmark Philippines Inc., Philippines	Glenmark Pharmaceuticals FZE (UAE)	Glenmark Pharmaceuticals EGYPT (S.A.E.)	Glenmark Pharmaceuticals South Africa (Pty) Ltd.,South Africa	VISO FARMACEUTICA S.L.U- SPAIN	Glenmark Therapeutics Inc, USA	Glenmark Pharmaceuticals Europe (R&D) Ltd , U.K. #	Glenmark Uruguay S.A.	Glenmark Pharmaceuticals Mexico, SA DE CV	Glenmark Pharmaceuticals Venezuela, CA	Glenmark Pharmaceuticals Peru SAC	Glenmark Farmaceutica Ltda, Brazil	Ichnos Sciences SA (Formerly known as Glenmark Pharmaceuticals S. A.)	Glenmark Holding S.A., Switzerland (GHSA)
1	Share Capital	97.18	90.68	1,435.61	97.72	208.97	0.77	116.70	12.92	421.73	0*	0.22	-	-	517.30	1,695.29	715.13	765.30	12,649.65	18,364.34	67,678.06
2	Reserves	113.85	(84.15)	1,608.87	142.93	(395.74)	563.03	195.80	443.26	(510.96)	(182.96)	124.16	798.35	-	234.89	(1,108.78)	(2,368.62)	(702.00)	(10,017.71)	(10,711.61)	(32,937.19)
3	Total Assets	1,354.97	8.09	4,229.81	844.62	213.76	563.79	451.69	539.25	103.55	765.25	335.02	877.62	-	755.02	1,073.62	-	200.07	4,646.58	11,200.20	1,05,296.17
4	Total Liabilities	1,143.95	1.57	1,185.33	603.97	400.53	-	139.19	83.07	192.79	948.21	210.65	79.26	-	2.83	487.11	1,653.49	136.77	2,014.64	3,547.47	70,555.30
5	Investment (except in case of investment in subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Turnover	1,458.25	-	4,397.36	1,010.34	-	-	553.24	124.71	161.72	1,017.15	486.88	(3.59)	-	-	1,082.64	-	155.47	1,738.72	1,985.36	-
7	Profit/(Loss) before tax	67.82	(9.96)	401.54	17.32	(39.07)	(0.05)	(28.62)	70.33	(60.56)	164.29	23.02	(71.00)	323.86	(0.77)	(0.75)	-	4.46	(940.54)	(6,557.99)	(500.73)
8	Provision for Tax	21.05	-	92.87	5.00	(11.72)	-	(4.76)	-	-	44.08	6.45	(21.40)	1.61	0.04	(7.85)	-	41.82	(392.98)	30.56	3.68
9	Profit/(Loss) After Tax	46.77	(9.96)	308.66	12.32	(27.35)	(0.05)	(23.86)	70.33	(60.56)	120.22	16.56	(49.60)	322.25	(0.81)	7.10	-	(37.36)	(547.55)	(6,588.55)	(504.41)
10	Proposed Equity Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	% of Shareholding	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	RM	NGN	ZAR	PHP	AED	EGP	ZAR	EURO	USD	GBP	USD	MXN	VEF	PEN	BRL	USD	USD
13	Exchange Rate (₹)																				
	Closing Rate	0.65	56.56	0.92	17.95	0.18	5.19	1.46	20.56	4.13	5.19	83.93	75.52	99.18	75.52	3.8	-	20.13	15.86	75.52	75.52
	Average Rate	0.67	54.97	0.98	17.8	0.18	5.01	1.48	20.25	4.71	5.01	86.43	74.38	101.60	74.38	3.66	-	18.88	13.95	74.38	74.38

Contd...

₹ in Million

Sr. No.	Name of Company	Glenmark Pharmaceuticals Nordic AB	Glenmark Distributors SP.Z.O.O.	Glenmark Pharmaceuticals SK s.r.o	Glenmark Pharmaceuticals S.R.O., Czech Republic	Glenmark Pharmaceuticals coumbia ltda	Glenmark Pharma. (Thailand) Co.Ltd.	Glenmark Dominicana SRL	Glenmark Pharmaceuticals Inc., USA	Glenmark Pharmaceuticals Europe Ltd (GGEL), U.K.	Glenmark Pharmaceuticals B.V., Netherlands	Glenmark Arzneimittel Gmbh., Germany	Glenmark Generics SA., Argentina	Glenmark Pharmaceuticals Distribution S.r.o, Czech Republic	Glenmark Speciality SA	Glenmark Ukraine LLC	Glenmark-Pharmaceuticals Ecuador S.A.	Glenmark Pharmaceuticals Singapore Pte. Ltd.	Glenmark Life science Ltd	Ichnos Sciences Biotherapeutics SA (Formerly known as Glenmark Biotherapeutics SA)	Ichnos Sciences Inc., USA	Glenmark Pharmaceuticals Canada Inc.
1	Share Capital	0.36	83.87	0.43	143.00	546.27	7.99	0.19	0.00*	518.09	1.15	3.19	6,450.05	27.55	2,031.94	46.11	189.46	32.66	245.05	17.67	48.55	107.21
2	Reserves	123.34	(48.92)	115.93	4,110.84	(395.65)	(15.62)	(0.37)	28,039.13	938.19	159.56	1,121.49	(5,170.57)	2,461.00	(56.34)	169.84	(123.11)	23.61	20,298.09	445.50	24,693.79	14.43
3	Total Assets	908.34	1,207.29	599.01	7,503.40	237.72	21.07	-	42,106.68	6,226.11	868.94	6,825.66	1,472.15	3,425.36	22,932.22	645.46	303.97	57.26	24,710.10	1,746.25	25,497.36	336.22
4	Total Liabilities	784.63	1,172.34	482.65	3,249.56	87.10	28.70	0.18	14,067.55	4,769.83	708.23	5,700.98	192.67	936.81	20,956.62	429.51	237.62	0.99	4,166.95	1,283.08	755.03	214.58
5	Investment (except in case of investment in subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.77	-	-	-
6	Turnover	787.28	1,331.14	1,178.19	9,176.57	100.66	27.76	-	28,206.07	5,234.90	1,105.82	2,862.49	626.89	2,330.48	4,611.67	948.95	251.45	36.74	21,232.14	0.18	-	418.28
7	Profit/(Loss) before tax	2.09	31.74	24.91	328.94	(47.26)	(0.99)	-	414.52	57.62	65.90	312.58	(845.13)	182.98	(24.86)	(15.66)	3.64	1.75	5,649.26	273.23	(44.18)	13.06
8	Provision for Tax	3.89	(44.06)	8.21	35.41	(16.16)	(0.07)	-	69.16	7.52	15.59	98.58	(118.65)	17.51	42.41	1.29	8.61	0.27	1,462.01	73.73	1.39	1.74
9	Profit/(Loss) After Tax	(1.79)	75.80	16.70	293.53	(31.10)	(0.92)	-	345.35	50.10	50.31	214.00	(726.48)	165.47	(67.27)	(16.94)	(4.97)	1.48	4,187.25	199.50	(45.57)	11.32
10	Proposed Equity Dividend																		1,286.54			
11	% of Shareholding	100	100	100	100	100	49	100	100	100	100	100	100	100	100	100	100	100	82.84	100	100	100.00
12	Currency	SEK	PLN	EURO	CZK	COP	THB	DOP	USD	GBP	EURO	EURO	ARS	CZK	USD	UAH	USD	SGD	INR	USD	USD	CAD
13	Exchange Rate (₹)																					
	Closing Rate	8.1	18.05	83.93	3.44	0.02	2.27	1.36	75.52	99.18	83.93	83.93	0.68	3.44	75.52	2.54	75.52	55.77	-	75.52	75.52	60.38
	Average Rate	8.44	18.85	86.43	3.41	0.02	2.27	1.3	74.38	101.60	86.43	86.43	0.75	3.41	74.38	2.69	74.38	55.13	-	74.38	74.38	59.32

Notes

1 Reporting period of the above subsidaries 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 2022.

4 #Liquidated with effect from 4 January 2022

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Cherylann Pinto
Executive Director -
Corporate Services
(DIN 00111844)

V. S. Mani
Executive Director &
Global Chief Financial Officer
(DIN 01082878)

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 27 May 2022

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 2022, 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 - ₹ 16,430.64 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 - Corporate Services
(DIN 00111844)

V. S. Mani
Executive Director &
Global Chief Financial Officer
(DIN 01082878)

Harish Kuber
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 27 May 2022

ANNEXURE III

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Glenmark Pharmaceuticals Limited

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"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2022, 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, 2022, 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, 2019 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) Regulations, 2014 and amendments from time to time;

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and amendments from time to time;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and amendments 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, 2009 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, 1998 are not applicable;

We have also examined compliance with the applicable clauses of the following:

i) Secretarial Standards issued by The Institute of Company Secretaries of India.

ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and amendments 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) Acts as prescribed under Direct Tax and Indirect Tax

l) Labour Welfare Act of respective State

m) Laws prescribed under Trademarks, Copyrights and Patent Acts

n) 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 Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all the Directors to schedule the Board Meetings, Agenda and Detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously 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 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.

We further report that during the Audit Period, there are no event/ action have taken place which is having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **S. S. Rauthan & Associates**
Company Secretaries
UIN: S1999MH2026900

CS Surjan Singh Rauthan
Proprietor
M.No.: FCS-4807, COP No.: 3233
Peer Reviewed Cert. No. : 1840/2022
UDIN: F004807D000401027

Place: Mumbai
Date: 27 May 2022

ANNEXURE A TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To,
The Members
Glenmark Pharmaceuticals Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to make a report based on the secretarial records produced for our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

4. We have obtained the management's representation about the compliances of laws, rules, regulations and happenings of events, wherever required.

5. Compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management.

6. This Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **S. S. Rauthan & Associates**
Company Secretaries
UIN: S1999MH2026900

CS Surjan Singh Rauthan
Proprietor
M.No.: FCS-4807, COP No.: 3233
Peer Reviewed Cert. No. : 1840/2022
UDIN: F004807D000401027

Place: Mumbai
Date: 27 May 2022

ANNEXURE IV

[Disclosure pursuant to Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014]

EMPLOYEE STOCK OPTION SCHEME 2016

The Board, at its Meeting held on 12 May 2016 had approved the Glenmark Pharmaceuticals Limited – Employee Stock Option Scheme 2016 (ESOS). Further, the Shareholders' of the Company also approved the ESOS at the Annual General Meeting held on 12 August 2016.

The said ESOS has been formulated under SEBI (Share Based Employee Benefits) Regulations, 2014, or any statutory modification or re-enactment thereof, for the purpose of granting options to the permanent employees (including employees of the subsidiaries whether Indian or foreign), Directors of the Company whether whole-time or not (excluding Independent Directors) and its subsidiaries, as applicable to participate in the future growth and financial success of the Company. The ESOS aims at achieving the twin objectives of (i) aligning employee interest to that of the Shareholders; and (ii) retention of talent. The Scheme contemplates fresh/ new issue of shares by the Company.

The ESOS are administered by the Nomination and Remuneration Committee of the Board constituted by the Company pursuant to the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee decisions, determinations and interpretations will be final and binding on all eligible employees and participants under ESOS. The ESOS, as amended from time to time, shall be in force for a period of 15 years from the date of the inception of the scheme i.e. 12 August 2016.

At the Annual General Meeting held on 12 August 2016, the ESOS was approved for issue of stock options up to 5% of the paid-up share capital of the Company as on 31 March 2016. The paid-up capital of the Company as on 31 March 2016 was 282,158,156 shares of ₹ 1/- each. The total number of options that could be granted under the scheme were 1,41,07,900 which upon exercise will result in the issue of 1,41,07,900 shares of ₹ 1/- each. The maximum number of options that can be granted to any individual employee/ Director will not exceed an entitlement of 1,25,000 shares of ₹ 1/- each. The options were granted at price of ₹ 800 per option.

At the Annual General Meeting of the Company held on 29 September 2017 the shareholders approved the amendment to the Scheme in relation to re-pricing of the options granted from ₹ 800 to ₹ 600 per option and maximum number of options that would be granted would be up to 1% of the paid up share capital of the Company as at 31 March 2017 i.e. ₹ 282,168,156/- (282,168,156 Equity Shares of ₹ 1/- each) i.e. 2,821,682 options which upon exercise would result in the issue of 2,821,682 shares of ₹ 1/- each.

The vesting of options will commence after a minimum period of one year from the date of the grant, and may extend up to a maximum period of six years from the date of the grant, with such lock in period as may be decided by the Board/ Nomination and Remuneration Committee. Further, the Nomination and Remuneration Committee may on merits of the case relax/ extend the vesting period.

Exercise Price shall be any one of the following as may be determined by Nomination and Remuneration Committee:

- Market price of the equity shares (market price shall be as defined in SEBI (Share Based Employee Benefits) Regulations, 2014), from time to time or;
- At a price as may be determined by the Nomination and Remuneration Committee from time to time or;
- At par value of the equity share i.e. ₹ 1.

The number of stock options and the exercise price payable by the option grantees under the Scheme shall automatically stand augmented or reduced in the same proportion as the present face value bears to the revised face value of the equity shares of the Company after any split/ consolidation/ bonus issue without affecting any other rights or obligations of the said grantees.

Further details/ disclosures in respect of Employee Stock Options forms a part of the Notes to accounts of financial statements in this Annual Report and also available at Company's website viz: www.glenmarkpharma.com

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Place: Mumbai
Date: 27 May 2022

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 motion sensors and provided switch control for UPS Lights.

Also replaced conventional Lamps and street lights with LED.

PUMPS- MOTORS & BLOWERS:

Installed Variable Frequency Drives (VFDs) on primary chilled water pumps

Synchronized operation of air curtains with sliding doors of receiving and dispatch bays

Optimized operation of dust collector system during non-working hours of production & packing areas

POWER FACTOR:

Maintained power factor > 0.99 using auto power factor controller

AUTOMATION:

Installed VFD on air compressor.

Installed Street light / High mast lamp system with longitude-latitude based electronic control system

Installed heat Pump to replace electrical heaters for humidity control

Installed of Astro timer for street light operation

REFRIGERATION, HEATING & COMPRESS AIR SYSTEM:

Replaced cooling tower fills to improve its effectiveness

Improved Chiller efficiency (SEC) by reducing condenser approach

Replaced old non-performing steam traps with new steam traps

Improved boiler efficiency by modifying condensate steam line and purified water system

Reduced compressed air requirement by installing air regulators in washing areas

Replaced higher capacity chilled water coil to improve cooling capacity and efficiency of AHU-48

FUEL:

Replaced 14 old conventional steam traps with energy efficient inverted bucket steam traps

Installed higher size steam vessel and header with new pipeline for more condensate recovery

Replaced HSD with LPG as a Boiler fuel for cost saving

Controlled boiler blow down based on boiler feed water TDS

Optimised A-Check of DG sets from daily to alternate day

PROCESS OPTIMIZATION:

Reduced filter bank stations to save compressed air requirement and pressure drop

Automated dust collector operation with remote control

Reduced electrical power demand from 4000 KVA to 3200 KVA

(II) THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY:

Continued with use of solar open access power at facility

Continued with use of Bio fuel instead of HSD

Installed natural roof ventilators in service area

(III) THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENT:

Total capital invested in FY 2021-22 on energy conservation ₹ 34.90 Million

(B) TECHNOLOGY ABSORPTION -

I. EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION:

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 is to create competitive advantage, better safety, efficacy and sustained performance during life cycle of products.

1.0 PHARMACEUTICAL DEVELOPMENT :

Design a quality product and ensure its manufacturing process to consistently deliver the intended performance of the product. Control specifications and manufacturing process to achieve sustained performance and quality. Dosage form selection based on suitability and intended use. Determination of aspects of drug substances, excipients, container closure system and manufacturing process those are critical to product quality and evaluation of drug substance physicochemical and biological properties. Manufacturing process improvements and product lifecycle management.

Development of immediate release, delayed release, sustained release, metered dose inhalers, dry powder inhalers, nasal sprays, topical, liquid orals, injectable formulations and various platform technologies. Formulation development includes literature survey, compatibility studies, pre-formulation studies, formulation development of dosage forms for selected drug molecules on laboratory scale.

R&D has developed the formulations for new molecules, existing molecules and fixed dose combinations which include its standardization and technology transfer and execution at production site, evaluation of these batches against reference samples for safety, efficacy and bio-equivalence.

2.0 PRODUCTS HAVE BEEN DEVELOPED DURING THE F.Y. 2021-2022 :

2.1 GENERAL CATEGORY PROJECTS

1. Remogliflozine + Teneligliptin Tablets
2. Dabigatran Capsules
3. Itraconzaole Capsules
4. Remogliflozine + Vildagliptin + Metformin Tablets
5. Sitagliptin 100 mg + Dapagliflozin Tablets
6. Enzalutamide Capsules

2.2 RESPIRATORY PRODUCTS

1. Glycopyrronium pMDI
2. Fluticasone pMDI
3. Formoterol pMDI
4. Formaterol+Glycopyronium MDI
5. Vilanterol +Fluticasone DPI (Lower Strength)
6. Glycopyronium DPI
7. Mometasone+Azelastine Nasal Spray

2.3 DERMA PROJECTS

1. La Shield Expert Urban Protect SPF
2. La Shield Expert Urban Protect SPF 40
3. Hair 4U Pro (Minoxidil+ Finasteride)
4. Momate T Cream (Tazarotene + Mometasone)
5. MaxRich Lotion
6. Amorolfine Cream 0.25%

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

3.2.1 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.

3.2.2 Physicochemical properties of new chemical entities in pain management, respiratory and immune-oncology indication were established. Different projects evaluated are TRPA1, RORyt, and HPK1.

3.2.3 Characterization studies and stability evaluation as per ICH were planned for the new NCEs at very early developmental

stage. Evaluation of metabolites of GRC 17536 (TRPA1) to support the DMPK and Tox activities of GRC 17536.

3.2.4 CMC related Dossiers, study protocols and study reports were prepared to support various pre-clinical studies and clinical trial applications with Regulatory Agencies.

3.2.5 Reference standard generation and retest of standards for different projects like GRC 17536, GRC 54276 and GRC 39815 and their intermediates were generated and supplied to CROs and manufacturing sites.

4.0 BENEFITS DERIVED AS A RESULT OF THE R&D :

Glenmark has always made continuous investment in R&D.

In India markets following Formulations were commercialized/ or made ready for commercialization.

1. Vilanterol +Fluticasone DPI (Lower Strength)
2. Indacaterol Acetate+ Mometasone DPI
3. Formoterol pMDI
4. Salbutamol MDI
5. Mometasone+ Olopatadine Nasal Spray
6. Midostaurin Soft Gel Capsules
7. Dabigatran Capsules
8. Itraconzaole Capsules 65mg(Super Bioavailable)
9. Itraconzaole Capsules 130mg(Super Bioavailable)
10. Enzalutamide Capsules
11. Remogliflozine + Vildagliptin + Metformin Tablets
12. La Shield Expert Urban Protect SPF
13. La Shield Expert Urban Protect SPF SPF 40
14. Powerdew KL Cream
15. Hair 4U Pro (Minoxidil+ Finasteride)
16. Momate T Cream (Tazarotene + Mometasone)
17. Amorolfine Cream 0.25%

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.

R & D is working in the following segments.

- Antifungal molecules and products
- Antidiabetic products
- Anti-inflammatory products
- Drug Product for the treatment of Cancer
- Antihypertensive molecules
- Sunscreens Products
- Skin Care Products
- Development of the products for the treatment in respiratory segment.
- Development of formulations for Semi regulatory market.
- Development of formulations for Latin American market.
- Development of formulations for US market.
- New Chemical entity for Global Market.

III. Information regarding technology imported during the last five years – Nil.

IV. Expenditure on R&D

(Standalone) (₹ in Million)

S. No.	Particulars	2021-22	2020-21
1.	Capital Expenditure	182.53	142.40
2.	Revenue Expenditure	4,212.91	3,626.61
3.	Total	4,395.44	3,769.01
4.	R&D Expenditure as a percentage of total turnover	5.02%	4.73%

(C) FOREIGN EXCHANGE EARNING AND OUTGO:

Total Foreign Exchange earned was ₹ 32,142.32 million and outflow was ₹ 13,482.40 million.

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Place: Mumbai
Date: 27 May 2022

ANNEXURE VI

Disclosures required with respect to Section 197(12) of the Companies Act, 2013

The ratio of the remuneration of each Director to the Median Employee's Remuneration (MRE) and such other details in terms of Section 197(12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration of Whole-time Directors:

Name	Title	% increase in the remuneration in the F.Y. ended 31 March 2022	Ratio to MRE of the Employees
Mr. Glenn Saldanha	Chairman & Managing Director	14.00%	331.19
Mrs. Cherylann Pinto	Executive Director	14.50%	97.72
Mr. V.S. Mani	Executive Director	26.40%	165.11

Remuneration to Non-Executive Directors:

Name	Title	Ratio to MRE of the employees
Mrs. B. E. Saldanha	Non - Executive Director	0.63
Mr. Rajesh Desai	Non-Executive Independent Director	3.78
Mr. D. R. Mehta	Non-Executive Independent Director	4.61
Mr. Sridhar Gorthi	Non-Executive Independent Director	-
Mr. Bernard Munos	Non-Executive Independent Director	1.05
Dr. Brian W. Tempest	Non-Executive Independent Director	1.05
Ms. Sona Saira Ramasastry	Non-Executive Independent Director	2.77
Mr. Dipankar Bhattacharjee	Non-Executive Independent Director	1.89

Remuneration to other Key Managerial Personnel (KMP)

Name	Title	% increase in the remuneration in the F.Y. ended 31 March 2022
Mr. Harish Kuber	Company Secretary & Compliance Officer	19.6%

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 2022 was ₹ 0.47 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 6.27 %.

iv. **Number of Permanent employees on the rolls of the Company:**
As on 31 March 2022, the Company had 11,550 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 11.8%, while the average increase in the managerial remuneration was 1.8%.

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: 27 May 2022

ANNEXURE VII

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 & the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

Glenmark's underlying belief is to make a positive contribution to the society and ensuring environment sustainability. We strive to create a healthier world and enrich lives of all our stakeholders and community at large through our CSR initiatives.

With our Vision of enriching lives to create a "healthier and happier world" we have identified the following focus areas for our interventions:

Child Health: Our commitment towards Child Heath is to reduce infant mortality and child mortality in children between 0 to 5 years by focusing on:

- Reducing malnutrition
- Implementing immunization, sanitation and hygiene programs
- Promoting preventive healthcare for mothers and care givers

Sustainable Livelihood: Our commitment is in the area of skill development through vocational training for the youth and helping the physically disabled regain mobility and leading a productive life by providing artificial limbs.

Access to Healthcare: We are committed to donating medicines to the less privileged people who are suffering from life threatening and other diseases.

Employee Volunteering: Our CSR initiatives are further supplemented through our employee volunteering programs where employees are encouraged to contribute financially or non-financially for a social cause.

Promotion of Sports: Our endeavour to see India on the global map in the field of sport is through our effort in the Glenmark Aquatic Foundation.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Cherylann Pinto	Chairperson – Executive Director	4	3
2	Mr. Sridhar Gorthi	Member – Independent Director	4	4
3	Mr. Rajesh Desai	Member – Independent Director	4	4

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

CSR Committee - https://glenmarkpharma.com/about-us/governance/

CSR Policy - https://glenmark.b-cdn.net/gpl_pdfs/about_us/CSR%20Policy.pdf

CSR Projects - https://www.glenmarkpharma.com/about-us/governance

4. PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, 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://glenmark.b-cdn.net/gpl_pdfs/about_us/Impact%20Assessment%20Report%20%20FY20-21.pdf

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
1	2021-22	₹ 187.12 Million	₹ 187.12 Million

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5) – ₹ 17, 427.31 Million

7. (a) Two percent of average net profit of the Company as per section 135(5) – ₹ 348.54 Million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years – 187.12 Million

(c) Amount required to be set off for the financial year- ₹ 187.12 Million

(d) Total CSR obligation for the financial year (7a+7b-7c). – ₹ 348.54 Million

8. a) CSR amount spent or unspent for the financial year:

(₹ in Million)

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	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
252.84	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
N.A.												

(c) Details of CSR amount spent **against other than ongoing** projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ In Mn)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration number
1	Providing aids and appliances to the differently abled persons	Promoting health care including preventive health care	NO	Jaipur	Rajasthan	6.00	NO	Bhagwan Mahaveer Viklang Sahayata Samti	CSR00001480

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ In Mn)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration number
2	Responding to COVID-19 Challenges Prevention & Curative and Support Initiatives	Disaster management, including relief, rehabilitation and reconstruction activities. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation disaster management, including relief, rehabilitation and reconstruction activities.	YES	PAN India		50.37	Direct		NA
3	Education Program	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	NO	Sonipat	Haryana	20.00	NO	International Foundation for Research and Education	CSR00000712
4	Rural Education program	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Dhule	Maharashtra	9.60	NO	Shantai Education Society	CSR00016424
5	Rural Education program	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Ahmednagar	Maharashtra	10.00	NO	Dr. VVP Foundation	CSR00012677
6	Transform the ecosystem of swimming in India	Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	No	Delhi, Bangalore, Mumbai & Thiruvananthapuram	Karnataka, Maharashtra and Kerala	26.33	NO	Glenmark Acquatic Foundation	CSR00005583
7	Rural Education program	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Dhule	Maharashtra	1.95	No	Vardhaman Education & Welfare Society	CSR00006863

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ In Mn)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration number
8	Project Kavach	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	Yes	East Sikkim, Solan district, Aurangabad, Mumbai, Burhanpur, Betul, Khandawa, Bharuch	Sikkim, Himachal Pradesh, Maharashtra, Madhya Pradesh, Gujarat	18.42	NO	Glenmark Foundation	CSR00005579
9	Skill Development Program	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Solan, Aurangabad, Indore, North Goa, Nashik	HP, Maharashtra, MP, Goa	104.51	No	Glenmark Foundation	CSR00005579
10	Responding to COVID-19	Disaster management, including relief, rehabilitation and reconstruction activities. Eradicating hunger, poverty and malnutrition, promoting health care including preventinve health care and sanitation disaster management, including relief, rehabilitation and reconstruction activities.	YES	PAN India		4.17	No	Glenmark Foundation	CSR00005579
	TOTAL					**251.35**			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable : ₹ 1.49 Million

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 252.84 Million

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ Million)
(i)	Two percent of average net profit of the company as per section 135(5)	348.54
(ii)	Total amount spent for the Financial Year	252.84
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(95.70)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	187.12
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	91.42

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (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.							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
N.A.								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year -N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – N.A.

For and behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Cherylann Pinto
Chairperson – CSR Committee
(DIN 00111844)

Place: Mumbai
Date: 27 May 2022

ANNEXURE VIII

BUSINESS RESPONSIBILITY REPORT

Sr. No.	SEBI – BRR Disclosure	Response / Reference
Section A: General Information about the Company		
1	**Corporate Identification Number**	L24299MH1977PLC019982
2	**Name of the Company**	Glenmark Pharmaceuticals Limited
3	**Registered Address**	B/2, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai 400026, Maharashtra, India
4	**Website**	www.glenmarkpharma.com
5	**Email id**	csr@glenmarkpharma.com
6	**Financial year reported**	1 April 2021 to 31 March 2022
7	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	Pharmaceuticals
8	**List 3 key products / services that the Company manufactures / provides (as in balance sheet)**	The Company's key products / services and global market presence are described in the Annual Report F.Y. 2021-22, under Business Review section of Management Discussion and Analysis.
9	**Total number of locations where business activity is undertaken by the Company**	14 manufacturing facilities 3 R&D Centers
10	**Markets served by the Company**	We have a global presence in over 80 countries with our key geographies USA, India, ROW, Europe and LATAM.
Section B: Financial Details of the Company		
1	**Paid up capital (INR)**	282,168,156
2	**Total turnover (INR)**	₹ 81,415.81 Million (Standalone)
3	**Total profit after tax (INR)**	₹ 19,977.89 Million (Standalone)
4	**Total spending on CSR as percentage of PAT (%)**	2.20 %
5	**List of activities in which the above expenditure has been incurred**	Child and Maternal Health, COVID-19 relief and support, Sustainable Livelihood and Skill Development, Promotion of Education and Community Development and Promoting Swimming as a sport.
Section C: Other Details		
1	**Does the Company have any Subsidiary Company/ Companies**	Yes
2	**Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**	Yes, the subsidiary companies participate in Glenmark's Business Responsibility initiatives. A complete list of the subsidiary companies is available in the Annual Return F. Y. 2021-22.
3	**Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?**	Glenmark's Business Responsibility initiatives do not extend to other entities. However, we encourage our external stakeholders, such as suppliers and contractors, to adhere to responsible business practices.
Section D: Business Responsibility Information		
1	**Details of the Director / Directors responsible for BR**	
(a)	**Details of the Director / Directors responsible for implementation of the BR (Business Responsibility) policy / policies**	
	DIN Number	00111844
	Name	Mrs. Cherylann Pinto
	Designation	Executive Director - Corporate Services

(b)	**Details of the BR head**	
	DIN Number (if applicable)	00111844
	Name	Mrs. Cherylann Pinto
	Designation	Executive Director - Corporate Services
	Telephone number	+91 22 4018 9999
	E-mail id	csr@glenmarkpharma.com
2	**Principle-wise (as per NVGs) BR policy / policies**	
	As a responsible corporate citizen, Glenmark has adopted several internal policies that guide all aspects of our operations and business activities. These policies are in line with the NVG Principles, relevant global standards and industry best practices.	
	Thematic areas of the NVG Principles:	
	Principle 1: Ethics, Transparency and Accountability.	
	Principle 2: Safety and sustainability throughout the life cycle.	
	Principle 3: Well-being of all employees.	
	Principle 4: Respecting interests of all stakeholders.	
	Principle 5: Promotion of human rights.	
	Principle 6: Protection of environment.	
	Principle 7: Responsibly influencing public and regulatory policy.	
	Principle 8: Inclusive growth and equitable development.	
	Principle 9: Customer engagement.	

Details of compliance

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for					Yes				
2	Has the policy being formulated in consultation with the relevant stakeholders?					Yes				
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)					The Environment, Health & Safety Policy conforms to ISO 14001 and OHSAS 18001 standards.				
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?					Yes				
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?					Yes				
6	Indicate the link for the policy to be viewed online?					www.glenmarkpharma.com				
7	Has the policy been formally communicated to all relevant internal and external stakeholders?					Yes				
8	Does the company have in-house structure to implement the policy/policies.					Yes				
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?					Yes				
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?					Yes				

3	**Governance related to BR**	
(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Board of Directors assess the Company's BR performance annually.
(b)	Yes, the company publishes the Corporate Responsibility	Yes, the Company publishes its Sustainability Report annually based on the Global Reporting Initiative's acclaimed and widely adopted GRI Standards. This report showcases our triple bottom line performance and also provides a myriad of initiatives that we have undertaken during this year towards ensuring positive societal and environmental outcomes.

Section E: Principle-wise Performance		
P-1	**Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**	We have policies, governance structure and procedures in place to ensure adherence with high standards of corporate ethics within our organization. The 'Glenmark Code' sets standards to ensure that we do the right things, at right time and in a right manner. At Glenmark, we have implemented an Anti-Corruption policy covering all our operations and employees globally. Our Corporate Governance Committee in co-ordination with the compliance team undertook a comprehensive approach towards the introduction of the policy, identification of the risks linked to anti-corruption and engaging our employees in the implementation process. Further details are available in the Corporate Governance section of the Integrated Annual Report F.Y. 2021-22. During the reporting year, the Company received 7 stakeholder complaints, of which all were resolved as of year-end.
P-2	**Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**	We stringently adhere to all internationally accepted standards of product quality, purity, efficacy and safety. Our Pharmacovigilance department maintains processes and systems for collecting and assessing safety information throughout the lifecycle of each product. We are also continually focused on decreasing the environmental impacts of our operations and products. For details, please refer to the 'Manufactured Capital' and 'Social & Relationship Capital' sections of our Integrated Annual Report 2021-22.
P-3	**Businesses should promote the wellbeing of all employees**	At Glenmark, we believe that our Company's success relies on the collective success of our people. It is our employees who help us create a better world each day, living by our motto of enriching lives. We have built a working culture which ensures the safety, well-being and professional growth of all our employees and service providers. We promote continuous development by aligning our employee's career aspirations with our organizational goals. For further details, please refer to 'Human Capital' section of our Integrated Annual Report 2021-22. About 3% of our employees are covered by collective bargaining agreements through unions at Nashik and Argentina. In Brazil and Spain our employees are covered by government-linked collective bargaining agreements No complaints pertaining to child labor, forced labor or involuntary labor were reported in FY 2021-22. 1 complaint related to sexual harassment of women at workplace was received and the same was addressed in the reporting year.
P-4	**Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**	We place our stakeholder needs and aspirations at the core of our business strategy and corporate endeavours. Our stakeholder engagement mechanisms are tailored to the needs of each prioritised stakeholder group. We engage with them on a need-based approach periodically through forums and one-on-one interactions to understand their evolving needs and expectations. Our focus is on proactively collaborating with our stakeholders to catalyse innovation and formulate solutions for the pressing needs of our society, planet and the economy. For further details on our approach to stakeholder engagement, please refer 'Social & Relationship Capital' section of our Integrated Annual Report 2021-22. Further, all our business activities as well as Corporate Social Responsibility initiatives are guided by the motto of Enriching Lives. These initiatives aim to create a positive impact on the lives of the most disadvantaged and vulnerable sections of the society within India and abroad. For further details, please refer to the 'Social & Relationship Capital' section of our Integrated Annual Report 2021-22.

P-5	**Businesses should respect and promote human rights**	At Glenmark, we are committed to fostering a work culture that instills respect for human rights. We are committed to safeguarding human rights of our employees and ecosystem of partners by enabling a shared understanding of the universal and fundamental nature of these rights. Our Human Rights policy and Code of Conduct delineates our firm commitment to respecting and protecting human rights. We are an equal opportunity employer and strictly condemn any kind of discrimination based on caste, religion, disability, gender, sexual orientation, race, colour, ancestry, marital status or affiliation with a political, religious or union organisation or majority/minority groups among others. Employee well-being and safety is an important aspect of our business responsibility. We have built a working culture which ensures the safety, well-being and professional growth of all our employees and service providers. We stringently adhere to all local laws in the geographies that we operate. Our policies related to Equal Employment, Anti Discrimination and Anti- Harassment cover all our employees. For further details, please refer the 'Human Capital' section of our Integrated Annual Report 2021-22.
P-6	**Business should respect, protect, and make efforts to restore the environment**	Protection of the environment and conserving natural resources are key aspects of our business responsibility. We continually seek opportunities to make our processes more resource-efficient, increase the use of renewable energy sources and minimize release of wastes in the environment. Our Environment, Health & Safety actions seek to implement global best practices within our operations. For details about our environmental initiatives please refer the 'Natural Capital' section of our Integrated Annual Report 2021-22. The Company does not have any Clean Development Mechanism (CDM) projects, but it has undertaken initiatives which have led to reduction of Greenhouse Gas emissions accross certain categories. The Company has adhered to the applicable standards and limits for emissions and waste prescribed by the respective SPCB / CPCB and did not receive any show-cause notice which is pending as of end of FY 2021-22.
P-7	**Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**	Glenmark proactively participates in discussions at industry forums and policy advocacy on industry issues. We see our associations with our forums, organisations and partners as vital enablers of shared growth. For further details please refer our 'Social & Relationship Capital' section of our Integrated Annual Report 2021-22.
P-8	**Businesses should support inclusive growth and equitable development**	Enriching Lives is a commitment that we fulfil not only in our business but also beyond our operational boundary. We have dedicated initiatives on child health, access to healthcare, sustainable livelihoods and promotion of aquatic sports continue aimed at creating positive impact within our communities. As part of the annual 'Joy of Giving', our employees continue to champion our efforts through volunteering to social causes. Further details about our initiatives can be found in the 'Social & Relationship Capital' section of our Integrated Annual Report 2021-22.

P-9	**Businesses should engage with and provide value to their customers and consumers in a responsible manner**	Responsibility towards our customers is well reflected in our stringent and incessant focus on ensuring product safety, leading to patient safety. For further details, please refer the 'Product Stewardship' section of our Sustainability Report 2021-22. There are no customer complaints not addressed and are pending as on the end of FY 2021-22. The Company complies with all material applicable product labelling standards as per the laws of the land in all the markets that it serves. There are no stakeholder cases pending against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior as of end of FY 2021-22, except for the cases below: **Case 1:** On a complaint by a stockist 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 them 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 has 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. **Case 2:** Upon a complaint filed by a stockist against the Chemist & Druggist Association Goa (CDAG), the Company and other pharmaceutical company, alleging refusal to supply them drugs, the CCI passed an order imposing a penalty of ₹ 10,62,062/- on CDAG. No penalty was imposed on the Company. CDAG's appeal against the said order has been admitted for hearing on merits. Company is a party to the appeal. In the interim CDAG has been directed to deposit the penalty amount with CCI, to be maintained as fixed deposit till the final hearing and outcome of the matter. The final arguments have been concluded by the parties. Order is reserved. We undertake regular surveys of consumers and other stakeholders.

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:

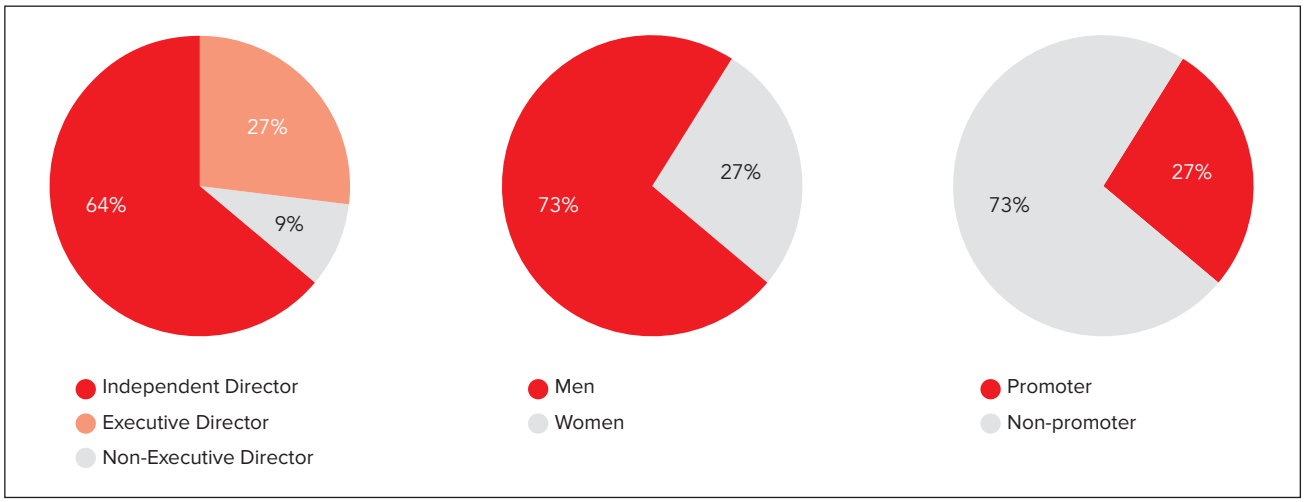
The fundamental principle of Corporate Governance is achieving sustained growth ethically and in the best interest of all stakeholders. It is not a mere compliance of laws, rules and regulations but a commitment to values, best management practices and adherence to the highest ethical principles in all 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 an Independent Woman Director. The composition of the Board is in conformity with the Listing Regulations and the Companies Act, 2013 ('Act'). As on 31 March 2022, the Board comprised Eleven Directors, three Executive and Eight Non-Executive. The Chairman of the Board is an Executive Director.

