

96th Annual General Meeting
GlaxoSmithKline Pharmaceuticals Limited

Ms. Renu Sud Karnad - Chairperson, GSK Pharmaceuticals Ltd:

I would like to welcome you on the 96th Annual General Meeting of your company. It is my pleasure to connect with all of you through this video conferencing method. I hope all of you and your families are safe and in good health. On behalf of the Board of Directors, I want to thank you for taking time off to join us this afternoon. Your support, your confidence in us in these very uncertain times drives us to do more and to create more value. This meeting is being conducted through OAVM as per the guidelines issued by the Ministry of Corporate Affairs and the Securities Exchange Board of India. I wish to inform the members that in case of any technology related issues, if for some reason I cannot connect, the Managing Director Mr. Sridhar will take forward the deliberations of this meeting. And if for any reason he's not able to connect, then Mr. Sundaram, the Chairman of our Audit Committee will preside over this as the Chairman of the AGM. Before we start the main proceedings of the meeting, I wish to inform members that Mr. Raju Krishnaswamy stepped down from our Board on 27th January 2021. I want to place on record Mr. Raju Krishnaswamy's contribution to the Board and to your Company. I would also like to warmly welcome Mr. Mark Dawson who joined us as Non-Executive Director from the 28th January 2021. Mark is currently the Vice President of Manufacturing and Supply Chain for primary and established products with GSK's pharmaceutical business. He is responsible for the supply chain and manufacture of all GSK's primary products – antibiotics, supply chain and the regional pharmaceutical manufacturing with 18 facilities located all across Europe, Latin America, the Middle East, Africa, India, China, Singapore and Australia. I would now like to introduce my colleagues on the Board who have joined this meeting through video conference. I will call out each name and the moderator will introduce them to you on the screen. The Director will then just wish you Namaste or wave a hand. Can I have the moderator please begin?

Mr. Sundaram, who is our Independent Director and Chair of the Audit Committee. Thank you Sundaram.

Mr. Nihal Kaviratne, Independent Director and Chairman of our Nomination and Remuneration Committee. Thank you Nihal.

Mr. Anami Roy, Independent Director and Chairman of the Corporate Social Responsibility Committee.

Mr. Pradeep Bhide, Independent Director. Thank you, Pradeep.

Dr. Ms. Sunita Maheshwari, Independent Director.

Mr. Mark Dawson our new Director. He's the Non-Executive Director as I just mentioned.

Mr. Subesh Williams, the Non-Executive Director. Thank you Subesh.

Mr. Sridhar Venkatesh you all know, the Managing Director of your Company.

Ms. Puja Thakur, the Executive Director and CFO of your Company.

And Mr. Ajay Nadkarni, who you all very very well know, the Company Secretary. Thank you.

I'm told we have the requisite quorum present through video conference to conduct the proceedings of this meeting. Participation of the members through video conference is being reckoned for the purpose of quorum as per the circular issued by the Ministry of Company Affairs in the Company's Act 2013. The quorum being present, I now call this meeting to order. I will request Ajay Nadkarni, Company Secretary, to provide general instructions to the members regarding participating in this meeting. Ajay, over to you.

Mr. Ajay Nadkarni - Company Secretary

Good afternoon everyone. Members may note that this Annual General Meeting is being held through video conference in accordance with the Company's Act 2013 and circulars issued by the Ministry of Corporate Affairs and SEBI. The facility for joining this meeting through video conference is made available to members on a first-come first-serve basis. The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangements has been uploaded on the website of the Company and are available for inspection by the members. As the AGM is held through video conference, the facility for appointment of proxies by the members, is not applicable and hence the Proxy Register is not available for inspection. The Company has received requests from a few members to register them as speakers at the meeting. Accordingly, the floor will be open to those members to ask questions or express their views. The moderators will facilitate this session once the Chairperson opens the floor for Question & Answers. It may be noted that the Company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM. The Company has provided the facility to cast the votes electronically on all the resolutions set forth in the notice. Members who have not cast their votes and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by NSDL. Members can click on the Vote tab on their screen to avail this facility. Members are requested to refer to the instructions provided in the notice or appearing on video conference page for seamless participation. In case members face any difficulty, they may reach out to the helpline numbers. Thank you and back to you the Chairperson.

Ms. Renu Sud Karnad - The Company has received four corporate representations in respect of 12,70,54,524 equity shares representing 75% of the equity share capital of the company. As the notice is already circulated to all the members as in the past, I take the notice convening the meeting as read. The Statutory Auditors, Deloitte Haskins & Sells LLP and the Secretarial Auditor Parikh & Associates have expressed their unqualified opinion in the respective Audit Reports of the financial year 2020-2021. There were no qualifications, observations or adverse comments on the financial statements and the matters which have any material bearing on the functioning of your Company. I am sure all of you have read the Annual Report and have

assessed both the consolidated and standalone performance of the company during the year ended 2021.