  Details of the Composition and Categories in terms of percentage is given below:



None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI Listing Regulations) across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

The Board fulfils the criteria laid down under the Board's policy on diversity. The Non-Executive Directors are professionals with experience in management, pharmaceutical industry, legal, finance, marketing and general administration who bring in a wide range of skills and experience to the Board.

a) Details of the Board:

Name of the Director	Category	Relationship with other Directors	No. of Board Meetings attended	No. of other Directorships held #	Committee Membership(s) ##		Other listed entities in which person is acting as director & category of Directorship
					Chairman	Member	
Mr. Glenn Saldanha Chairman & Managing Director DIN-00050607	Executive Promoter Group	Son of Mrs. B. E. Saldanha and Brother of Mrs. Cherylann Pinto	5	1	3	6	Glenmark Life Sciences Limited* (Non-Executive Director)
Mrs. Cherylann Pinto DIN-00111844	Executive Promoter Group	Daughter of Mrs. B. E. Saldanha and Sister of Mr. Glenn Saldanha	4	-	2	4	-
Mr. V. S. Mani DIN- 01082878	Executive	None	5	1	1	6	Glenmark Life Sciences Limited* (Non-Executive Director)
Mrs. B. E. Saldanha DIN-00007671	Non-Executive Promoter Group	Mother of Mr. Glenn Saldanha and Mrs. Cherylann Pinto	3	-	-	-	-
Mr. Rajesh Desai DIN- 00007960	Non-Executive Independent	None	5	-	1	3	-
Mr. D. R. Mehta DIN-01067895	Non-Executive Independent	None	5	5	5	13	(Non-Executive and Independent Director): 1. JMC Projects (India) Limited 2. Poly Medicure Limited 3. Jain Irrigation Systems Limited
Mr. Bernard Munos DIN-05198283	Non-Executive Independent	None	5	-	-	-	-
Dr. Brian W. Tempest DIN-00101235	Non-Executive Independent	None	5	-	-	-	-
Mr. Sridhar Gorthi DIN-00035824	Non-Executive Independent	None	4	3	4	11	(Non-Executive and Independent Director): 1. Hathway Cable and Datacom Limited 2. Glenmark Life Sciences Limited
Ms. Sona Saira Ramasastry DIN- 08398547	Non-Executive Independent	None	5	-	-	2	-
Mr. Dipankar Bhattacharjee DIN-08770548	Non-Executive Independent	None	5	-	-	1	-

* Glenmark Life Sciences Limited, subsidiary of the Company, got listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) with effect from 06 August 2021

\# Includes Directorship(s) in Indian Companies. The Directorships held by Directors as mentioned above, do not include Alternate Directorships, 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 (F.Y.) ended 31 March 2022, Five (5) Board Meetings were held. The details of the same are as under:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1	16 April 2021	11	10
2	28 May 2021	11	11
3	13 August 2021	11	10
4	12 November 2021	11	10
5	12 February 2022	11	10

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, namely, Mr. Glenn Saldanha, Mrs. B. E. Saldanha, Mrs. Cherylann Pinto, Mr. V.S. Mani, Mr. Rajesh Desai, Mr. D. R. Mehta, Dr. Brian Tempest, Mr. Sridhar Gorthi, Mr. Bernard Munos, Mrs. Sona Saira Ramasastry and Mr. Dipankar Bhattacharjee attended the last Annual General Meeting of the Company held on 24 September 2021.

c) Information flow to the Board Members:

In order to reduce paper consumption and maximum utilisation of technology, the Company has adopted a web based application for transmitting the agenda and pre-reads for the Board and Committee meetings. The Director receives the agenda and pre-reads in electronic form through the application which can be accessed through the iPads. The said application is password protected and highly secured.

Detailed agenda papers of Board and Committee Meetings were sent to all the Directors/ Members at least one week in advance. At the Board Meeting, the Chairman and Managing Director apprises the Board on the overall performance of the Company. The Board also, inter-alia, reviews the strategy, annual business plan and capital expenditure budgets, compliance reports of the laws applicable to the Company, review of major legal issues, review of foreign exchange exposure, internal financial controls and financial reporting systems, minutes of the Board Meetings of the Company's subsidiary companies, adoption of quarterly/half-yearly/annual results, transactions pertaining to purchase/disposal of property, major accounting provisions, corporate restructuring, minutes of the Meetings of the Audit and other Committees of the Board.

In addition to the Information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, the Board is kept informed of major events and approvals are taken wherever necessary.

The Board is also presented with the operating plans of the businesses for its review, inputs and approval. Likewise, the Quarterly Financial Statements and Annual Financial Statements are first presented to the Audit Committee and subsequently to the Board for its approval. The Agenda mentioning the brief details about the items are circulated well in advance to the Board. In some instances documents are tabled during the course of the 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 the 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 Committee Meetings on business and performance updates of the Company, global business environment, business strategy and risks involved, etc. Quarterly updates on relevant statutory changes are presented to the Board and to the Committees of the Board.

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.

The policy on familiarisation programmes as stated above is available on the website of the Company and can be accessed at 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 Annual General Meeting (AGM) are given in the Notice of the AGM which forms part of this Annual Report.

f) Confirmation from Directors:

The Company annually obtains from each Director, disclosure under Section 184 of the Act, which contains details of the Board and Committee positions he/ she occupies in other Companies and notifies changes regarding their directorships, as and when they occur.

- **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. Rajesh Desai	√	√	√	√	√	√	√
Mr. Sridhar Gorthi		√	√	√	√		√
Ms. Sona Saira Ramasastry	√	√	√	√	√		√
Mr. V.S. Mani	√	√	√	√	√	√	√

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

- **Meetings of Independent Directors:**

All the Independent Directors of the Company have been appointed as per the provisions of the Act and Listing Regulations. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment have been disclosed on the website of the Company at https://glenmark.b-cdn.net/gpl_pdfs/about_us/Information-related-to-independent-directors.pdf

All the Independent Directors have fulfilled the independence criteria as per the requirement of Listing Regulations and as per opinion of the Board, they are independent of the management.

The Company's Independent Directors meet at least once in every Financial Year without the presence of Executive Directors or management personnel. Such meetings are conducted in an informal environment to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views.

One meeting of the Independent Directors was held during the year.

3. BOARD COMMITTEES:

As per the Listing Regulations, the Board has formed the following Committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee.

1. Audit Committee:

The Company has a qualified and independent Audit Committee which has been formed in pursuance of Regulation 18 of the Listing Regulations and Section 177 of the Act. The primary objective of the Committee is to monitor and provide effective supervision of the management's financial reporting process to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditors and notes the processes and the safeguards employed by each. The Committee has the ultimate authority and responsibility to select, evaluate and where appropriate, replace the independent auditor in accordance with the law. All possible measures have been taken by the Committee to ensure the objectivity and independence of the independent auditor.

- **Terms of Reference:**

  a) Approving and implementing the audit procedures and techniques;

  b) Reviewing audit reports of both statutory and internal auditors with auditors and management;

  c) Reviewing financial reporting systems, internal control systems and control procedures;

  d) Ensuring compliance with regulatory guidelines;

  e) Reviewing the quarterly, half-yearly and annual financial results of the Company before submission to the Board;

  f) The recommendation for appointment, remuneration and terms of appointment of auditors of the company;

  g) Review and monitor the auditor's independence, 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 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) Any other matter referred to by the Board.

The items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the Listing Regulations are covered in the terms of reference of the Audit Committee. The current Charter of the Audit Committee is in line with international best practices and the regulatory changes formulated by SEBI and the listing agreements with the Stock Exchanges on which your Company is listed.

Any other duties/ terms of reference for the Audit Committee which are incidental / necessary for the fulfillment 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:

14 April 2021	27 May 2021	13 August 2021	11 November 2021	10 February 2022

Details of the composition, attendance at the meetings and other details of the members of the Committee during the F.Y. ended 31 March 2022 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Rajesh Desai	5	5	Chairman	Independent Director
Mr. Sirdhar Gorthi	5	5	Member	Independent Director
Mr. D R Mehta	5	5	Member	Independent Director

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 37 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 during the year. The Company Secretary officiates as the Secretary to the Committee.

2. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances.

- **Terms of Reference:**

a) Review statutory compliance relating to all security holders;

b) Review movements in shareholding and ownership structure of the Company;

c) Resolve the grievances of the security holders including those relating to transfer/ transmission of shares, issuance of new/duplicate share certificates, non-receipt of annual report, non-receipt of dividends,etc.

d) Oversee the performance of the Registrar and Transfer Agent and recommend measures for overall improvement in the quality of investor services;

e) 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, etc by the shareholders of the Company;

f) Review measures taken by Company for effective exercise of voting rights by shareholders.

g) Review and address matters relating to Investor Education and Protection Fund (IEPF).

The Committee has the mandate to review and redress Shareholders' grievances including complaints related to, non-receipt of share certificates, issuance of duplicate share certificates, non-receipt of balance sheet, non-receipt of dividend, etc. The Committee reviews Shareholders' complaints on regular basis and ensures resolution thereof.

During the year, Four (4) Meetings of the Committee were held on the following dates:

27 May 2021	12 August 2021	11 November 2021	09 February 2022

Details of the composition, attendance at the meetings and other details of the members of the Committee during the F.Y. ended 31 March 2022 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

The Details of complaints received and resolved during the F.Y. ended 31 March 2022 were as follows:

No. of complaints	2021-22	2020-21
Complaints unresolved at the beginning of the year	NIL	NIL
Received	7	24
Resolved	7	24
Pending	NIL	NIL

Name and Designation of Compliance Officer:
Mr. Harish Kuber, Company Secretary & Compliance Officer
Ph. No. +91 22 40189999
E-mail ID: complianceofficer@glenmarkpharma.com

The Board has appointed Mr. Harish Kuber, Company Secretary & Compliance Officer, as the Nodal Officer for the purpose of IEPF Regulations.

The Company's Registrars & Transfer Agent M/s. KFin Technologies Limited (KFin) (Formerly known as KFin Technologies Private Limited) had received letters/complaints during the financial year, all of which were replied/resolved to the satisfaction of Shareholders.

3. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee functions in accordance with Section 178 of the Act, Regulation 19 of the Listing Regulations and its policies adopted by the Company.

The purpose of the Committee of the Board is to discharge the Board's responsibilities related to Nomination and Remuneration of the Company's Executive, Non-Executive Directors, Senior Management and Key Managerial Personnel. 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 Scheme 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 / 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 Committees;

  e) Review of leadership compensation, Board compensation, industrial benchmarks, attrition at various levels, manpower costs etc.

During the year, Four (4) Meetings of the Committee were held on the following dates:

28 May 2021	12 August 2021	12 November 2021	09 February 2022

Details of the composition, attendance at the meetings and other details of the members of the Committee during the F.Y. ended 31 March 2022 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

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 has devised a Performance Evaluation Framework and Policy, which sets out the mechanism for the evaluation of the Board, the Directors and Committees.

During the year, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors and performance of the Committees.

The performance evaluation of the Board, the Directors and the Committees was carried out through an evaluation mechanism in terms of the Policy.

4. Risk Management Committee:

The Risk Management Committee functions in accordance with 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 risk faced by the Company, including financial, operational, sustainability or any other risk 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 for 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).

At every meeting of the Committee, risk owners present the risk associated with their functions and strategies to mitigate the same.

During the F.Y. 2021-22 the Company has amended the Risk Management Policy in line with the Regulation 21 of the Listing Regulations. The revised Policy has been approved by the Risk Management Committee and subsequently by the Board.

During the year, Four (4) Meetings of the Committee were held on the following dates:

27 May 2021	12 August 2021	11 November 2021	11 February 2022

Details of the composition, attendance at the meetings and other details of the members of the Committee during the F.Y. ended 31 March 2022 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Glenn Saldanha	4	4	Chairman	Executive Director
Mr. V.S. Mani	4	4	Member	Executive Director
Mr. D R Mehta	4	4	Member	Independent Director
Mr. Rajesh Desai	4	4	Member	Independent Director

5. Other Non- Statutory Committees:

Considering the Corporate governance led world of Companies, the Board besides the above mentioned statutory committees; have also constituted the following non-statutory committees in order to enhance the level of governance and to meet the specific business needs. The below Committees report to the Board of the Company.

i) Environmental, Social and Governance (ESG) Committee:

The ESG Committee is established to ensure effective and consistent engagement of the 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.

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 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 Committee were held on the following dates:

28 May 2021	13 August 2021	12 November 2021	11 February 2022

Details of the composition, attendance at the meetings and other details of the members of the Committee during the F.Y. ended 31 March 2022 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Glenn Saldanha	4	4	Chairman	Executive Director
Mr. Dipankar Bhattacharjee	4	4	Member	Independent Director
Ms. Sona Saira Ramasastry	4	4	Member	Independent Director

ii) Share Transfer Committee:

The Share Transfer Committee has been formed to look into matters concerning share transfer, transmission and related requests received from the shareholders. The Committee inter-alia considers applications for transfer, transmission, split, consolidation of share certificates and cancellation of any share certificate in compliance with the provisions in this regard.

iii) Operations Committee:

The Operations Committee of the Board is constituted to oversee matters and operations arising in the normal course of business. The matters include decision with respect to 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. REMUNERATION OF DIRECTORS:

Remuneration Policy:
The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees forms an integral part of the Board's Report.

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 your 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 2022 are as under:

(₹ In Million)

Sr. No	Name of Director	Salaries	Retirement benefits/other reimbursements	Commission	Sitting Fees	Total
		Amount	Amount	Amount	Amount	Amount
1	Mr. Glenn Saldanha	129.65	12.52	15.75	-	157.92
2	Mrs. Cherylann Pinto	37.66	4.32	4.62	-	46.60
3	Mr. V. S. Mani	52.55	26.18	-	-	78.73
4	Mr. Rajesh Desai	-	-	-	1.8	1.8
5	Mrs. B. E. Saldanha	-	-	-	0.3	0.3
6	Mr. D. R. Mehta	-	-	-	2.2	2.2
7	Mr. Bernard Munos	-	-	-	0.5	0.5
8	Dr. Brian W. Tempest	-	-	-	0.5	0.5
9	Mr. Sridhar Gorthi	-	-	-	-	-
10	Ms. Sona Saira Ramasastry	-	-	-	1.3	1.3
11	Mr. Dipankar Bhattacharjee	-	-	-	0.9	0.9
	TOTAL	**219.86**	**43.02**	**20.37**	**7.5**	**290.75**

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 2022 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

5. DISCLOSURES BY MANAGEMENT:

a) No material, financial and commercial transactions were reported by the management to the Board, in which the management had personal interest having a potential conflict with the interest of the Company at large.

b) There were no transactions with the Director or Management, their associates or their relatives, etc. that may have potential conflict with the interest of the Company at large.

c) There was no non-compliance during the last three years by the Company on any matter relating to capital market. Consequently, there were neither penalties imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any Statutory Authority.

d) The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism/ Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

e) Company has complied with and disclosed all the mandatory corporate governance requirements prescribed under Regulation 17 to 27 and Regulation 46(2) under Listing Regulations.

f) There are no non-compliances of any requirement of corporate governance report and all the required disclosures are made to stock exchanges and other regulatory bodies as and when required.

6. GENERAL BODY MEETINGS:

- The details of last three AGMs are as under:

Financial Year Ended	Date & Time	Venue	Special Resolution Passed
31 March 2019	27 September 2019 at 11.00 a.m.	Sunville Banquet & Conference Hall, 3rd floor, Dr. Annie Besant Road, Worli, Mumbai-400 018.	Yes
31 March 2020	29 September 2020 at 2:00 p.m.	AGM was held through Video Conferencing/Audio Visual means.	Yes
31 March 2021	24 September 2021 at 2:00 p.m.	AGM was held through Video Conferencing/Audio Visual means.	Yes

- All resolutions moved at the last AGM 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, no resolution was 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.

7. GENERAL SHAREHOLDERS INFORMATION:

- **Financial Year:**
  1 April to 31 March
- **Share Transfer System:**
  Regulation 40(1) of Listing Regulations, as amended from time to time and with effect from 24 January 2022, prescribes that the requests with respect to transfer, transmission or transposition of securities shall not be processed unless the securities are held in dematerialized form. The authority for approving transfer, transmission, dematerialisation of shares etc. is conferred upon the Share Transfer Committee.

Further, SEBI had vide its circular dated January 25, 2022, mandated companies to issue its securities in demat form only while processing various service requests such as issue of duplicate securities certificates, sub-division, consolidation, transmission, etc. to enhance ease of dealing in securities markets by investors. Accordingly, Members are requested to make request for duplicate share certificates and any other requests by submitting a duly filled and signed Form ISR – 4, subsequent to which the Company/RTA shall issue a 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 into dematerialized form in prescribed time as dematerialization will, inter alia, prevent frauds and losses involved in physical transfer of securities and improve ease, convenience and safety of transactions for investors.

In terms of Regulation 40(9) of the Listing Regulations, Annual audit of share transfer related activities is done by Company Secretary in practice and compliance certificate is submitted to the Stock Exchanges on an annual basis.

- **Dematerialisation of shares and Liquidity:**
  As of 31 March 2022, 99.66% of shares have been dematerialised and held in electronic form through National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). The shares of the Company are permitted to be traded only in dematerialised form. All shares of the company are liquid and traded in normal volume on BSE and NSE. Relevant data for the average daily turnover for the F.Y. 2021-22 is given below:-

	BSE	NSE	BSE+NSE
In no. of Shares	124704	2067242	2191946
In value terms ₹	66548637	1103106250	1169654887

- **Shareholding Pattern as at 31 March 2022:**

Description	No. of Shareholders	Shares held	% to Equity
Company Promoters	6	131617687	46.65
Foreign Portfolio Investors	219	68047528	24.12
Resident Individuals/ HUF	304442	44812948	15.88
Mutual Funds	21	17425807	6.18
Financial Institutions/ Banks	23	13032834	4.61
Bodies Corporates	818	3470924	1.23
Non-Resident Indians	4857	2684802	0.95
Trusts	8	499246	0.18
Clearing Members	103	234814	0.08
IEPF	1	235027	0.08
Foreign Nationals	18	106539	0.04
TOTAL	**310516**	**282168156**	**100.00**

- **Distribution Schedule as at 31 March 2022:**

Sr. No.	Category (From - To)	No. of Shareholders	% of Shares	No. of Shares	% of Total Equity
1	1 - 5000	309687	99.73	26132078	9.26
2	5001 - 10000	337	0.11	2462689	0.87
3	10001 - 20000	172	0.06	2456765	0.87
4	20001 - 30000	58	0.02	1409157	0.50
5	30001 - 40000	27	0.01	939671	0.33
6	40001 - 50000	23	0.01	1014419	0.36
7	50001 - 100000	64	0.02	4548307	1.61
8	100001 and above	148	0.05	243205070	86.19
	TOTAL:	**310516**	**100.00**	**282168156**	**100.00**

- **Date, Time and Venue of the ensuing Annual General Meeting:**
  Annual General Meeting shall be held on Tuesday, 27 September 2022 at 2:00 p.m. through Video Conferencing / Other Audio Visual Means facility.
- **Date of Book Closure:** Wednesday, 14 September 2022 to Tuesday, 27 September 2022
- **Date of declaration of dividend:**

  A dividend of ₹ 2.5 per share has been recommended by the Board at its meeting held on 27 May 2022 subject to the approval of the Shareholders at the ensuing AGM. The dividend shall be paid on or after 1 October 2022.
- **Other Information:**

  SEBI vide its circulars dated November 03, 2021 and December 14, 2021 has introduced common and simplified norms for processing investors' 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, 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 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 same as per the procedures/ guidelines available at the website of Ministry of Corporate Affairs: http://www.iepf.gov.in/

8. 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 revised Policy on Related Party Transactions and its Materiality.

  vi) The revised policy on Related Party Transactions and its Materiality is available on the website of the Company and can be accessed at the web link: https://glenmark.b-cdn.net/gpl_pdfs/about_us/Policy%20on%20RPT%20and%20its%20Materiality.pdf Pursuant to Regulation 23(9) of the Listing Regulations, the Company also submits with the Stock Exchanges on a half yearly basis, the disclosure of Related Party Transactions.

vii) The policy on material subsidiary is available on the website of the Company and can be accessed at https://glenmark.b-cdn.net/gpl_pdfs/about_us/Policy%20on%20Material%20Subsidiary.pdf

- **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 one (1) complaint related to Sexual Harassment at Workplace, which was actively resolved. Leaving no complaint unresolved as on 31 March 2022.

- **Certificate from Practicing Company Secretary regarding Non-Debarment and Non-Disqualification of Directors:**

  Company has received certificate from CS Surjan Singh Rauthan, proprieter 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 by the Board/Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as directors of companies.

- **Fees paid to statutory Auditors:**

  Total Consolidated (Holding and its Subsidiaries) fees paid to Statutory Auditor was ₹ 84.69 Million.

- **Adoption of Mandatory and Non-Mandatory Requirements:**

  The Company has complied with all the mandatory requirements of the Listing Regulations.

  The status of compliance with the non- mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations are as under:

  - During the year under review, there was no audit qualification in the Company's Financial Statements.
  - The Internal Auditor reports directly to the Audit Committee in all functional matters.
  - The Company follows a robust process of communicating with the Shareholders which has been explained later in the Report under "Means of Communication."

- **Information in respect of unclaimed dividend when due for transfer is given below:**

Financial Year Ended	Date of declaration of Dividend	Date of transfer to unpaid/unclaimed dividend account	Last date for claiming unpaid Dividend	Due date for transfer to IEPF
31.03.2015	22.09.2015	22.10.2015	21.10.2022	20.11.2022
31.03.2016	12.08.2016	12.09.2016	11.09.2023	10.10.2023
31.03.2017	29.09.2017	29.10.2017	28.10.2024	27.11.2024
31.03.2018	28.09.2018	28.10.2018	27.10.2025	26.11.2025
31.02.2019	27.09.2019	27.10.2019	26.10.2026	25.11.2026
31.03.2020	29.09.2020	29.10.2020	28.10.2027	27.11.2027
31.03.2021	24.09.2021	24.10.2021	23.10.2028	22.11.2028

Shareholders who have not so far encashed their dividend warrant(s) are requested to seek issue of duplicate warrant(s) by writing to KFin at the earliest.

- **Transfer of 'Underlying Shares' into 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 September, 2021.

- **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 and 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.

9. 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 stipulated time 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 of the call with analysts for quarterly/half-yearly/annual results are available on the Company's website at www.glenmarkpharma.com.

- **Press releases, presentations, etc.:**
  Official press and media releases are sent to Stock Exchanges and are displayed on Company's website at www.glenmarkpharma.com

- **Management Discussion & Analysis Report:**
  The Management Discussion & Analysis Report forms a part of the Board's Report. All the matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

- **Company's Corporate Website:**
  Company has its own website viz. www.glenmarkpharma.com which contains all the vital information relating to the Company and its products. Website also has separate dedicated section 'Investors' wherein information relevant for shareholders is available.

  The Company also regularly provides information to the stock exchanges as per the requirements of the Listing Regulations. The Company's website is updated regularly to include information on new developments and business opportunities pertaining to the Company.

- **SCORES (SEBI Complaint Redress System):**
  The investor complaints are processed in a centralised web-based complaints redressal system. It enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities, from lodging of a complaint to disposal, are carried out online and the status of every complaint can be checked online at any time. The Company, on a regular basis keeps a track of complaints/ grievances received through SCORES, to ensure their speedy disposal to the satisfaction of investor.

- **Letters and Reminders to Shareholders for unclaimed Dividend / Shares:**
  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 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 to find out whether their dividend for any of the years is outstanding.

10. COMPANY'S SCRIP INFORMATION:

- **Listing on Stock Exchanges:**
  - The shares of the Company are listed on BSE & NSE
  - The Company's Bonds are listed on Singapore Stock Exchange Ltd. which were subsequently delisted in May, 2022.

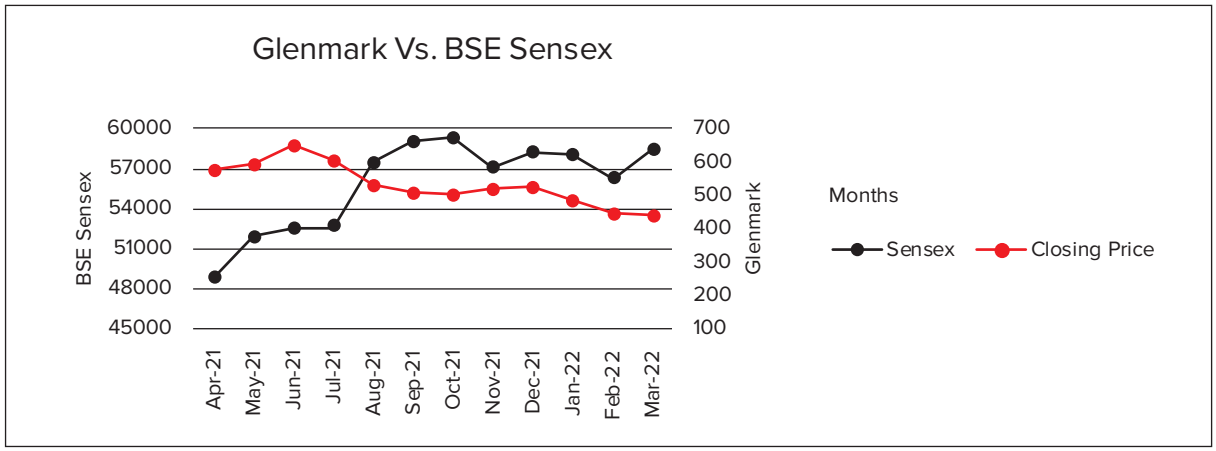
Stock Exchange	Stock Codes/Symbols	ISIN
BSE	532296	INE935A01035
NSE	GLENMARK	INE935A01035

- Annual Listing fee for the F.Y. 2022-23 has been paid by the Company to the Stock Exchanges.

- **Market Information:**
  Market Price Data: High and Low (based on closing price) during each month in last F.Y.

Month	BSE		NSE	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April-21	589.00	462.50	590.00	462.35
May-21	640.30	554.00	640.00	554.00
Jun-21	671.80	591.55	672.00	591.00
July-21	690.60	582.00	690.95	581.80
August-21	618.00	511.25	616.00	511.05
September-21	543.25	489.10	544.00	489.15
October-21	538.80	477.35	539.00	477.10
November-21	551.50	457.40	551.80	457.00
Decemer-21	542.65	472.55	542.70	472.50
January-22	533.95	465.85	531.20	465.40
February-22	512.70	423.30	505.50	423.00
March-22	469.20	415.60	469.70	414.10

Performance in comparison to broad based indexes namely, BSE Sensex.



11. CORPORATE IDENTITY NUMBER (CIN):

The Corporate Identity Number (CIN), allotted by Ministry of Company Affairs, Government of India is L24299MH1977PLC019982

12. PLANT LOCATIONS:

The Company's plants are located at:

Glenmark Pharmaceuticals

Manufacturing Facilities

Formulations

- E 37, MIDC Industrial Area, D Road, Satpur, Nashik - 422007, Maharashtra
- Plot No. S-7, Colvale, Industrial Estate Colvale, Bardez - 403513, Goa
- Plot No. S-9, Colvale, Industrial Estate Colvale, Bardez - 403513, Goa
- Unit - I, Village Kishanpura, Baddi-Nalagarh Road, Tehsil Baddi, Dist. - Solan, HP – 173205
- Unit - II, Village Bhattanwala, PO Rajpura, Tehsil Nalagarh, Dist.- Solan, HP – 174101
- Unit - III, Village Kishanpura, Baddi - Nalagarh Road, Tehsil Baddi, Dist. - Solan, HP – 173205
- Plot No 2, Phase -II, Pharma Zone, Special Economic Zone Area, Pithampur, Indore 454775, Madhya Pradesh
- Plot No. B-25, Five Star MIDC, Shendra, Dist. - Aurangabad, Maharashtra
- Samlik-Marchak, Industrial Growth Centre, Near Ranipool, Dist. - East Sikkim, 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, TTC Industrial Area, MIDC Mahape, Vashi, Navi Mumbai – 400705, Maharashtra
- Plot No. C 152, MIDC Sinnar Industrial Area, Malegaon, Dist. - Nashik – 422113, Maharashtra
- Plot No. M4, Taloja Industrial area, MIDC Taloja, Taluka Panvel, Dist. Raigad – 410208, Maharashtra

Clinical Research Centre

- Plot No. M4, Taloja Industrial area, MIDC Taloja, Taluka Panvel, Dist. Raigad – 410208, Maharashtra

ICHNOS SCIENCES INC.

Global Headquarters

- 1 World Trade Center, 76th Floor, Suite D, New York, NY 10007, USA

Research Centre

- Route de La Corniche 5A 1066 Epalinges, Switzerland

Development and Manufacturing

- Chemin de la Combeta 5, 2300 La Chaux-de-Fonds, Switzerland

GLENMARK LIFE SCIENCES

- Plot number 3109 GIDC Industrial Estate, Ankleshwar, Dist. Bharuch – 393 002, Gujarat
- Plot Number Z-103/I ,SEZ, Phase II, Dist Bharuch,Gujarat,Dahej,-392130
- Plot Number 163-165/170-172, Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur - 413213, Maharashtra
- Plot Number A80, MIDC Area, Kurkumbh, Daund, Pune - 413802, Maharashtra

13. CREDIT RATINGS:

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

14. OUTSTANDING GDR'S/ADR'S/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS EXERCISED, DATE AND LIKELY IMPACT ON EQUITY:

Employee Stock Options Scheme 2016:

The shareholders of the Company had approved Employee Stock Options Scheme 2016 in August 2016 and the Company had issued options on 27 October, 2016 having expiry period to exercise these options till July 31, 2020. At the Nomination and Remuneration Committee meeting held on 26 June, 2020 it was proposed to extend the period of expiry up to 31 July, 2021. Further at the Nomination and Remuneration Committee meeting held on 28 May 2021 it was proposed to further extend the period of expiry to enable the option holders to exercise the options up to 31 July, 2022. During the F.Y. 2021-22, 3,25,530 options were cancelled and no options were issued or exercised under Employees Stock Options Scheme viz. ESOS' 2016. As of 31 March 2022, 78,717 options were outstanding and are due for exercise. On exercising the convertible options so granted under the ESOS of the Company, the paid-up equity share capital of the Company will increase by a like number of shares.

The information in compliance with Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as amended is appended as Annexure IV to the Board's Report.

U.S. $ 200,000,000, 2.00 % Resettable Onward starting equity-linked securities (Bonds):

The Company had issued Bonds on 28 June 2016. The Bonds become convertible at the option of the holders' of the Bonds (the "Bondholders") after 1 December 2017 and upto the close of business on 18 June 2022 into equity shares. Each Bond will be convertible at the option of the holder thereof into fully paid equity shares at the initial conversion price determined on 30 November 2017.

On 30 November 2017, the Company set the initial conversion price (i.e. the price at which the ordinary shares of the Company will be issued upon conversion of Bonds subject to any further adjustments according to conditions) at ₹861.84 as determined in accordance with condition 6.1.3 of the Trust deed. As of 31 March 2022, none of the Bondholders have opted for the conversion option.

On 30 November 2017, the Company confirmed the fixed exchange rate as ₹ 64.5238 in accordance with the condition 6.1.1 (b) of the Trust Deed dated 28 June 2016 which provides that the fixed exchange rate shall be the FX rate (INR per U.S. $ 1) based on Bloomberg's "BFIX" USD/INR spot mid-price rate 12.00 (Hongkong time) on 30 November 2017.

Unless previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed on 28 June 2022 (Maturity Date) at 126.42% of their principal amount, together with accrued interest (if any), calculated upto but excluding the Maturity Date. The Company may, at its own discretion, redeem the Bonds in whole, but not in part, subject to satisfaction of certain conditions.

As per the original Trust Deed, each Bondholder has the right to require the Company to redeem in whole or in part, such Bondholder's Bonds, on 28 July 2021 (Put Option Date), at a price equal to 121.78% of its outstanding principal amount of Bonds, together with interest (if any) accrued but unpaid on 28 July 2021. This is amended in April, 2021(see note below on Tender Offer and Consent Solicitation).

The FCC Bonds were partially bought back in October 2018 (see note below on Buyback). In addition to that, the Company approved for tender and consent solicitation for amendment of FCC Bonds in February, 2021 (see note below on Tender Offer and Consent Solicitation). Further, the FCC Bonds were partially bought back in September, 2021 and April, 2022 (see note below on Buyback). The balance outstanding FCC Bonds were redeemed in May, 2022 (see note below on Buyback).

The FCC Bonds were delisted from the Singapore stock exchange in May, 2022.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – October, 2018:

In September 2018, the Company approved the launch of buyback of FCC Bonds ("Buyback FCCBs") from existing holders of FCC Bonds ("Buyback Bondholders"). MUFG Securities Asia Limited and J.P. Morgan Securities Limited were appointed as dealer managers, on behalf of the Company to buyback FCC Bonds at a buyback price of 105% of the principal amount outstanding (being U.S. $ 262,500 for each U.S. $ 250,000 of FCC Bonds), up to an aggregate purchase price of U.S. $ 100 million plus accrued and unpaid interest per FCC Bond. In October 2018, the Company agreed to buyback U.S. $ 86.5 million in aggregate principal amount (representing 346 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. These Buyback FCCBs represented 43.25% of the aggregate FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 90,825,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 113.5 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook buyback to monetize the opportunity available and to push maturity of external debt. The Company utilised proceeds from an unsecured External Commercial Borrowing facility of up to U.S.$ 100 million ("ECB Facility") from MUFG Bank, Ltd., Singapore Branch, to refinance these Bonds.

Tender Offer of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 and Consent Solicitation from Bondholders – April, 2021:

In March, 2021, the Company announced a launch of a tender offer of the FCC Bonds. The Hong Kong and Shanghai Banking Corporation Limited was appointed as the Dealer Manager on behalf of the Company to tender an aggregate principal amount of up to U.S. $ 38.5 million at a purchase price of 120.30% of the principal amount of the FCC Bonds **(Tender Offer)** and also invited the holders of the FCC Bonds to approve the amendment of the optional put notice period from not later than 30 days nor more than 60 days prior to the Put Option Date to a minimum of 150 days prior to the Put Option Date by passing an Extraordinary Resolution **(Consent Solicitation)**.

Tender Offer: In April, 2021, an aggregate principal amount of U.S. $ 36.75 million (representing 147 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) were validly tendered pursuant to the Offer. These tendered FCC Bonds represented 32.38% of the outstanding FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 44,210,250 plus accrued but unpaid interest. Following settlement, the tendered FCC Bonds were cancelled and U.S. $ 76.75 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook this tender to manage the Company's debt maturity profile by reducing near-term repayable outstanding indebtedness and to reduce interest costs. The Company utilised proceeds from unsecured External Commercial Borrowing facilities from Fifth Third Bank and International Finance Corporation to refinance these Bonds (see note below on Fifth Third Bank and IFC).

Consent Solicitation: An Extraordinary Resolution was duly passed at the Bondholders Meeting held on 12 April 2021, with 99.78 per cent. of votes cast in favour of the amendment to the optional put notice period. The Company also executed the Supplemental Trust Deed to make the amendment effective from 12 April 2021.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – September, 2021:

In September 2021, the Company executed a discrete buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 1 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 120.30% of the principal amount (representing

4 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 15 September, 2021, the Company paid an aggregate purchase price of U.S. $ 1,203,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 75.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – April and May, 2022:

In April 2022, the Company executed a buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 75 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 125.26% of the principal amount (representing 300 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 7 April, 2022, the Company paid an aggregate purchase price of U.S. $ 93,945,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 0.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Following the above buyback in April, 2022, the Company issued a Notice of early redemption to the remaining holders of FCC Bonds for principal value of outstanding U.S. $ 0.75 million for redemption in May, 2022. On 9 May, 2022, the Company paid an aggregate amount of U.S. $ 9,42,860.24 for the Buyback FCCBs, plus accrued but unpaid interest and concluded the redemption of FCC Bonds as per the terms of the Trust Deed.

Subsequently, the FCC Bonds were delisted from the Singapore stock exchange.

U.S. $ 90,825,000, MUFG Bank, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 100 million. In October 2018, the ECB Facility for U.S. $ 90,825,000 was raised and the proceeds were utilized for the purpose of repurchasing the FCC Bonds. The ECB Facility was raised from MUFG Bank, Singapore with an initial maturity of 5 years. The interest rate for the first 3 years is 4.956% p.a. and the interest for the subsequent 2 years is 5.25% p.a.

However, in December, 2021, the loan was extended to bullet maturity of December, 2026. The interest rate was fixed at 4.69% p.a. up to September, 2023 and thereafter at an interest margin of 1.95% p.a. over U.S.$ LIBOR .

U.S. $ 200,000,000, Syndication loan, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 200 million. During the period November, 2020 to January, 2021, the ECB Facility for U.S. $ 200 million was raised and the proceeds were utilized for the purpose of refinancing the 4.5% Senior Notes. The ECB Facility was raised from 9 Foreign banks with a maturity of 3.5 years. The interest margin is 3.15%p.a.over U.S. $ LIBOR. The Company refinanced this ECB by availing a new ECB – U.S. $ 228 million Sustainability Linked Loan in March, 2022 (see note below on U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility).

U.S. $ 28,000,000, Fifth Third Bank, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 28 million. The ECB Facility for U.S. $ 28 million was executed in March, 2021 and the Company availed the entire amount in April, 2021 and the proceeds were utilized for the purpose of refinancing the FCC Bonds. The ECB Facility was raised from Fifth Third Bank, National Association with a maturity of 3.5 years. The interest margin is 3.15% p.a. over U.S. $ LIBOR. The Company refinanced this ECB by availing a new ECB – U.S. $ 228 million Sustainability Linked Loan in March, 2022 (see note below on U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility).

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 and 2.83%p.a. thereafter.

U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 228 million. During March 2022, the Sustainability linked loan for U.S. $ 228 million was raised and the proceeds were utilized for the purpose of refinancing the U.S. $ 200 million Syndication loan and U.S. $ 28 million Fifth Third Bank loan. The ECB Facility was raised from 10 Foreign banks with a maturity of 5 years. The interest margin is 1.75%p.a. over SOFR.

15. 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.

16. 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.

17. INVESTOR HELPDESK: FOR CLARIFICATIONS / ASSISTANCE, IF ANY, PLEASE CONTACT:

	Corporate Office	Registrars & Transfer Agents
Persons to contact	Mr. Harish Kuber	Ms. Krishna Priya Maddula
Address	Glenmark Pharmaceuticals Limited 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	complianceofficer@glenmarkpharma.com	priya.maddula@kfintech.com
Website	www.glenmarkpharma.com	www.kfintech.com
Investor Redressal	complianceofficer@glenmarkpharma.com	einward.ris@kfintech.com

Declaration regarding affirmation of Code of Conduct:
In accordance with Regulation 26(3) and Schedule V of the Listing Regulations, 2015, this is to confirm that all the members of the Board and the senior management personnel have affirmed compliance with the Code of Conduct for the F.Y. ended 31 March 2022.

For and on behalf of the Board of Directors

Glenn Saldanha
Chairman & Managing Director
(DIN 00050607)

Place: Mumbai
Date: 27 May 2022

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: 27 May 2022

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, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S. S. Rauthan & Associates**
Company Secretaries
UIN: S1999MH026900

CS Surjan Singh Rauthan
Proprietor
M. No. FCS-4807, COP No.3233
Peer Reviewed Cert. No. : 1840/2022
UDIN: F004807D000401071

Place: Mumbai
Date: 27 May 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Glenmark Pharmaceuticals Limited
CIN: L24299MH1977PLC019982
B-2 Mahalaxmi Chambers,
22 Bhulabhai Desai Road, Mumbai – 400026.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Glenmark Pharmaceuticals Limited having registered office at B-2 Mahalaxmi Chambers, 22 Bhulabhai Desai Road, Mumbai–400026 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Companies Act, 2013. Our responsibility is to express an opinion on these based on our verification. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31 March 2022 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/ Re-appointment in Company
1.	Mr. Glenn Saldanha	00050607	*May 16, 2022
2.	Ms. Cherylann Pinto	00111844	*May 16, 2022
3.	Mr. V.S.Mani	01082878	May 29, 2018
4.	Mr. Rajesh Desai	00007960	June 26, 2020
5.	Dr. Brian W. Tempest	00101235	April 01, 2019
6.	Ms. Sona Saira Ramasastry	08398547	April 01, 2019
7.	Mr. Bernard Munos	05198283	April 01, 2019
8.	Ms. Blanche Saldanha	00007671	September 24, 2021
9.	Mr. Sridhar Gorthi	00035824	April 01, 2019
10.	Mr. D.R. Mehta	01067895	April 01, 2019
11.	Mr. Dipankar Bhattacharjee	08770548	August 14, 2020

*Re-appointment approved by the shareholders by passing Resolution through Postal Ballot w.e.f May 16, 2022.

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: F004807D000401051

Place: Mumbai
Date: 27 May 2022

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 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the year ended 31 March 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment of investments in and loss allowances of loans given to subsidiaries [Refer note 5(i)(A)(a), 5(i)(F) and 5(ii) of the standalone financial statements] As at 31 March 2022, the Company has investments in subsidiaries of ₹ 85,098.39 million (net of provision for impairment) and has given loans to subsidiaries of ₹ 70,786.31 million. Investments in subsidiaries are accounted for at cost less impairment loss, if any. Loans given to subsidiaries are measured at amortised cost. Loans are assessed for loss allowances and investments are assessed for impairment annually or earlier if indicator exists. If indicators exist, the loss allowances of loans and impairment of the investments are estimated in order to determine the extent of loss allowances and impairment losses, if any. Any such losses are recognised in Statement of Profit and Loss. Management judgement is required in assessing impairment indicators and recoverable amount for impairment testing. The recoverable amounts have been determined by the management using discounted cash flow valuation method.	Our audit included, but was not limited to, the following procedures: • Assessed the appropriateness of accounting policy in respect of impairment and loss allowances in accordance with Ind AS. • Obtained understanding of management's process for loss allowances and for identification of indicators of impairment. Evaluated the design and tested the operating effectiveness of internal controls over loss allowances and impairment assessment process. • With the assistance of our internal valuation specialists evaluated the reasonableness of the valuation methodologies and discount rates used by the management to determine the recoverable values. • Evaluated the reasonableness of the management's estimates and judgement based on our understanding of the business of the respective subsidiaries, past results and external factors.

Key audit matter	How our audit addressed the key audit matter
Key assumptions underpinning management's assessment of the recoverable amounts include but are not limited to projection of future cash flows, revenue growth rates, terminal values operating profit margins, estimated future operating capital expenditure, external market conditions and discount rates. Based on the assessment as above, no impairment / loss allowance has been recognised during the year ended 31 March 2022. We determined impairment of investments in and loss allowances of loans given to subsidiaries as a key audit matter since these assessments are complex and involve significant management estimation and judgement.	• Tested the mathematical accuracy of the management workings with regard to cash flows, sensitivity analysis and loss allowances. • Performed sensitivity analysis around aforesaid key assumptions to assess the effect of reasonably possible variations on the estimated recoverable amounts of investments in and loans receivable from respective subsidiaries.
Inventory existence [Refer note 8 of the standalone financial statements] As at 31 March 2022, the Company held inventories of ₹ 9,516.62 million. Inventories mainly consist of raw material, packing material, work in process, stores and spares, finished goods and stock in trade. Due to inherent nature of the business and its widespread reach geographically, inventories are maintained at a number of locations which include plants, loan licensing facilities and warehouses. Due to the size, number of locations and geographical spread of the inventories, we determined the existence of inventory to be a key audit matter.	Our audit included, but was not limited to, the following procedures: • Obtained an understanding of the management's process for inventory counts and evaluated the design and tested the operating effectiveness of key controls with respect to physical verification of inventory. • Evaluated design and operating effectiveness of internal controls relating to purchases, sales and inventories. • Attending inventory count performed by the management at locations of financial significance, obtained confirmations from third party, and tie up units lying at third party locations. • Performed roll forward and alternate procedures, on sample basis, including, review of reconciliation statements prepared by the management for establishing the existence and condition of inventory as at the year end. • Inspected supporting documentation on test check basis, relating to purchases, production, sales, and results of cyclical counts performed by the management through the year, confirmations from third parties and such other evidence. • Tested that the differences, if any, noted in management's physical verification of inventory from book records were adequately adjusted in books of account.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 adequate internal financial controls with reference to standalone 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 the Management and the Board of Directors.
- Conclude on the appropriateness of the Management's and the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The balance sheet, statement of profit and loss (including other comprehensive income), statement of cash flows and statement of changes in equity dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act; and

    f) With respect to adequacy of internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

3. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements – refer Note 30(i) to the standalone financial statements.

    ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.

    iv. a) The Management has represented that, to the best of its knowledge and belief no funds have been advanced, loaned, invested by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

    b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall,

whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) & (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared, and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

As stated in Note 36 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

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: 22105545AJTWSS2043

Place: Mumbai
Date: 27 May 2022

Annexure A to Independent Auditor's Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date)

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant, and equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) According to information and explanations given to us and based on our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in the favor of the Company) are held in the name of the Company.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year.

(e) According to information and explanations given to us and based on our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) According to the information and explanations given to us, the inventories have been physically verified by the management at reasonable intervals during the year. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) The Company has been sanctioned working capital limits in excess of INR 5 crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets, immovable properties and plant and machinery of certain locations. The details filed with such banks on quarterly are in agreement with the books of account of the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security or granted any advances in the nature of loans, secured or unsecured to companies, limited liability partnership, and other parties during the year. The Company has made investments, provided guarantees, and granted loans to companies during the year, in respect of which the requisite information is as below. The Company has not provided any guarantee or granted any loans, secured or unsecured, to limited liability partnership or any other parties during the year.

(a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has made investments in subsidiaries and other entities and granted loan provided any guarantee to subsidiaries as follows:

Amount in (millions)

	Loan	Guarantees
Aggregate amount during the year	32,382.92	11,278.17
Balance outstanding as at balance sheet date	70,786.31	29,665.20

(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans and stood guarantee to a parties other than subsidiaries.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in are opinion the investments made, guarantees provided during the year and terms and conditions of the loans given and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us and on the basis of our examination

of the records of the Company, there are no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the over dues of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to information and explanations provided to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees, and securities, as applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder not applicable. Accordingly, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has been regular in depositing the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Duty of Custom, duty of Excise, cess and other material statutory dues as applicable to the appropriate authorities during the year. No undisputed amounts payable in respect of aforesaid statutory dues were outstanding as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and records of the Company examined by us, the due on account of Income tax, Service tax, Duty of Custom, Duty of Excise, Goods and Service Tax and cess which have not been deposited as at 31 March 2022 on account of disputes are as under:

Name of the Statute	Nature of Dues	Amount (INR in million)	Amount paid under protest (INR in million)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	5.49	5.49	FY 2007-08	Hon'ble Supreme Court of India
		390.07	0.00	FY 2004-05 and FY 2008-09 to FY 2012-13	Hon'ble High Court, Mumbai
		18.15	0.00	FY 2009-10 & FY 2013-14	Income Tax Appellate Tribunal
		1000.94	6.31	FY 2008-09 to 2011-12 & FY 2013-14 to FY 2017-18	Commissioner of Income Tax Appeal
The Central Excise Act, 1994	Duty of Excise	0.12	0.12	FY 2015-16	Jt Secretary, GOI, MOF, Dept of Revenue
		16.58	16.58	FY 2012-13 to FY 2017-18	Commissioner of Central Excise (Appeal)
		10.86	10.86	FY 2004-2005 to FY 2005-2006	Customs, Excise and Services Tax Appellate Tribunal (CESTAT) -Mumbai
The Finance Act, 1994	Service Tax	184.02	13.80	FY 2012-13 to FY 2014-15	Customs, Excise and Services Tax Appellate Tribunal (CESTAT) – Mumbai

Name of the Statute	Nature of Dues	Amount (INR in million)	Amount paid under protest (INR in million)	Period to which amount relates	Forum where dispute is pending
The Custom Act, 1962	Custom Duty	122.62	9.20	FY 2017-2018	Customs, Excise and Services Tax Appellate Tribunal (CESTAT) – Mumbai
		649.13	64.91	FY 2012-2013 to FY 2014-2015 and FY 2017-2018	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

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions which are not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanation given to us, the Company has applied the term loans for the purpose for which the 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 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: 22105545AJTWSS2043

Place: Mumbai
Date: 27 May 2022

Annexure B to Independent Auditor's Report

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date)

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub - section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to the financial statements of Glenmark Pharmaceuticals Limited ('the Company') as at 31 March 2022 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 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545
UDIN: 22105545AJTWSS2043

Place: Mumbai
Date: 27 May 2022

Standalone Balance Sheet

(All amounts in million of Indian Rupees, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	14,138.27	14,224.00
Capital work-in-progress	3	1,011.70	933.10
Right-of-use asset	3	547.07	678.76
Intangible assets	4	2,837.94	2,322.15
Intangible assets under development	4	78.67	380.92
Financial assets	5		
i. Investments		85,593.86	69,899.48
ii. Loans		70,786.31	59,307.01
iii. Other financial assets		252.21	259.18
Deferred tax assets (net)	6	9,232.67	8,532.94
Other non-current assets	7	636.85	546.50
Total non-current assets		**185,115.55**	**157,084.04**
Current assets			
Inventories	8	9,516.62	7,623.87
Financial assets	9		
i. Trade receivables		26,783.22	24,887.49
ii. Cash and cash equivalents		286.50	147.23
iii. Bank balances other than cash and cash equivalents		9.82	10.62
iv. Other financial assets		445.76	9,986.25
Other current assets	10	6,987.37	6,435.70
Total current assets		**44,029.29**	**49,091.16**
Total assets		**229,144.84**	**206,175.20**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11 & 12	282.17	282.17
Other equity		167,103.70	147,812.89
Total equity		**167,385.87**	**148,095.06**
LIABILITIES			
Non-current liabilities			
Financial liabilities	13		
i. Borrowings		25,717.44	31,125.78
ii. Lease liabilities		417.74	554.80
iii. Other financial liabilities		1,213.17	1,366.09
Total non-current liabilities		**27,348.35**	**33,046.67**
Current liabilities			
Financial liabilities	14		
i. Borrowings		10,986.05	5,130.15
ii. Lease liabilities		255.79	229.19
iii. Trade payables			
- Total outstanding dues of Micro enterprises and Small enterprises		537.55	310.11
- Total outstanding dues of other than Micro enterprises and Small enterprises		18,850.44	15,916.61
iv. Other current financial liabilities		1,663.36	1,644.54
Other current liabilities	15	632.55	471.81
Provisions	16	990.54	1,092.82
Income tax liabilities (net)	17	494.34	238.24
Total current liabilities		**34,410.62**	**25,033.47**
Total liabilities		**61,758.97**	**58,080.14**
Total equity and liabilities		**229,144.84**	**206,175.20**

See accompanying notes to the financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 27 May 2022

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 : 27 May 2022

Standalone Statement of Profit and Loss

(All amounts in million of Indian Rupees, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	18	81,415.81	75,679.33
Other income (net)	19	6,146.28	3,962.37
Total income		**87,562.09**	**79,641.70**
Expenses			
Cost of materials consumed	20	29,930.36	26,782.60
Purchases of stock-in-trade	21	4,816.20	3,159.55
Changes in inventories of finished goods, stock-in-trade and work-in-process	22	(161.32)	52.40
Employee benefits expense	23	11,931.96	11,073.96
Finance costs	24	2,360.41	2,658.98
Depreciation and amortisation expense	3 & 4	1,596.95	1,508.15
Other expenses	25	18,016.40	15,707.41
Total expenses		**68,490.96**	**60,943.05**
Profit before exceptional items and tax		**19,071.13**	**18,698.65**
Exceptional items - expense / (income)	39	(4,303.33)	(738.92)
Profit before tax		**23,374.46**	**19,437.57**
Tax expense	6		
Current tax		4,110.78	3,436.18
Deferred tax		(714.21)	(493.08)
Total Tax expense		**3,396.57**	**2,943.10**
Profit for the year		**19,977.89**	**16,494.47**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of the post-employment benefit obligation	26	30.53	32.33
- Income tax relating to the above		(14.48)	(7.49)
Other comprehensive income / (loss) for the year		**16.05**	**24.84**
Total comprehensive income for the year		**19,993.94**	**16,519.31**
Earnings per equity share of ₹ 1 each	29		
Basic (in ₹)		70.80	58.46
Diluted (in ₹)		70.80	58.46

See accompanying notes to the financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 27 May 2022

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 : 27 May 2022

Standalone Statement of Changes in Equity

(All amounts in million of Indian Rupees, unless otherwise stated)

A Equity share capital

Particulars	Amount
Balance as at 1 April 2020	282.17
- Shares issued during the year	-
Balance as at 31 March 2021	282.17
- Shares issued during the year	-
Balance as at 31 March 2022	282.17

B Other equity

Particulars	Reserves and Surplus						Total
	Securities premium	Capital reserve	Capital redemption reserve	Stock compensation reserve	General reserve	Retained earnings	
Balance as at 1 April, 2021	**16,853.60**	**1.00**	**200.00**	**155.52**	**1,384.18**	**129,218.59**	**147,812.89**
Profit for the year	-	-	-	-	-	19,977.89	**19,977.89**
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax) (refer note 26)	-	-	-	-	-	16.05	**16.05**
Total comprehensive income for the year	-	-	-	-	-	19,993.94	**19,993.94**
Dividends to equity shareholders	-	-	-	-	-	(705.42)	**(705.42)**
Employee share based compensation expense (refer note 12(VII)	-	-	-	2.28	-	-	**2.28**
Transfer from stock compensation reserve to Retained earning	-	-	-	(132.47)	-	132.47	**-**
	-	**-**	**-**	**(130.19)**	**-**	**(572.95)**	**(703.14)**
Balance as at 31 March, 2022	**16,853.60**	**1.00**	**200.00**	**25.33**	**1,384.18**	**148,639.58**	**167,103.70**

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Reserves and Surplus						Total
	Securities premium	Capital reserve	Capital redemption reserve	Stock compensation reserve	General reserve	Retained earnings	
Balance as at 1 April, 2020	**16,853.60**	**1.00**	**200.00**	**136.99**	**1,384.18**	**113,404.70**	**131,980.47**
Profit for the year	-	-	-	-	-	16,494.47	**16,494.47**
Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax) (refer note 26)	-	-	-	-	-	24.84	**24.84**
Total comprehensive income for the year	-	-	-	-	-	16,519.31	**16,519.31**
Dividends to equity shareholders	-	-	-	-	-	(705.42)	**(705.42)**
Employee share based compensation expense (refer note 12(VII)	-	-	-	18.53	-	-	**18.53**
	-	**-**	**-**	**18.53**	**-**	**(705.42)**	**(686.89)**
Balance as at 31 March, 2021	**16,853.60**	**1.00**	**200.00**	**155.52**	**1,384.18**	**129,218.59**	**147,812.89**

Refer notes 11 and 12 for details on equity share capital and other equity

See accompanying notes to the financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 27 May 2022

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 : 27 May 2022

Standalone Statement of Cash Flows

(All amounts in million of Indian Rupees, unless otherwise stated)

		Year ended 31 March 2022	Year ended 31 March 2021
A.	**Cash flow from operating activities**		
	Profit before tax	23,374.46	19,437.57
	Adjustments to reconcile profit before tax to net cash provided by operating activities:		
	Depreciation and amortisation expenses	1,596.95	1,508.15
	Finance costs	2,360.41	2,658.98
	Interest income	(3,385.22)	(3,549.12)
	Dividend income	(1,069.30)	(3.50)
	Loss on sale of Property, plant and equipments	7.64	11.60
	Profit on sale of investment	(150.00)	-
	Employee share based compensation expense	2.28	18.52
	Fair valuation of Investment	0.19	(0.34)
	Provision for bad and doubtful debts/ expected credit losses	215.00	100.00
	Provision for gratuity and compensated absence	214.09	233.65
	Provision for sales returns	(115.00)	-
	Provision for share application money	-	10.61
	Exceptional items - expense / (income)	(4,303.33)	(738.92)
	Unrealised foreign exchange loss/ (gain)	(1,548.67)	2,101.48
	Operating profit before working capital changes	**17,199.50**	**21,788.68**
	Adjustments for changes in working capital :		
	- (Increase)/Decrease in trade receivables	(2,096.34)	(7,166.66)
	- (Increase)/ Decrease in other receivables	(135.34)	(21.00)
	- (Increase)/ Decrease in inventories	(1,892.76)	751.15
	- Increase/ (Decrease) in trade and other payables	2,992.77	440.39
	Net changes in operating assets and liabilities	**(1,131.67)**	**(5,996.12)**
	Income taxes paid (net of refunds)	(3,907.16)	(3,358.39)
	Net cash generated from operating activities	**12,160.67**	**12,434.17**
B.	**Cash flow from investing activities**		
	Purchase of Property,plant and equipment and Intangible assets (including Capital work in progress)	(1,633.51)	(2,114.68)
	Proceeds from sale of Property,plant and equipment, Intangible assets and business	5.39	802.42
	Investments in subsidiaries	(76.95)	(29.93)
	Other investment made	(400.18)	-
	Proceed from Sale of investment	300.00	-
	Loans to subsidiaries (net)	(23,005.55)	(15,742.56)
	(Increase)/decrease in bank deposits and margin money	0.80	(0.95)
	Share application money paid	(197.88)	(16.93)
	Proceed from offer for sale of investment in subsidiary net of issue expenses (exceptional item)	4,304.23	-
	Amount received from subsidiary against business sale	9,133.35	-
	Interest received	1,531.80	4,746.83
	Dividend received	1,069.30	3.50
	Net cash used in investing activities	**(8,969.20)**	**(12,352.30)**
C.	**Cash flow from financing activities**		
	Proceeds from long-term borrowings	21,300.57	14,740.43
	Repayments of long-term borrowings	(19,406.35)	(13,315.40)
	Proceeds from/(repayment of) short-term borrowings (net)	(1,417.09)	855.71
	FCCB premium paid on buy back of bonds	(573.88)	-
	Interest paid	(2,000.11)	(2,116.25)
	Dividend paid	(706.22)	(704.47)
	Payment of lease liability (including interest)	(248.12)	(267.96)
	Net cash used in financing activities	**(3,051.20)**	**(807.94)**

(All amounts in million of Indian Rupees, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
Net (decrease) / increase in cash and cash equivalents	**140.27**	**(726.07)**
Cash and cash equivalents at the beginning of the year	**147.23**	**872.92**
Exchange fluctuation on cash and cash equivalent	(1.00)	0.38
Cash and cash equivalents at the end of the year	**286.50**	**147.23**
Cash and cash equivalents comprise of :		
Cash on hand	14.74	13.08
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	271.76	134.15
	286.50	**147.23**

Note :

1 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.

2 Figures in bracket indicate cash outflow.

3 Loan given to subsidiary amounted to ₹ 15,368.32 (2021 - ₹ 22,595.01) converted into Investment during the year (refer note 27)

4 Reconciliation of Financing Activities

Particulars	As at 31 March 2021	Borrowings made during the year	Amount buy back / repaid during the year	FCCB premium and Issue cost	Exchange difference	As at 31 March 2022
Long term borrowings*	31,125.78	21,300.57	(19,406.35)	243.70	(260.21)	33,003.49
Short term borrowings	5,130.15	-	(1,417.09)	-	(13.06)	3,700.00

Particulars	As at 31 March 2020	Borrowings made during the year	Amount buy back / repaid during the year	FCCB premium and Issue cost	Exchange difference	As at 31 March 2021
Long term borrowings*	31,311.66	14,740.43	(13,315.40)	424.65	(2,035.56)	31,125.78
Short term borrowings	4,425.97	855.71	-	-	(151.53)	5,130.15

*Refer note 13(i) for current/non-current classification

See accompanying notes to the financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 27 May 2022

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 : 27 May 2022

Notes to the Standalone Financial Statements

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 1 – Background Information and Summary of Significant Accounting Policies

1. Company Information

Glenmark Pharmaceuticals Limited (the "Company") is a public limited company incorporated in Mumbai, India. The registered office of the Company is at B/2, Mahalaxmi Chambers, 22 Bhulabhai Desai Road, Mumbai – 400026, India.

The Company is primarily engaged in the business of development, manufacture and marketing of pharmaceutical products. The Company's research and development facilities are located at Mahape, Sinnar and Taloja and manufacturing facilities are located at Nasik, Colvale, Baddi, Nalagarh, Sikkim, Indore and Aurangabad in India.

The Company's shares are listed on BSE Limited ("BSE") and the National Stock Exchange of India ("NSE").

2. Basis of Preparation, Measurement and Summary of Significant Accounting Policies

2.1 The standalone financial statements (financial statements) of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The preparation of these financial statements in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or area where assumptions and estimates are significant to these financial statements are disclosed in note 3.

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, defined benefit plans- assets/ (liabilities) and share-based payments.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act and Ind AS 1, Presentation of Financial Statements.

The significant accounting policies that are used in the preparation of these financial statements are summarised below. These accounting policies are consistently used throughout the periods presented in the financial statements.

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. Amounts in figures presented have been rounded to INR million unless otherwise stated.

2.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation

(All amounts in million of Indian Rupees, unless otherwise stated)

(based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.3 Foreign currency transactions

Functional currency is the currency of the primary economic environment in which the Company operates whereas presentation currency is the currency in which the financial statements are presented. Indian Rupee is the functional as well as presentation currency for the Company.

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, its cost can be measured reliably and it has a useful life of atleast twelve months. The costs of other repairs and maintenance are recognised in the statement of profit and loss as incurred.

Depreciation

Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or their useful lives, unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The below given useful lives best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are subject to impairment testing at each reporting date. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Any impairment losses are recognised immediately in the statement of profit and loss.

Other intangible assets

Other intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which they relate.

Software for internal use, which is primarily acquired from third-party vendors, including consultancy charges for implementing the software, are capitalised. Subsequent costs are charged to the statement of profit and loss as incurred. The capitalised costs are amortised over the estimated useful life of the software.

Amortisation

Amortisation of intangible assets, intangible assets not available for use and intangible assets having indeterminable life, is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives from the date they are available for use.

The estimated useful lives of intangible assets are 1 - 10 years.

2.8 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Measurement of debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other income/expenses. Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other income/expenses in the period in which it arises. Interest income from these financial assets is included in other income.

Measurement of equity instruments

The Company subsequently measures all equity investments other than those elected to be at cost under Ind AS 27 at fair value. 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Interest income from financial assets

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

2.10 Financial liabilities

Non derivative financial liabilities include trade and other payables.

Company present the hybrid contract in balance sheet as a single contractual arrangement. The embedded derivative component is classified as at FVTPL for measurement purposes; the host contract, as a financial liability is measured at amortised cost using the effective interest method.

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables are recognised initially at their transaction values which also approximate their fair values and subsequently measured at amortised cost less settlement payments.

2.11 Inventories

Inventories of finished goods, stock in trade, work in process, consumable stores and spares, raw material, packing material are valued at cost or net realisable value, whichever is lower. Cost of inventories is determined on a weighted moving average basis. Cost of materials comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Cost of work-in-process and finished goods include the cost of materials consumed, labour, manufacturing overheads and other related costs incurred in bringing 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

(All amounts in million of Indian Rupees, unless otherwise stated)

- Taxable temporary differences relating to investments in subsidiaries to the extent the Company is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised/ settled simultaneously.

2.13 Leases

The Company has applied Ind AS 116 using the modified retrospective approach.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

– Fixed payments, including in-substance fixed payments;

– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

– Amounts expected to be payable under a residual value guarantee; and

– The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Land acquired on long term leases

The Company has capitalised the land acquired on long term lease. Such leases are acquired on payment of an upfront amount and do not carry any other minimum lease payments/other rentals over the lease term. The asset is initially recognised at the value of the upfront premium/charges paid to acquire the lease.

2.14 Equity

Share capital is determined using the nominal value of shares that are issued. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Securities premium includes any premium received on the issue of share capital. Any transaction costs associated with the issue of shares is deducted from Securities premium, net of any related income tax benefits.

Retained earnings include all current and prior period results, as disclosed in the statement of profit and loss.

2.15 Employee benefits

Short-term benefits

Short-term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognised provident funds, approved superannuation schemes and other social securities, which are defined contribution plans, are recognised as an employee benefit expense in the statement of profit and loss as incurred.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of an approved gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each material plan by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation performed annually by a qualified actuary using the projected unit credit method.

The benefit is discounted to determine the present value of the defined benefit obligation and the current service cost. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The fair value of any plan assets is deducted from the present value of the defined benefit obligation to determine the amount of deficit or surplus. The net defined benefit liability/ (asset) is determined as the amount of the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The net defined benefit liability/(asset) is recognised in the balance sheet.

Defined benefit costs are recognised as follows:

- Service cost in the statement of profit and loss
- Net interest on the net defined benefit liability (asset) in the statement of profit and loss
- Remeasurement of the net defined benefit liability/ (asset) in other comprehensive income

Service costs comprise of current service cost, past service cost, as well as gains and losses on curtailment and settlements. The benefit attributable to current and past periods of service is determined using the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the benefit is attributed on a straight-line basis. Past service cost is recognised in the statement of profit and loss in the period of plan amendment. A gain or loss on the settlement of a defined benefit plan is recognised when the settlement occurs.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability/(asset) at the beginning of the period, taking account of any changes in the net defined benefit liability/ (asset) during the period as a result of contribution and benefit payments.

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Compensated absence

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Company's policy and receive cash in lieu thereof. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the date of the balance sheet. Such measurement is based on actuarial valuation as at the date of the balance sheet carried out by a qualified actuary.

Termination benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

2.16 Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of past events will probably lead to an outflow of economic resources from the Company and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the best estimate of expenditure required to settle the present obligation at the reporting date, based on the most reliable evidence, including the risks and uncertainties and timing of cashflows associated with the present obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the balance sheet.

Any amount that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset up to the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets are not recognised.

2.17 Share based compensation

All employee services received in exchange for the grant of any equity-settled share-based compensation are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based compensation is ultimately recognised as an expense in the statement of profit and loss with a corresponding credit to equity (Stock compensation reserve). If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to expense recognised in prior periods if fewer share options are ultimately exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as Securities premium.

2.18 Earnings per share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares out standing during the period is adjusted for the effects of all dilutive potential equity shares.

2.19 Statement of cash flow

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

(All amounts in million of Indian Rupees, unless otherwise stated)

(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. Critical Accounting Estimates and Significant Judgment in Applying Accounting Policies

Estimation uncertainity

The preparation of these financial statements in conformity with Ind AS requires the application of judgment by management in selecting appropriate assumptions for calculating financial estimates, which inherently contain some degree of uncertainty. Management estimates are based on historical experience and various other assumptions that are believed to be reasonable in the circumstances, the results of which form the basis for making judgments about the reported carrying values of assets and liabilities and the reported amounts of revenues and expenses that may not be readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Estimates of life of various tangible and intangible assets, and assumptions used in the determination of employee-related obligations and fair valuation of financial and equity instrument, impairment of tangible and intangible assets represent certain of the significant judgements and estimates made by management.

Revenue

Gross turnover is reduced by rebates, discounts, allowances and product returns given or expected to be given, which vary by product arrangements and buying groups. These arrangements with purchasing organisations are dependent upon the submission of claims sometime after the initial recognition of the sale. Accruals are made at the time of sale for the estimated rebates, discounts or allowances payable or returns to be made, based on available market information and historical experience.

Because the amounts are estimated they may not fully reflect the final outcome, and the amounts are subject to change dependent upon, amongst other things, the types of buying group and product sales mix.

The level of accrual for rebates and returns is reviewed and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Market conditions are evaluated using wholesaler and other third-party analyses, market research data and internally generated information. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Future events could cause the assumptions on which the accruals are based to change, which could affect the future results of the Company.

Useful lives of various assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Company. The useful life are specified in note 2.5 and 2.7

Leases

Ind AS 116 requires Company to make certain judgements and estimations, and those that are significant are disclosed below.

Critical judgements are required when an entity is,

- determining whether or not a contract contains a lease
- establishing whether or not it is reasonably certain that an extension option will be exercised
- considering whether or not it is reasonably certain that a termination option will not be exercised

Key sources of estimation and uncertainty include:

- calculating the appropriate discount rate
- estimating the lease term

Research and developments costs

Management monitors progress of internal research and development projects by using a project management system. Significant judgement is required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred.

Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary due to inherent uncertainty in the economic success of any product development.

Post-employment benefits

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate

(All amounts in million of Indian Rupees, unless otherwise stated)

of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available.In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Current taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Deferred tax

The assessment of the probability of future taxable profit in which deferred tax assets can be utilized is based on the Company's latest approved budget forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilise without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Expected credit loss

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i Trade receivables.

ii Financial assets measured at amortised cost other than trade receivables.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. In case of other assets (listed as ii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

The financial statements have been prepared using the measurement basis specified by Ind AS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Estimation uncertainty relating to COVID-19 outbreak

The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports, up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company has accrued its liabilities and also expects to fully recover the carrying amount of inventories, trade receivables, goodwill, intangible assets, and investments. The eventual outcome of impact of the global health

(All amounts in million of Indian Rupees, unless otherwise stated)

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)

Recent pronouncements Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

a) Ind AS 103 – Reference to Conceptual Framework : The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

b) Ind AS 16 – Proceeds before intended use : The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

c) Ind AS 37 – Onerous Contracts - Costs of fulfilling a contract : The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

d) Ind AS 109 – Annual improvements to Ind AS (2021) : The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

e) Ind AS 116 - The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

(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
Cost										
Balance as at 1 April 2021	**50.27**	**256.11**	**5,358.17**	**700.88**	**13,833.40**	**1,101.22**	**228.02**	**63.73**	**21,591.80**	**933.10**
- Acquisitions	-	-	122.80	7.78	773.57	38.19	12.05	1.54	955.93	749.81
- Disposals/ Transfers	-	-	(1.04)	(0.29)	(84.90)	(7.58)	(2.01)	(0.13)	(95.95)	(671.21)
Balance as at 31 March 2022	**50.27**	**256.11**	**5,479.93**	**708.37**	**14,522.07**	**1,131.83**	**238.06**	**65.14**	**22,451.78**	**1,011.70**
Accumulated Depreciation										
Balance as at 1 April 2021	**-**	**45.65**	**782.56**	**147.71**	**5,347.29**	**822.76**	**184.94**	**36.89**	**7,367.80**	
- Depreciation charge for the year	-	3.93	103.57	12.50	825.94	57.45	18.05	7.18	1,028.62	
- Disposals/ Transfers	-	-	(0.35)	(0.03)	(73.07)	(7.33)	(2.00)	(0.13)	(82.91)	
Balance as at 31 March 2022	**-**	**49.58**	**885.78**	**160.18**	**6,100.16**	**872.88**	**200.99**	**43.94**	**8,313.51**	
Carrying value										
As at 31 March 2022	**50.27**	**206.53**	**4,594.15**	**548.19**	**8,421.91**	**258.95**	**37.07**	**21.20**	**14,138.27**	**1,011.70**

Particulars	Freehold land	Leasehold land	Factory building	Other building	Plant and equipment	Furniture and fixture	Office equipment	Vehicles	Total	Capital work-in-progress
Cost										
Balance as at 1 April 2020	**50.27**	**256.11**	**5,070.23**	**700.70**	**12,842.81**	**1,082.38**	**220.10**	**56.84**	**20,279.44**	**1,524.97**
- Acquisitions	-	-	291.05	0.18	1,130.75	23.51	9.08	11.18	1,465.75	510.96
- Disposals/Transfers *	-	-	(3.11)	-	(140.16)	(4.67)	(1.16)	(4.29)	(153.39)	(1,102.83)
Balance as at 31 March 2021	**50.27**	**256.11**	**5,358.17**	**700.88**	**13,833.40**	**1,101.22**	**228.02**	**63.73**	**21,591.80**	**933.10**
Accumulated Depreciation										
Balance as at 1 April 2020	**-**	**41.72**	**687.28**	**135.45**	**4,647.86**	**765.03**	**167.72**	**35.26**	**6,480.32**	
- Depreciation charge for the year	-	3.93	95.92	12.26	769.30	60.13	18.37	5.92	965.83	
- Disposals/Transfers *	-	-	(0.64)	-	(69.87)	(2.40)	(1.15)	(4.29)	(78.35)	
Balance as at 31 March 2021	**-**	**45.65**	**782.56**	**147.71**	**5,347.29**	**822.76**	**184.94**	**36.89**	**7,367.80**	
Carrying value										
As at 31 March 2021	**50.27**	**210.46**	**4,575.61**	**553.17**	**8,486.11**	**278.46**	**43.08**	**26.84**	**14,224.00**	**933.10**

- Refer note 14(i) for details of assets pledged against borrowings.

- Additions include borrowing costs capitalised of ₹ Nil (2021 - ₹ 70.00). The borrowing costs have been capitalised at a weighted average rate of Nil (2021 - 5.28%) .

(All amounts in million of Indian Rupees, unless otherwise stated)

Ageing of capital work in progress as on 31 March 2022

CWIP	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	641.41	172.72	51.95	145.62	1,011.70
Projects temporarily suspended	-	-	-	-	-
Total	**641.41**	**172.72**	**51.95**	**145.62**	**1,011.70**

Ageing of capital work in progress as on 31 March 2021

CWIP	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	390.58	167.82	105.22	269.48	933.10
Projects temporarily suspended	-	-	-	-	-
Total	**390.58**	**167.82**	**105.22**	**269.48**	**933.10**

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 2022 and 31 March 2021.

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
Cost			
Balance as at 1 April 2021	**1,117.78**	**1.44**	**1,119.22**
- Additions	15.78	89.16	104.94
- Deletions	(77.18)	-	(77.18)
Balance as at 31 March 2022	**1,056.38**	**90.60**	**1,146.98**
Amortisation and impairment			
Balance as at 1 April 2021	**440.22**	**0.24**	**440.46**
- Depreciation charge for the year	178.57	16.12	194.69
- Deletions	(35.24)	-	(35.24)
Balance as at 31 March 2022	**583.55**	**16.36**	**599.91**
Carrying value			
As at 31 March 2022	**472.83**	**74.24**	**547.07**

Particulars	Other Building	Office equipment	Total
Cost			
Balance as at 1 April 2020	**1,117.99**	**-**	**1,117.99**
- Additions	-	1.44	1.44
- Deletions	(0.21)	-	(0.21)
Balance as at 31 March 2021	**1,117.78**	**1.44**	**1,119.22**
Amortisation and impairment			
Balance as at 1 April 2020	**228.95**	**-**	**228.95**
- Depreciation charge for the year	211.34	0.24	211.58
- Deletions	(0.07)	-	(0.07)
Balance as at 31 March 2021	**440.22**	**0.24**	**440.46**
Carrying value			
As at 31 March 2021	**677.56**	**1.20**	**678.76**

(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
Cost				
Balance as at 1 April 2021	**1,808.19**	**3,966.39**	**5,774.58**	**380.92**
- Additions	673.90	215.53	889.43	45.46
- Disposals/transfers	-	-	-	(347.71)
Balance as at 31 March 2022	**2,482.09**	**4,181.92**	**6,664.01**	**78.67**
Amortisation and impairment				
Balance as at 1 April 2021	**1,429.72**	**2,022.71**	**3,452.43**	
- Amortisation for the year	220.04	153.60	373.64	
- on disposals/transfers	-	-	-	
Balance as at 31 March 2022	**1,649.76**	**2,176.31**	**3,826.07**	**-**
Carrying value				
As at 31 March 2022	**832.33**	**2,005.61**	**2,837.94**	**78.67**

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
Cost				
Balance as at 1 April 2020	**1,536.32**	**3,016.83**	**4,553.15**	**475.17**
- Additions	272.04	949.56	1,221.60	18.97
- Disposals/transfers	(0.17)	-	(0.17)	(113.22)
Balance as at 31 March 2021	**1,808.19**	**3,966.39**	**5,774.58**	**380.92**
Amortisation and impairment				
Balance as at 1 April 2020	**1,173.99**	**1,947.87**	**3,121.86**	**-**
- Amortisation for the year	255.90	74.84	330.74	-
- on disposals/transfers	(0.17)	-	(0.17)	-
Balance as at 31 March 2021	**1,429.72**	**2,022.71**	**3,452.43**	**-**
Carrying value				
As at 31 March 2021	**378.47**	**1,943.68**	**2,322.15**	**380.92**

Ageing of Intangible assets under development as on 31 March 2022

CWIP	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	49.40	7.17	1.52	20.58	78.67
Projects temporarily suspended	-	-	-	-	-
Total	**49.40**	**7.17**	**1.52**	**20.58**	**78.67**

Ageing of Intangible assets under development as on 31 March 2021

CWIP	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	18.97	34.25	87.83	239.87	380.92
Projects temporarily suspended	-	-	-	-	-
Total	**18.97**	**34.25**	**87.83**	**239.87**	**380.92**

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 2022 and 31 March 2021.

(All amounts in million of Indian Rupees, unless otherwise stated)

At the year end, the intangibles 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 such as the size of the target market, competition, future possible price/volume erosion.

The recoverable amount of each assets/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 assets/ CGU is determined by applying a suitable discount rate.

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. The long-term growth rate is 2% (2021- 2%).

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. 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.

Discount rates

The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of each asset/CGU. The present value of the expected cash flows of each asset is determined by applying a discount rate in the range of 10% to 14.50%.

Note 5 - Non-Current Financial Assets

(i) Investments

Particulars			As at 31 March 2022	As at 31 March 2021
Unquoted				
(A)	**Equity shares**			
(a)	**Investments in subsidiary companies - carried at cost**			
	a)	Glenmark Impex LLC, Russia	1,435.61	1,435.61
		[577,767,277 (2021-577,767,277) shares of RUB 1 each]		
	b)	Glenmark Philippines Inc., Philippines	116.70	116.70
		[640,490 (2021-640,490) shares of Pesos 200 each]		
	c)	Glenmark Pharmaceuticals (Nigeria) Ltd., Nigeria	208.97	208.97
		[645,114,304 (2021-645,114,304) shares of Naira 1 each]		
	d)	Glenmark Pharmaceuticals Malaysia Sdn.Bhd.,Malaysia	97.72	97.72
		[5,686,618 (2021 -5,686,618) shares of RM 1 each]		
	e)	Glenmark Holding S. A., Switzerland	76,966.16	61,597.84
		[942,239,894 (2021 - 742,239,894) shares of CHF 1 each]		
	f)	Glenmark Pharmaceuticals (Australia) Pty.Ltd., Australia.	90.68	76.15
		[2,444,002 (2021-2,184,002) shares of AUD 1 each]		
	g)	Glenmark Pharmaceuticals Egypt S.A.E., Egypt	421.74	421.74
		[55,426,520 (2021 - 55,426,520) shares of EGP 1 each]		
	h)	Glenmark Pharmaceuticals FZE, (U.A.E)	12.92	12.92
		[1 (2021 -1) shares of AED 1,000,000 each]		
	i)	Glenmark Dominicana, SRL, Dominican Republic	0.19	0.19
		[153 (2021 -153) shares of RD 1000 each]		
	j)	Glenmark Pharmaceuticals (Kenya) Limited, Kenya	97.18	97.18
		[1,560,400 (2021 - 1,560,400) shares of KSHS 100 each]		

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars			As at 31 March 2022	As at 31 March 2021
	k)	Glenmark Pharmaceuticals Venezuela, CA, Venezuela	715.13	715.13
		[169,954,890 (2021 -169,954,890) shares of Bolivar 1 each]		
		less: Provision for impairment	(715.13)	(715.13)
	l)	Glenmark Pharmaceuticals Colombia SAS, Colombia	545.89	483.46
		[250,506 (2021 - 222,785) shares of COP 1000 each]		
	m)	Glenmark Pharmaceuticals Peru SAC, Peru	772.06	772.06
		[38,169,324 (2021 -38,169,324) shares of PEN 1 each]		
	n)	Glenmark Pharmaceuticals Mexico, S.A. DE C.V., Mexico	1,695.29	1,695.29
		[404,975,500 (2021 -404,975,500) shares of Mexican peso 1 each]		
	o)	Glenmark Pharmaceuticals Europe Ltd., U.K.	578.23	578.23
		[6,285,121 (2021-6,285,121) shares of GBP 1 each]		
	p)	Glenmark South Africa (Pty) Ltd., South Africa	1,044.20	1,044.20
		[113,656 (2021- 113,656) shares of ZAR 1 each]		
	q)	Glenmark Uruguay S.A., Uruguay	774.53	774.53
		[201,240,258 (2021- 201,240,258) shares of UYU 1 each]		
	r)	Glenmark Pharmaceuticals (Thailand) Co.Ltd., Thailand	3.72	3.72
		[26,215 (2021 - 26,215) Ordinary shares of THB 100 each]		
	s)	Glenmark-Pharmaceuticals Ecuador S.A., Ecuador	189.46	189.46
		[2,839,600 (2021- 2,839,600) shares of USD 1 each]		
	t)	Glenmark Pharmaceuticals Singapore Pte. Ltd., Singapore	32.73	32.73
		[650,010 (2021- 650,010) shares of SGD 1 each]		
	u)	Glenmark Life Sciences Limited, India *	-	15.30
		[101,504,950 (2021- 9,800,450) equity shares of ₹ 2 each]		
(b)	**Other investments**			
	a)	213,032 (2021 - 213,032) Equity Shares of Narmada Clean Tech Ltd. of ₹ 10 each. **(FVTPL)**	2.13	2.13
	b)	1 (2021 - 1) Time Share of Dalmia Resorts Limited **(FVTPL)**	0.02	0.02
	c)	Nil (2021- 15,000,000) Equity Shares of Integrace Private Limited of ₹ 10 each **(FVOCI)**	-	150.00
	d)	18,000 shares Shivalik Solid Waste Management Ltd of ₹ 10 each **(FVTPL)**	0.18	-
(B)	**Preference shares**			
(a)	**Investment in subsidiary - carried at cost**			
	2 (2021 - 2) Preference shares of THB 100 each of Glenmark Pharmaceuticals (Thailand) Co.Ltd. (Amount less than Rupees ten thousand)		-	-
(b)	**Other investments**			
	(a)	1,176,471 (2021 - 1,176,471) Preferred shares of Napo Pharmaceuticals Inc of USD 0.85 each **(at FVTPL)**	42.65	42.65
	(b)	500,000 (2021 - 500,000) 7% cumulative preference shares of ₹ 100 each fully paid up of Marksans Pharma Ltd **(at amortised cost)**	50.00	50.00

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars		As at 31 March 2022	As at 31 March 2021
(C)	**Government securities**		
	National Savings Certificate -Sixth Issue **(at amortised cost)**	0.02	0.02
(D)	**Other investment**		
	Investment in Limited Liability Partnership (LLP) - ABCD Technologies LLP **(FVOCI)**	400.00	-
	Total	**85,578.98**	**69,898.82**
	Quoted		
(E)	**Equity shares (FVTPL)**		
	9,000 (2021 - 9,000) Bank of India of ₹ 10 each	0.42	0.61
	1,209 (2021 - 1,209) IDBI Bank Limited of ₹ 10 each	0.05	0.05
		0.47	**0.66**
(F)	**Investments in subsidiary company - carried at cost**		
	Glenmark Life Sciences Limited, India*	14.41	-
	[101,504,950 (2021- 9,800,450) equity shares of ₹ 2 each]		
	Total	**85,593.86**	**69,899.48**
	Aggregate carrying value of quoted investment	14.88	0.66
	Aggregate market value of quoted investment	46,591.24	0.66
	Aggregate carrying value of unquoted investment	85,578.98	69,898.82
	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 (2021 - ₹ 194.80) cannot be reliably determined and therefore the company is carrying these investments at cost less impairment charge if any being the management's best estimate of their fair values.