A little bit about the sector. The unprecedented adverse business environment triggered by COVID-19 impacted the overall Indian pharmaceutical market during financial year 2021. As our operations resumed after the initial lockdown, your Company sharpened its focus on investing and improvising its established brands. As a result of its concerted efforts, the company not only maintained but successfully consolidated its market position, showed increase where the key established brands bounced quickly back to double-digit growth.

Over the course of these years, our learnings and investments in people and technology gave us an opportunity to prepare for ourselves and to enhance access to our focused brands. Our business continuity measures ensured consistent growth on our focused brands with Augmentin, Betnovate, Calpol, Ceftum and Synflorix featuring among the top brands in the Indian pharma sector. Your Company also continued to lead the private market in the vaccine segment with its diversified portfolio to protect children, adolescents & adults. Despite the headwinds caused by COVID-19, the vaccine business actually bounced back quickly to its pre-COVID performance in the last quarter of 2020. Your Company also launched the Tetravalent Influenza Northern Hemisphere vaccine also called the FLUARIX-TETRA NH 2020-21 in September 2020 and garnered 35% volume share within three months of launch, taking second place in a market occupied by four brands. Equally, innovation for healthcare impact is at the heart of what we do, and this is exemplified by the recent launch of biologic for severe eosinophilic asthma called Nucala.

Even amid the lockdown, your Company's field force remained active on the ground using digital channels effectively to engage remotely with the Health Care Professionals. Your Company's robust digital infrastructure also proved to be a reliable means of communicating the science behind each of our medicines. Touch points were increased to 30 million through enhanced use of tele-calling, webinars and emailers coupled with the adoption of state-of-the-art technology platforms such as the Veeva Engage.

Our Revenue from Operations at 3,225 crores increased by 3% as compared to the previous year. Despite the headwinds caused by COVID-19 towards the year end and the voluntary global recall of the ranitidine product named Zantac in India, the Company benefitted from the strategy of focusing on its key brands and the discontinuation of the tail-end portfolio. I am happy to report that the underlying sales growth adjusted for tail-end brand rationalisation and disinvestments is a healthy 13% driven by key brands that grew by over 20%.

A focused drive to improve operational efficiencies, use of smart technology, cost reduction and a positive products mix has resulted in the EBITDA margin improving by 1 percentage point versus previous year in line with our commitment.

Profit After Tax for the year was impacted by exceptional charges during the year from the Company's voluntary decision to recall Zantac and the impairment charges from our Vemgal site. Post the exceptional charges of 324 crores, the Profit After Tax for the year was at 110 crores. Profit before these exceptional charges was at Rs. 647 crores. and the margins were at 20% of Revenue from Operations for the year.

Post the Zantac recall, a strategic assessment for the Vemgal manufacturing facility in Karnataka was undertaken to evaluate various options arising from the global discontinuation of Zantac. These options included, among others, modification of the plant to a multi-product facility and in-sourcing of products currently being manufactured at external or internal manufacturing facilities. The evaluation concluded and a very serious evaluation was done... The evaluation concluded that none of these alternatives were economically viable. As a result, the immediate sale of the facility was proposed as the best option. In line with this decision, your Company during the quarter ended March 2021, entered into a binding agreement for the sale of the Vemgal assets. The conclusion of this sale is subject to necessary statutory and regulatory approvals.

The COVID-19 pandemic and its consequences has only strengthened our resolve to ensure and uninterrupted supply of medicines and vaccines to fulfil the healthcare needs of the billion Indians. We have made steady progress against our priorities of Innovation, Performance, Trust, accelerated by our culture. We launched Menveo, our conjugated meningitis vaccine indicated for active immunisation of children from 2 years adolescents and adults to prevent invasive meningococcal disease. We also increased access to Nucala, I talked about it earlier – the asthma drug, a biologic for patients suffering from severe refractory eosinophilic asthma in adults.

We deliver on our Trust priority through ensuring reliable supply of medicines. I mean, this is something that we are very proud of. In 2019, our on-time-in-full supply performance levels to customers improved by 10 percentage points. The COVID crisis warranted that almost overnight our India operations had to become more agile, and I am proud to say that we operated with only 60% of our workforce at our Nashik site, owing to social distancing norms, we achieved 100% production capacity. We are also ensuring that our products reach patients who need them through our 6,000 stockists through 26 warehouses, for supplies received from over 30 sites.

Our culture is shaped by adherence to our values and expectations and our employees who embody them day in and day out. Our modern employer ambition focuses on inclusion and diversity, health and well-being and employee development. The aim is to ensure our people are empowered to be themselves, feel good and keep growing. This provides a positive employee experience and is critical to actually attract, retain and motivate the best people who are going to support our business now and in the coming future.