*On 3 August 2021, Glenmark Life Sciences Ltd. (GLS) completed allotment of share as part of its Initial Public Offering (IPO).

(ii) Loans

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good		
Loans to related parties* (Refer note 27 and 32)	70,786.31	59,307.01
Total	**70,786.31**	**59,307.01**

* There are no advances in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(iii) Other non-current financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured		
Security deposits considered good*	203.25	218.22
Bank deposit including margin money	48.96	40.96
Total	**252.21**	**259.18**

*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 6 - Taxes

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current income tax expense	4,110.78	3,436.18
Deferred income tax expense/ (benefit)	(591.97)	(237.42)
Minimum Alternate Tax (MAT) Credit (Entitlement)/ utilisation	(122.24)	(255.66)
Total	**3,396.57**	**2,943.10**

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 2022	Year ended 31 March 2021
Income tax expense at tax rates applicable	8,167.81	6,792.27
Tax adjustment for tax-exempt income		
- Income exempt from tax	(3,102.12)	(3,054.64)
Other tax adjustments		
- Lower tax rate for capital gain on Slump Sale of business	(1,157.22)	(515.18)
- Disallowance of donation/corporate social responsibility expenses	122.31	105.23
- Disallowed expenses		87.73
- Other allowances / disallowances (net)	(634.21)	(472.31)
Actual tax expense (net)	**3,396.57**	**2,943.10**

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 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2022
Deferred tax assets				
Provision for credit losses	972.11	75.12	-	1,047.23
Difference in Right-of-use asset and lease liabilities	49.19	21.20	-	70.39
Accruals deductible on actual payment	421.94	(16.62)	(14.48)	390.84
MAT credit entitlement	9,743.99	122.23	-	9,866.22
Total	**11,187.23**	**201.93**	**(14.48)**	**11,374.68**
Deferred tax liabilities				
Difference in depreciation on property, plant and equipment	1,881.43	86.17	-	1,967.60
Other taxable temporary differences	772.86	(598.45)	-	174.41
Total	**2,654.29**	**(512.28)**	**-**	**2,142.01**
Net deferred income tax asset	**8,532.94**	**714.21**	**(14.48)**	**9,232.67**

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2020	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2021
Deferred tax assets				
Provision for credit losses	937.16	34.95	-	972.11
Difference in Right-of-use asset and lease liabilities	18.12	31.07	-	49.19
Accruals deductible on actual payment	369.76	59.67	(7.49)	421.94
MAT credit entitlement	9,488.33	255.66	-	9,743.99
Total	**10,813.37**	**381.35**	**(7.49)**	**11,187.23**
Deferred tax liabilities				
Difference in depreciation on property, plant and equipment	1,778.90	102.53	-	1,881.43
Other taxable temporary differences	987.12	(214.26)	-	772.86
Total	**2,766.02**	**(111.73)**	**-**	**2,654.29**
Net deferred income tax asset	**8,047.35**	**493.08**	**(7.49)**	**8,532.94**

In assessing the reliability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income including taxable temporary differences in the future periods are reduced.

Note 7 - Other Non-Current Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances	103.23	65.70
Advance tax [net of provision ₹ 21,730.27 (2021- ₹ 18,117.16)]	527.08	474.60
Prepaid expenses	6.54	6.20
Total	**636.85**	**546.50**

Note 8 - Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
Raw material	4,388.21	3,476.91
Raw material (stock in transit)	733.57	187.88
Packing material	2,223.91	1,915.44
Work-in-process	781.87	730.96
Stores and spares	721.51	755.54
Finished goods	442.13	546.06
Stock-in-trade	225.42	11.08
Total	**9,516.62**	**7,623.87**

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 ₹ 700.49 (2021 - ₹ 786.88). 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 9 - Current Financial Assets

(i) Trade Receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured		
Considered good * (Refer note 35)	26,783.22	24,887.49
Credit impaired *	2,996.90	2,781.90
Allowance for credit impaired/ expected credit losses	(2,996.90)	(2,781.90)
Total	**26,783.22**	**24,887.49**
* Includes amount receivable from related parties (Refer note 32(b))	20,464.33	16,808.54

The Company's exposure to credit risk and currency risk 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 ₹ 215.00 (2021 - ₹ 100.00) 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 2022	As at 31 March 2021
Opening balance	2,781.90	2,681.90
Provision for credit losses during the year (net)	215.00	100.00
Closing balance	**2,996.90**	**2,781.90**

Trade receivable ageing schedule as at 31 March 2022

Particulars		Not due	Outstanding for following periods from due date of payments					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i)	Undisputed trade receivable - considered good	14,143.76	9,711.47	1,502.71	742.19	73.54	609.55	26,783.22
(ii)	Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivable - credit impaired	-	-	-	18.72	61.56	2,916.62	2,996.90
(iv)	Disputed trade receivable - considered good	-	-	-	-	-	-	-
(v)	Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed trade receivable - credit impaired	-	-	-	-	-	-	-
Total (A)		**14,143.76**	**9,711.47**	**1,502.71**	**760.91**	**135.10**	**3,526.17**	**29,780.12**
Less - Provision for credit impaired/ expected credit losses								2,996.90
Total (B)								**26,783.22**

(All amounts in million of Indian Rupees, unless otherwise stated)

Trade receivable ageing schedule as at 31 March 2021

Particulars		Not due	Outstanding for following periods from due date of payments					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i)	Undisputed trade receivable - considered good	10,458.46	11,318.67	1,208.39	939.57	160.28	802.12	24,887.49
(ii)	Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(ii)	Undisputed trade receivable - credit impaired	-	-	-	27.41	121.00	2,633.49	2,781.90
(iv)	Disputed trade receivable - considered good	-	-	-	-	-	-	-
(v)	Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed trade receivable - credit impaired	-	-	-	-	-	-	-
Total (A)		**10,458.46**	**11,318.67**	**1,208.39**	**966.98**	**281.28**	**3,435.61**	**27,669.39**
Less - Provision for credit impaired/ expected credit losses								2,781.90
Total (B)								**24,887.49**

(ii) Cash and Cash Equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	271.76	134.15
Cash on hand	14.74	13.08
Total	**286.50**	**147.23**

(iii) Bank Balances other than Cash and Cash Equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Other bank balance - Dividend accounts (Refer note 1 below)	9.82	10.62
Total	**9.82**	**10.62**

Note 1 - Dividend accounts represent balances maintained in specific bank accounts for payment of dividends. The use of these funds is restricted and can only be used to pay dividends. The corresponding liability for payment of dividends is included under other current financial liability in note 14(iii).

(iv) Other Current Financial Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits (unsecured, considered good) (Refer note 1 below)	177.89	180.11
Receivable from subsidiary against business sale	-	9,328.67
Export incentives	212.03	413.63
Bank deposit including margin money	55.84	63.84
Total	**445.76**	**9,986.25**

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 10 - Other Current Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Advances recoverable in kind (unsecured)	1,782.41	2,486.29
Input taxes receivable	3,535.76	2,358.71
Advances to vendors	1,200.38	1,245.33
Prepaid expenses	253.91	328.34
Other assets [net of provision for share application money ₹ 101.78 (2021 - ₹ 101.78)]	214.91	17.03
Total	**6,987.37**	**6,435.70**

Note 11 - Equity and Reserves

a) Ordinary shares

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

The Company has an authorised share capital of 2,370,000,000 equity shares of ₹ 1 each.

b) Dividends

Indian statutes mandate that dividends be declared out of distributable profits in accordance with the regulations. Should the Company declare and pay dividends, such dividends are required to be paid in INR to each holder of equity shares in proportion to the number of shares held. Dividends are taxable in the hands of the shareholders and tax is deducted by the Company at applicable rates.

c) Reserves

Securities premium reserve - The amount received by the Company over and above the face value of shares issued is shown under this head. It is available for utilisation as per the provisions of the Companies Act, 2013.

Capital redemption reserve - The capital redemption reserve had been created as per the requirement of earlier provisions of Companies Act, 1956. Such reserve is not currently available for distribution to the shareholders. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

General reserve - The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained earnings - Accumulated earnings include all current and prior period profits as disclosed in the statement of profit and loss.

Stock compensation reserve - Stock compensation reserve consists of employee compensation cost allocated over the vesting period of options granted to employees. Such cost is recognised in statement of profit and loss and is credited to the reserve. Upon exercise of options, such reserves are reclassified to equity share capital at the nominal capital value and excess through securities premium as the case may be.

Note 12 - Equity Share Capital

Share capital	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	Amount	No. of Shares	Amount
(I) Authorised				
Equity Shares of ₹ 1 each	2,370,000,000	2,370.00	2,370,000,000	2,370.00
Cumulative redeemable non-convertible preference shares of ₹ 100 each	4,000,000	400.00	4,000,000	400.00
Issued, subscribed and fully paid-up equity shares of ₹ 1 each				
At the beginning of the year	282,168,156	282.17	282,168,156	282.17
Add: Issued during the year	-	-	-	-
At the end of the year	**282,168,156**	**282.17**	**282,168,156**	**282.17**

(All amounts in million of Indian Rupees, unless otherwise stated)

(II)	List of shareholders holding more than 5 % shares	As at 31 March 2022		As at 31 March 2021	
		% of Holding	No. of Shares	% of Holding	No. of Shares
	Saldanha Family Trust	45.45	128,241,936	45.45	128,241,936

(III) Details of Shareholding of Promoters are as below :

Sr. No.	Shares held by promoters at As at 31 March 2022 Promoter Name	No.of Shares	% of total shares **	% change during the year
1	Saldanha Family Trust	128,241,936	45.45	-
2	Blanche Saldanha	1,110,327	0.39	-
3	Glenn Saldanha	983,439	0.35	0.01
4	Cherylann Pinto	758,485	0.27	-
5	Robin Pinto	497,500	0.18	-
6	Neha Saldanha	26,000	0.01	0.01
Total		**131,617,687**		

Sr. No.	Shares held by promoters at As at 31 March 2021 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	955,169	0.34	0.01
4	Cherylann Pinto	756,535	0.27	-
5	Robin Pinto	497,250	0.18	-
6	Neha Saldanha	6,000	-	-
Total		**131,567,217**		

** The percentage shareholding above has been computed considering the outstanding number of shares of 282,168,156 as at 31 March 2022 and 31 March 2021.

(IV) As at 31 March 2022, Pursuant to Employee Stock Options Scheme 2016, 78,717 options were outstanding, which upon exercise are convertible into equivalent number of equity shares.

(V) Right, Preference and restriction on shares

The Company presently has only one class of ordinary equity shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary equity shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

(VI) In the period of five years immediately preceeding 31 March 2022, the Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash. Further, the Company has neither issued bonus shares nor bought back any shares during the aforementioned period.

(VII) Employee Stock Option Scheme 2016 (ESOS)

The Company has formulated an Employee Stock Option Scheme 2016 ("ESOS 2016") under which it has made grants on various dates from time to time. Each grant has a vesting period which varies from 1 - 6 years from the date of grant depending on the terms of the grant. The grants are made at the market price of the equity shares of the Company on either the date of the grant or the closing price of the date prior to the day of the grant or the price decided by the Nomination & Remuneration Committee of the Board. Pursuant to ESOS 2016, 78,717 options were outstanding as at 31 March 2022, which upon exercise are convertible into equivalent number of equity shares. Employee stock compensation charged during the year is ₹ 2.28 (2021 -₹ 18.53).

(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	2021-2022		2020-2021	
	Number	weighted average price (₹)	Number	weighted average price (₹)
Outstanding at the beginning of the year	404,247	388.45	445,913	364.32
Granted during the year	-	-	-	-
Forfeited during the year	(325,530)	405.07	(41,666)	130.23
Exercised during the year	-	-	-	-
Outstanding at the end of the year	78,717	319.71	404,247	388.45

Out of above 20,000 options outstanding as of 31 March 2022 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 2022	31 March 2021
Share price (₹)	600	600
Exercise price (₹)	600	600
Weighted average volatility rate	34%	49%
Dividend payout	250%	250%
Risk free rate	6.45%	6.45%
Average remaining life	1-16 months	1-28 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 2022	As at 31 March 2021
Unsecured loans (at amortised cost)		
Foreign currency convertible bonds (FCCB)	7,286.05	10,173.04
External commercial borrowings (ECB) facility	6,859.10	6,651.11
Syndicated ECB facility	-	14,301.63
IFC - ECB Facility	1,884.56	-
Sustainability Linked Syndicated ECB Facility	16,973.78	-
Total	**33,003.49**	**31,125.78**
Less: Current portion of non-current borrowings	(7,286.05)	
Total long-term borrowings	**25,717.44**	**31,125.78**

(A) U.S. $ 200,000,000, 2.00 % Resettable Onward starting equity-linked securities (Bonds):

The Company had issued Bonds on 28 June 2016. The Bonds become convertible at the option of the holders' of the Bonds (the "Bondholders") after 1 December 2017 and upto the close of business on 18 June 2022 into equity shares. Each Bond will be convertible at the option of the holder thereof into fully paid equity shares at the initial conversion price determined on 30 November 2017.

On 30 November 2017, the Company set the initial conversion price (i.e. the price at which the ordinary shares of the Company will be issued upon conversion of Bonds subject to any further adjustments according to conditions) at ₹ 861.84 as determined in accordance with condition 6.1.3 of the Trust deed. As of 31 March 2021, none of the Bondholders have opted for the conversion option.

(All amounts in million of Indian Rupees, unless otherwise stated)

On 30 November 2017, the Company confirmed the fixed exchange rate as INR 64.5238 in accordance with the condition 6.1.1 (b) of the Trust Deed dated 28 June 2016 which provides that the fixed exchange rate shall be the FX rate (INR per U.S. $ 1) based on Bloomberg's "BFIX" USD/INR spot mid-price rate 12.00 (Hongkong time) on 30 November 2017.

Unless previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed on 28 June 2022 (Maturity Date) at 126.42% of their principal amount, together with accrued interest (if any), calculated upto but excluding the Maturity Date. The Company may, at its own discretion, redeem the Bonds in whole, but not in part, subject to satisfaction of certain conditions.

As per the original Trust Deed, each Bondholder has the right to require the Company to redeem in whole or in part, such Bondholder's Bonds, on 28 July 2021 (Put Option Date), at a price equal to 121.78% of its outstanding principal amount of Bonds, together with interest (if any) accrued but unpaid on 28 July 2021. This was amended in April, 2021 (see note below on Tender Offer and Consent Solicitation).

The FCC Bonds were partially bought back in October 2018 (see note below on Buyback). In addition to that, the Company approved for tender and consent solicitation for amendment of FCC Bonds in February, 2021 (see note below on Tender Offer and Consent Solicitation). Further, the FCC Bonds were partially bought back in September, 2021 and April, 2022 (see note below on Buyback). The balance outstanding FCC Bonds were redeemed in May, 2022. (See note below on buyback).

The FCC Bonds were delisted from the Singapore stock exchange in May, 2022.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – October, 2018:

In September 2018, the Company approved the launch of buyback of FCC Bonds ("Buyback FCCBs") from existing holders of FCC Bonds ("Buyback Bondholders"). MUFG Securities Asia Limited and J.P. Morgan Securities Limited were appointed as Dealer Managers, on behalf of the Company to buyback FCC Bonds at a buyback price of 105% of the principal amount outstanding (being U.S. $ 262,500 for each U.S. $ 250,000 of FCC Bonds), up to an aggregate purchase price of U.S. $ 100 million plus accrued and unpaid interest per FCC Bond. In October 2018, the Company agreed to buyback U.S. $ 86.5 million in aggregate principal amount (representing 346 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. These Buyback FCCBs represented 43.25% of the aggregate FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 90,825,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 113.5 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook buyback to monetize the opportunity available and to push maturity of external debt. The Company utilised proceeds from an unsecured External Commercial Borrowing facility of up to U.S.$ 100 million ("ECB Facility") from MUFG Bank, Ltd., Singapore Branch, to refinance these Bonds.

Tender Offer of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 and Consent Solicitation from Bondholders – April, 2021:

In March, 2021, the Company announced a launch of a tender offer of the FCC Bonds. The Hong Kong and Shanghai Banking Corporation Limited was appointed as the Dealer Manager on behalf of the Company to tender an aggregate principal amount of up to U.S. $ 38.5 million at a purchase price of 120.30% of the principal amount of the FCC Bonds (**Tender Offer**) and also invited the holders of the FCC Bonds to approve the amendment of the optional put notice period from not later than 30 days nor more than 60 days prior to the Put Option Date to a minimum of 150 days prior to the Put Option Date by passing an Extraordinary Resolution (**Consent Solicitation**).

Tender Offer: In April, 2021, an aggregate principal amount of U.S. $ 36.75 million (representing 147 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) were validly tendered pursuant to the Offer. These tendered FCC Bonds represented 32.38% of the outstanding FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 44,210,250 plus accrued but unpaid interest. Following settlement, the tendered FCC Bonds were cancelled and U.S. $ 76.75 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook this tender to manage the Company's debt maturity profile by reducing near-term repayable outstanding indebtedness and to reduce interest costs. The Company utilised proceeds from unsecured External Commercial Borrowing facilities from Fifth Third Bank and International Finance Corporation to refinance these Bonds (see note below on Fifth Third Bank and IFC).

Consent Solicitation: An Extraordinary Resolution was duly passed at the Bondholders Meeting held on 12 April 2021, with 99.78 per cent. of votes cast in favour of the amendment to the optional put notice period. The Company also executed the Supplemental Trust Deed to make the amendment effective from 12 April 2021.

(All amounts in million of Indian Rupees, unless otherwise stated)

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – September, 2021:

In September 2021, the Company executed a discrete buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 1 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 120.30% of the principal amount (representing 4 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 15 September, 2021, the Company paid an aggregate purchase price of U.S. $ 1,203,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 75.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – April and May, 2022:

In April 2022, the Company executed a buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 75 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 125.26% of the principal amount (representing 300 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 7 April, 2022, the Company paid an aggregate purchase price of U.S. $ 93,945,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 0.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Following the above buyback in April, 2022, the Company issued a Notice of early redemption to the remaining holders of FCC Bonds for principal value of outstanding U.S. $ 0.75 million for redemption in May, 2022. On 9 May, 2022, the Company paid an aggregate amount of U.S. $ 9,42,860.24 for the Buyback FCCBs, plus accrued but unpaid interest and concluded the redemption of FCC Bonds as per the terms of the Trust Deed.

Subsequently FCC Bonds were delisted from the Singapore Stock Exchanges.

(B) U.S. $ 90,825,000, MUFG Bank, ECB Facility:

The Company has obtained Loan Registration Number (LRN) from RBI to raise an ECB Facility to the extent of U.S. $ 100 million. In October 2018, the ECB Facility for U.S. $ 90,825,000 was raised and the proceeds were utilized for the purpose of repurchasing the FCC Bonds. The ECB Facility was raised from MUFG Bank, Singapore with an initial maturity of 5 years. The interest rate for the first 3 years is 4.956% p.a and the interest for the subsequent 2 years is 5.25% p.a.

However, in December, 2021, the loan was extended to bullet maturity of December, 2026. The interest rate was fixed at 4.69% p.a. up to September, 2023 and thereafter at an interest margin of 1.95% p.a. over U.S. $ LIBOR.

(C) U.S. $ 200,000,000, Syndicated ECB facility :

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 200 million. During the period November, 2020 to January, 2021, the ECB Facility for U.S. $ 200 million was raised and the proceeds were utilized for the purpose of refinancing of the 4.5% Senior Notes. The ECB Facility was raised from 9 Foreign banks with a maturity of 3.5 years. The interest margin is 3.15%p.a.over U.S. $ LIBOR. The Company refinanced this ECB by availing a new ECB – U.S. $ 228 million Sustainability Linked Loan in March 2022. (See note below on U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility).

(D) U.S. $ 28,000,000, Fifth Third Bank, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 28 million. The ECB Facility for U.S. $ 28 million was executed in March, 2021 and the Company availed the entire amount in April, 2021 and the proceeds were utilized for the purpose of refinancing of the FCC Bonds. The ECB Facility was raised from Fifth Third Bank, National Association with a maturity of 3.5 years. The interest margin is 3.15% p.a. over U.S. $ LIBOR. The Company refinanced this ECB by availing a new ECB – U.S. $ 228 million Sustainability Linked Loan in March 2022. (See note below on U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility).

(E) 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 and 2.83%p.a. thereafter.

(All amounts in million of Indian Rupees, unless otherwise stated)

(F) 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.

(G) Maturity profile of non-current borrowings

Year ending	As at 31 March 2022	As at 31 March 2021
2023	7,295.60	15,110.66
2024	1,338.16	8,384.47
2025	1,338.16	8,055.30
2026	4,781.87	-
2027	18,528.40	-

As per the loan arrangement, the Company is required to comply with certain financial covenants and the Company was in compliance with such covenants as at 31 March 2022 and 31 March 2021.

(ii) Lease liability

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liability (Refer note 31)	417.74	554.80
Total	**417.74**	**554.80**

(iii) Other Non-Current Financial Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits from customers	1,213.17	1,366.09
Total	**1,213.17**	**1,366.09**

Note 14 - Current Financial Liabilities

(i) Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured loans		
Loans repayable on demand from banks	-	-
Unsecured loans		
From banks	3,700.00	5,130.15
Current maturity of non-current borrowings (Refer note 13)	7,286.05	-
Total	**10,986.05**	**5,130.15**

Secured loans includes working capital facilities, secured by hypothecation of stocks of raw materials, packing materials, finished goods, work-in-process, receivables and equitable mortgage on fixed assets at certain locations.

Unsecured loans includes working capital facilities and other short term credit facilities

The Company has borrowed secured/unsecured loans at interest rates ranging between 4.85% - 8.00% p.a.

The Company has not defaulted on repayment of secured /unsecured loans and interest during the year.

(All amounts in million of Indian Rupees, unless otherwise stated)

(ii) Lease liability

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liability (Refer note 31)	255.79	229.19
Total	**255.79**	**229.19**

(iii) Other Current Financial Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due	135.74	160.20
Unclaimed dividend*	9.82	10.62
Employee dues	9.69	18.91
Sundry creditors for capital goods	116.87	91.14
Accrued expenses	636.26	631.59
Payable to related parties (Refer note 27)	754.98	732.08
Total	**1,663.36**	**1,644.54**

*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.

(iv) Trade Payables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables outstanding dues to Micro, small and medium enterprises under MSMED Act, 2006 [Refer note (i) below]	537.55	310.11
Trade payables outstanding dues to creditors other than micro, small and medium enterprises	13,545.29	12,546.00
Trade payables to related party (Refer note 27 and 32)	5,305.15	3,370.61
Total	**19,387.99**	**16,226.72**

The Company's exposure to credit risk and currency risk are disclosed in note 35.

Note (i)

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 2022	As at 31 March 2021
a)	The principle amount remaining unpaid to any supplier at the end of the year	537.55	310.11
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,

(All amounts in million of Indian Rupees, unless otherwise stated)

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 2022

Particulars		Outstanding for following periods from due date of payments					Total
		Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i)	MSME	537.55	-	-	-	-	537.55
(ii)	Others	16,361.05	1,928.91	106.45	159.88	294.15	18,850.44
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
Total		**16,898.60**	**1,928.91**	**106.45**	**159.88**	**294.15**	**19,387.99**

Ageing for trade payables as at 31 March 2021

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	310.11	-	-	-	-	310.11
(ii)	Others	14,258.63	871.84	301.21	265.96	218.97	15,916.61
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
Total		**14,568.74**	**871.84**	**301.21**	**265.96**	**218.97**	**16,226.72**

Note 15 - Other Current Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Statutory dues	632.55	471.81
Total	**632.55**	**471.81**

Note 16 - Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provisions for employee benefits :		
- Gratuity (Refer note 26)	429.77	429.73
- Compensated absences (Refer note 26)	275.77	263.09
Provision for sales return	285.00	400.00
Total	**990.54**	**1,092.82**

Movement of Provision for sales return	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	400.00	400.00
Provided during the year	285.00	373.80
Utilised/ reversed during the year	(400.00)	(373.80)
Balance at the end of the year	**285.00**	**400.00**

Note 17 - Current Tax Liabilities (Net)

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for income tax [net of advance tax ₹ 14,551.49 (2021 - ₹ 14,309.92)]	494.34	238.24
Total	**494.34**	**238.24**

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 18 - Revenue From Operations

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products	79,919.82	74,249.78
Sale of services	253.98	259.33
Other operating revenue*	1,242.01	1,170.22
Total	**81,415.81**	**75,679.33**

*Other operating revenue primarily comprises of Export incentives, Sale of Abbreviated New Drug Applications (ANDA), Sale of scrap 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 2022 Total revenue	For the year ended 31 March 2021 Total revenue
India	41,451.62	36,291.24
North America	18,809.86	22,674.07
Latin America	2,381.16	1,937.19
Europe	6,860.07	6,976.99
Rest of the World (ROW)	11,913.10	7,799.84
Total	**81,415.81**	**75,679.33**

Reconciliation of revenue recognised in the Income statement with the contracted price

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue as per contracted price	89,959.66	83,289.66
Less : Trade discounts, sales and expiry returns	8,543.85	7,610.33
Sale of products, services and other operating revenue	**81,415.81**	**75,679.33**

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 2022	As at 31 March 2021
Advance from customers	-	-

Note 19 - Other Income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Dividend income	1,069.30	3.50
Interest income	3,385.22	3,549.12
Exchange gain (net)	1,453.22	-
Miscellaneous income	238.54	409.75
Total	**6,146.28**	**3,962.37**

Note 20 - Cost of Materials Consumed

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Consumption of raw material and packing material	29,434.37	26,285.75
Consumption of stores and spares	495.99	496.85
Total	**29,930.36**	**26,782.60**

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 21- Purchases of Stock-in-Trade

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Purchase of finished goods	4,816.20	3,159.55
Total	**4,816.20**	**3,159.55**

Note 22 - Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(Increase)/Decrease in stock of finished goods, work-in-process and stock-in-trade	(161.32)	52.40
Total	**(161.32)**	**52.40**
(Increase)/Decrease in stocks		
At the year end		
Finished goods	442.13	546.06
Work-in-process	781.87	730.96
Stock-in-trade	225.42	11.08
	1,449.42	**1,288.10**
At the beginning of the year		
Finished goods	546.06	557.18
Work-in-process	730.96	767.12
Stock-in-trade	11.08	16.20
	1,288.10	**1,340.50**
(Increase)/Decrease in stocks	**(161.32)**	**52.40**

Note 23 - Employee Benefits Expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	11,184.63	10,328.33
Contribution to provident and other funds and retirement benefits (Refer note 26)	670.41	647.08
Employee stock compensation cost	2.28	18.52
Staff welfare expenses	74.64	80.03
Total	**11,931.96**	**11,073.96**

Note 24 - Finance Costs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expenses on		
- Bank loans	217.61	150.10
- Foreign currency convertible bonds	316.31	926.45
- Senior notes and ECB facility	1,450.59	1,363.89
- Lease (Refer note 31)	74.66	89.48
- Others	301.24	129.06
Total	**2,360.41**	**2,658.98**

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 25 - Other Expenses

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Labour charges	948.87	737.92
Power, fuel and water charges	768.66	668.30
Repairs and maintenance - plant and machinery	70.34	69.36
Repairs and maintenance - building	38.48	35.01
Repairs and maintenance - others	906.87	769.28
Rent	157.31	150.10
Rates and taxes	68.77	81.36
Director sitting fees	7.50	6.50
Other manufacturing expenses	338.36	211.04
Consumable - Lab chemicals and reagents	671.50	353.15
Selling and Marketing expenses	1,552.22	1,282.39
Sales promotion expenses	3,234.96	2,408.71
Commission on sales	181.98	239.50
Travelling expenses	1,258.48	913.02
Freight outward	2,467.10	2,896.39
Telephone expenses	16.22	32.18
Provision for doubtful debts / expected credit losses (net)	215.00	100.00
Insurance premium	141.93	128.95
Electricity charges	144.74	136.64
Loss on sale of property, plant and equipment/ Intangible assets (net)	7.64	11.60
Auditors remuneration		
- Audit fees	13.00	18.74
- Other services	0.80	-
- Reimbursement of expenses	0.69	3.03
Corporate social responsibility expense (Refer note 34)	348.54	305.17
Legal and professional charges	1,527.97	982.80
Exchange loss (net)	-	648.90
Other expenses	2,928.47	2,517.37
Total	**18,016.40**	**15,707.41**

Note 26 - Employee Post- Retirement Benefits

The following are the employee benefit plans applicable to the employees of the Company.

a) Gratuity (defined benefit plan)

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment of amounts that are based on salary and tenure of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation.

The Company recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	31 March 2022	31 March 2021
Current service cost	107.79	96.07
Net interest on defined benefit schemes	27.27	26.75
Amount recognised in profit and loss	**135.06**	**122.82**

(All amounts in million of Indian Rupees, unless otherwise stated)

The remeasurement components recognised in other comprehensive income for the Company's defined benefit plans comprise the following:

Particulars	31 March 2022	31 March 2021
Actuarial (gains)/losses		
Based on adjustment of financial assumptions	(36.71)	5.72
Due to liability experience adjustment	24.02	14.10
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	(17.84)	(52.15)
Total remeasurement loss recognised in the statement of other comprehensive income	**(30.53)**	**(32.33)**

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 2022	31 March 2021
Present value of funded obligations	923.44	858.36
Fair value of plan assets	(493.67)	(428.63)
Net defined benefit liability	**429.77**	**429.73**
Being:		
Retirement benefit liabilities	**429.77**	**429.73**

The movements in the net defined benefit liability recognised within the balance sheet are as follows:

Particulars	31 March 2022	31 March 2021
Beginning balance	429.73	414.88
Cost recognised in statement of profit and loss	135.06	122.82
Remeasurement (gains) / losses recognised in other comprehensive income	(30.53)	(32.33)
Actual employer contributions	(20.00)	-
Benefits paid	(84.49)	(75.64)
Closing balance	**429.77**	**429.73**

The change in the present value of defined benefit obligations are as follows:

Particulars	31 March 2022	31 March 2021
Beginning balance	858.36	768.58
Current service cost	107.79	96.07
Interest cost on the defined benefit obligations	54.47	49.53
Actual benefit payments	(84.49)	(75.64)
Actuarial (gains)/losses - Financial assumptions	(36.71)	5.72
Actuarial (gains)/losses - Liability experience	24.02	14.10
Closing balance	**923.44**	**858.36**

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2022	31 March 2021
Beginning balance	428.63	353.70
Interest income on plan assets	27.20	22.79
Actual employer contributions	20.00	-
Actual return on assets (excluding interest income on plan assets)	17.84	52.14
Closing balance	**493.67**	**428.63**

The Company expects to contribute ₹ 528.49 to its defined benefit plans in 2022-2023.

(All amounts in million of Indian Rupees, unless otherwise stated)

The principal actuarial assumptions used for the defined benefit obligations as at 31 March are as follows:

Particulars	31 March 2022	31 March 2021
Discount Rate	6.95%	6.35%
Salary Escalation rate (%)	3.00%	3.00%

Mortality rates have been set in accordance with current best practices. The average life expectancy in years on the balance sheet date is as follows:

Particulars	31 March 2022	31 March 2021
Average life expectancy (Years)	24.66	24.80

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2022	31 March 2021
Assets administered by respective insurance companies	100%	100%

A breakup of the defined benefit plan related balance sheet amounts as at 31 March are as follows.

Particulars	31 March 2022	31 March 2021
Present value of funded obligations	923.44	858.36
Fair value of plan assets	(493.67)	(428.63)
Net defined benefit liability	**429.77**	**429.73**

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 2022	31 March 2021
Discount rate +0.5 % p.a.	(28.56)	(27.82)
Discount rate - 0.5 % p.a.	30.43	29.69
Rate of compensation + 0.5 % p.a.	29.55	28.73
Rate of compensation - 0.5 % p.a.	(27.97)	(27.15)

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 2022	31 March 2021
Current service cost	86.91	78.94
Personnel expenses	**86.91**	**78.94**
Net interest on long term benefit schemes	16.69	13.48
Actuarial (gains)/losses		
Based on adjustment of financial assumptions	(22.74)	3.59
Due to liability experience adjustment	(0.98)	15.72
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	(0.85)	(0.90)
Amount recognised in profit and loss	**79.03**	**110.83**

(All amounts in million of Indian Rupees, unless otherwise stated)

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 2022	31 March 2021
Present value of funded obligations	459.09	434.67
Fair value of plan assets	(183.32)	(171.58)
Net long term benefit liability	**275.77**	**263.09**
Being:		
Retirement benefit liabilities	**275.77**	**263.09**

The movements in the net long term benefit liability recognised within the balance sheet are as follows:

Particulars	31 March 2022	31 March 2021
Beginning balance	263.09	209.16
Cost recognised in the statement of profit and loss	79.03	110.83
Benefits paid	(66.35)	(56.90)
Closing balance	**275.77**	**263.09**

The change in the present value of long term benefit obligations are as follows:

Particulars	31 March 2022	31 March 2021
Beginning balance	434.67	369.50
Current service cost	86.91	78.94
Interest cost on the long term benefit obligations	27.58	23.82
Actual benefit payments	(66.35)	(56.90)
Actuarial (gains)/losses - Financial assumptions	(22.74)	3.59
Actuarial (gains)/losses - Liability experience	(0.98)	15.72
Closing balance	**459.09**	**434.67**

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2022	31 March 2021
Beginning balance	171.58	160.34
Interest income on plan assets	10.89	10.32
Return on plan assets	0.85	0.92
Closing balance	**183.32**	**171.58**

The Company expects to contribute ₹ 340.60 to its long term benefit plan in 2022-2023.

The principal actuarial assumptions used for the long term benefit obligations as at 31 March are as follows:

Particulars	31 March 2022	31 March 2021
Discount rate (weighted average)	6.95%	6.35%
Rate of compensation increase (weighted average)	3.00%	3.00%

Mortality rates have been set in accordance with current best practices. The average life expectancy in years on the balance sheet date is as follows:

Particulars	31 March 2022	31 March 2021
Average life expectancy	24.66	24.80

(All amounts in million of Indian Rupees, unless otherwise stated)

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2022	31 March 2021
Insurance contracts	100%	100%

A breakup of the long term benefit plan related balance sheet amounts as at 31 March are as follows.

Particulars	31 March 2022	31 March 2021
Present value of obligations	459.09	434.67
Fair value of plan assets	(183.32)	(171.58)
Net long term benefit liability	275.77	263.09

The present value of long term benefit obligations by category of members as at 31 March are as follows:

Particulars	31 March 2022	31 March 2021
Active number of employees	12,556	11,788
Present value of obligations	459.09	434.67

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 2022	31 March 2021
Discount rate + 0.5 % p.a.	(17.51)	(17.44)
Discount rate - 0.5 % p.a.	18.78	18.75
Rate of compensation increase + 0.5 % p.a.	19.42	19.28
Rate of compensation decrease - 0.5 % p.a.	(18.24)	(18.07)

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 approximately ₹ 456.32 (2021 - ₹ 413.43) towards the provident fund plan during the year ended 31 March 2022.

Note 27 - Related Party Disclosures

a) Parties where direct/indirect control exists

i) Subsidiary companies

Glenmark Pharmaceuticals (Europe) R&D Ltd. (Liquidated w.e.f. 4 January 2022)

Glenmark Pharmaceuticals Europe Ltd., U.K.

Glenmark Pharmaceuticals S.R.O., Czech Republic

Glenmark Pharmaceuticals SK, s.r.o., Slovak Republic

Ichnos Sciences SA, Switzerland

Glenmark Holding S. A., Switzerland

Glenmark Pharmaceuticals SP z.o.o., Poland

Glenmark Pharmaceuticals Inc., USA

Glenmark Therapeutics Inc., USA

Glenmark Farmaceutica Ltda., Brazil

Glenmark Generics SA., Argentina

Glenmark Pharmaceuticals Mexico, S.A. DE C.V., Mexico

(All amounts in million of Indian Rupees, unless otherwise stated)

Glenmark Pharmaceuticals Peru SAC., Peru

Glenmark Pharmaceuticals Colombia SAS, Colombia

Glenmark Uruguay S.A., Uruguay

Glenmark Pharmaceuticals Venezuela., C.A , Venezuela

Glenmark Dominicana, SRL, Dominican Republic

Glenmark Pharmaceuticals Egypt S.A.E., Egypt

Glenmark Pharmaceuticals FZE., United Arab Emirates

Glenmark Impex L.L.C., Russia

Glenmark Philippines Inc., Philippines

Glenmark Pharmaceuticals (Nigeria) Ltd., Nigeria

Glenmark Pharmaceuticals Malaysia Sdn Bhd., Malaysia

Glenmark Pharmaceuticals (Australia) Pty Ltd., Australia

Glenmark South Africa (Pty) Ltd., South Africa

Glenmark Pharmaceuticals South Africa (Pty) Ltd., South Africa

Glenmark Pharmaceuticals B.V., Netherlands

Glenmark Arzneimittel Gmbh., Germany

Glenmark Pharmaceuticals Canada Inc., Canada

Glenmark Pharmaceuticals Kenya Ltd, Kenya

Viso Farmaceutica S.L.U., Spain

Glenmark Specialty S A, Switzerland

Glenmark Pharmaceuticals Distribution S.R.O, Czech Republic

Glenmark Pharmaceuticals (Thailand) Co. Ltd., Thailand

Glenmark Pharmaceuticals Nordic AB, Sweden

Glenmark Ukraine LLC, Ukraine

Glenmark-Pharmaceuticals Ecuador S.A., Ecuador

Glenmark Pharmaceuticals Singapore Pte. Ltd., Singapore

Glenmark Life Sciences Limited, India

Ichnos Sciences Biotherapeutics SA, Switzerland

Ichnos Sciences Inc., USA

b) Enterprise over which key managerial personnel excercise significant influence

Glenmark Foundation

Glenmark Aquatic Foundation

Trilegal

(All amounts in million of Indian Rupees, unless otherwise stated)

c) Key Management Personnel

Mr. Glenn Saldanha (Chairman & Managing Director)

Mrs. Cherylann Pinto (Executive Director)

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

Mrs. B. E. Saldanha (Non-executive Director)

Mr. Rajesh Desai (Non-executive Director)

Mr. D.R.Mehta (Non-executive Director)

Mr. Bernard Munos (Non-executive Director)

Mr. J.F.Ribeiro (Non-executive Director up to 26th June, 2020)

Dr. Brian W. Tempest (Non-executive Director)

Mr. Sridhar Gorthi (Non-executive Director)

Mr. Milind Sarwate (Non-executive Director up to 28th October, 2020)

Mr. Dipankar Bhattacharjee (Non-executive Director with effect from 14th August, 2020)

Ms. Sona Saira Ramasastry (Non-executive Director)

Mr. Harish Kuber (Company Secretary & Compliance Officer)

d) Transactions with related parties during the year

	2021-2022	2020-2021
Companies where direct/indirect control exists		
Sale of materials & services	29,277.92	32,875.59
Other Operating Income	333.28	50.13
Sale of fixed assets	1.72	60.50
Purchase of materials,Services and reimbursements	11,975.79	11,580.89
Purchase of Intangible assets	-	901.61
Investment in subsidiary	76.95	164.84
Share Application Money	214.87	16.99
Loans given to subsidiary	32,382.92	26,472.69
Loan given to subsidiary converted into Investment	15,368.32	22,595.01
Loans repaid by subsidiary	9,294.68	13,671.29
Interest income	3,373.37	3,536.09
Expenses incurred on behalf of subsidiary	-	0.04
Other Income	1,129.51	385.39

	2021-2022	2020-2021
Transactions with entities over which Key Management Personnel exercise significant influence		
Contribution incurred for CSR activities to		
Glenmark Foundation	127.10	233.04
Glenmark Aquatic Foundation	26.33	50.00
Disclosure in Respect of Major Related Party Transactions during the Year:		
Sale of materials & services		
Glenmark Pharmaceuticals Inc., USA	16,430.64	20,471.52
Glenmark Pharmaceuticals Europe Ltd., U.K.	1,295.88	3,570.35
Other Operating Income		
Ichnos Sciences Biotherapeutics S.A., Switzerland	6.27	9.03
Glenmark Specialty S.A., Switzerland	322.56	41.10
Sale of fixed assets		
Glenmark Life Sciences Limited, India	1.72	60.50

(All amounts in million of Indian Rupees, unless otherwise stated)

	2021-2022	2020-2021
Purchase of materials,Services and reimbursement		
Glenmark Life Sciences Limited, India	8,791.03	6,751.71
Glenmark Pharmaceuticals Inc., USA	1,122.45	3,107.86
Glenmark Impex L.L.C., Russia	1,100.60	852.28
Purchase of Intangible assets		
Ichnos Sciences S.A., Switzerland	-	901.61
Investment in share capital		
Glenmark Pharmaceuticals (Australia) Pty Ltd., Australia	14.53	-
Glenmark Pharmaceuticals Colombia Ltda., Colombia	62.42	51.32
Glenmark Pharmaceuticals Peru SAC., Peru	-	109.85
Share Application Money		
Glenmark Pharmaceuticals Peru SAC., Peru	55.76	-
Glenmark Pharmaceuticals Colombia Ltda., Colombia	11.38	16.99
Glenmark Pharmaceuticals Mexico, S.A. DE C.V., Mexico	91.71	-
Glenmark-Pharmaceuticals Ecuador S.A., Ecuador	56.03	-
Loans given		
Glenmark Holding S.A., Switzerland	32,382.92	26,472.69
Loan given to subsidiary converted into Investment		
Glenmark Holding S.A., Switzerland	15,368.32	22,595.01
Loans repaid		
Glenmark Holding S.A., Switzerland	9,294.68	13,671.08
Interest income		
Glenmark Holding S.A., Switzerland	3,065.70	2,630.78
Glenmark Life Sciences Limited, India	276.92	874.70
Expenses incurred on behalf of		
Glenmark Pharmaceuticals Inc., USA	-	0.04
Other Income from		
Glenmark Holding S.A., Switzerland	38.24	278.25
Glenmark Pharmaceuticals Inc., USA	24.19	99.31
Glenmark Life Sciences Limited, India	1,065.80	-
Key Management Personnel	**295.50**	**252.00**
Remuneration		
Mr. Glenn Saldanha	157.92	138.57
Mrs. Cherylann Pinto	46.60	40.70
Mr. V S Mani (Executive Director & Global Chief Financial Officer)	78.73	62.26
Mr. Harish Kuber (Company Secretary & Compliance Officer)	4.75	3.97
Sitting fees paid to Non-executive Directors	7.50	6.50

The directors are covered under the Company's gratuity policy and ESOP scheme along with other employees of the Company. Proportionate amount of gratuity and stock compensation expense is not included in the aforementioned disclosures as it cannot be separately ascertained.

(All amounts in million of Indian Rupees, unless otherwise stated)

e) Related party balances

	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
Net Receivable/(Payable) from/ (to) subsidiary companies/ enterprise		**85,190.50**		**81,341.54**
Glenmark Farmaceutica Ltda., Brazil	1,375.60		869.53	
Glenmark Philippines Inc., Philippines	102.41		24.30	
Ichnos Sciences SA, Switzerland	99.15		88.51	
Glenmark Holding S.A., Switzerland	70,374.18		58,924.66	
Glenmark Pharmaceuticals (Nigeria) Ltd., Nigeria	395.47		378.98	
Glenmark Impex L.L.C., Russia	635.66		198.40	
Glenmark Pharmaceuticals South Africa (Pty) Ltd., South Africa	244.57		422.58	
Glenmark Pharmaceuticals FZE., United Arab Emirates	(434.17)		(333.43)	
Glenmark Generics SA., Argentina	0.48		1.20	
Glenmark Pharmaceuticals Venezuela., C.A , Venezuela	1,558.20		1,558.20	
Glenmark Pharmaceuticals Malaysia Sdn.Bhd., Malaysia	566.89		497.29	
Glenmark Pharmaceuticals Peru SAC., Peru	49.56		78.54	
Glenmark Pharmaceuticals Europe Ltd., U.K.	(2,123.68)		(1,389.99)	
Glenmark Pharmaceuticals (Europe) R&D Ltd., U.K.	-		(238.02)	
Glenmark Pharmaceuticals Inc., USA	9,224.21		6,725.00	
Glenmark Pharmaceuticals s.r.o., Czech Republic	1,013.68		258.13	
Glenmark Pharmaceuticals SK, s.r.o., Slovak Republic	(0.01)		(0.01)	
Glenmark Pharmaceuticals SP z.o.o., Poland	(0.16)		(0.15)	
Glenmark Pharmaceuticals (Thailand) Co. Ltd., Thailand	24.39		32.92	
Glenmark Uruguay S.A., Uruguay	(754.98)		(732.08)	
Glenmark Pharmaceuticals Colombia SAS, Colombia	47.60		40.51	
Glenmark Pharmaceuticals Kenya Ltd, Kenya	1,010.67		904.20	
Glenmark Pharmaceuticals Mexico S.A. DE C.V. Mexico	200.13		263.48	
Glenmark Pharmaceuticals Egypt S.A.E., Egypt	152.65		136.37	
Glenmark Pharmaceuticals Canada Inc., Canada	173.71		399.06	
Glenmark Pharmaceuticals B.V., Netherlands	(0.01)		(0.01)	
Glenmark Specialty S A, Switzerland	3,587.02		4,029.18	
Glenmark Ukraine LLC, Ukraine	314.04		162.84	
Glenmark-Pharmaceuticals Ecuador S.A., Ecuador	84.74		109.37	
Glenmark Pharmaceuticals Singapore Pte. Ltd., Singapore	(49.69)		(46.50)	
Glenmark Life Sciences Limited, India	(2,697.43)		7,966.18	
Glenmark Therapeutics Inc., USA	3.94		3.94	
Ichnos Sciences Biotherapeutics SA, Switzerland*	6.20		0.00	
Glenmark Arzneimittel Gmbh., Germany	-		8.36	
Ichnos Sciences Inc., USA	5.48		-	
*amount denotes less than Rupees ten thousand.				
Share application money pending allotment		**214.91**		**17.03**
Glenmark Dominicana, SRL, Dominican Republic	0.04		0.04	
Glenmark Pharmaceuticals Mexico S.A. DE C.V. Mexico	91.71		-	
Glenmark Pharmaceuticals Peru SAC., Peru	55.76		-	
Glenmark Pharmaceuticals Colombia SAS, Colombia	11.37		16.99	
Glenmark-Pharmaceuticals Ecuador S.A., Ecuador	56.03		-	

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 28 - Research and Development Expenditure

During the year, the Company's research and development expenditure is ₹ 4,395.44 (2021 - ₹ 3,769.01).

Note 29 - Earnings Per Share (EPS)

The basic earnings per share for the year ended 31 March 2022 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 2022	Year ended 31 March 2021
Profit for the year	19,977.89	16,494.47
Weighted average number of shares outstanding during the year for basic EPS	282,168,156	282,168,156
Effect of dilutive potential ordinary shares:		
Employee stock options	-	-
Weighted average number of shares outstanding during the year for diluted EPS	282,168,156	282,168,156
Basic EPS, in ₹	70.80	58.46
Diluted EPS, in ₹	70.80	58.46

Note 30 - Commitments and Contingencies

Particulars		As at 31 March 2022	As at 31 March 2021
(i)	**Contingent Liabilities**		
	Claims against the Company not acknowledged as debts		
	Labour disputes	41.46	46.06
	Disputed taxes and duties	1,249.21	1,397.79

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 Oct 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 to be listed in the Hon'ble Delhi High Court for final hearing.

(b) On March 10, 2016 Ministry of Health and Family Welfare (MoH) issued notifications prohibiting manufacture for sale, sale and distribution for human use of several Fixed Dose Combination ("FDC") with immediate effect. Several products of the Company were also covered in the notified prohibited "FDC's". The Company had filed five writ petitions in Hon'ble Delhi High Court challenging the notifications issued. The Hon'ble Delhi High Court has granted interim relief to the Company by staying the notifications banning the FDC's. The matter was clubbed with petition of other companies before the Supreme Court of India (Hon'ble Court). The Hon'ble Court directed the Drug Technical Advisory Board (DTAB) sub-committee to examine the

(All amounts in million of Indian Rupees, unless otherwise stated)

ban of drugs. DTAB appointed an expert committee under the chair of Dr. Nilima Kshirsagar to examine the list of banned FDC. Company made due written and oral representations before the Committee in relation to its affected products. The committee submitted its report to the Ministry of Health. Meanwhile taking the proactive approach the Company has revised the composition of the affected FDC's for its domestic market. Based on the Nilima Kshirsagar Committee Report, MoH on 7 September, 2018 issued series of notification which prohibited the manufacture for sale, sale or distribution for human use of 328 FDCs with immediate effect. It has also restricted the manufacture, sale or distribution of certain of Company's FDCs subject to certain conditions. The Company filed writ petitions in the Delhi High Court against the 7 notification/s in respect of its affected FDCs which were still circulating in the market and obtained an ad interim stay, on the notifications allowing the Company to liquidate its affected FDCs. Since then the Company on 27 March, 2019, withdrew its Writs except for one product meant for exports and for which the Company continues to enjoy an ad-interim protection.

(c) In October 2019 National Pharmaceutical Pricing Authority (NPPA) issued a Show Cause Notice alleging that the Company had violated DPCO 2013 by self-invoking Para 32 in respect of its product Remolifozin Etabonate + Metformin by not seeking approval for exemption from the Government. Although the Company has responded to the Show cause notice, on 2 January, 2020, NPPA issued a letter seeking production of documents /records under Para 29. The Company challenged the decision of NPPA by filing a writ petition before Hon'ble Delhi High Court. In January 2020, Hon'ble Delhi High Court was pleased to note NPPA's submission that without prejudice to their 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 disposed 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 price order notification in March 2020 notifying the price of Remolifozin Etabonate + Metformin Hydrocloride without deciding the entitlement under paragraph 32 of the DPCO, 2013. The Company thereafter challenged various orders passed by the NPPA by filing a fresh writ petition. After hearing both Parties, Hon'ble Delhi High Court was pleased to grant the no coercive action in favour of the Company based on the Impugned Orders dated 3 March, 2020 and 20 March, 2020. The matter is sub-judice.

(d) On a complaint by a stockiest with the Competition Commission of India ("CCI") in July 2015 against pharma co.'s (including the Company and its C&F agent) and the Trade associations, alleging refusal to supply medicines to it in spite of having all valid licenses and documents, CCI ordered the Director General ("DG") to investigate and submit a report. CCI clubbed this matter with other matters on a similar complaint against other pharmaceutical co.'s and local Trade associations. On submission of DG's report CCI issued notices to the Company and some of its employees to submit their objections to the said Report. Despite having contested DG's claim, CCI in its order has found the Company and concerned employees guilty as having contravened provision 3(1) of the Competition Act, 2002 and has levied penalty under the Act. The Company and the concerned employees have appealed the said Order at National Company Law Tribunal ("NCLAT").

(e) In response to FDA action on Zantac and its generic equivalent (ranitidine) in late 2019 and early 2020, in various jurisdictions against brand-name and generic manufacturers, distributors, and retailers of Zantac and ranitidine which were consolidated in a Multidistrict Litigation (MDL) in the Southern District of Florida. Glenmark Pharmaceuticals Ltd. (GPL) and Glenmark Pharmaceuticals Inc., USA (GPI) are named in the MDL. In addition to the MDL, GPI has also been named in lawsuits filed in New Mexico state court by the AG's office of New Mexico, in Maryland state court by the Mayor and City Counsel of Baltimore, and in California state court by private plaintiffs. 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. GPL and GPI asserted a number of defenses and filed renewed motions to dismiss the claims against it in the MDL. GPL and GPI has filed motions to dismiss in New Mexico, Maryland and California state court. GPL and GPI will continue to defend vigorously.

(f) From time to time the Company and its certain subsidiaries are involved in various intellectual property claims and legal proceedings, which are considered normal to its business. Some of this litigation has been resolved through settlement agreements with the plaintiffs.

i. A multiple punitive class and individual action were filed in 2018 by purchasers of branded Zetia and generic Zetia (ezetimibe) against Glenmark Pharmaceuticals Ltd and Glenmark Pharmaceuticals Inc., before the United States District Court for the Eastern District of Virginia seeking relief under the US antitrust laws. The Plaintiffs allege that Glenmark Pharmaceuticals Ltd, Glenmark Pharmaceuticals Inc. and Merck & Co Inc. ("Merck") violated the federal and state antitrust laws by entering into a so-called reverse payment patent settlement agreement in Hatch-Waxman patent litigation in May 2010 related to Merck's branded Zetia product. The lawsuits allege that the patent settlement agreement delayed the entry of generic which caused purchasers to pay higher prices. On December 11, 2020 further allegations were filed

(All amounts in million of Indian Rupees, unless otherwise stated)

in state court in California. These cases seek various forms of reliefs including monetary reliefs, including damages. Glenmark Pharmaceuticals Ltd and Glenmark Pharmaceuticals Inc. believes that its patent settlement agreement is lawful and served to increase competition and is defending the same vigorously.

ii. A multiple putative class and individual actions were filed in July 2020 by purchasers of branded Bystolic (nebivolol) against Glenmark Pharmaceuticals Ltd.,Glenmark Pharmaceuticals Inc. and Glenmark Pharmaceuticals S.A. (n/k/a Ichnos Sciences S.A.) (collectively, "Glenmark") in the United States District Court for the Southern District of New York. The Plaintiffs allege that Glenmark and Forest Laboratories, Inc. ("Forest") violated federal and state antitrust laws by entering into a so-called reverse-payment patent settlement agreement in Hatch-Waxman patent litigation in December 2012 related to Forest's Bystolic product. The lawsuits allege that the patent settlement agreement and mPEGS-1 collaboration agreement delayed the entry of generic which caused purchasers to pay higher prices. Glenmark believes that its patent settlement agreement and mPEGS-1 collaboration agreement are lawful and is defending 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 2022 aggregate ₹ 1,362.94 (2021 - ₹ 1,052.80)

(b) Estimated amount of contracts remaining to be executed on other than capital account, net of advances, not provided for as at 31 March 2022 aggregate ₹ 2,383.26 (2021 - ₹ 1,775.38)

(iii) Others	As at 31 March 2022	As at 31 March 2021
(a) Guarantees		
Bank guarantees	2,294.68	2,370.32
(b) Letter of comfort/ Corporate Guarantees on behalf of subsidiaries :		
Glenmark Holding SA., Switzerland	15,859.20	19,991.79
Glenmark Pharmaceuticals Inc, USA	9,440.00	9,153.75
Glenmark Life Sciences Limited, India	3,850.00	3,850.00
Glenmark Pharmaceuticals Distribution s.r.o., Czech--Performance Guarantee	516.00	492.00

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 liability recognised was 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	2021-22	2020-21
As at 1 April	678.76	889.04
Additions	104.94	1.44
Termination	(41.94)	(0.14)
Depreciation expenses	(194.69)	(211.58)
As at March 31	**547.07**	**678.76**

(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	2021-22	2020-21
As at 1 April	783.99	961.03
Additions	104.94	1.44
Termination	(41.94)	(0.14)
Accretion of interest	74.66	89.48
Modification	-	0.14
Payments	(248.12)	(267.96)
As at 31 March	**673.53**	**783.99**
Current	255.79	229.19
Non-current	417.74	554.80

iii) The following are the amounts recognised in profit or loss for the year ended 31 March 2022:

Particulars	31 March 2022	31 March 2021
Depreciation expense of right-of-use assets	194.69	211.58
Interest expense on lease liabilities	74.66	89.48
Expense relating to short-term leases and low value assets	157.31	150.10
Total	**426.66**	**451.16**

The Company had total cash outflows for leases of ₹ 405.43 (2021 - ₹ 418.06).

iv) The table below provides details regarding contractual maturity of the lease liablity as at 31 March on an undiscounted basis:

Particulars	As at 31 March 2022	As at 31 March 2021
within 1 year	268.72	242.93
1-5 years	497.30	694.88
5 years and above	18.11	12.31
Total	**784.13**	**950.12**

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 32 - Disclosure Pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 186 of Companies Act, 2013

	Particulars	Maximum amount outstanding during the year		As at	
		2021-2022	2020-2021	31 March 2022	31 March 2021
a)	**Loans and advances to subsidiaries**				
	Glenmark Holding S.A., Switzerland	85,464.25	74,439.40	70,374.18	58,924.66
	Glenmark Pharmaceuticals (Nigeria) Ltd., Nigeria	95.15	87.93	95.15	87.77
	Glenmark Pharmaceuticals (Thailand) Co. Ltd., Thailand	13.28	12.35	13.28	12.35
	Glenmark Pharmaceuticals Kenya Ltd; Kenya	152.91	153.20	151.04	145.86
	Glenmark Pharmaceuticals Egypt S.A.E., Egypt	163.67	136.43	152.66	136.37
	Glenmark Life Sciences Limited, India	-	0.21	-	-
				70,786.31	**59,307.01**
b)	**Receivable from subsidiary companies**				
	Ichnos Sciences SA, Switzerland			99.15	88.51
	Glenmark Pharmaceuticals (Nigeria) Ltd., Nigeria			300.32	291.21
	Glenmark Philippines Inc., Philippines			102.41	24.30
	Glenmark Impex L.L.C., Russia			635.66	198.40
	Glenmark Pharmaceuticals South Africa (Pty) Ltd., South Africa			244.57	422.58
	Glenmark Pharmaceuticals Venezuela., C.A , Venezuela			1,558.20	1,558.20
	Glenmark Pharmaceuticals Peru SAC., Peru			49.56	78.54
	Glenmark Pharmaceuticals s.r.o., Czech Republic			1,013.68	258.13
	Glenmark Pharmaceuticals (Thailand) Co. Ltd., Thailand			11.11	20.57
	Glenmark Pharmaceuticals Kenya Ltd, Kenya			859.63	758.34
	Glenmark Pharmaceuticals Colombia SAS, Colombia			47.60	40.51
	Glenmark Pharmaceuticals Mexico S.A. DE C.V. Mexico			200.13	263.48
	Glenmark Pharmaceuticals Malaysia Sdn.Bhd., Malaysia			566.89	497.29
	Glenmark Pharmaceuticals Inc., USA			9,224.21	6,725.00
	Glenmark Generics SA., Argentina			0.48	1.20
	Glenmark Pharmaceuticals Canada Inc., Canada			173.71	399.06
	Glenmark Specialty S A, Switzerland			3,587.02	4,029.18
	Glenmark Ukraine LLC, Ukraine			314.04	162.84
	Glenmark Pharmaceuticals Ecuador S.A., Ecuador			84.74	109.37
	Glenmark Therapeutics Inc., USA			3.94	3.94
	Glenmark Farmaceutica Ltda., Brazil			1,375.60	869.53
	Ichnos Sciences Biotherapeutics SA, Switzerland*			6.20	0.00
	Glenmark Arzneimittel Gmbh., Germany			-	8.36
	Ichnos Sciences Inc., USA			5.48	-
	*amount less than Rupees ten thousand.				
c)	**Receivable from subsidiary against business sale**				
	Glenmark Life Sciences Limited, India			-	9,328.67
d)	**Payable to subsidiaries**				
	Glenmark Pharmaceuticals FZE., United Arab Emirates			434.17	333.43
	Glenmark Pharmaceuticals (Europe) R&D Ltd., U.K.			-	238.02
	Glenmark Pharmaceuticals SK, s.r.o., Slovak Republic			0.01	0.01
	Glenmark Pharmaceuticals Europe Ltd., U.K.			2,123.68	1,389.99
	Glenmark Uruguay S.A., Uruguay			754.98	732.08
	Glenmark Pharmaceuticals SP z.o.o., Poland			0.16	0.15
	Glenmark Pharmaceuticals B.V., Netherlands			0.01	0.01
	Glenmark Pharmaceuticals Singapore Pte. Ltd., Singapore			49.69	46.50
	Glenmark Life Sciences Limited, India			2,697.43	1,362.49

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars		No. of Shares in Million			
		As at 1 April 2021	Invested / Bonus shares received during the Year	Sold/written off during the Year	Balance as at 31 March 2022
e)	**Movement of shares during the year**				
	Investments in Subsidiary Companies - Unquoted - non trade				
	Glenmark Holding S.A., Switzerland	742.24	200.00	-	942.24
	Glenmark Pharmaceuticals (Australia) Pty.Ltd., Australia.	2.18	0.26	-	2.44
	Glenmark Pharmaceuticals Colombia SAS, Colombia	0.22	0.03	-	0.25
	Investments in Subsidiary Companies - Quoted - non trade				
	Glenmark Life Sciences Limited, quoted - non trade	9.80	98.00	6.30	101.50

f) For disclosure of guarantees on behalf of subsidiaries refer note 30(iii)(b)

Note 33 - Fair Value Measurements

Financial instruments by category

Particulars	As at 31 March 2022				As at 31 March 2021			
	FVTPL	FVOCI	Amortised cost	Total carrying value	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial assets								
Non-current financial assets	-	-	252.21	252.21	-	-	259.18	259.18
Loans to related parties	-	-	70,786.31	70,786.31	-	-	59,307.01	59,307.01
Trade receivables	-	-	26,783.22	26,783.22	-	-	24,887.49	24,887.49
Cash and cash equivalents	-	-	286.50	286.50	-	-	147.23	147.23
Bank balances other than cash and cash equivalents	-	-	9.82	9.82	-	-	10.62	10.62
Investments	45.45	400.00	50.02	495.47	45.46	150.00	50.02	245.48
Other current financial assets	-	-	445.76	445.76	-	-	9,986.25	9,986.25
Total	**45.45**	**400.00**	**98,613.84**	**99,059.29**	**45.46**	**150.00**	**94,647.80**	**94,843.26**
Financial Liabilities								
Long term borrowings	-	-	25,717.44	25,717.44	65.03	-	31,060.75	31,125.78
Non-current financial liabilities	-	-	1,630.91	1,630.91	-	-	1,920.89	1,920.89
Trade payables	-	-	19,387.99	19,387.99	-	-	16,226.72	16,226.72
Short term borrowings	-	-	10,986.05	10,986.05	-	-	5,130.15	5,130.15
Other current financial liabilities	-	-	1,919.15	1,919.15	-	-	1,873.73	1,873.73
Total	**-**	**-**	**59,641.54**	**59,641.54**	**65.03**	**-**	**56,212.24**	**56,277.27**

Investment in subsidiaries are carried at cost.

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 .

(All amounts in million of Indian Rupees, unless otherwise stated)

Fair value hierarchy :

Level 2 : All FVTPL and FVOCI financial assets and liabilities are classified under level 2 of fair value hierarchy except quoted investments amounting to ₹ 0.46 (2021 - ₹0.66) which are classified as level 1 inputs.

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 2022 is as follows :

i Gross amount required to be spent by the Company during the year as per provisions of section 135 of the Companies Act, 2013 - ₹ 348.54 (2021 - ₹ 305.17)

ii Amount spent during the year on CSR by way of contribution to the trusts and projects undertaken (excess amount spent is carried forward):

2021-2022

Particulars	Amount paid in cash	Amount carried forward to next year	Total amount
(i) Construction/acquisition of any asset			-
(ii) On purposes other than (i) above:			
Promoting education & livelihood	146.06	-	146.06
Promoting health care including preventive health care	6.00	-	6.00
Reducing child mortality and improving maternal health	18.42	-	18.42
Training to promote olympic sports	26.33	-	26.33
Disaster Response (including COVID-19)	54.54	-	54.54
Impact Assessment Expenses	1.49		1.49
Surplus arising out of the previous financial years	187.12		187.12
Surplus carried forward to next year	-	(91.42)	(91.42)
Total	**439.96**	**(91.42)**	**348.54**

2020-2021

Particulars	Amount paid in cash	Amount carried forward to next year	Total amount
(i) Construction/acquisition of any asset			-
(ii) On purposes other than (i) above:			
Promoting education	127.72	-	127.72
Promoting health care including preventive health care	6.00	-	6.00
Reducing child mortality and improving maternal health	17.32	-	17.32
Training to promote olympic sports	50.00	-	50.00
Disaster Response (including COVID-19)	272.49	(187.12)	85.37
Administrative expenses	18.76	-	18.76
Total	**492.29**	**(187.12)**	**305.17**

		2021-2022	2020-2021
(a)	amount required to be spent by the company during the year,	348.54	305.17
(b)	amount of expenditure incurred,	439.96	492.29
(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,	153.43	283.04
(h)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 35 - Risk Management Objectives and Policies

The Company is exposed to a variety of financial risks which results from the Company's operating and investing activities. The Company focuses on actively securing its short to medium term cash flows by minimising the exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Financial assets that potentially subject the Company to concentrations of credit risk consist principally of cash equivalents, accounts receivables, other receivables, investment securities and deposits. By their nature, all such financial instruments involve risk including the credit risk of non-performance by counter parties.

The Company's cash equivalents and deposits are invested with banks.

The Company's trade and other receivables are actively monitored to review credit worthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

The Company's interest-rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Company to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Company to fair value interest-rate risk.

Foreign currency sensitivity

The foreign currency sensitivity analysis has been performed in relation to US Dollar (USD), Euro (EUR) and Russian ruble (RUB).

US Dollar conversion rate was ₹ 73.23 at the beginning of the year and scaled to a high of ₹ 76.89 and to low of ₹ 72.27. The closing rate is ₹ 75.52. 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 2022		31 March 2021	
	USD (million)	INR	USD (million)	INR
Short-term exposure				
Financial assets	325.93	24,614.31	244.00	17,868.04
Financial liabilities	(140.71)	(10,626.40)	(80.71)	(5,910.40)
Total	**185.22**	**13,987.91**	**163.29**	**11,957.64**
Long term exposure				
Financial assets	937.32	70,786.31	809.87	59,306.99
Financial liabilities	(344.10)	(25,986.60)	(430.84)	(31,550.43)
Total	**593.22**	**44,799.71**	**379.03**	**27,756.56**

If the INR had strengthened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2022 INR	31 March 2021 INR
Net results for the year (loss)/gain	(5,878.76)	(3,971.42)
Equity	-	-

If the INR had weakened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2022 INR	31 March 2021 INR
Net results for the year (loss)/gain	5,878.76	3,971.42
Equity	-	-

EUR conversion rate was ₹ 85.87 at the beginning of the year and scaled to a high of ₹ 90.65 and to low of ₹ 83.37. The closing rate is ₹ 83.93. 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 2022		31 March 2021	
	EUR (million)	INR	EUR (million)	INR
Short term exposure				
Financial assets	13.40	1,124.75	3.86	331.71
Financial liabilities	(5.67)	(475.94)	(4.46)	(383.39)
Total	**7.73**	**648.81**	**(0.60)**	**(51.68)**
Long term exposure				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

If the INR had strengthened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2022 INR	31 March 2021 INR
Net results for the year (loss)/gain	(64.88)	5.17
Equity	-	-

If the INR had weakened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2022 INR	31 March 2021 INR
Net results for the year (loss)/gain	64.88	(5.17)
Equity	-	-

RUB conversion rate was ₹ 0.96 at the beginning of the year and scaled to a high of ₹ 1.07 and to low of ₹ 0.57. The closing rate is ₹ 0.92. 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 2022		31 March 2021	
	RUB (million)	INR	RUB (million)	INR
Short term exposure				
Financial assets	1,017.83	936.41	823.67	790.72
Financial liabilities	(322.23)	(296.45)	-	-
Total	**695.60**	**639.96**	**823.67**	**790.72**
Long term exposure				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

If the INR had strengthened against the RUB by 10% then this would have the following impact:

Particulars	31 March 2022 INR	31 March 2021 INR
Net results for the year (loss)/gain	(64.00)	(79.07)
Equity	-	-

If the INR had weakened against the RUB by 10% then this would have the following impact:

Particulars	31 March 2022 INR	31 March 2021 INR
Net results for the year (loss)/gain	64.00	79.07
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 253.28 million which are not on fixed rate of interest. Since, there is some element of interest rate risk associated with this, an interest rate sensitivity analysis has been performed.

The Company has taken short term borrowings on fixed rate of interest. Since, there is no interest rate risk associated with such fixed rate loans; an interest rate sensitivity analysis has not been performed.

The bank deposits are placed on fixed rate of interest and accordingly sensitivity analysis is not been performed.

The Company has outstanding borrowings of USD 253.28 million (2021 - 200 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 2022 INR	31 March 2021 INR
Net results for the year (loss)/gain	(47.82)	(36.62)

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 2022 INR	31 March 2021 INR
Net results for the year (loss)/gain	47.82	36.62

Credit risk analysis

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the date of the balance sheet, as summarised below:

Particulars	As at 31 March 2022	As at 31 March 2021
Cash & cash equivalents	286.50	147.23
Bank balances other than cash and cash equivalents	9.82	10.62
Trade receivables	26,783.22	24,887.49
Current financial assets	445.76	9,986.25
Non current financial assets	156,632.38	129,465.67
Total	**184,157.68**	**164,497.26**

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Given below is ageing of accounts receivable :

Particulars	As at 31 March 2022	As at 31 March 2021
Outstanding for more than 6 months	2,928.00	3,110.36
Others	23,855.22	21,777.13
Total	**26,783.22**	**24,887.49**

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 2022, the Company's liabilities have contractual maturities which are summarised below:

	Current Within 1 year	Non-Current 1to 5 years
Trade payable	19,387.99	-
Financial liabilities	1,919.15	-
Short term borrowings	10,986.05	-
Long-term borrowings	-	25,717.44
Other non-current financial liabilities	-	1,630.91
Total	**32,293.19**	**27,348.35**

For long term borrowings refer Note 13 and for Lease obligations refer Note 31 for further details

(All amounts in million of Indian Rupees, unless otherwise stated)

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.

	31 March 2022	31 March 2021
Total debt	36,703.49	36,255.93
Less: Cash & cash equivalents	286.50	147.23
Net debt (A)	**36,416.99**	**36,108.70**
Total equity (B)	**167,385.87**	**148,095.06**
Net debt to equity ratio (A/B)	**21.76%**	**24.38%**

Dividends		**31 March 2022**	**31 March 2021**
(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 (2021 - ₹ 2.50) per fully paid up equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

Note 37 - Impact of Covid -19

The Company continues to closely monitor the impact of the COVID-19 pandemic on all aspects of its business, including how it has impacted and how it will impact its customers, employees, vendors and business partners. The management has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of goodwill, investments, intangible assets, inventory, based on the information available to date, both internal and external, while preparing the financial statements for the year ended 31 March 2022.

As the outbreak continues to evolve, the Company will continue to closely monitor any material changes to future economic conditions.

However, as the Company operates in the industry that is considered essential, the operations were continuing during lockdown by ensuring appropriate measures.

Note 38

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 39 - Exceptional Items

On 3rd August 2021, Glenmark Life Sciences Limited (GLS) completed allottment of shares as part of its Initial Public Offering (IPO) and Offer for Sale (OFS). The company offered 6.3 million equity shares of ₹ 2 each through OFS and resulted in a gain of ₹ 4,303.33 (net of related expenses and cost of equity shares) and recorded as an exceptional item in the financial statement. Post the sale and IPO, the Company's holding in equity shares of GLS has reduced from 100% to 82.84 %.

During the previous year ended 31 March 2021, the exceptional items consists of net gain of ₹ 738.92 on account of gain from transfer of intimate hygiene brand Vwash and reimbursement of onetime costs.

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 40 - Code on Social Security

The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government. The Company will assess the impact of these Codes and give effect in the financial results when the Rules/Schemes thereunder are notified.

Note 41 - Accounting Ratios

		Numerator	Denominator	F.Y. 2021-22	F.Y. 2020-21	% variance	Reason for variance
a)	Current Ratio	Current Assets	Current Liabilities	1.28	1.96	-34.75%	Decrease in current asset mainly due to amount received during the year from receivable against business sale, and increase in current liability due to current maturity of long term loan
(b)	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.22	0.24	-10.43%	
(c)	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.01	1.39	-27.29%	Mainly due to repayment of loan during the year
(d)	Return on Equity Ratio	Net profit - preferred dividends	Average shareholder equity	12.67%	11.77%	7.63%	
(e)	Inventory turnover ratio	Sale of products	Average inventory	9.33	9.28	0.47%	
(f)	Trade Receivables turnover ratio	Net sale of products and services	Average trade receivables	3.10	3.45	-9.95%	
(g)	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	0.27	0.20	37.29%	Mainly due to increase in Purchase to meet product demand
(h)	Net capital turnover ratio	Net sale of products and services	Working Capital	8.34	3.10	169.13%	Mainly due to increase in Sales along with decrease in working capital, on account of decrease in current asset mainly due to amount received during the year from receivable against business sale and increase in current liability due to current maturity of long term loan
(i)	Net profit ratio	Net profit	Net sale of products and services	24.92%	22.14%	12.56%	
(j)	Return on Capital employed	Earning before interest and taxes	Capital employed	7.60%	9.58%	-20.66%	
(k)	Return on investment	Gain on sale of Investment	Average investment X Holding period	32.59%	-	Not applicable	
(l)	Return on investment	Change in fair value of quoted investment (except subsidiary)	Average investment X Holding period	-35.71%	69.39%	-151.47%	Change in fair value of quoted investment

(All amounts in million of Indian Rupees, unless otherwise stated)

(a) Earning for available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc.

(b) Debt service = Interest & Lease Payments + Principal Repayments

(c) Average inventory = (Opening inventory balance + Closing inventory balance) / 2

(d) Net credit sales = Net credit sales consist of gross credit sales minus sales return

(e) Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2

(f) Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return

(g) Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2

(h) Working capital = Current assets - Current liabilities.

(i) Earning before interest and taxes = Profit before exeptional items and tax + Finance costs - Other Income

(j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

(k) Return on investment = Gain on sale of investment / (Average investment x holding period)

(l) Return on investment = Change in fair value of quoted investment (except subsidiary) / (Average investment x holding period)

Note 42 - 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 43 - Other Statutory Information

a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

c) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:-

   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or - on behalf of the Company (ultimate beneficiaries) or

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

d) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

e) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.

f) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

g) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

h) The Company does not have any transactions with companies which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(All amounts in million of Indian Rupees, unless otherwise stated)

i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Note 44 - Authorisation of Financial Statements

The financial statements for the year ended 31 March 2022 were approved by the Board of Directors on 27 May 2022.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 27 May 2022

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 : 27 May 2022

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 2022, 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 2022, and their consolidated profit (including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements for the year ended 31 March 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment of intangible assets (including intangible assets under development) [Refer note 5 of the consolidated financial statements] As at 31 March 2022, the Group is carrying intangible assets of ₹ 21,366.01 million and intangible assets under development of ₹ 887.78 million in its consolidated financial statements relating to multiple Cash Generating Units ("CGUs"). These intangibles are subject to test of impairment by the management at least annually in case of each intangible asset having indefinite or indeterminable useful life and intangibles assets under development, and when impairment indicators exist in case of all other intangible assets, in accordance with the applicable accounting standards. Any such losses are recognised in consolidated statement of profit and loss.	Our audit included, but was not limited to, the following procedures: • Obtained understanding of management's process for identification of indicators of impairment. Evaluated the design and tested the operating effectiveness of internal controls over impairment assessment process. • With the assistance of our internal valuation specialists evaluated the reasonableness of the valuation methodologies and discount rates used by the management to determine the recoverable values.

Key audit matter	How our audit addressed the key audit matter
Management judgement is required in assessing impairment indicators and recoverable amount for impairment testing. The recoverable amounts have been determined by the management using discounted cash flow valuation method. Key assumptions underpinning management's assessment of the recoverable amounts include but are not limited to projection of future cash flows, revenue growth rates, terminal values operating profit margins, estimated future operating capital expenditure, external market conditions and discount rates. Based on the assessment as above, no impairment has been recognised during the year ended 31 March 2022. We determined impairment of intangible assets (including intangible assets under development) as a key audit matter since these assessments are complex and involve significant management estimation and judgement.	• Evaluated the reasonableness of the management's estimates and judgement based on our understanding of the business of the respective subsidiaries, past results and external factors. • Tested the mathematical accuracy of the management workings with regard to cash flows, sensitivity analysis and loss allowances. • Performed sensitivity analysis around aforesaid key assumptions to assess the effect of reasonably possible variations on the estimated recoverable amounts.
Revenue recognition in US Subsidiary [Refer note 19 of the consolidated financial statements] The Group's sales to customers in the United States of America ('US') fall under certain commercial and governmental reimbursement schemes of which the most significant ones are chargebacks, failure to supply penalties and Medicaid Drug Rebate Program ('Medicaid'). The provision recognised as at 31 March 2022 for revenue deductions related to such items aggregated to ₹ 125,825.67 million. These arrangements result in deductions to gross sales recognised by the Group and require the management to estimate and recognise obligations of the Group to provide such deductions to its customers for sales made during the reporting period. Accordingly, the Group has recognised an accrual of ₹ 125,825.67 million for the year ended 31 March 2022 towards these arrangements and has adjusted revenues to the extent of ₹ 125,825.67 million pertaining to Group's US operations during the year ended 31 March 2022. Refer Note 19 to the consolidated financial statements. Ind AS 115 requires the management to estimate the amount of variable consideration to which it will be entitled to the extent it is not highly probable that such amount will reverse. Variable consideration may include discounts and sales returns. The estimate depends on contractual terms, relevant regulations, historical experience, as well as forecasts of sales volumes by sales channel. Additionally, dispensing of the product and the final determination of the net selling price may occur several months later. 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.	This has been identified as a key audit matter by the US component (i.e. US Subsidiary) auditor. The US component audit included, but was not limited to, the following procedures: • Obtained an understanding of the management process for estimation and accounting treatment of transactions arising from various discount schemes, mandated contracts, chargebacks, rebates, failure to supply penalties and Medicaid compliance requirements, pertaining to Group's revenue operations in US. • Evaluated the design and tested the operating effectiveness of controls implemented by the Group for approval of such schemes, for recording of such transactions and obligations arising from such arrangements completely and accurately, and for ensuring appropriate accounting treatment thereof. • Tested the calculations for accruals under applicable schemes by testing the data with supporting documents such as Group's stated commercial policies, terms of underlying contracts inspected on a sample basis, stock lying at wholesalers, historical levels of product returns, and wholesale acquisition cost (WAC) determined for such calculations. • Tested credit notes issued, and payments made during the year under such schemes and arrangements, on a sample basis, from underlying supporting documents such as contracts, sales data, and satisfaction of eligibility criteria as per terms of the scheme. • Tested subsequent settlements, payments, and rebates given to customers under various schemes and arrangements to determine adequacy of the accruals made at year end. • Evaluated the historical accuracy of the Group's estimates of year-end accruals relating to such arrangements made in previous years.

Key audit matter	How our audit addressed the key audit matter
	• Reviewed related contracts, and performed procedures to validate contractual terms and inventory levels of significant customers and wholesalers. • Identified and tested specific journal entries such as those manually posted directly to revenue, outside of expected hours, or by unexpected individuals and for large or unusual amounts. • Agreed a sample of revenue transactions to customers' cash deposits and withdrawals. • Performed test of details on a sample of revenue transactions recorded during the year, including specific periods before and after the year-end. For the samples selected, inspected supporting documents, including contracts and related amendments for revisions to performance obligations or price terms, and invoices. • Evaluated the adequacy and appropriateness of the disclosures made in the accompanying consolidated financial statements relating to such arrangements in accordance with the requirements of the accounting standards.
Revenue recognition in Indian Subsidiary [Refer note 19 of the consolidated financial statements] The Indian subsidiary company's revenue principally comprises of sales of active pharmaceutical ingredients and is recognised in accordance with the summary of significant accounting policy described in note 1 para 3.5 to the accompanying consolidated financial statements. The Indian subsidiary recognised revenue when controls of the goods are transferred to the customers, which is determined in accordance with the arrangements with the customers but generally occurs on delivery to the customers. The Company records revenue net of discounts and allowance given and accruals for estimated future return and rebates. The Component auditor have identified recognition of revenue as key audit matter since • The subsidiary and its external stakeholders focus on revenue as a key performance measure, which could create an incentive for revenue to be overstated or recognised before control has been transferred. • Due to the aforesaid factors and as per the requirement of the Standard of Auditing, Revenue is determined to be an area involving significant risk and hence required significant auditors attention.	This has been identified as a key audit matter by the Indian component (i.e. Indian subsidiary) auditor. The Indian component audit included, but was not limited to, the following procedures: • Obtained an understanding of the Company's process of revenue recognition and assessed the designed, implementation and operating effectiveness of management's key internal financial controls in relation to revenue recognition. • Assesses the appropriateness of the revenue recognition accounting policy and its compliance with Ind AS 115, Revenue from Contract with Customers. • Performed substantive testing by selecting samples of revenue transactions pertaining to sales of products recorded during the year, and verified the underlying supporting documents including contracts, agreements, and sales invoices and dispatched/ shipping documents. • Performed cut-off testing procedures by testing samples of revenue transactions recorded in specific periods before and after year end to conclude such revenue has been recorded in the contract period. • Performed analytical review procedures which includes ration analysis and period variance analysis on revenue recognised during the year to identify any usual and/ or material variances. • Evaluated the adequacy of disclosures made in the financial statements in accordance with applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
Recoverability of deferred tax assets [Refer note 7 of the consolidated financial statements] At the balance sheet date, deferred tax assets recognised for carried forward tax losses amounted to ₹ 6,602.49 million. Refer note 1 para 3.13 of Summary 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 2022. The assessment of meeting the recognition criteria as well as assessment of recoverability of deferred tax assets within the period prescribed under the tax laws, as applicable to the respective entities in the Group, involves use of significant assumptions and estimates. Determining forecasts of future results and taxable profits includes key assumptions such as future growth rates and market conditions. The projected cash flows are assessed using a number of scenarios to cover reasonable changes in the assumptions underlying the projections. Any change in these assumptions could have a material impact on the carrying value of deferred tax assets. These assumptions and estimates are judgemental, subjective and depend on the future market and economic conditions. Owing to the significance of the balances and complexities involved as described above, we have considered recoverability of such deferred tax assets recognised on carried forward tax losses as a key audit matter.	Our audit included, but was not limited to, the following: • Evaluated the design and tested the operating effectiveness of key controls implemented by the Group over recognition of deferred tax assets based on the assessment of Company's ability to generate sufficient taxable profits in foreseeable future allowing the use of deferred tax assets within the time prescribed by income tax laws as applicable to the respective entities in the Group. • Involved auditor's experts to assess the appropriateness of the deferred tax asset balance recognised in the consolidated balance sheet. • Read the component auditors reports with respect to the conclusion drawn by them in respect of the recoverability of deferred tax assets on carried forward tax losses recognised in the financial statement of the respective components. • Reconciled the future taxable profit projections to future business plans of the respective entities in the Group as approved by the Board of Directors of the respective entities. • Tested and challenged management's judgements relating to the forecasts of future taxable profit and evaluated the reasonableness of the assumptions, including future growth rate underlying the preparation of these forecasts based on historical data trends. • Tested the mathematical accuracy of the projections including sensitivity analysis performed by management and performed independent sensitivity analysis to the key assumptions mentioned above to determine inputs leading to high estimation uncertainty of the cash flow projections. • Assessed if there are any restrictions in the local tax legislation impacting the utilization. • Evaluated management's assessment of time period available for adjustment of such deferred tax assets as per provisions of the Income Tax Act, 1961 and other tax laws applicable to the respective entities in the Group, and appropriateness of the accounting treatment with respect to the recognition of deferred tax assets as per requirements of Ind AS 12, Income Taxes. • Re-computed the amount of deferred tax assets as appearing in the financial statements confirming the amounts of carried forward tax losses and unabsorbed depreciation. • Assessed the adequacy and appropriateness of the disclosures included in note 7 in respect of the deferred tax balances.

Key audit matter	How our audit addressed the key audit matter
Inventory existence [Refer note 9 of the consolidated financial statements] As at 31 March 2022, the Group held inventories of ₹ 24,998.33 million. Inventories mainly consist of raw material, packing material, work in process, stores and spares, finished goods and stock in trade. Due to inherent nature of the business and its widespread reach geographically, inventories are maintained at a number of locations which include plants, loan licensing facilities and warehouses.	Our audit included, but was not limited to, the following procedures: • Obtained an understanding of the management's process for inventory counts and evaluated the design and tested the operating effectiveness of key controls with respect to physical verification of inventory. • Evaluated design and operating effectiveness of internal controls relating to purchases, sales and inventories. • Performed roll forward and alternate procedures, on sample basis, including, review of reconciliation statements prepared by the management for establishing the existence and condition of inventory as at the year end. • Inspected supporting documentation on test check basis, relating to purchases, production, sales, results of cyclical counts performed by the management through the year, confirmations from third parties, and such other evidence. • Tested that the differences, if any, noted in management's physical verification of inventory from book records were adequately adjusted in books of account.

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. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These consolidated financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of those companies, as the case may be, to continue as a going concern, disclosing, as applicable, matters related to going concern and

using the going concern basis of accounting unless the Board of Directors either intends to liquidate those companies or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 / financial information in respect of 41 subsidiaries, whose financial statements / financial information, without giving effects to elimination of intra-group transactions reflect total assets of ₹ 281,089.99 million as at 31 March 2022, total revenue of ₹ 94,635.91 million, total net loss after tax of ₹ 2,230.13 million,

total comprehensive income (loss) of ₹ 1,479.00 million and cash flows (net) of ₹ 2,585.05 million for the year ended 31 March 2022, as considered in the Statement which have been audited by the other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Further, of the above, 35 subsidiaries, located outside India, whose annual financial statements / financial information have been prepared in accordance with International Financial Reporting Standards / accounting principles generally accepted in their respective countries and which have been audited by other auditors under auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements / financial information of such subsidiaries from International Financial Reporting Standards / accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments, if any made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based on the audit reports of other auditors and the conversion adjustments, if any made by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2020 ("CARO"), issued by the Central Government of India in terms of sub- section (11) of the section 143 of the Act, based on CARO report issued by us for the Holding Company and consideration of the CARO report by the other auditor of the subsidiary included in the consolidated financial statements and covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective CARO report of such companies.

2) As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

   b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

   e) on the basis of the written representations received from the directors of the Holding Company and its subsidiary in India and taken on record by the Board of Directors of the Holding Company and Board of Directors of subsidiary company covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act; and

   f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';

3) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

   i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 31 to the consolidated financial statements;

   ii. the Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

   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 2022.

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 (a) and (b) above, contain any material misstatement.

v. a) The final dividend proposed for the previous year, declared, and paid by the Holding Company during the year is in accordance with section 123 of the Act.

b) The interim dividend declared and paid during the year by a subsidiary company incorporated in India, is in accordance with Section 123 of the Act.

c) As stated in note 37 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company and a subsidiary company incorporated in India, have proposed final dividend for the year which is subject to the approval of members at their ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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: 22105545AJTWUK6842

Place: Mumbai
Date: 27 May 2022

Annexure A to Independent Auditor's Report

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report on even date)

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of Glenmark Pharmaceuticals Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Board of Directors for Internal Financial Controls

The respective company's Management and Board of Directors, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial controls 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 consolidated 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 the 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 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545
UDIN: 22105545AJTWUK6842

Place: Mumbai
Date: 27 May 2022

Consolidated Balance Sheet

(All amounts in million of Indian Rupees, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	34,415.60	26,926.00
Capital work-in-progress	3	9,210.91	12,177.94
Right of use assets	3	2,490.68	2,651.79
Goodwill	4	600.19	580.11
Other intangible assets	5	21,366.01	21,130.59
Intangible assets under development	5	887.78	1,638.79
Financial assets	6		
i. Investments		496.24	246.25
ii. Other financial assets		392.02	641.61
Deferred tax assets (net)	7	16,861.23	15,346.68
Other non-current assets	8	1,288.74	1,100.22
Total non-current assets		**88,009.40**	**82,439.98**
Current assets			
Inventories	9	24,998.33	22,768.33
Financial assets	10		
i. Trade receivables		31,011.35	25,720.55
ii. Cash and cash equivalents		14,105.26	11,380.95
iii. Bank balances other than cash and cash equivalents		9.89	10.62
iv. Other financial assets		1,132.29	1,439.84
Other current assets	11	11,566.36	12,275.50
Total current assets		**82,823.48**	**73,595.79**
Total assets		**170,832.88**	**156,035.77**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12 & 13	282.17	282.17
Other equity		90,584.30	70,364.10
Equity attributable to owners of Glenmark Pharmaceuticals Limited		**90,866.47**	**70,646.27**
Non-controlling interests		3,514.73	(3.54)
Total equity		**94,381.20**	**70,642.73**
LIABILITIES			
Non-current liabilities			
Financial liabilities	14		
i. Borrowings		25,717.44	38,888.16
ii. Lease liabilities		1,999.94	2,240.35
iii. Other non-current financial liabilities		1,515.84	1,959.92
Deferred tax liabilities (net)		314.95	287.49
Other non-current liabilities	15	9.20	6.92
Total non-current liabilities		**29,557.37**	**43,382.84**
Current liabilities			
Financial liabilities	16		
i. Borrowings		10,986.05	7,986.12
ii. Lease liabilities		916.78	742.54
iii. Trade payables			
- Total outstanding dues of Micro enterprises and Small enterprises		767.08	667.81
- Total outstanding dues of other than Micro enterprises and Small enterprises		22,119.54	21,709.87
iv. Other current financial liabilities		4,798.42	3,731.82
Other current liabilities	17	1,461.43	1,527.50
Provisions	18	4,913.81	5,143.34
Income tax liabilities (net)		931.20	501.20
Total current liabilities		**46,894.31**	**42,010.20**
Total liabilities		**76,451.68**	**85,393.04**
Total equity and liabilities		**170,832.88**	**156,035.77**

See accompanying notes to the consolidated financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 27 May 2022

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 : 27 May 2022

Consolidated Statement of Profit and Loss

(All amounts in million of Indian Rupees, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	19	123,049.03	109,439.29
Other income (net)	20	1,666.74	502.16
Total income		**124,715.77**	**109,941.45**
Expenses			
Cost of materials consumed	21	32,787.57	31,378.05
Purchases of stock-in-trade	22	11,176.65	7,502.69
Changes in inventories of work-in-process, stock-in-trade and finished goods	23	(111.37)	(1,892.54)
Employee benefit expense	24	24,474.18	23,437.07
Finance costs	25	2,980.99	3,531.13
Depreciation, amortisation and impairment expense	3 & 5	4,867.15	4,435.54
Other expenses	26	31,519.01	28,170.21
Total expenses		**107,694.18**	**96,562.15**
Profit before exceptional items and tax		**17,021.59**	**13,379.30**
Exceptional items - expense / (income)	41	2,609.13	(445.45)
Profit before tax		**14,412.46**	**13,824.75**
Tax expense	7		
Current tax		5,466.49	4,981.40
Deferred tax		(990.52)	(857.53)
Total Tax expense		**4,475.97**	**4,123.87**
Profit for the year		**9,936.49**	**9,700.88**
Attributable to :			
Non-controlling interest		519.38	0.50
Equity shareholders of Glenmark Pharmaceuticals Limited		9,417.11	9,700.38
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurement of the post-employment benefit obligation		315.02	51.79
- Income tax relating to the above		(48.53)	(7.47)
Items that will be reclassified to profit or loss			
- Exchange differences on translating foreign operations		500.62	719.81
- Income tax relating to the above		-	102.68
Other comprehensive income/(loss) for the year		**767.11**	**866.81**
Total comprehensive income for the year		**10,703.60**	**10,567.69**
Total comprehensive income attributable to:			
Non-controlling interest		519.97	0.50
Equity shareholders of Glenmark Pharmaceuticals Limited		10,183.63	10,567.19
Earnings per equity share of ₹ 1 each	30		
Basic (in ₹)		33.37	34.38
Diluted (in ₹)		33.37	34.38

See accompanying notes to the consolidated financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 27 May 2022

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 : 27 May 2022

Consolidated Statement of Changes in Equity

(All amounts in million of Indian Rupees, unless otherwise stated)

A Equity share capital

Particulars	Amount
Balance as at 1 April 2020	282.17
- Shares issued during the year	-
Balance as at 31 March 2021	282.17
- Shares issued during the year	-
Balance as at 31 March 2022	282.17

B Other equity

Particulars	Reserves and surplus						Other comprehensive income	Total attributable to owners of Glenmark Pharmaceuticals Limited	Non Controlling interest	Total Shareholders' equity
	Securities premium reserve	Capital reserve	Capital redemption reserve	Stock compensation reserve	General Reserve	Retained earnings	Currency Translation reserve			
Balance as at 1 April 2021	**16,853.60**	**1.00**	**200.00**	**216.32**	**1,455.13**	**72,336.18**	**(20,698.13)**	**70,364.10**	**(3.54)**	**70,360.56**
Dividends to equity shareholders	-	-	-	-	-	(705.42)	-	**(705.42)**	(220.73)	**(926.15)**
Gain on offer for sale (net of tax)	-	-	-	-	-	3,802.00	-	**3,802.00**	-	**3,802.00**
Initial public offer share premium received after non controlling interest	-	-	-	-	-	6,860.83	-	**6,860.83**	-	**6,860.83**
Increase in non controlling interest on account of Initial public offer shares of subsidiary company	-	-	-	-	-	-	-	**-**	3,219.03	**3,219.03**
Transfer from Stock compensation reserve	-	-	-	(132.47)		132.47	-	**-**	-	**-**
Employee share based compensation expense (refer note 13(VII))	-	-	-	79.16	-	-	-	**79.16**	-	**79.16**
Transaction with non controlling interest	-	-	-	-	-	-		**-**	-	**-**
Transactions with owners	**-**	**-**	**-**	**(53.31)**	**-**	**10,089.88**	**-**	**10,036.57**	**2,998.30**	**13,034.87**
Profit for the year	-	-		-	-	9,417.11	-	**9,417.11**	519.38	**9,936.49**
Other Comprehensive Income:										
Exchange difference on translation of foreign operations (net of tax)	-	-	-	-	-	(0.12)	500.62	**500.50**	0.12	**500.62**
Remeasurement of the net defined benefit plans (net of tax) (refer note 27)	-	-	-	-	-	266.02	-	**266.02**	0.47	**266.49**
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**9,683.01**	**500.62**	**10,183.63**	**519.97**	**10,703.60**
Balance as at 31 March 2022	**16,853.60**	**1.00**	**200.00**	**163.01**	**1,455.13**	**92,109.07**	**(20,197.51)**	**90,584.30**	**3,514.73**	**94,099.03**

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Reserves and surplus						Other comprehensive income	Total attributable to owners of Glenmark Pharmaceuticals Limited	Non Controlling interest	Total Shareholders' equity
	Securities premium reserve	Capital reserve	Capital redemption reserve	Stock compensation reserve	General Reserve	Retained earnings	Currency Translation reserve			
Balance as at 1 April 2020	**16,853.60**	**1.00**	**200.00**	**136.99**	**1,455.13**	**63,296.78**	**(21,520.62)**	**60,422.88**	**(3.92)**	**60,418.96**
Dividends to equity shareholders (including dividend distribution tax)	-	-	-	-	-	(705.42)	-	**(705.42)**	-	**(705.42)**
Employee share based compensation expense (refer note 13(VII))	-	-	-	79.33	-	-	-	**79.33**	-	**79.33**
Transaction with non controlling interest	-	-	-	-	-	0.12		**0.12**	(0.12)	**-**
Transactions with owners	**-**	**-**	**-**	**79.33**	**-**	**(705.30)**	**-**	**(625.97)**	**(0.12)**	**(626.09)**
Profit for the year	-	-	-	-	-	9,700.38	-	**9,700.38**	0.50	**9,700.88**
Other Comprehensive Income:										
Exchange difference on translation of foreign operations	-	-	-	-	-	-	822.49	**822.49**	-	**822.49**
Remeasurement of the net defined benefit plans (net of tax) (refer note 27)	-	-	-	-	-	44.32	-	**44.32**	-	**44.32**
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**9,744.70**	**822.49**	**10,567.19**	**0.50**	**10,567.69**
Balance as at 31 March 2021	**16,853.60**	**1.00**	**200.00**	**216.32**	**1,455.13**	**72,336.18**	**(20,698.13)**	**70,364.10**	**(3.54)**	**70,360.56**

Refer notes 12 and 13 for details on equity share capital and other equity

See accompanying notes to the consolidated financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 27 May 2022

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 : 27 May 2022

Consolidated Statement of Cash Flows

(All amounts in million of Indian Rupees, unless otherwise stated)

		Year ended 31 March 2022	Year ended 31 March 2021
(A)	**Cash flow from operating activities**		
	Profit before tax	14,412.46	13,824.75
	Adjustments to reconcile profit before tax to net cash provided by operating activities:		
	Depreciation and amortisation	4,867.15	4,435.54
	Finance costs	2,980.99	3,531.13
	Interest income	(94.35)	(26.47)
	Dividend income	(3.50)	(3.50)
	(Profit)/loss on sale of property, plant and equipments	64.64	(3.54)
	Profit on sale of investment	(150.00)	-
	Fair valuation of Investment	0.19	(0.34)
	Provision for gratuity and compensated absence	465.77	409.95
	Provision for doubtful debts / expected credit losses	298.74	113.69
	Employee share based compensation expense	79.16	79.37
	Provision for sales returns	(147.39)	32.39
	Exceptional items - expense / (income)	1,783.80	(445.45)
	Unrealised foreign exchange (gain)/loss	(2,274.12)	(1,674.59)
	Operating profit before working capital changes	**22,283.54**	**20,272.93**
	Adjustments for changes in working capital :		
	- (Increase)/ Decrease in trade receivables	(5,492.67)	(1,179.03)
	- (Increase) / Decrease in inventories	(2,034.19)	(1,338.08)
	- (Increase)/ Decrease in other assets	1,066.68	(2,945.97)
	- Increase/(Decrease) in trade payable and other liabilities	847.57	1,604.70
	Net changes in operating assets and liabilities	**(5,612.61)**	**(3,858.38)**
	Income taxes paid (net of refund)	(5,584.41)	(5,102.42)
	Net cash generated from operating activities	**11,086.52**	**11,312.13**
(B)	**Cash flow from investing activities**		
	Restricted cash	224.02	(29.08)
	Interest received	93.22	26.47
	Dividend received	3.50	3.50
	(Increase)/ Decrease in non current asset	27.78	-
	Other investment made	(400.18)	-
	Proceed from sale of investment	300.00	-
	Proceed from offer for sale (net of issue expenses)	4,304.23	-
	Payments for Purchase of Property,plant and equipment and Intangible assets (including Capital work in progress)	(7,901.17)	(7,747.58)
	Proceeds from sale of property, plant and equipment, Intangible assets and brands, business	15.80	994.33
	Net cash used in investing activities	**(3,332.80)**	**(6,752.36)**
(C)	**Cash flow from financing activities**		
	Proceed from Initial public offer of equity shares of subsidiary	10,118.54	-
	Proceeds from long-term borrowings	21,300.57	16,442.89
	FCCB premium paid on repurchase of bonds	(573.88)	-
	Repayments of long-term borrowings	(30,191.45)	(17,108.93)
	Proceeds from /(repayment) of short-term borrowings (net)	(1,417.09)	855.71
	Interest paid	(2,505.14)	(2,936.22)
	Payment of lease liability (including interest)	(1,009.51)	(966.77)
	Dividend paid (inclusive of dividend paid to non controlling interest)	(926.95)	(704.47)
	Net cash used in financing activities	**(5,204.91)**	**(4,417.79)**

(All amounts in million of Indian Rupees, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
Net increase/(decrease) in cash and cash equivalents	**2,548.81**	**141.98**
Cash and cash equivalents at the beginning of the year	**11,380.95**	**11,102.75**
Effect of exchange rate changes on cash and cash equivalents	175.50	136.22
Cash and cash equivalents at the end of the year	**14,105.26**	**11,380.95**
Cash and cash equivalents comprise of :		
Cash on hand	16.94	16.12
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	14,088.32	11,364.83
	14,105.26	**11,380.95**

Note :

1 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.

2 Figures in bracket indicate cash outflow.

3 Reconciliation of Financing Activities

Particulars	As at 31 March 2021	Borrowings made during the year	Amount buy back / repaid during the year	FCCB premium and Issue cost	Exchange difference/ translation	As at 31 March 2022
Long term borrowings*	41,744.13	21,300.57	(30,191.45)	243.70	(93.46)	33,003.49
Short term borrowings	5,130.15	-	(1,417.09)	-	(13.06)	3,700.00

Particulars	As at 31 March 2020	Borrowings made during the year	Amount buy back / repaid during the year	FCCB premium and Issue cost	Exchange difference/ translation	As at 31 March 2021
Long term borrowings*	44,260.37	16,442.89	(17,108.93)	424.65	(2,274.85)	41,744.13
Short term borrowings	4,425.97	855.71	-	-	(151.53)	5,130.15

*Refer note 14(i) for current / non current classification

See accompanying notes to the consolidated financial statements.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 27 May 2022

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 : 27 May 2022

Notes to the Consolidated Financial Statements

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 1 – Background Information and Summary of Significant Accounting Policies

1. Group Information

Glenmark Pharmaceuticals Limited (the "Company") and its subsidiaries (together referred to as "the Group") are primarily engaged in the business of development, manufacture 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 ("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 Significant Accounting Policies

The significant accounting policies that are used in the preparation of these consolidated financial statements are summarised below. These accounting policies are consistently used throughout the periods presented in the consolidated financial statements.

3.1. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(All amounts in million of Indian Rupees, unless otherwise stated)

- 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 subsidary companies not resulting in ceding of control, are recognised directly in the equity in the consolidated financial statements

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from the equity of the shareholders of the Company.

3.3. Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other

(All amounts in million of Indian Rupees, unless otherwise stated)

comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in the consolidated statement of profit and loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

3.4. Foreign currency transactions and foreign operations

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the consolidated statement of profit and loss in the period in which they arise.

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

(All amounts in million of Indian Rupees, unless otherwise stated)

collaborations and out-licences of the Group's compounds or products to other parties. These contracts give rise to fixed and variable consideration from upfront payments, development milestones, sales-based milestones and royalties. Income dependent on the achievement of a development milestone is recognised when it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur, which is usually when the related event occurs. Sales-based milestone income is recognised when it is highly probable that the sales threshold will be reached.

Sales-based royalties on a licence of intellectual property are not recognised until the relevant product sale occurs. If the time between the recognition of revenue and payment from the customer is expected to be more than one year and the impact is material, the amount of consideration is discounted using appropriate discount rates.

Goods and Service Tax and other value added taxes are excluded from revenue.

3.6. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price (after deducting trade discount/rebate) / cost of construction, non-refundable duties and taxes, borrowing costs, other expenditure that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have significant cost in relation to total cost and different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Profits and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within "other income/expense" in the consolidated statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group its cost can be measured reliably and it has a useful life of at least twelve months. The costs of other repairs and maintenance are recognised in the consolidated statement of profit and loss as incurred.

Depreciation

Depreciation is recognised in the consolidated statement of profit and loss on a straight-line basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or their useful lives, unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

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

(All amounts in million of Indian Rupees, unless otherwise stated)

statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the assets are controlled by the Group, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the consolidated statement of profit and loss as incurred.

The Group's internal drug development expenditure is capitalised only if they meet the recognition criteria as mentioned above. Where uncertainties exist that the said criteria may not be met, the expenditure is recognised in the consolidated statement of profit and loss as incurred. Where the recognition criteria are met, intangible assets are recognised. Based on the management estimate of the useful lives, indefinite useful life assets are tested for impairment and assets with limited life are amortised on a straight-line basis over their useful economic lives from when the asset is available for use. During the periods prior to their launch (including periods when such products have been out-licenced to other companies), these assets are tested for impairment on an annual basis, as their economic useful life is indeterminable till then.

Payments to in-license products and compounds from third parties generally taking the form of up-front payments and milestones are capitalised and amortised on a straight-line basis, over their useful economic lives from when the asset is available for use. During the periods prior to their launch, these assets are tested for impairment on an annual basis, as their economic useful life are indeterminable till then.

The Group monetise the molecules under development, as active market exists at each stage / phase wise molecule development, either through out licencing arrangement or subsequent product launches. Accordingly the molecule under development which meets criteria under Ind AS 38 Intangible Assets; para 57 are classified as intangible assets.

De-recognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use or disposal. Losses arising on such de-recognition are recorded in the consolidated statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are subject to impairment testing at each reporting date. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Any impairment losses are recognised immediately in the consolidated statement of profit and loss.

Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which they relate.

Software for internal use, which is primarily acquired from third-party vendors, including consultancy charges for implementing the software, is capitalised. Subsequent costs are charged to the the consolidated statement of profit and loss as incurred. The capitalised costs are amortised over the estimated useful life of the software.

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

(All amounts in million of Indian Rupees, unless otherwise stated)

of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Intangibles with indefinite useful lives are tested for impairment individually.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. Impairment losses are recognised in the consolidated statement of profit and loss.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.10. Investments and financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the consolidated statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the consolidated statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows represents solely payment of principal and interest.

Measurement of debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the consolidated statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (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

(All amounts in million of Indian Rupees, unless otherwise stated)

included in other income using the effective interest rate method.

- **Fair value through profit or loss (FVTPL) :** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the consolidated statement of profit and loss and presented net in the consolidated statement of profit and loss within other income/ (expenses) in the period in which it arises. Interest income from these financial assets is included in other income.

Measurement of equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the consolidated statement of profit and loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/ (expenses) in the consolidated statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Interest income from financial assets

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

3.11. Financial liabilities

Non derivative financial liabilities include trade and other payables.

Group present the hybrid contract in consolidated balance sheet as a single contractual arrangement. The embedded derivative component is classified as at FVTPL for measurement purposes; the host contract, as a financial liability is measured at amortised cost using the effective interest method.

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on 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 derecognised 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

(All amounts in million of Indian Rupees, unless otherwise stated)

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 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.

(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.

3.14. Leases

The Group has applied Ind AS 116 using the modified retrospective approach.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest 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 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

(All amounts in million of Indian Rupees, unless otherwise stated)

results, as disclosed in the consolidated statement of profit and loss.

3.16. Employee Benefits

Short-term benefits

Short-term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognised provident funds, approved superannuation schemes and other social securities, which are defined contribution plans, are recognised as an employee benefit expense in the consolidated statement of profit and loss as incurred.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of an approved gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each material plan by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation performed annually by a qualified actuary using the projected unit credit method.

The benefit is discounted to determine the present value of the defined benefit obligation and the current service cost. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The fair value of any plan assets is deducted from the present value of the defined benefit obligation to determine the amount of deficit or surplus. The net defined benefit liability/(asset) is determined as the amount of the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The net defined benefit liability/(asset) is 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary retirement. Termination benefits for voluntary retirement are recognised as an expense if the Group has made an offer encouraging voluntary retirement, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

3.17. Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of past events will probably lead to an outflow of economic resources from the Group and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the best estimate of expenditure required to settle the present obligation at the reporting date, based on the most reliable evidence, including the risks and uncertainties and timing of cash flows associated with the present obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the consolidated balance sheet.

Any amount that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset upto the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets are not recognised.

3.18. Share based compensation

All employee services received in exchange for the grant of any equity-settled share-based compensation are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based compensation is ultimately recognised as an expense in the consolidated statement of profit and loss with a corresponding credit to equity (Stock compensation reserve). If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to expense recognised in prior periods if fewer share options are ultimately exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as Securities premium.

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 out standing 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

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 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

(All amounts in million of Indian Rupees, unless otherwise stated)

the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Group's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors. Refer note 4 and 5 for impairment testing assumptions for intangibles and goodwill.

Current taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Deferred tax

The assessment of the probability of future taxable profit in which deferred tax assets can be utilized is based on the Group's latest approved budget forecast, which is adjusted for significant non-taxable profit and expenses and specific limits to the use of any unused tax loss or credit. The tax rules in the numerous jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable profit indicates the probable use of a deferred tax asset, especially when it can be utilise without a time limit, that deferred tax asset is usually recognised in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Expected credit loss

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

i Trade receivables.

ii Financial assets measured at amortised cost other than trade receivables.

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. In case of other assets (listed as ii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

The consolidated financial statements have been prepared using the measurement basis specified by Ind AS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

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

(All amounts in million of Indian Rupees, unless otherwise stated)

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)

Recent pronouncements Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

a) Ind AS 103 – Reference to Conceptual Framework: The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact on its financial statements.

b) Ind AS 16 – Proceeds before intended use : The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

c) Ind AS 37 – Onerous Contracts - Costs of fulfilling a contract : The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

d) Ind AS 109 – Annual improvements to Ind AS (2021) : The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

e) Ind AS 116 - The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 2 - Basis Of Consolidation

The subsidiaries which consolidate under Glenmark Pharmaceuticals Limited ('GPL') comprise the entities listed below:

Name of the Entity	Year End Date	Country of Incorporation	Holding Company as of	Effective Group Shareholding (%) as on	
			31 March 2022	31 March 2022	31 March 2021
Glenmark Pharmaceuticals (Europe) R&D Ltd. (Liquidated w.e.f. 4 January 2022)	up to the date of liquidation	United Kingdom	GHSA	100%	100%
Glenmark Pharmaceuticals Europe Ltd.	31 March	United Kingdom	GPL	100%	100%
Glenmark Pharmaceuticals S.R.O. (GP S.R.O.)	31 March	Czech Republic	GHSA	100%	100%
Glenmark Pharmaceuticals SK, S.R.O.	31 March	Slovak Republic	GP S.R.O.	100%	100%
Ichnos Sciences SA	31 March	Switzerland	ISI USA	100%	100%
Glenmark Holding S. A.,(GHSA)	31 March	Switzerland	GPL	100%	100%
Glenmark Pharmaceuticals S.R.L (liquidated with effect from 30 July 2020)	up to the date of liquidation	Romania	GHSA	-	100%
Glenmark Pharmaceuticals SP z.o.o.	31 March	Poland	GHSA	100%	100%
Glenmark Pharmaceuticals Inc.	31 March	USA	GHSA	100%	100%
Glenmark Therapeutics Inc.	31 March	USA	GHSA	100%	100%
Glenmark Farmaceutica Ltda (GFL)	31 March	Brazil	GHSA	100%	100%
Glenmark Generics SA	31 March	Argentina	GHSA	100%	100%
Glenmark Pharmaceuticals Mexico, S.A. DE C.V.	31 March	Mexico	GPL	100%	100%
Glenmark Pharmaceuticals Peru SAC	31 March	Peru	GPL	100%	100%
Glenmark Pharmaceuticals Colombia SAS.	31 March	Colombia	GPL	100%	100%
Glenmark Uruguay S.A. (GU S.A.)	31 March	Uruguay	GPL	100%	100%
Glenmark Pharmaceuticals Venezuela, C.A	31 March	Venezuela	GPL	100%	100%
Glenmark Dominicana SRL	31 March	Dominican Republic	GPL	100%	100%
Glenmark Pharmaceuticals Egypt S.A.E.	31 March	Egypt	GPL	100%	100%
Glenmark Pharmaceuticals FZE	31 March	United Arab Emirates	GPL	100%	100%
Glenmark Impex L.L.C	31 March	Russia	GPL	100%	100%
Glenmark Philippines Inc.	31 March	Philippines	GPL	100%	100%
Glenmark Pharmaceuticals (Nigeria) Ltd	31 March	Nigeria	GPL	100%	100%
Glenmark Pharmaceuticals Malaysia Sdn Bhd	31 March	Malaysia	GPL	100%	100%
Glenmark Pharmaceuticals (Australia) Pty Ltd,	31 March	Australia	GPL	100%	100%
Glenmark South Africa (pty) Ltd (GSAPL)	31 March	South Africa	GPL	100%	100%
Glenmark Pharmaceuticals South Africa (pty) Ltd	31 March	South Africa	GSAPL	100%	100%
Glenmark Pharmaceuticals (Thailand) Co. Ltd	31 March	Thailand	GPL	49%	49%
Glenmark Pharmaceuticals B.V.	31 March	Netherland	GHSA	100%	100%
Glenmark Arzneimittel Gmbh	31 March	Germany	GHSA	100%	100%
Glenmark Pharmaceuticals Canada Inc.	31 March	Canada	GHSA	100%	100%
Glenmark Pharmaceuticals Kenya Ltd	31 March	Kenya	GPL	100%	100%
Viso Farmaceutica S.L.U.	31 March	Spain	GHSA	100%	100%
Glenmark Specialty SA	31 March	Switzerland	GHSA	100%	100%
Glenmark Pharmaceuticals Distribution S.R.O.	31 March	Czech Republic	GHSA	100%	100%
Glenmark Pharmaceuticals Nordic AB	31 March	Sweden	GHSA	100%	100%
Glenmark Ukraine LLC	31 March	Ukraine	GHSA	100%	100%
Glenmark Pharmaceuticals Ecuador S.A.	31 March	Ecuador	GPL	100%	100%
Glenmark Pharmaceuticals Singapore Pte. Ltd.	31 March	Singapore	GPL	100%	100%
Ichnos Sciences Biotherapeutics SA	31 March	Switzerland	ISI USA	100%	100%
Glenmark Life Sciences Limited	31 March	India	GPL	82.84%	100%
Ichnos Sciences Inc., USA (ISI USA)	31 March	USA	GHSA	100%	100%
Glenmark Distribuidora De Medicamentos E Produtos Cosmeticos Ltda. (liquidated with effect from 23 December 2020)	up to the date of liquidation	Brazil	GFL	-	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 & Equipment	Furniture and fixture	Office Equipment	Vehicles	Total	Capital work-in-progress
Cost										
Balance as at 1 April 2021	**125.29**	**456.02**	**11,153.44**	**1,899.99**	**22,472.87**	**2,075.03**	**3,625.05**	**179.20**	**41,986.89**	**12,177.94**
- Other acquisitions	-	101.04	326.17	3,383.49	5,326.33	62.03	239.58	8.09	9,446.73	2,309.69
- Disposals/Transfers	-	-	(1.04)	(0.29)	(119.18)	(8.53)	(33.76)	(9.89)	(172.69)	(5,581.86)
- Translation adjustment	6.62	-	319.06	130.11	218.41	18.77	104.13	8.86	805.96	305.14
Balance as at 31 March 2022	**131.91**	**557.06**	**11,797.63**	**5,413.30**	**27,898.43**	**2,147.30**	**3,935.00**	**186.26**	**52,066.89**	**9,210.91**
Accumulated Depreciation										
Balance as at 1 April 2021	**-**	**81.22**	**1,849.13**	**932.20**	**8,494.11**	**1,200.16**	**2,371.57**	**132.50**	**15,060.89**	**-**
- Depreciation charge for the year	-	8.00	313.19	97.21	1,609.41	118.78	266.54	17.57	2,430.70	-
- Disposals/Transfers	-	-	(0.35)	(0.03)	(94.48)	(8.15)	(32.40)	(13.85)	(149.26)	-
- Translation adjustment	-	-	127.97	44.13	66.26	2.29	61.49	6.82	308.96	-
Balance as at 31 March 2022	**-**	**89.22**	**2,289.94**	**1,073.51**	**10,075.30**	**1,313.08**	**2,667.20**	**143.04**	**17,651.29**	**-**
Carrying value										
As at 31 March 2022	**131.91**	**467.84**	**9,507.69**	**4,339.79**	**17,823.13**	**834.22**	**1,267.80**	**43.22**	**34,415.60**	**9,210.91**

Particulars	Freehold land	Leasehold land	Factory Building	Other Building	Plant & Equipment	Furniture and fixture	Office Equipment	Vehicles	Total	Capital work-in-progress
Cost										
Balance as at 1 April 2020	**126.44**	**448.84**	**10,655.62**	**1,845.02**	**21,029.97**	**2,053.13**	**3,434.76**	**220.12**	**39,813.90**	**10,906.36**
- Other acquisitions	-	7.18	513.30	96.95	1,613.18	39.01	259.03	12.22	2,540.87	3,306.36
- Disposals/Transfers	-	-	(7.00)	-	(132.09)	(11.58)	(21.24)	(48.12)	(220.03)	(1,827.57)
- Translation adjustment	(1.15)	-	(8.48)	(41.98)	(38.19)	(5.53)	(47.50)	(5.02)	(147.85)	(207.21)
Balance as at 31 March 2021	**125.29**	**456.02**	**11,153.44**	**1,899.99**	**22,472.87**	**2,075.03**	**3,625.05**	**179.20**	**41,986.89**	**12,177.94**
Accumulated Depreciation										
Balance as at 1 April 2020	**-**	**73.70**	**1,548.83**	**862.48**	**7,151.13**	**1,081.14**	**2,123.04**	**151.05**	**12,991.37**	**-**
- Depreciation charge for the year	-	7.52	300.62	91.08	1,445.05	124.06	295.81	23.18	2,287.32	-
- Disposals/Transfers	-	-	(1.61)	-	(100.37)	(9.42)	(20.07)	(40.14)	(171.61)	-
- Translation adjustment	-	-	1.29	(21.36)	(1.70)	4.38	(27.21)	(1.59)	(46.19)	-
Balance as at 31 March 2021	**-**	**81.22**	**1,849.13**	**932.20**	**8,494.11**	**1,200.16**	**2,371.57**	**132.50**	**15,060.89**	**-**
Carrying value										
As at 31 March 2021	**125.29**	**374.80**	**9,304.31**	**967.79**	**13,978.76**	**874.87**	**1,253.48**	**46.70**	**26,926.00**	**12,177.94**

Note:

- Refer note 16(i) for details of assets pledged against borrowings.
- Additions include borrowing costs capitalised of ₹ Nil (2021 - ₹ 150.00). The borrowing costs have been capitalised at a weighted average rate of NIL (2021 - 4.26%) .

(All amounts in million of Indian Rupees, unless otherwise stated)

Ageing of capital work in progress as on 31 March 2022

CWIP	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	4,412.84	2,329.76	287.50	2,180.81	9,210.91
Projects temporarily suspended	-	-	-	-	-
Total	**4,412.84**	**2,329.76**	**287.50**	**2,180.81**	**9,210.91**

Ageing of capital work in progress as on 31 March 2021

CWIP	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	2,633.79	335.17	2,648.90	6,559.25	12,177.11
Projects temporarily suspended	-	0.83	-	-	0.83
Total	**2,633.79**	**336.00**	**2,648.90**	**6,559.25**	**12,177.94**

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 2022 and 31 March 2021.

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
Cost				
Balance as at 1 April 2021	**3,986.44**	**1.72**	**279.52**	**4,267.68**
- Additions	672.12	89.43	98.90	860.45
- Deletions	(260.66)	(0.27)	(32.80)	(293.73)
- Translation adjustment	40.81	(0.01)	8.92	49.72
Balance as at 31 March 2022	**4,438.71**	**90.87**	**354.54**	**4,884.12**
Accumulated Depreciation				
Balance as at 1 April 2021	**1,500.17**	**0.45**	**115.27**	**1,615.89**
- Depreciation charge for the year	775.85	16.26	97.13	889.24
- Deletions	(93.41)	(0.27)	(32.65)	(126.33)
- Translation adjustment	10.50	(0.01)	4.15	14.64
Balance as at 31 March 2022	**2,193.11**	**16.43**	**183.90**	**2,393.44**
Carrying value				
As at 31 March 2022	**2,245.60**	**74.44**	**170.64**	**2,490.68**

Particulars	Other Building	Office Equipment	Vehicles	Total
Cost				
Balance as at 1 April 2020	**3,592.04**	**0.27**	**177.50**	**3,769.81**
- Additions	439.53	1.44	105.09	546.06
- Deletions	(9.83)	-	(93.23)	(103.06)
- Translation adjustment	(35.30)	0.01	90.16	54.87
Balance as at 31 March 2021	**3,986.44**	**1.72**	**279.52**	**4,267.68**
Accumulated Depreciation				
Balance as at 1 April 2020	**738.10**	**0.07**	**77.09**	**815.26**
- Depreciation charge for the year	780.74	0.38	94.03	875.15
- Deletions	(9.36)	-	(88.49)	(97.85)
- Translation adjustment	(9.31)	-	32.64	23.33
Balance as at 31 March 2021	**1,500.17**	**0.45**	**115.27**	**1,615.89**
Carrying value				
As at 31 March 2021	**2,486.27**	**1.27**	**164.25**	**2,651.79**

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 4 - Goodwill

The net carrying amount of goodwill can be analysed as follows:

Particulars	31 March 2022	31 March 2021
Opening balance	580.11	528.99
Effect of translation adjustments	20.08	51.12
Closing balance	**600.19**	**580.11**

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 2022	As at 31 March 2021
Europe	580.41	560.33
ROW	19.78	19.78
Goodwill	**600.19**	**580.11**

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 2022	31 March 2021	31 March 2022	31 March 2021
Europe & ROW	2 - 3.5%	2 - 3.5%	8.00 - 13.00%	8.00 - 13.00%

Long term growth rates

The long term growth rates reflect the long-term average growth rates for the product lines and industry. The growth rate is in line with the overall long-term average growth rates because this sector is expected to continue to grow at above average rates for the foreseeable future.

Discount rates

The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of each CGU.

Cash flow assumptions

Management's key assumptions include stable profit margins, based on past experience in this market. The Management believes that this is the best available input for forecasting.

Apart from the considerations in determining the value-in-use of the CGU,management is not currently aware of any other probable changes that would necessitate changes in its key estimates. The estimates of recoverable amount are particularly sensitive to the discount rate. If the discount rate used is increased by 1%, it would have no impact on the impairment testing.

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 5 - Other Intangible Assets

Other intangible assets comprise of :

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
Cost				
Balance as at 1 April 2021	**3,037.19**	**37,443.90**	**40,481.09**	**1,638.79**
- Additions	687.22	1,886.64	2,573.86	564.04
- Disposals/transfers	(0.66)	(60.67)	(61.33)	(1,363.45)
- Translation adjustment	42.29	1,547.62	1,589.91	48.39
Balance as at 31 March 2022	**3,766.04**	**40,817.49**	**44,583.53**	**887.78**
Amortisation and impairment				
Balance as at 1 April 2021	**2,092.46**	**17,258.04**	**19,350.50**	**-**
- for the year	392.65	2,861.33	3,253.98	-
- on disposals/transfers	(0.66)	(0.47)	(1.13)	-
- Translation adjustment	26.62	587.55	614.17	-
Balance as at 31 March 2022	**2,511.07**	**20,706.45**	**23,217.52**	**-**
Carrying value				
As at 31 March 2022	**1,254.97**	**20,111.04**	**21,366.01**	**887.78**

Particulars	Computer software	Product development/ Brands	Total	Intangible assets under development
Cost				
Balance as at 1 April 2020	**2,647.63**	**35,937.98**	**38,585.61**	**1,312.50**
- Additions	402.56	2,969.47	3,372.03	498.51
- Disposals/transfers	(2.14)	(951.19)	(953.33)	(205.65)
- Translation adjustment	(10.86)	(512.36)	(523.22)	33.43
Balance as at 31 March 2021	**3,037.19**	**37,443.90**	**40,481.09**	**1,638.79**
Amortisation and impairment				
Balance as at 1 April 2020	**1,667.40**	**16,938.73**	**18,606.13**	**-**
- for the year	432.81	840.26	1,273.07	-
- on disposals/transfers	(1.83)	(398.35)	(400.18)	-
- Translation adjustment	(5.92)	(122.60)	(128.52)	-
Balance as at 31 March 2021	**2,092.46**	**17,258.04**	**19,350.50**	**-**
Carrying value				
As at 31 March 2021	**944.73**	**20,185.86**	**21,130.59**	**1,638.79**

Ageing of Intangible assets under development as on 31 March 2022

CWIP	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	368.55	179.83	66.63	272.79	887.78
Projects temporarily suspended	-	-	-	-	-
Total	**368.55**	**179.83**	**66.63**	**272.79**	**887.78**

Ageing of Intangible assets under development as on 31 March 2021

CWIP	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	485.25	356.76	158.87	624.11	1,624.99
Projects temporarily suspended	0.01	0.75	3.38	9.66	13.80
Total	**485.26**	**357.51**	**162.25**	**633.77**	**1,638.79**

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 2022 and 31 March 2021.

(All amounts in million of Indian Rupees, unless otherwise stated)

At the year end, the intangibles 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 cashflow forecast, followed by an extrapolation of expected cash flows for the remaining useful lives using growth rates determined by management. The present value of the expected cash flows of each assets/ CGU is determined by applying a suitable discount rate.

Particulars	Long term growth Rates		Discount Rates	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
India, North America and Europe	2 - 3.5 %	2 - 3.5 %	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.

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.

Discount rates

The discount rates reflect appropriate adjustments relating to market risk and specific risk factors of each asset/CGU.

Intangible assets with indefinite or indeterminable life are ₹ 9,061.48 (2021 - ₹ 15,013.99).

Note 6 - Non-Current Financial Assets

(i) Investments

Particulars		As at 31 March 2022	As at 31 March 2021
Unquoted			
(i)	**Equity Shares**		
	289,832 (2021 - 289,832) Equity Shares of Narmada Clean Tech Ltd. of ₹ 10 each. **(FVTPL)**	2.90	2.90
	1 (2021 - 1) Time Share of Dalmia Resorts Limited **(FVTPL)**	0.02	0.02
	Nil (2021- 15,000,000) Equity Shares of Integrace Private Limited of ₹ 10 each **(FVOCI)**	-	150.00
	18,000 shares Shivalik Solid Waste Management Ltd of ₹ 10 each **(FVTPL)**	0.18	-
(ii)	**Preference shares**		
	1,176,471 (2021 - 1,176,471) Preferred shares of Napo Pharmaceuticals Inc of USD 0.85 each **(FVTPL)**	42.65	42.65
	500,000 (2021 - 500,000) 7% cumulative preference shares of ₹ 100 each fully paid up of Marksans Pharma Ltd **(at amortised cost)**	50.00	50.00
(iii)	**Government securities**		
	National Savings Certificate -Sixth Issue **(at amortised cost)**	0.02	0.02
(iv)	**Other investment**		
	Investment in Limited Liability Partnership (LLP) - ABCD Technologies LLP **(FVOCI)**	400.00	-
	Total	**495.77**	**245.59**

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Quoted		
(i) Equity Shares (FVTPL)		
9,000 (2021 - 9,000) Bank of India of ₹ 10 each	0.42	0.61
1,209 (2021 - 1,209) IDBI Bank Limited of ₹ 10 each	0.05	0.05
Total	**0.47**	**0.66**
Total	**496.24**	**246.25**
Aggregate carrying value of quoted investment	0.47	0.66
Aggregate market value of quoted investment	0.47	0.66
Aggregate carrying value of unquoted investment	495.77	245.59
Aggregate amount of impairment in value of investment in unquoted equity shares	-	-

The fair values of investments in equity and preference shares being carried at ₹ 445.75 (2021 - ₹ 195.57) 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 2022	As at 31 March 2021
Unsecured		
Security deposits considered good*	331.62	368.91
Bank deposit including margin money	60.40	272.70
Total	**392.02**	**641.61**

*Security deposits represent rental, utility and trade deposits given in the normal course of business realisable after twelve months from the reporting date.

Note 7 - Taxes

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current tax expense	5,466.49	4,981.40
Deferred tax expense / (benefit)	(868.28)	(601.87)
Minimum Alternate Tax (MAT) Credit (Entitlement)/ utilisation	(122.24)	(255.66)
Total	**4,475.97**	**4,123.87**

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 Group made an assessment of the impact and decided to continue with the existing tax structure inrespect of Glenmark Pharmaceuticals Limited until utilisation of accumulated minimum alternative tax (MAT) credit and other exemptions. Other Indian group entity Glenmark Life Sciences Limited has opted for the new tax regime u/s 115BAA of the Income Tax Act 1961. The Group has also re-measured its deferred tax liability following the clarification issued by Technical Implementation Group of Ind AS implementation Committee by applying the lower tax rate in measurement of deferred taxes only to extent that the deferred tax liabilities are expected to be reversed in the period during which it expects to be subject to lower tax rate.

(All amounts in million of Indian Rupees, unless otherwise stated)

The relationship between the expected tax expense based on the applicable tax rate of the Group and the tax expense actually recognised in the consolidated statement of profit and loss can be reconciled as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Income tax expense at tax rates applicable to individual entities	**8,199.27**	**6,723.35**
Tax adjustment for tax-exempt income		
- Income exempt from tax	(3,245.56)	(3,054.64)
Other tax adjustments		
- Additional deduction for R & D Expenditure	(3.43)	-
- Unrecognised tax benefit on losses of subsidiaries (net)	893.88	1,116.60
- Disallowed expenses	498.09	394.24
- Other allowances / disallowances (net)	(1,866.28)	(1,055.68)
Actual tax expense (net)	**4,475.97**	**4,123.87**

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 2021	Recognised in the consolidated statement of profit and loss	Recognised in other comprehensive income	Effect of translation adjustment	As at 31 March 2022
Deferred tax assets - Non current					
Provision for credit losses	390.25	76.04	-	1.53	467.82
Unused tax losses	5,602.44	456.15	-	543.90	6,602.49
Difference in right-of-use asset and lease liability	63.29	25.02	-	0.41	88.72
Depreciation and accruals deductible on actual payment	2,451.81	(29.00)	(48.53)	(0.64)	2,373.64
MAT credit entitlement	9,726.55	122.23	-	(0.87)	9,847.91
Total	**18,234.34**	**650.44**	**(48.53)**	**544.33**	**19,380.58**
Deferred tax liabilities - Non current					
Other current assets	263.02	42.35	-	1.10	306.47
Difference in depreciation on property, plant and equipment	2,139.30	215.76	-	(1.87)	2,353.19
Other taxable temporary difference	772.83	(598.19)	-	-	174.64
Total	**3,175.15**	**(340.08)**	**-**	**(0.77)**	**2,834.30**
Net deferred tax asset	**15,059.19**	**990.52**	**(48.53)**	**545.10**	**16,546.28**

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	As at 31 March 2020	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Effect of translation adjustment	As at 31 March 2021
Deferred tax assets - Non current					
Provision for credit losses	364.48	21.61	-	4.16	390.25
Unused tax losses	5,321.22	429.36	-	(148.14)	5,602.44
Difference in right-of-use asset and lease liability	27.37	36.19	-	(0.27)	63.29
Depreciation and accruals deductible on actual payment	2,357.50	103.93	(7.47)	(2.15)	2,451.81
MAT credit entitlement	9,473.40	252.59	-	0.56	9,726.55
Total	**17,543.97**	**843.68**	**(7.47)**	**(145.84)**	**18,234.34**
Deferred tax liabilities - Non current					
Other current assets	212.84	12.61	-	37.57	263.02
Difference in depreciation on property, plant and equipment	1,951.45	187.82	-	0.03	2,139.30
Other taxable temporary difference	987.11	(214.28)	-	-	772.83
Total	**3,151.40**	**(13.85)**	**-**	**37.60**	**3,175.15**
Net deferred tax asset	**14,392.57**	**857.53**	**(7.47)**	**(183.44)**	**15,059.19**

In assessing the reliability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income including taxable temporary differences in the future periods are reduced.

Deferred income taxes are not provided on undistributed earnings of subsidiaries outside India, where it is expected that earnings of the subsidiaries will not be distributed in the foreseeable future. The Company indefinitely reinvests all the accumulated undistributed earnings of subsidiaries, and accordingly, has not recorded any deferred taxes in relation to such undistributed earnings of its foreign subsidiaries. It is impracticable to determine the taxes payable when these earnings are remitted.

The unrecognised deferred tax for the year ended 31 March 2022 and 31 March 2021 is ₹ 936.82 and ₹ 1,163.66 respectively.

During the year ended 31 March 2022, the Group, based on probable future taxable profit, has recognized/(reversed) previously unrecognised/ recognised deferred tax assets of ₹ 129.50 in F.Y 2021-22 and ₹ 96.09 in F.Y. 2020-21.

Deferred tax assets on unused tax losses will expire within period of 2 -7 years, except in a certain jurisdiction where there is no time limit for its expiry.

Note 8 - Other Non-Current Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	6.55	6.20
Capital advances	418.31	279.69
Advance tax (net of provision)	863.88	814.33
Total	**1,288.74**	**1,100.22**

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 9 - Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials	7,031.22	5,283.12
Packing materials	2,692.85	2,297.42
Work-in-process	4,024.81	4,394.49
Stores and spares	1,044.58	1,069.48
Finished goods	8,463.78	8,391.92
Stock-in-trade	1,741.09	1,331.90
Total	**24,998.33**	**22,768.33**

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 ₹ 1,889.25 (2021 - ₹ 1,686.63). This is included as part of cost of materials consumed and changes in inventories of finished goods, work-in-process and stock -in- trade in the consolidated statement of profit and loss, as the case may be.

Note 10 - Current Financial Assets

(I) Trade Receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured		
Considered good	31,011.35	25,720.55
Credit impaired #	1,298.64	1,067.51
Allowance for credit impaired/ expected credit losses #	(1,298.64)	(1,067.51)
Total	**31,011.35**	**25,720.55**

The Groups exposure to credit risk ad currency risk 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 ₹ 298.74 (2021 - ₹ 113.69) has been recorded. The movement in the allowance for credit impaired/ expected credit losses is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	1,067.51	958.96
Amounts written off/ (written back) during the year	(67.61)	(5.14)
Provision for credit loss during the year (net)	298.74	113.69
Closing balance	**1,298.64**	**1,067.51**

(All amounts in million of Indian Rupees, unless otherwise stated)

Trade receivable ageing schedule as at 31 March 2022

Particulars		Not due	Outstanding for following periods from due date of payments					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i)	Undisputed trade receivable - considered good	19,904.47	9,381.12	456.10	365.77	208.77	695.12	31,011.35
(ii)	Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivable - credit impaired	-	-	-	41.85	61.56	1,165.01	1,268.42
(iv)	Disputed trade receivable - considered good	-	-	-	-	-	-	-
(v)	Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed trade receivable - credit impaired	-	-	30.22	-	-	-	30.22
Total (A)		**19,904.47**	**9,381.12**	**486.32**	**407.62**	**270.33**	**1,860.13**	**32,309.99**
Less - Provision for credit impaired/ expected credit losses								1,298.64
Total (B)								**31,011.35**

Trade receivable ageing schedule as at 31 March 2021

Particulars		Not due	Outstanding for following periods from due date of payments					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i)	Undisputed trade receivable - considered good	13,285.42	9,542.46	1,289.55	458.39	248.53	896.20	25,720.55
(ii)	Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed trade receivable - credit impaired	-	30.45	14.96	27.40	91.43	878.88	1,043.12
(iv)	Disputed trade receivable - considered good	-	-	-	-	-	-	-
(v)	Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed trade receivable - credit impaired	-	-	24.39	-	-	-	24.39
Total (A)		**13,285.42**	**9,572.91**	**1,328.90**	**485.79**	**339.96**	**1,775.08**	**26,788.06**
Less - Provision for credit impaired/ expected credit losses								1,067.51
Total (B)								**25,720.55**

(ii) Cash and Cash Equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks in current accounts and Exchange Earner's Foreign Currency (EEFC) accounts	14,088.32	11,364.83
Cash on hand	16.94	16.12
Total	**14,105.26**	**11,380.95**

(All amounts in million of Indian Rupees, unless otherwise stated)

(iii) Bank Balances Other than Cash and Cash Equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Other bank balance - Dividend accounts (Refer note 1 below)	9.89	10.62
Total	**9.89**	**10.62**

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 2022	As at 31 March 2021
Security deposits (unsecured, considered good) (Refer note 1 below)	298.95	298.23
Export incentives	271.42	670.59
Bank deposit including margin money	57.33	93.40
Other receivables (Unsecured)	504.59	377.62
Total	**1,132.29**	**1,439.84**

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 11 - Other Current Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Advances recoverable in kind (unsecured)	2,770.97	3,634.34
Input taxes receivable	4,800.18	3,748.70
Advance to vendors	1,796.64	2,694.66
Prepaid expenses	2,198.57	2,197.80
Total	**11,566.36**	**12,275.50**

Note 12 - Equity and Reserves

a) Ordinary shares

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders' meeting, every holder of ordinary shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

The Company has an authorised share capital of 2,370,000,000 equity shares of ₹ 1 each.

b) Dividends

Indian statutes mandate that dividends be declared out of distributable profits in accordance with the regulations. Should the Company declare and pay dividends, such dividends are required to be paid in INR to each holder of equity shares in proportion to the number of shares held. Dividends are taxable in the hands of the shareholders and tax is deducted by the Company at applicable rates.

c) Reserves

Securities premium reserve – The amount received by the Company over and above the face value of shares issued is shown under this head. It is available for utilisation as per the provisions of the Companies Act, 2013.

Capital redemption reserve - The capital redemption reserve had been created as per the requirement of earlier provisions of Companies Act, 1956. Such reserve is not currently available for distribution to the shareholders. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

General reserve - The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

(All amounts in million of Indian Rupees, unless otherwise stated)

Currency translation reserve - Assets and liabilities of foreign subsidiaries are translated into INR at the rate of exchange prevailing as at date of the balance sheet. Revenue and expenses are translated into INR at the average exchange rate prevailing during the period. The exchange difference arising at the year-end due to translation is debited or credited to currency translation reserve account.

Retained earnings - Accumulated earnings include all current and prior period profits as disclosed in the consolidated statement of profit and loss.

Stock compensation reserve - Stock compensation reserve consists of employee compensation cost allocated over the vesting period of options granted to employees. Such cost is recognised in statement of profit and loss and is credited to the reserve. Upon exercise of options, such reserves are reclassified to equity share capital at the nominal capital value and excess through securities premium as the case may be.

Note 13 - Equity Share Capital

Share capital		As at 31 March 2022		As at 31 March 2021	
		No. of Shares	Amount	No. of Shares	Amount
(I)	**Authorised**				
	Equity Shares of ₹ 1 each	2,370,000,000	2,370.00	2,370,000,000	2,370.00
	Cumulative redeemable non-convertible preference shares of ₹ 100 each	40,00,000	400.00	40,00,000	400.00
	Issued, subscribed and fully paid-up equity shares of ₹ 1 each				
	At the beginning of the year	282,168,156	282.17	282,168,156	282.17
	Add: Issued during the year	-	-	-	-
	At the end of the year	**282,168,156**	**282.17**	**282,168,156**	**282.17**

(II)	List of shareholders holding more than 5 % shares	As at 31 March 2022		As at 31 March 2021	
		% of Holding	No. of Shares	% of Holding	No. of Shares
	Saldanha Family Trust	45.45	128,241,936	45.45	128,241,936

(III) Details of Shareholding of Promoters are as below :

Sr. No.	Shares held by promoters at As at 31 March 2022 Promoter Name	No.of Shares	% of total shares **	% change during the year
1	Saldanha Family Trust	128,241,936	45.45	-
2	Blanche Saldanha	1,110,327	0.39	-
3	Glenn Saldanha	983,439	0.35	0.01
4	Cherylann Pinto	758,485	0.27	-
5	Robin Pinto	497,500	0.18	-
6	Neha Saldanha	26,000	0.01	0.01
Total		**131,617,687**		

Sr. No.	Shares held by promoters at As at 31 March 2021 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	955,169	0.34	0.01
4	Cherylann Pinto	756,535	0.27	-
5	Robin Pinto	497,250	0.18	-
6	Neha Saldanha	6,000	-	-
Total		**131,567,217**		

(All amounts in million of Indian Rupees, unless otherwise stated)

The percentage shareholding above has been computed considering the outstanding number of shares of 282,168,156 as at 31 March 2022 and 31 March 2021.

(IV) As at 31 March 2022, Pursuant to Employee Stock Options Scheme 2016, 78,717 options were outstanding, which upon exercise are convertible into equivalent number of equity shares.

(V) Right, Preference and restriction on shares

The Company presently has only one class of ordinary equity shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary equity shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

(VI) In the period of five years immediately preceeding 31 March 2022, the Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash. Further, the Company has neither issued bonus shares nor bought back any shares during the aforementioned period.

(VII) Employee Stock Option

(A) Glenmark Pharmaceuticals Limited

The Company has formulated an Employee Stock Option Scheme 2016 ('ESOS 2016') under which it has made grants on various dates from time to time. Each grant has a vesting period which varies from 1 - 6 years from the date of grant depending on the terms of the grant. The grants are made at the market price of the equity shares of the Company on either the date of the grant or the closing price of the date prior to the day of the grant or the price decided by the Nomination & Remuneration Committee of the Board. Pursuant to ESOS 2016, 78,717 options were outstanding as at 31 March 2022, which upon exercise are convertible into equivalent number of equity shares. Employee stock compensation charged during the year is ₹ 2.28 (2021 - ₹ 18.53).

The aggregate share options and weighted average exercise price under the above mentioned plan are as follows:

Particulars	2021-2022		2020-2021	
	Number	weighted average price (₹)	Number	weighted average price (₹)
Outstanding at the beginning of the year	404,247	388.45	445,913	364.32
Granted during the year	-	-	-	-
Forfeited during the year	(325,530)	405.07	(41,666)	130.23
Exercised during the year	-	-	-	-
Outstanding at the end of the year	78,717	319.71	404,247	388.45

Out of above 20,000 options outstanding as of 31 March 2022 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 2022	31 March 2021
Share price (₹)	600	600
Exercise price (₹)	600	600
Weighted average volatility rate	34%	49%
Dividend payout	250%	250%
Risk free rate	6.45%	6.45%
Average remaining life	1-16 months	1-28 months

The underlying expected volatility was determined by reference to historical data, adjusted for unusual share price movements. No special features inherent to the options granted were incorporated into the measurement of fair value.

(All amounts in million of Indian Rupees, unless otherwise stated)

(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, 1,645,000 options were outstanding as at 31 March 2022, which upon exercise are convertible into equivalent number of equity shares. Employee stock compensation charged during the year is USD 555,284 and ₹ 41.30 (2021 - USD 830,835 and ₹ 60.80).

The aggregate share options and weighted average exercise price under the above mentioned plan are as follows:

Particulars	2022		2021	
	Number	weighted average price USD	Number	weighted average price USD
Outstanding at the beginning of the year	1,825,002	1.35	-	-
Granted during the year	1,520,000	1.35	1,825,002	1.35
Forfeited during the year	1,700,002	1.35	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	1,645,000	1.35	1,825,002	1.35

Of the aggregate 1,645,000 options outstanding as of 31 March 2022, 179,686 are vested and balance of 1,465,314 are unvested.

All share based employee payments would be settled in equity. The Company has no legal or constructive obligation to repurchase or settle the options.

The fair values of options granted are determined using the Black-Scholes valuation model. Significant inputs into the calculation are:

Particulars	31 March 2022	31 March 2021
Share price (USD)	1.35	1.35
Exercise price (USD)	1.35	1.35
Weighted average volatility rate	77.73% to 78.28%	75.95% to 76.35%
Dividend payout	0%	0%
Risk free rate	0.94 to 0.97%	0.31 to 0.38%
Average remaining life	70 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.

(C) Glenmark Life Sciences Limited (GLS)

The Board of GLS, at its meeting held on 6 April 2021 had approved Employee Stock Option Scheme, 2021 (ESOS 2021). Further, the Shareholders' of the GLS also approved the ESOS 2021 at the Extra-Ordinary General Meeting held on 9 April 2021.

9,51,734 ESOP options have been granted to the eligible employees/Directors at Nomination and Remuneration Committee meeting held on May 17, 2021. During the Financial Year 2021-2022, 6,983 options were cancelled and no options were issued or exercised under Employees Stock Options Scheme viz. ESOS 2021. As of 31 March 2022, 9,44,751 options were outstanding and are due for exercise.

On exercising the convertible options so granted under the ESOS 2021 of the GLS, the paid-up equity share capital of GLS will increase by a like number of shares. Employee stock compensation charged during the year is ₹ 34.98 (2021 - Nil).

(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:

Scheme	Grant	No. of Options	Vest 1 10%	Vest 2 20%	Vest 3 30%	Vest 4 40%	Grant Date	Exercise price	Weighted Average Fair value of option at grant date
ESOS 2021	Grant I	539,025	Jul/22	Jul/23	Jul/24	Jul/25	17-May-21	461.0	153.0
ESOS 2021	Grant II	412,709	Jul/22	Jul/23	Jul/24	Jul/25	17-May-21	716.0	84.0

ii) Movement in Options duing the year

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	-	-
Granted during the year	951,734	-
Terminated / Cancelled	(6,983)	-
Balance at the end of the year	944,751	-

iii) Fair Value of Options

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs

Particulars	ESOS 2021
Dividend Yield (%)	0%
Expected Volatility (%)	32.9% to 34.7%
Risk free Interest Rate (%)	5% to 5.5%
Weighted average share price (₹)	444
Exercise Price (₹)	461 (Grant I), 716 (Grant II)
Expected life of Options granted in years	3.21 to 4.71

Note 14 - Non-Current Financial Liabilities

(i) Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured loans (at amortised cost)		
Foreign currency convertible bonds (FCCB)	7,286.05	10,173.04
External commercial borrowings (ECB) facility	6,859.10	6,651.11
Syndicated ECB facility	-	14,301.63
IFC - ECB Facility	1,884.56	-
Sustainability Linked Syndicated ECB Facility	16,973.78	-
Term loans from banks	-	10,618.35
Total	**33,003.49**	**41,744.13**
Less: Current portion of non-current borrowings	(7,286.05)	(2,855.97)
	25,717.44	**38,888.16**

(A) U.S. $ 200,000,000, 2.00 % Resettable Onward starting equity-linked securities (Bonds):

The Company had issued Bonds on 28 June 2016. The Bonds become convertible at the option of the holders' of the Bonds (the "Bondholders") after 1 December 2017 and upto the close of business on 18 June 2022 into equity shares. Each Bond will be convertible at the option of the holder thereof into fully paid equity shares at the initial conversion price determined on 30 November 2017.

On 30 November 2017, the Company set the initial conversion price (i.e. the price at which the ordinary shares of the Company will be issued upon conversion of Bonds subject to any further adjustments according to conditions) at ₹ 861.84 as determined in accordance with condition 6.1.3 of the Trust deed. As of 31 March 2021, none of the Bondholders have opted for the conversion option.

(All amounts in million of Indian Rupees, unless otherwise stated)

On 30 November 2017, the Company confirmed the fixed exchange rate as INR 64.5238 in accordance with the condition 6.1.1 (b) of the Trust Deed dated 28 June 2016 which provides that the fixed exchange rate shall be the FX rate (INR per U.S. $ 1) based on Bloomberg's "BFIX" USD/INR spot mid-price rate 12.00 (Hongkong time) on 30 November 2017.

Unless previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed on 28 June 2022 (Maturity Date) at 126.42% of their principal amount, together with accrued interest (if any), calculated upto but excluding the Maturity Date. The Company may, at its own discretion, redeem the Bonds in whole, but not in part, subject to satisfaction of certain conditions.

As per the original Trust Deed, each Bondholder has the right to require the Company to redeem in whole or in part, such Bondholder's Bonds, on 28 July 2021 (Put Option Date), at a price equal to 121.78% of its outstanding principal amount of Bonds, together with interest (if any) accrued but unpaid on 28 July 2021. This was amended in April, 2021 (see note below on Tender Offer and Consent Solicitation).

The FCC Bonds were partially bought back in October 2018 (see note below on Buyback). In addition to that, the Company approved for tender and consent solicitation for amendment of FCC Bonds in February, 2021 (see note below on Tender Offer and Consent Solicitation). Further, the FCC Bonds were partially bought back in September, 2021 and April, 2022 (see note below on Buyback). The balance outstanding FCC Bonds were redeemed in May, 2022. (See note below on buyback).

The FCC Bonds were delisted from the Singapore stock exchange in May, 2022.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – October, 2018:

In September 2018, the Company approved the launch of buyback of FCC Bonds ("Buyback FCCBs") from existing holders of FCC Bonds ("Buyback Bondholders"). MUFG Securities Asia Limited and J.P. Morgan Securities Limited were appointed as Dealer Managers, on behalf of the Company to buyback FCC Bonds at a buyback price of 105% of the principal amount outstanding (being U.S. $ 262,500 for each U.S. $ 250,000 of FCC Bonds), up to an aggregate purchase price of U.S. $ 100 million plus accrued and unpaid interest per FCC Bond. In October 2018, the Company agreed to buyback U.S. $ 86.5 million in aggregate principal amount (representing 346 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. These Buyback FCCBs represented 43.25% of the aggregate FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 90,825,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 113.5 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook buyback to monetize the opportunity available and to push maturity of external debt. The Company utilised proceeds from an unsecured External Commercial Borrowing facility of up to U.S.$ 100 million ("ECB Facility") from MUFG Bank, Ltd., Singapore Branch, to refinance these Bonds.

Tender Offer of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 and Consent Solicitation from Bondholders – April, 2021:

In March, 2021, the Company announced a launch of a tender offer of the FCC Bonds. The Hong Kong and Shanghai Banking Corporation Limited was appointed as the Dealer Manager on behalf of the Company to tender an aggregate principal amount of up to U.S. $ 38.5 million at a purchase price of 120.30% of the principal amount of the FCC Bonds (**Tender Offer**) and also invited the holders of the FCC Bonds to approve the amendment of the optional put notice period from not later than 30 days nor more than 60 days prior to the Put Option Date to a minimum of 150 days prior to the Put Option Date by passing an Extraordinary Resolution (**Consent Solicitation**).

Tender Offer: In April, 2021, an aggregate principal amount of U.S. $ 36.75 million (representing 147 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) were validly tendered pursuant to the Offer. These tendered FCC Bonds represented 32.38% of the outstanding FCC Bonds. On the closing/settlement date, the Company paid an aggregate purchase price of U.S. $ 44,210,250 plus accrued but unpaid interest. Following settlement, the tendered FCC Bonds were cancelled and U.S. $ 76.75 million in aggregate principal amount of FCC Bonds remained outstanding. The Company undertook this tender to manage the Company's debt maturity profile by reducing near-term repayable outstanding indebtedness and to reduce interest costs. The Company utilised proceeds from unsecured External Commercial Borrowing facilities from Fifth Third Bank and International Finance Corporation to refinance these Bonds (see note below on Fifth Third Bank and IFC).

Consent Solicitation: An Extraordinary Resolution was duly passed at the Bondholders Meeting held on 12 April 2021, with 99.78 per cent. of votes cast in favour of the amendment to the optional put notice period. The Company also executed the Supplemental Trust Deed to make the amendment effective from 12 April 2021.

(All amounts in million of Indian Rupees, unless otherwise stated)

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – September, 2021:

In September 2021, the Company executed a discrete buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 1 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 120.30% of the principal amount (representing 4 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 15 September, 2021, the Company paid an aggregate purchase price of U.S. $ 1,203,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 75.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Buy back of the Company's U.S. $ 200,000,000 2.00% resettable onward starting equity- linked securities due 2022 – April and May, 2022:

In April 2022, the Company executed a buyback of FCC Bonds ("Buyback FCCBs") from an existing holder of FCC Bonds for principal value of U.S. $ 75 million. The Hong Kong and Shanghai Banking Corporation Limited acted as Dealer Manager, on behalf of the Company to buyback FCC Bonds at a buyback price of 125.26% of the principal amount (representing 300 FCC Bonds in number of U.S. $ 250,000 denomination for each FCC Bond) of the FCC Bonds. On 7 April, 2022, the Company paid an aggregate purchase price of U.S. $ 93,945,000 for the Buyback FCCBs, plus accrued but unpaid interest. Following settlement, the FCC Bonds bought back were cancelled and U.S. $ 0.75 million in aggregate principal amount of FCC Bonds remained outstanding.

Following the above buyback in April, 2022, the Company issued a Notice of early redemption to the remaining holders of FCC Bonds for principal value of outstanding U.S. $ 0.75 million for redemption in May, 2022. On 9 May, 2022, the Company paid an aggregate amount of U.S. $ 9,42,860.24 for the Buyback FCCBs, plus accrued but unpaid interest and concluded the redemption of FCC Bonds as per the terms of the Trust Deed.

Subsequently FCC Bonds were delisted from the Singapore Stock Exchanges.

(B) U.S. $ 90,825,000, MUFG Bank, ECB Facility:

The Company has obtained Loan Registration Number (LRN) from RBI to raise an ECB Facility to the extent of U.S. $ 100 million. In October 2018, the ECB Facility for U.S. $ 90,825,000 was raised and the proceeds were utilized for the purpose of repurchasing the FCC Bonds. The ECB Facility was raised from MUFG Bank, Singapore with an initial maturity of 5 years. The interest rate for the first 3 years is 4.956% p.a and the interest for the subsequent 2 years is 5.25% p.a.

However, in December, 2021, the loan was extended to bullet maturity of December, 2026. The interest rate was fixed at 4.69% p.a. up to September, 2023 and thereafter at an interest margin of 1.95% p.a. over U.S. $ LIBOR.

(C) U.S. $ 200,000,000, Syndicated ECB facility :

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 200 million. During the period November, 2020 to January, 2021, the ECB Facility for U.S. $ 200 million was raised and the proceeds were utilized for the purpose of refinancing of the 4.5% Senior Notes. The ECB Facility was raised from 9 Foreign banks with a maturity of 3.5 years. The interest margin is 3.15%p.a. over U.S. $ LIBOR. The Company refinanced this ECB by availing a new ECB – U.S. $ 228 million Sustainability Linked Loan in March 2022. (See note below on U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility).

(D) U.S. $ 28,000,000, Fifth Third Bank, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 28 million. The ECB Facility for U.S. $ 28 million was executed in March, 2021 and the Company availed the entire amount in April, 2021 and the proceeds were utilized for the purpose of refinancing of the FCC Bonds. The ECB Facility was raised from Fifth Third Bank, National Association with a maturity of 3.5 years. The interest margin is 3.15% p.a. over U.S. $ LIBOR. The Company refinanced this ECB by availing a new ECB – U.S. $ 228 million Sustainability Linked Loan in March 2022. (See note below on U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility).

(E) 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 and 2.83%p.a. thereafter.

(All amounts in million of Indian Rupees, unless otherwise stated)

(F) U.S. $ 228,000,000, Sustainability linked syndication loan, ECB Facility:

The Company has obtained LRN from RBI to raise an ECB Facility to the extent of U.S. $ 228 million. During March 2022, the Sustainability linked loan for U.S. $ 228 million was raised and the proceeds were utilized for the purpose of refinancing the U.S. $ 200 million Syndication loan and U.S. $ 28 million Fifth Third Bank loan. The ECB Facility was raised from 10 Foreign banks with a maturity of 5 years. The interest margin is 1.75%p.a. over SOFR.

The Group has availed term loan from banks at interest rate ranging between 2.44% to 3.70% p.a.

(G) Maturity profile of non-current borrowings

Year ending	31 March 2022	31 March 2021
2022	-	2,855.97*
2023	7,295.60	16,868.18
2024	1,338.16	11,569.97
2025	1,338.16	10,874.66
2026	4,781.87	-
2027	18,528.40	-

* represents current maturity of non-current borrowings

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 2022.

(ii) Lease Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liability (Refer note 32)	1,999.94	2,240.35
Total	**1,999.94**	**2,240.35**

(iii) Other Non-Current Financial Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits from customers	1,213.17	1,366.09
Other liability*	302.67	593.83
Total	**1,515.84**	**1,959.92**

* includes liability towards settlement of claims.

Note 15 - Other Non Current Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Other liabilities	9.20	6.92
Total	**9.20**	**6.92**

Note 16 - Current Financial Liabilities

(i) Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured loans		
Loans repayable on demand from banks	-	-
Unsecured loans		
From banks	3,700.00	5,130.15
Current maturity of non-current borrowings (Refer Note 14)	7,286.05	2,855.97
Total	**10,986.05**	**7,986.12**

(All amounts in million of Indian Rupees, unless otherwise stated)

Secured loans includes working capital facilities, secured by hypothecation of stocks of raw materials, packing materials, finished goods, work-in-process, receivables and equitable mortgage on fixed assets at certain locations.

Unsecured loans includes working capital facilities and other short term credit facilities

The Group has borrowed secured/unsecured loans at interest rates ranging between 4.85% - 8.00% p.a.

The Group has not defaulted on repayment of loan and interest during the year.

(ii) Lease Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Lease liability (Refer note 32)	916.78	742.54
Total	**916.78**	**742.54**

(iii) Trade Payables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payable outstanding dues to micro, small and medium enterprises under MSMED Act, 2006 [Refer note (i) below]	767.08	667.81
Trade payable outstanding dues to creditors other than micro, small and medium enterprises	22,119.54	21,709.87
Total	**22,886.62**	**22,377.68**

The Group's exposure to credit risk and currency risk are disclosed in note 36.

Note (i)
Dues to Micro 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 2022	As at 31 March 2021
a)	The principle amount remaining unpaid to any supplier at the end of the year	767.08	667.81
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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Ageing for trade payables as at 31 March 2022

Particulars		Outstanding for following periods from due date of payments					Total
		Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i)	MSME	767.08	-	-	-	-	767.08
(ii)	Others	16,081.98	5,085.43	480.39	164.38	307.36	22,119.54
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
Total		**16,849.06**	**5,085.43**	**480.39**	**164.38**	**307.36**	**22,886.62**

Ageing for trade payables as at 31 March 2021

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	667.81	-	-	-	-	667.81
(ii)	Others	16,039.92	4,427.72	733.61	279.09	229.53	21,709.87
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-
Total		**16,707.73**	**4,427.72**	**733.61**	**279.09**	**229.53**	**22,377.68**

(iv) Other Current Financial Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due	135.74	176.07
Unclaimed dividend*	9.89	10.62
Employee dues	203.22	648.87
Sundry creditors for capital goods	284.25	104.04
Accrued expenses	4,165.32	2,792.22
Total	**4,798.42**	**3,731.82**

*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 2022	As at 31 March 2021
Statutory dues	1,339.24	1,241.10
Other liabilities	122.19	286.40
Total	**1,461.43**	**1,527.50**

Other liabilities includes advance from customers and other such adjustable balances.

Note 18 - Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provisions for employee benefits :		
- Compensated absences (Refer note 27)	348.80	334.31
- Defined benefit plan (Refer note 27)	975.90	1,153.59
Provision for sales return and rebates	3,589.11	3,655.44
Total	**4,913.81**	**5,143.34**

Movement of Provision for sales return and rebates	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	3,655.44	3,758.71
Provided during the year	366.06	406.20
Utilised/ reversed during the year	(432.39)	(509.47)
Balance at the end of the year	**3,589.11**	**3,655.44**

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 19- Revenue From Operations

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products	121,657.10	107,970.93
Sale of services	84.88	89.33
Other operating revenue*	1,307.05	1,379.03
Total	**123,049.03**	**109,439.29**

*Other operating revenue primarily comprises of Export incentives, Sale of scrap and others.

The Group's revenue disaggregated by primary geographical markets is as follows:

Geographical area	For the year ended 31 March 2022 Total revenue	For the year ended 31 March 2021 Total revenue
India	43,808.52	39,527.67
North America	32,035.45	32,041.47
Latin America	6,127.16	5,661.47
Europe	20,046.85	16,910.96
Rest of the World (ROW)	21,031.05	15,297.72
Total	**123,049.03**	**109,439.29**

Reconciliation of revenue recognised in the consolidated statement of profit and loss with the contracted price :

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue as per contracted price	278,045.02	252,405.46
Less : Trade discounts, sales and expiry returns	154,995.99	142,966.17
Sale of product, services and other operating revenue	**123,049.03**	**109,439.29**

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 2022	As at 31 March 2021
Contract liabilities from contracts with customers	31.66	333.64

Note 20 - Other Income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Dividend income	3.50	3.50
Interest income	94.35	26.47
Profit on sale of fixed assets	-	3.54
Exchange gain (net)	880.54	-
Miscellaneous income	688.35	468.65
Total	**1,666.74**	**502.16**

Note 21 - Cost Of Materials Consumed

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Consumption of raw material and packing material	32,055.51	30,591.65
Consumption of stores and spares	732.05	786.40
Total	**32,787.57**	**31,378.05**

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 22 - Purchase of Stock-in-Trade

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Purchase of finished goods	11,176.65	7,502.69
Total	**11,176.65**	**7,502.69**

Note 23 - Changes in Inventories of Finished Goods, work-in-process and stock-in-trade

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
(Increase)/Decrease in stock of finished goods, work-in-process and stock-in-trade	(111.37)	(1,892.54)
Total	**(111.37)**	**(1,892.54)**
(Increase)/Decrease in stocks		
At the year end		
Finished goods	8,463.78	8,391.92
Work-in-process	4,024.81	4,394.49
Stock-in-trade	1,741.09	1,331.90
	14,229.68	**14,118.31**
At the beginning of the year		
Finished goods	8,391.92	7,254.45
Work-in-process	4,394.49	3,608.95
Stock-in-trade	1,331.90	1,362.37
	14,118.31	**12,225.77**
(Increase)/Decrease in stocks	**(111.37)**	**(1,892.54)**

Note 24 - Employee Benefit Expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	22,384.22	21,600.02
Contribution to provident and other funds and Retirement benefits (Refer note 27)	1,840.42	1,646.66
Employee stock compensation cost	78.56	18.52
Staff welfare expenses	170.98	171.87
Total	**24,474.18**	**23,437.07**

Note 25 - Finance Costs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expenses on		
- Bank loans	514.34	862.44
- Foreign currency convertible bonds	316.31	926.45
- Senior notes and ECB facility	1,450.59	1,363.89
- Lease (Refer note 32)	205.20	219.35
- Others	494.55	159.00
Total	**2,980.99**	**3,531.13**

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 26 - Other Expenses

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Labour charges	1,557.14	1,141.49
Power, fuel and water charges	1,803.67	1,422.59
Repairs and maintenance - plant and machinery	107.35	124.96
Repairs and maintenance - building	63.44	70.50
Repairs and maintenance - others	1,457.40	1,285.96
Rent	353.54	378.99
Rates and taxes	277.44	386.67
Other manufacturing expenses	744.22	449.87
Consumables	3,184.64	2,528.18
Selling and Marketing expenses	1,081.93	1,220.09
Sales promotion expenses	4,348.51	4,286.51
Travelling expenses	1,818.90	1,158.55
Freight outward	3,532.63	3,925.54
Telephone expenses	58.53	90.03
Provision for doubtful debts / expected credit loss (net)	298.74	113.69
Insurance	336.79	304.69
Electricity charges	202.71	224.08
Auditors remuneration*		
- Audit fees	82.56	85.12
- Other services	0.80	-
- Reimbursement of expenses	1.33	3.03
Corporate social responsibility expense (Refer Note 35)	423.42	348.64
Legal and professional charges	3,526.95	2,689.77
Director sitting fees	12.78	6.50
Exchange loss (net)	-	752.09
Loss on sale of property, plant and equipments (net)	64.64	-
Other expenses	6,178.95	5,172.67
Total	**31,519.01**	**28,170.21**

* Paid professional fees of ₹ 19.18 to the statutory auditors of subsidiary company for the initial public offer during the year were debited to security premium of the subsidiary company.

Note 27 - Employee Post-Retirement Benefits

The following are the employee benefit plans applicable to the employees of the Group.

a) Gratuity (defined benefit plan)

In accordance with applicable laws, the Group provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a 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 2022	31 March 2021
Current service cost	334.88	284.99
Curtailment and past service cost	(8.11)	(42.66)
Personnel expenses	**326.77**	**242.33**
Net interest on defined benefit schemes	43.59	39.14
Administration cost (excluding cost for managing plan assets)	0.76	0.77
Amount recognised in Profit and loss	**371.12**	**282.24**

(All amounts in million of Indian Rupees, unless otherwise stated)

The remeasurement components recognised in the statement of other comprehensive income for the Group's defined benefit plans comprise the following:

Particulars	31 March 2022	31 March 2021
Actuarial (gains)/losses		
Based on adjustment of demographic assumptions	(16.67)	(118.19)
Based on adjustment of financial assumptions	(292.47)	92.87
Due to liability experience adjustment	(5.68)	(34.43)
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	(0.20)	7.96
Total remeasurement (benefit)/loss recognised in the statement of other comprehensive income	**(315.02)**	**(51.79)**

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 2022	31 March 2021
Present value of funded obligations	2,704.61	2,481.88
Fair value of plan assets	(1,728.71)	(1,328.29)
Net defined benefit liability	**975.90**	**1,153.59**
Being:		
Retirement benefit liabilities	**975.90**	**1,153.59**

The movements in the net defined benefit liability recognised within the consolidated balance sheet are as follows:

Particulars	31 March 2022	31 March 2021
Beginning balance	1,153.59	1,122.76
Addition during the year	-	183.92
Cost recognised in income statement	371.12	282.24
Remeasurement (gains) / losses recognised in other comprehensive income	(315.02)	(51.79)
Actual employer contributions	(157.77)	(127.89)
Benefits paid	(104.44)	(85.22)
Exchange differences	28.42	(170.43)
Closing balance	**975.90**	**1,153.59**

The change in the present value of defined benefit obligations are as follows:

Particulars	31 March 2022	31 March 2021
Beginning balance	2,481.88	2,389.41
Addition during the year	-	449.46
Current service cost	334.88	284.99
Interest cost on the defined benefit obligations	74.70	67.71
Actual employee contributions	80.25	79.58
Curtailment and past service cost	(8.11)	(42.66)
Actual benefit payments	(24.99)	(255.18)
Actuarial (gains)/losses - Demographic assumptions	(16.67)	(118.19)
Actuarial (gains)/losses - Financial assumptions	(292.47)	92.87
Actuarial (gains)/losses - Liability experience	(5.68)	(34.43)
Administration cost (excluding cost for managing plan assets)	0.76	0.77
Exchange differences	80.06	(11.53)
Risk and admin premiums	-	(420.92)
Closing balance	**2,704.61**	**2,481.88**

(All amounts in million of Indian Rupees, unless otherwise stated)

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2022	31 March 2021
Beginning balance	1,328.29	1,266.65
Added during the year	-	263.06
Interest income on plan assets	31.11	28.57
Actual employer contributions	157.77	127.86
Actual employee contributions	80.31	82.09
Actual benefit (paid)/deposited	78.85	(169.96)
Actual return on assets (excluding interest income on plan assets)	0.20	(7.96)
Exchange differences	52.18	(262.02)
Closing balance	**1,728.71**	**1,328.29**

The Group expects to contribute ₹ 601.21 to its defined benefit plans in 2022-2023.

The principal actuarial assumptions used for the defined benefit obligations as at 31 March are as follows:

Particulars	31 March 2022	31 March 2021
Discount rate (weighted average)	0.35% - 8.87%	0.35% - 7.58%
Rate of compensation increase (weighted average)	1.5% - 5.57%	1.5% - 5.83%
Inflation rate (weighted average)	1.00% - 3.75%	1.00% - 3.75%

Mortality rates have been set in accordance with current best practices in the respective countries. The average life expectancy in years on the balance sheet date are as follows:

Particulars	31 March 2022	31 March 2021
Average life expectancy (Years)	25.01 - 54.26	25.18 - 60.00

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2022	31 March 2021
Assets administered by respective Insurance companies	100%	100%

A breakup of the defined benefit plan related balance sheet amounts as at 31 March are as follows.

Particulars	31 March 2022	31 March 2021
Present value of funded obligations	2,704.61	2,481.88
Fair value of plan assets	(1,728.71)	(1,328.29)
Net defined benefit liability	**975.90**	**1,153.59**

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 2022	31 March 2021
Discount rate + 0.25% / +0.5 % p.a.	(114.86)	(107.12)
Discount rate - 0.25% / - 0.5 % p.a.	96.59	107.05
Rate of compensation + 0.25% / + 0.5 % p.a.	44.19	54.02
Rate of compensation - 0.25% / - 0.5 % p.a.	(68.12)	(60.57)

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

The Group recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	31 March 2022	31 March 2021
Current service cost	102.55	89.20
Personnel expenses	102.55	89.20
Net interest on defined benefit schemes	20.67	17.31
Actuarial (gains)/losses		
Based on adjustment of financial assumptions	(27.04)	5.82
Due to liability experience adjustment	(0.68)	16.60
Return on plan assets (excluding amounts in net interest on long term benefit schemes)	(0.85)	(1.22)
Amount recognised in Profit and loss	**94.65**	**127.71**

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 2022	31 March 2021
Present value of funded obligations	535.05	508.65
Fair value of plan assets	(186.25)	(174.34)
Net long term benefit liability	**348.80**	**334.31**
Being:		
Retirement benefit plan liabilities	**348.80**	**334.31**

The movements in the net long term benefit liability recognised within the consolidated balance sheet are as follows:

Particulars	31 March 2022	31 March 2021
Beginning balance	334.31	270.52
Cost recognised in income statement	94.65	127.71
Benefits paid	(80.44)	(65.16)
Exchange difference	0.28	1.24
Closing balance	**348.80**	**334.31**

The change in the present value of long term benefit obligations are as follows:

Particulars	31 March 2022	31 March 2021
Beginning balance	508.65	433.31
Current service cost	102.55	89.20
Interest cost on the long term benefit obligations	31.73	27.63
Actual benefit payments	(80.44)	(65.15)
Actuarial (gains)/losses - Financial assumptions	(27.04)	5.82
Actuarial (gains)/losses - Liability experience	(0.68)	16.60
Exchange difference	0.28	1.24
Closing balance	**535.05**	**508.65**

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2022	31 March 2021
Beginning balance	174.34	162.79
Interest income on plan assets	11.06	10.32
Actual employer contributions	0.85	1.23
Closing balance	**186.25**	**174.34**

The Group expects to contribute ₹ 412.92 to its long term benefit plan in F.Y. 2022-2023.

(All amounts in million of Indian Rupees, unless otherwise stated)

The principal actuarial assumptions used for the long term benefit obligations as at 31 March are as follows:

Particulars	31 March 2022	31 March 2021
Discount rate (weighted average)	3.00% - 6.35%	3.00% - 6.35%
Rate of compensation increase (weighted average)	3.00% - 5.00%	3.00% - 5.00%

Mortality rates have been set in accordance with current best practices in the respective countries. The average life expectancy in years on the consolidated balance sheet date are as follows:

Particulars	31 March 2022	31 March 2021
Average life expectancy at 58 (Years)	25.38 - 45	25.38 - 45

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2022	31 March 2021
Insurance contracts	100%	100%

A breakup of the long term benefit plan related balance sheet amounts as at 31 March are as follows.

Particulars	31 March 2022	31 March 2021
Present value of obligations	535.05	508.65
Fair value of plan assets	(186.25)	(174.34)
Net long term benefit liability	348.80	334.31

The present value of long term benefit obligations by category of members as at 31 March are as follows :

Particulars	31 March 2022	31 March 2021
Active number of employees	14,214	13,390
Present value of obligations	535.05	508.65

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 2022	31 March 2021
Discount rate + 0.5 % p.a.	(20.73)	(20.65)
Discount rate - 0.5 % p.a.	22.24	22.20
Rate of compensation increase + 0.5 % p.a.	22.97	22.80
Rate of compensation decrease - 0.5 % p.a.	(21.57)	(21.37)

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 approximately ₹ 1,374.65 (2021 - ₹ 1,236.72) towards the provident fund plan and others during the year ended 31 March 2022.

Note 28 - Research and Development Expenditure

During the year, the Group expenditure on research and development is ₹ 12,787.08 (2021 - ₹ 13,186.91).

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 29 - Related Party Transactions

Related parties with whom the Group has transacted during the year

Key Management Personnel

Mr. Glenn Saldanha (Chairman & Managing Director)

Mrs. Cherylann Pinto (Executive Director)

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

Mrs. B. E. Saldanha (Non-executive Director)

Mr. Rajesh Desai (Non-executive Director)

Mr. D.R.Mehta (Non-executive Director)

Mr. Bernard Munos (Non-executive Director)

Mr. J.F.Ribeiro (Non-executive Director up to 26th June, 2020)

Dr. Brian W. Tempest (Non-executive Director)

Mr. Sridhar Gorthi (Non-executive Director)

Mr. Milind Sarwate (Non-executive Director up to 28th October, 2020)

Mr. Dipankar Bhattacharjee (Non-executive Director with effect from 14th August, 2020)

Ms. Sona Saira Ramasastry (Non-executive Director)

Mr. Harish Kuber (Company Secretary & Compliance Officer)

Enterprises over which significant influence exercised by key management personnel/directors

Glenmark Foundation

Glenmark Aquatic Foundation

Trilegal

Transactions with related parties during the year

Nature of Transactions	Year ended 31 March 2022	Year ended 31 March 2021
Purchase of services		
Trilegal	14.05	-
Expenditure incurred for CSR activities		
Glenmark Foundation	164.00	275.04
Glenmark Aquatic Foundation	50.50	50.00
Transactions with key management personnel		
Remuneration		
- Mr. Glenn Saldanha	157.92	138.57
- Mrs. Cherylann Pinto	46.60	40.70
- Mr. V S Mani	78.73	62.26
- Mr. Harish Kuber (Company Secretary & Compliance Officer)	4.75	3.97
Sitting fees paid to Non-executive Directors	7.50	6.50

The directors are covered under the Group's gratuity policy and ESOP scheme along with other employees of the Group. Proportionate amount of gratuity and stock compensation expense is not included in the aforementioned disclosures as it cannot be separately ascertained.

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 30 - Earnings Per Share (EPS)

The basic earnings per share for the year ended 31 March 2022 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 2022	Year ended 31 March 2021
Profit attributable to shareholders of Glenmark Pharmaceuticals Ltd, for basic and diluted	9,417.11	9,700.38
Weighted average number of shares outstanding during the year for basic EPS	282,168,156	282,168,156
Effect of dilutive potential ordinary shares:		
Employee stock options	-	-
Weighted average number of shares outstanding during the year for diluted EPS	282,168,156	282,168,156
Basic EPS, in ₹	33.37	34.38
Diluted EPS, in ₹	33.37	34.38

Note 31 - Commitments and Contingencies

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Contingent Liabilties		
Claims against the Group not acknowledged as debts		
Disputed taxes and duties	1,276.95	1,425.61
Labour disputes	41.46	46.06

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 to be listed in the Hon'ble Delhi High Court for hearing.

(b) On March 10, 2016 Ministry of Health and Family Welfare (MoH) issued notifications prohibiting manufacture for sale, sale and distribution for human use of several Fixed Dose Combination ("FDC") with immediate effect. Several products of the Company were also covered in the notified prohibited "FDC's". The Company had filed five writ petitions in Hon'ble Delhi High Court challenging the notifications issued. The Hon'ble Delhi High Court has granted interim relief to the Company by staying the notifications banning the FDC's. The matter was clubbed with petition of other companies before the Supreme Court of India (Hon'ble Court). The Hon'ble Court directed the Drug Technical Advisory Board (DTAB) sub-committee to examine the ban of drugs. DTAB appointed an expert committee under the chair of Dr. Nilima Kshirsagar to examine the list of banned FDC. Company made due written and oral representations before the Committee in relation to its affected products. The committee has submitted its report to the Ministry of Health. Meanwhile taking the proactive approach the Company has revised the

(All amounts in million of Indian Rupees, unless otherwise stated)

composition of the affected FDC's for its domestic market. Based on the Nilima Kshirsagar Committee Report, MoH on 7 September, 2018 issued series of notification which has prohibited the manufacture for sale, sale or distribution for human use of 328 FDCs with immediate effect. It has also restricted the manufacture, sale or distribution of certain of Company's FDCs subject to certain conditions. The Company filed writ petitions in the Delhi High Court against the 7 notifications in respect of its affected FDCs which were still circulating in the market and obtained an ad interim stay, on the notifications allowing the Company to liquidate its affected FDCs. Since then the Company on 27 March, 2019, withdrew its Writs except for one product meant for exports and for which the Company continues to enjoy an ad-interim protection.

(c) In October 2019 National Pharmaceutical Pricing Authority (NPPA) issued a Show Cause Notice alleging that the Company had violated DPCO 2013 by self-invoking Para 32 in respect of its product Remolifozin Etabonate + Metformin Hydrocloride 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 their 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 disposed 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 price order notification in March 2020 notifying the price of Remolifozin Etabonate + Metformin Hydrocloride without deciding the entitlement under paragraph 32 of the DPCO, 2013. The Company thereafter challenged various orders passed by the NPPA by filing a fresh writ petition. After hearing both Parties, Hon'ble Delhi High Court was pleased to grant the no coercive action in favour of the Company based on the Impugned Orders dated 3 March, 2020 and 20 March, 2020. The matter is sub-judice.

(d) On a complaint by a stockiest with the Competition Commission of India ("CCI") in July 2015 against pharma co.'s (including the Company and its C&F agent) and the Trade associations, alleging refusal to supply medicines to it in spite of having all valid licenses and documents, CCI ordered the Director General ("DG") to investigate and submit a report. CCI clubbed this matter with other matters on a similar complaint against other pharmaceutical co.'s and local Trade associations. On submission of DG's report CCI has recently 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").

(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. No trial date has been set in the case. These charges run contrary to the very essence of GPI's motto i.e. to drive down drug prices and improve patient access to medications. GPI will continue to vigorously defend against these charges.

(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. The Court recently granted Defendants' motion to dismiss certain claims by the States seeking disgorgement from GPI and others on the basis that the states lack standing. Motions to dismiss other claims brought by the States, as well as certain state-law claims brought by private plaintiffs were denied. As a result, GPI is asserting a number of defenses and will continue to engage in discovery as appropriate. At least 9 other motions to dismiss various claims brought by the States and private plaintiffs remain pending, awaiting the Court's action to resolve them.

(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

(All amounts in million of Indian Rupees, unless otherwise stated)

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 lawsuits filed in New Mexico state court by the AG's office of New Mexico, in Maryland state court by the Mayor and City Council of Baltimore, and in California, Illinois and Pennsylvania by private plaintiffs. GPI filed motions to dismiss in each state court action (except for California, because the complaint was never served). The motion to dismiss in Maryland state court was granted and therefore GPI has been dismissed from that lawsuit. The motion to dismiss in New Mexico was denied, and therefore GPI has asserted a number of defenses in its answer to Plaintiff's complaint and is currently engaged in discovery. The motions to dismiss in Illinois and Pennsylvania remain pending. GPL and GPI will continue to defend vigorously.

(h) From time to time the Company and its certain subsidiaries are involved in various intellectual property claims and legal proceedings, which are considered normal to its business. Some of this litigation has been resolved through settlement agreements with the plaintiffs.

i. A multiple putative class and individual action were filed in 2018 by purchasers of branded Zetia and generic Zetia (ezetimibe) against Glenmark Pharmaceuticals Ltd and Glenmark Pharmaceuticals Inc., before the United States District Court for the Eastern District of Virginia seeking relief under the US antitrust laws. The Plaintiffs allege that Glenmark Pharmaceuticals Ltd and Glenmark Pharmaceuticals Inc. and Merck & Co Inc. ("Merck") violated the federal and state antitrust laws by entering into a so-called reverse payment patent settlement agreement in Hatch-Waxman patent litigation in May 2010 related to Merck's branded Zetia product. The lawsuits allege that the patent settlement agreement delayed the entry of generic which caused purchasers to pay higher prices. On December 11, 2020 further allegations were filed in state court in California. These cases seek various forms of reliefs including monetary reliefs, including damages. Glenmark Pharmaceuticals Ltd and Glenmark Pharmaceuticals Inc. believes that its patent settlement agreement is lawful and served to increase competition and is defending the same vigorously.

ii. Multiple putative class and individual actions were filed in July 2020 by purchasers of branded Bystolic (nebivolol) against Glenmark Pharmaceuticals Ltd.,Glenmark Pharmaceuticals Inc. and Glenmark Pharmaceuticals S.A. (n/k/a Ichnos Sciences S.A.) (collectively, "Glenmark") in the United States District Court for the Southern District of New York. The Plaintiffs allege that Glenmark and Forest Laboratories, Inc. ("Forest") violated federal and state antitrust laws by entering into a so-called reverse-payment patent settlement agreement in Hatch-Waxman patent litigation in December 2012 related to Forest's Bystolic product. The lawsuits allege that the patent settlement agreement and mPEGS-1 collaboration agreement delayed the entry of Glenmark's generic nebivolol, which caused purchasers of branded Bystolic to pay higher prices. Glenmark believes that its patent settlement agreement and mPEGS-1 collaboration agreement are lawful and is 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 2022 aggregate ₹ 1,984.45 (2021 - ₹ 1,606.11)

(iii) Others

Particulars	As at 31 March 2022	As at 31 March 2021
Bank Guarantees	2,294.68	2,370.32

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 5.00% 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.

(All amounts in million of Indian Rupees, unless otherwise stated)

i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	2021-22	2020-21
As at 1 April	2,651.79	2,954.55
Additions	860.45	546.06
Termination / modification	(167.40)	(5.21)
Translation difference	35.08	31.54
Depreciation expenses	(889.24)	(875.15)
As at 31 March	**2,490.68**	**2,651.79**

ii) Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

Particulars	2021-22	2020-21
As at 1 April	2,982.89	3,173.40
Additions	860.45	546.06
Termination / modification	(167.40)	(5.21)
Accretion of interest	205.20	219.35
Translation difference	45.09	16.06
Payments	(1,009.51)	(966.77)
As at 31 March	**2,916.72**	**2,982.89**
Current	916.78	742.54
Non-current	1,999.94	2,240.35

iii) The following are the amounts recognised in profit or loss for the year ended :

Particulars	31 March 2022	31 March 2021
Depreciation expense of right-of-use assets	889.24	875.15
Interest expense on lease liabilities	205.20	219.35
Expense relating to short-term leases and low value assets	353.54	378.99
Total	**1,447.98**	**1,473.49**

The Group had total cash outflows for leases of ₹ 1,363.06 (2021- ₹ 1,345.76).

iv) The undiscounted maturity analysis of lease liabilities at 31 March is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
within 1 year	983.57	778.53
1-5 years	2,041.49	2,049.31
5 years and above	287.73	522.98
Total	**3,312.79**	**3,350.82**

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Geographical information:

Geographical segment disclosure given below are based on location of the Group's customers in case of revenue. The disclosure of carrying amount of segment assets are based on geographical location of segment assets.

1. India
2. North America
3. Latin America
4. Europe
5. Rest of the World

Information about revenues by geography :

Segmental Revenue	Year ended 31 March 2022	Year ended 31 March 2021
India	43,808.50	39,527.67
North America	32,035.45	32,041.47
Latin America	6,127.16	5,661.47
Europe	20,046.85	16,910.96
Rest of the world (ROW)	21,031.07	15,297.72
Total	**123,049.03**	**109,439.29**

Analysis of assets by geography :

As at 31 March 2022	India	North America	Latin America	Europe	ROW	Total
Tangible Assets	21,886.05	18,737.42	1,047.48	1,145.02	810.54	43,626.51
Intangible Assets	2,118.84	1,212.36	307.32	18,515.74	99.53	22,253.79
Total	**24,004.89**	**19,949.78**	**1,354.80**	**19,660.76**	**910.07**	**65,880.30**

As at 31 March 2021	India	North America	Latin America	Europe	ROW	Total
Tangible Assets	20,946.92	15,319.53	833.22	1,191.96	812.31	39,103.94
Intangible Assets	1,880.56	1,456.69	183.77	19,153.48	94.88	22,769.38
Total	**22,827.48**	**16,776.22**	**1,016.99**	**20,345.44**	**907.19**	**61,873.32**

Note 34 - Fair Value Measurements

Financial instruments by category

Particulars	As at 31 March 2022				As at 31 March 2021			
	FVTPL	FVOCI	Amortised cost	Total carrying value	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial assets								
Non current financial assets	-	-	392.02	392.02	-		641.61	641.61
Investments	46.23	400.00	50.01	496.24	46.23	150.00	50.02	246.25
Trade receivables	-	-	31,011.35	31,011.35	-		25,720.55	25,720.55
Cash and cash equivalents	-	-	14,105.26	14,105.26	-		11,380.95	11,380.95
Bank balances other than cash and cash equivalents	-	-	9.89	9.89	-		10.62	10.62
Others current financial assets	-	-	1,132.29	1,132.29	-		1,439.84	1,439.84
Total	**46.23**	**400.00**	**46,700.82**	**47,147.05**	**46.23**	**150.00**	**39,243.59**	**39,439.82**
Financial Liabilities								
Long term borrowings	-	-	25,717.44	25,717.44	65.03	-	38,823.13	38,888.16
Non current financial liabilities	-	-	3,515.79	3,515.79	-	-	4,200.27	4,200.27
Short term borrowings	-	-	10,986.05	10,986.05	-	-	7,986.12	7,986.12
Trade payables	-	-	22,886.61	22,886.61	-	-	22,377.68	22,377.68
Other current financial liabilities	-	-	5,715.20	5,715.20	-	-	4,474.36	4,474.36
Total	**-**	**-**	**68,821.09**	**68,821.09**	**65.03**	**-**	**77,861.56**	**77,926.59**

Trade receivables comprise amounts receivable from the sale of goods and services.

(All amounts in million of Indian Rupees, unless otherwise stated)

The management considers that the carrying amount of trade and other receivables approximates their fair value.

Cash and cash equivalent and other bank balances comprise cash and short-term deposits held by the Group. The carrying amount of these assets approximates their fair value.

Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. The management considers that the carrying amount of trade payables approximates to their fair value.

The Bonds are interest bearing instruments with an embedded derivative instrument of conversion option. The instrument's value predominately consist of liability measured at amortised cost; the embedded derivative is measured at FVTPL .

Fair value hierarchy :

Level 2 : All FVTPL and FVOCI financial assets and liabilities are classified under level 2 of fair value hierarchy except quoted investments amounting to ₹ 0.46 (2021 - ₹ 0.66) which are classified as level 1 inputs.

Note 35 - Note on Expenditure on Corporate Social Responsibility

Following is the information regarding projects undertaken and expenses incurred on CSR activities during the year ended 31 March 2022 :

i Gross amount required to be spent by the Group during the year ₹ 423.42 (2021 - ₹ 348.59)

ii Amount spent during the year on CSR activities by way of contribution to the trusts and projects undertaken

2021-2022

Particulars	Amount paid in cash	Amount carried forward to next year	Total amount
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above:			
Promoting education & livelihood	168.46	-	168.46
Promoting health care including preventive health care	12.29	-	12.29
Reducing child mortality and improving maternal health	35.90	-	35.90
Training to promote olympic sports	50.50	-	50.50
Disaster Response (including COVID-19)	59.33	-	59.33
Impact Assessment Expenses	1.49	-	1.49
Surplus arising out of the previous financial years	187.12	-	187.12
Surplus carried forward to next year	-	(91.67)	(91.67)
Total	**515.09**	**(91.67)**	**423.42**

2020-2021

Particulars	Amount paid in cash	Amount carried forward to next year	Total amount
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above:			
Promoting education	143.75	-	143.75
Promoting health care including preventive health care	6.00	-	6.00
Reducing child mortality and improving maternal health	22.56	-	22.56
Training to promote olympic sports	50.00	-	50.00
Disaster Response (including COVID-19)	291.30	(187.12)	104.18
Administrative expenses	22.15	-	22.15
Total	**535.76**	**(187.12)**	**348.64**

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 36 - Risk Management Objectives and Policies

The Group is exposed to a variety of financial risks which results from the Group's operating and investing activities. The Group's risk management is coordinated by its parent company, in close co-operation with the board of directors and the core management team of the subsidiaries, and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Financial assets that potentially subject the Group to concentrations of credit risk consist principally of cash equivalents, trade receivables, other receivables, investment securities and deposits. By their nature, all such financial instruments involve risk including the credit risk of non-performance by counter parties.

The Group's cash equivalents and deposits are invested with banks.

The Group's trade and other receivables are actively monitored to review credit worthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

The Group's interest-rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk.

Foreign currency sensitivity

The overseas entities of the Group operate in different countries. The functional currency of such entities is the currency being used in that particular country. The bulk of contributions to the Group's assets, liabilities, income and expenses in foreign currency are denominated in US Dollar and EURO. Apart from US Dollar, foreign currency transactions are entered into by entities in several other currencies as applicable in the country in which the particular entity operates. However, the size of these entities relative to the total Group and the volume of transactions in such currencies are not material.

Thus, the foreign currency sensitivity analysis has been performed in relation to US Dollar (USD) and Euro (EUR).

US Dollar conversion rate was ₹ 73.23 at the beginning of the year and scaled to a high of ₹ 76.89 and to low of ₹ 72.27. The closing rate is ₹ 75.52. 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 2022		31 March 2021	
	USD (million)	INR	USD (million)	INR
Short-term exposure				
Financial assets	122.05	9,216.98	83.94	6,147.14
Financial liabilities	(116.27)	(8,780.82)	(79.51)	(5,822.19)
Total	**5.78**	**436.16**	**4.43**	**324.95**
Long term exposure				
Financial assets	-	-	-	-
Financial liabilities	(344.10)	(25,986.60)	(431.15)	(31,573.19)
Total	**(344.10)**	**(25,986.60)**	**(431.15)**	**(31,573.19)**

If the INR had strengthened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2022 INR	31 March 2021 INR
Net results for the year (loss) / gain	2,555.04	3,124.82
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 2022 INR	31 March 2021 INR
Net results for the year (loss) / gain	(2,555.04)	(3,124.82)
Equity	-	-

EUR conversion rate was ₹ 85.87 at the beginning of the year and scaled to a high of ₹ 90.65 and to low of ₹ 83.37. The closing rate is ₹ 83.93. 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 2022		31 March 2021	
	EUR (million)	INR	EUR (million)	INR
Short term exposure				
Financial assets	17.11	1,435.73	11.63	998.82
Financial liabilities	(14.16)	(1,188.74)	(12.36)	(1,061.49)
Total	**2.95**	**246.99**	**(0.73)**	**(62.67)**
Long term exposure				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

If the INR had strengthened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2022 INR	31 March 2021 INR
Net results for the year (loss) / gain	(24.70)	6.27
Equity	-	-

If the INR had weakened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2022 INR	31 March 2021 INR
Net results for the year (loss) / gain	24.70	(6.27)
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 253.28 million (2021 - USD 345 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 2022 INR	31 March 2021 INR
Net results for the year (loss) / gain	(47.82)	(63.16)
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 2022 INR	31 March 2021 INR
Net results for the year (loss) / gain	47.82	63.16
Equity	-	-

The bank deposits are placed on fixed rate of interest and accordingly 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 2022	As at 31 March 2021
Cash & cash equivalents	14,105.26	11,380.95
Bank balances other than cash and cash equivalents	9.89	10.62
Trade receivables	31,011.35	25,720.55
Investments	496.24	246.25
Other current financial assets	1,132.29	1,439.84
Other non-current financial assets	392.02	641.61
Total	**47,147.05**	**39,439.82**

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 2022	As at 31 March 2021
Outstanding for more than 6 months	1,725.76	2,862.22
Others	29,285.59	22,858.33
Total	**31,011.35**	**25,720.55**

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.

As at 31 March 2022, the Group's liabilities have contractual maturities which are summarised below:

	Current Within 1 year	Non-Current 1 to 5 years
Trade payable	22,886.61	-
Financial liabilities	5,715.20	-
Short term borrowings	10,986.05	-
Long-term borrowings	-	25,717.44
Other non-current financial liabilities	-	3,515.78
Total	**39,587.86**	**29,233.22**

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 including non-controlling interest

	31 March 2022	31 March 2021
Total debt	36,703.49	46,874.28
Less: Cash & cash equivalents	14,105.26	11,380.95
Net debt (A)	**22,598.23**	**35,493.33**
Total equity (B)	**94,381.20**	**70,642.73**
Net debt to equity ratio (A/B)	**23.94%**	**50.24%**

Dividends		**31 March 2022**	**31 March 2021**
(i)	Equity shares		
	Final/Interim dividend paid during the year ended (including dividend distributed by Glenmark Lifesciences Ltd)	926.15	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 of the Company have recommended the payment of a final dividend of ₹ 2.50 (31 March 2021 - ₹ 2.50) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

The Board of Directors of Glenmark Lifesciences Ltd has recommended a final dividend of ₹ 10.50 per equity share for the year ended 31 March 2022 subject to approval of its shareholders in 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 liablities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Glenmark Pharmaceuticals Limited	184.21%	1,67,385.87	201.06%	19,977.89	2.09%	16.05	186.80%	19,993.94
Glenmark Pharmaceuticals (Kenya) Limited	0.23%	211.03	0.47%	46.77	-0.40%	(3.06)	0.41%	43.71
Glenmark Pharmaceuticals (Australia) Pty.Ltd.	0.01%	6.52	-0.10%	(9.96)	-0.01%	(0.07)	-0.09%	(10.03)
Glenmark Impex L.L.C	3.35%	3,044.50	3.11%	308.66	-22.70%	(174.11)	1.26%	134.55
Glenmark Pharmaceuticals Malaysia Sdn Bhd	0.26%	240.63	0.12%	12.32	0.53%	4.05	0.15%	16.37
Glenmark Pharmaceuticals (Nigeria) Ltd	-0.21%	(186.77)	-0.28%	(27.35)	1.16%	8.88	-0.17%	(18.47)
Glenmark South Africa (pty) Ltd	0.62%	563.80	0.00%	(0.05)	3.08%	23.64	0.22%	23.59
Glenmark Philippines Inc.	0.34%	312.50	-0.24%	(23.86)	0.32%	2.42	-0.20%	(21.44)
Glenmark Pharmaceuticals FZE	0.50%	456.16	0.71%	70.33	1.53%	11.73	0.77%	82.06
Glenmark Pharmaceuticals Egypt S.A.E.	-0.10%	(89.23)	-0.61%	(60.56)	1.57%	12.01	-0.45%	(48.55)
Glenmark Pharmaceuticals South Africa (pty) Ltd	-0.20%	(182.96)	1.21%	120.22	-2.31%	(17.69)	0.96%	102.53
Viso Farmaceutica S.L.U., SPAIN	0.14%	124.37	0.17%	16.56	-0.01%	(0.11)	0.15%	16.45
Glenmark Therapeutics Inc.	0.88%	798.35	-0.50%	(49.60)	1.71%	13.14	-0.34%	(36.46)
Glenmark Pharmaceuticals (Europe) R&D Ltd.	0.00%	-	3.24%	322.25	1.22%	9.36	3.10%	331.61
Glenmark Uruguay S.A.	0.83%	752.19	-0.01%	(0.81)	3.02%	23.18	0.21%	22.37
Glenmark Pharmaceuticals Mexico, S.A. DE C.V.	0.75%	678.18	0.07%	7.10	5.50%	42.19	0.46%	49.29
Glenmark Pharmaceuticals Venezuela, C.A	-1.71%	(1,551.70)	0.00%	-	0.00%	-	0.00%	-
Glenmark Pharmaceuticals Peru SAC	0.14%	122.98	-0.38%	(37.36)	0.05%	0.42	-0.35%	(36.94)
Glenmark Farmaceutica Ltda	2.90%	2,631.94	-5.51%	(547.55)	54.32%	416.71	-1.22%	(130.84)
Ichnos Sciences SA	8.42%	7,652.73	-66.31%	(6,588.55)	29.71%	227.94	-59.42%	(6,360.61)
Glenmark Holding S. A.	38.23%	34,740.86	-5.08%	(504.41)	-225.76%	(1,731.84)	-20.89%	(2,236.25)
Glenmark Pharmaceuticals Nordic AB	0.14%	123.71	-0.02%	(1.79)	1.70%	13.07	0.11%	11.28
Glenmark Pharmaceuticals SP z.o.o.	0.04%	34.95	0.76%	75.80	-0.12%	(0.95)	0.70%	74.85
Glenmark Pharmaceuticals SK, S.R.O.	0.13%	116.36	0.17%	16.70	0.52%	4.00	0.19%	20.70
Glenmark Pharmaceuticals S.R.O.	4.68%	4,253.85	2.95%	293.53	21.84%	167.56	4.31%	461.09
Glenmark Pharmaceuticals Colombia SAS	0.18%	161.96	-0.31%	(31.10)	0.00%	-	-0.29%	(31.10)
Glenmark Pharmaceuticals (Thailand) Co. Ltd	-0.01%	(7.63)	-0.01%	(0.92)	0.03%	0.23	-0.01%	(0.69)
Glenmark Dominicana SRL	0.00%	(0.13)	0.00%	-	0.00%	(0.01)	0.00%	(0.01)
Glenmark Pharmaceuticals Inc.	30.86%	28,039.15	3.48%	345.35	110.14%	844.89	11.12%	1,190.24

(All amounts in million of Indian Rupees, unless otherwise stated)

Name of the entity in the Group	Net assets (total assets minus total liablities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Glenmark Pharmaceuticals Europe Ltd.	1.60%	1,456.31	0.50%	50.10	-1.41%	(10.81)	0.37%	39.29
Glenmark Pharmaceuticals B.V.	0.18%	160.72	0.51%	50.31	0.10%	0.77	0.48%	51.08
Glenmark Arzneimittel Gmbh	1.24%	1,124.67	2.15%	214.00	-0.64%	(4.90)	1.95%	209.10
Glenmark Generics SA	1.41%	1,279.48	-7.31%	(726.48)	56.30%	431.90	-2.75%	(294.58)
Glenmark Pharmaceuticals Distribution S.R.O.	2.74%	2,488.55	1.67%	165.47	10.93%	83.83	2.33%	249.30
Glenmark Specialty SA	2.17%	1,975.60	-0.68%	(67.27)	9.50%	72.84	0.05%	5.57
Glenmark Ukraine LLC	0.24%	215.95	-0.17%	(16.94)	-0.30%	(2.27)	-0.18%	(19.21)
Glenmark Pharmaceuticals Ecuador S.A.	0.13%	121.99	-0.05%	(4.97)	0.13%	1.03	-0.04%	(3.94)
Glenmark Pharmaceuticals Singapore Pte. Ltd.	0.06%	56.27	0.01%	1.48	0.18%	1.35	0.03%	2.83
Glenmark Lifesciences Ltd	22.61%	20,543.12	42.14%	4,187.25	0.13%	0.97	39.13%	4,188.22
Ichnos Sciences Biotherapeutics SA	0.51%	463.17	2.01%	199.50	14.12%	108.29	2.88%	307.79
Ichnos Sciences Inc.	27.23%	24,742.31	-0.46%	(45.57)	27.90%	214.00	1.57%	168.43
Glenmark Pharmaceuticals Canada Inc.	0.13%	121.64	0.11%	11.32	-0.27%	(2.07)	0.09%	9.25
Subtotal		**305,183.95**		**17,747.81**		**808.56**		**18,556.37**
Intercompany elimination and consolidation adjustments		(214,317.48)		(7,811.32)		(41.45)		(7,852.77)
Grand total		**90,866.47**		**9,936.49**		**767.11**		**10,703.60**
Minority interest in subsidiary		3,514.73		519.38		0.59		519.97

Interests in unconsolidated structured entities

The Group has no interests in unconsolidated structured entities

Note 39 - Impact of Covid -19

The Group considered the uncertainty relating to the COVID-19 pandemic in assessing the recoverability of receivables, goodwill, intangible assets, investments and other assets. For this purpose, the Group considered internal and external sources of information up to the date of approval of these financial statements. The Group has also used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Group expects to fully recover the carrying amount of receivables, goodwill, intangible assets, investments and other assets.

As the outbreak continues to evolve, the Group will continue to closely monitor any material changes to future economic conditions.

However, as the Group operates in the industry that is considered essential, the operations were continuing during lockdown by ensuring appropriate measures.

Note 40

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.

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 41 - Exceptional Items

Exceptional item of ₹ 2,609.13 for the year ended 31 March 2022 comprises of impairment of certain intangible assets and recall of products and related remediation cost of Monroe manufacturing site (USA) .

During the year ended 31 March 2021 the Group recognised gain of ₹ 445.45 in consolidated statement of Profit and loss on account for transfer of intimate hygiene brand Vwash, Momat brands in certain geographies, sale of IP assets and reimbursement of onetime costs.

Note 42 - Code on Social Security

The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government of India. The Group will assess the impact of these Codes and give effect in the financial results when the Rules/Schemes thereunder are notified.

Note 43 - Accounting Ratios

		Numerator	Denominator	F.Y. 2021-22	F.Y. 2020-21	% variance	Reason for variance
a)	Current Ratio	Current Assets	Current Liabilities	1.77	1.75	1%	
(b)	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.39	0.66	-41%	Mainly on account of repayment of borrowings and increase in shareholder equity due to listing of API subisidiary - Glenmark Life Sciences Limited
(c)	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.50	0.88	-43%	Mainly on account of repayment of borrowings
(d)	Return on Equity Ratio	Net profit - preferred dividends	Average shareholder equity	12.04%	14.77%	-18%	
(e)	Inventory turnover ratio	Sale of products	Average inventory	5.09	4.89	4%	
(f)	Trade Receivables turnover ratio	Net sale of products and services	Average trade receivables	4.29	4.34	-1%	
(g)	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	0.49	0.34	44%	Mainly due to increase in Purchase to meet product demand
(h)	Net capital turnover ratio	Net sale of products and services	Working Capital	3.39	3.42	-1%	
(i)	Net profit ratio	Net profit	Net sale of products and services	8.16%	8.98%	-9%	
(j)	Return on Capital employed	Earning before interest and taxes	Capital employed	16.80%	17.27%	-3%	
(k)	Return on investment	Gain on sale of Investment	Average investment x Holding period	32.59%	-	Not applicable	
(l)	Return on investment	Change in fair value of quoted investment (except subsidiary)	Average investment x Holding period	-35.71%	69.39%	-151.47%	Change in fair value of quoted investment

(All amounts in million of Indian Rupees, unless otherwise stated)

(a) Earning for available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc.

(b) Debt service = Interest & Lease Payments + Principal Repayments

(c) Average inventory = (Opening inventory balance + Closing inventory balance) / 2

(d) Net credit sales = Net credit sales consist of gross credit sales minus sales return

(e) Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance) / 2

(f) Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return

(g) Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2

(h) Working capital = Current assets - Current liabilities.

(i) Earning before interest and taxes = Profit before exeptional items and tax + Finance costs - Other Income

(j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability.

(k) Return on investment = Gain on sale of investment / (Average investment x holding period)

(l) Return on investment = Change in fair value of quoted investment (except subsidiary) / (Average investment x holding period).

Note 44 - Other Statutory Information

a) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.

b) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

c) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:-

   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or - on behalf of the Group (ultimate beneficiaries) or

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

d) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

e) The Group is not declared wilful defaulter by and bank or financials institution or lender during the year.

f) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

g) The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.

h) The Group does not have any transactions with companies which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

i) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

   ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(All amounts in million of Indian Rupees, unless otherwise stated)

Note 45 - Authorisation of Financial Statements

The consolidated financial statements for the year ended 31 March 2022 were approved by the Board of Directors on 27 May 2022.

As per our report of even date.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm's Registration No.: 121750W / W100010

Vinodkumar Varma
Partner
Membership No. 105545

Place: Mumbai
Date : 27 May 2022

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 : 27 May 2022

glenmark

A new way for a new world

Follow us:

Glenmark Pharmaceuticals

https://www.linkedin.com/company/glenmark-pharmaceuticals/

glenmark_pharma

https://www.instagram.com/glenmark_pharma/

Online Report:

https://www.glenmarkpharma.com/investors/reports-presentation

www.sapprints.com | www.kalolwala.com a K&A creation