Our corporate social responsibility is another driver of our trust and we strive to work with our partners to address selected national health priorities and work towards the elimination of lymphatic filariasis. We contribute towards the Swachh Bharat, focus on child nutrition under the National Urban Health

Mission. In doing so, we are helping millions of people across the country. Patient focus, social responsibility, employee health and safety and business continuity are a few of the principles we are being guided by during these unprecedented times. We have subsequently partnered with state and health ministries to supply protective gears for healthcare professionals and essential medicines to fight COVID. We also raised funds through employee contributions and matched the same equally for donation to the PM CARES Fund.

The pandemic has revealed opportunities to partner with governments and help support the national health goals of India. Your company's parent organisation GSK plc has entered into an in-principle global partnership with Novavax to produce up to 60 million doses of COVID-19 vaccines. It is also working with Sanofi and Medicago to harness the adjuvant technology in developing COVID-19 vaccines, while also collaborating with CureVac to develop mRNA vaccines which have the potential to address actually multiple COVID-19 variants that are emerging across the world. A post-COVID business ecosystem will warrant a better, sharper, faster mindset and way of working. Your Company has built a solid foundation for a growing business and has an enthusiastic team eager to accelerate patients' access to medicines.

I move now to our 1st quarter results. These are the 1st quarter results which we announced yesterday. Revenue for the quarter came in at 773 crores recording a growth of 19%. Profit Before Tax for the quarter at Rs. 164 crores recorded a growth of 10%. Your Company has grown to show remarkable resilience and deliver growth despite the headwinds caused by the COVID-19 pandemic. Our pharmaceutical manufacturing team worked round the clock to fulfil significantly increased demand for our key brands, especially Calpol the paracetamol product. This effort ensured that patients continued to have access to this very important medication during the pandemic times. While our vaccine business was certainly impacted due to low vaccination rates, many of our key brands witnessed strong growth fuelled by disciplined execution, enhanced digital capabilities and agility in the market resulting in market share gains.

Yesterday your Company announced its decision to transfer its rights in relation to Iodex and Ostocalcium brands to Glaxo SmithKline Asia Pvt. Ltd. for an aggregate consideration of 1,649 crores. This is in line with GSK PLC's new ambition to create two world class companies, one in Pharmaceuticals sector and Consumer Healthcare. The transaction is expected to be completed before the end of this year, subject of course to your approval and the customary closing conditions including relevant regulatory approvals.

The year 2020-2021 is expected to be a promising year for your Company. We remain set to introduce new assets during the next year to reiterate your Company's position as a science and innovation- led pharmaceutical major. Towards this goal, your Company will continue to work with partners and stakeholders supporting one another and the communities we operate within to deliver value for our shareholders.

Moving to dividends, your Directors are pleased to recommend a dividend of Rs. 30 per equity share for the year.

Before I conclude, I wish to place on record our appreciation to all of you and to the community of the doctors, hospitals, distributors and suppliers who have reposed so much trust in the Company and to all our employees for their dedicated and sincere service.

We will now open the floor for any questions by members. May I request each member to be brief. Please do not repeat the questions that have already been asked. As has been the practice and to avoid repetition, we will attempt to answer all your questions after everyone has spoken. Once you have asked your question, may I request you to please mute yourself and continue to hear and watch the proceedings. Thank you very much.

The first person I have on the speaker list today is Ms. Hutokshi Patel.

Ms. Hutokshi Patel - Hello Madam Chairman – Renu Karnad, our Managing Director – Mr. S. Venkatesh, our CFO – Puja Thakur ji and our most favourite Mr. Ajay Nadkarni. I wish you all the best Mr. Nadkarni and your team that has helped me in this financial project. I also wish all the employees, the management team and the Board of Directors for the awards and the accolades that the company has been bestowed with. The best company and the best workplace even for women. Now I come to the financials. This year (even the year before) has not been a very good year for Glaxo; the results are still down. Income, profit, cash, cash equivalent bank balance as well is down. Glaxo has been one of the oldest pharmaceutical companies in India which provides diverse range in medical products and pharmaceutical products, which gives care and confidence not only to the patients and doctors, but also to public at large. We have faith in its product and faith in the people working in it. However, the financial results being very poor, I have nothing to say about the bonus. But I would just like to point out that last bonus given was in 2018 and that was 1:1. And dividend this year we are getting Rs. 30, last year it was Rs. 40. Now I come to the questions. While your speech has been very good, what is the reason for the global recall of Zantac products? If you can just explain it in a little detail. Do we have any product in which our company is a market leader? Madam on page 170.

You have mentioned investment property on page 170. It is mentioned as investment property. I would like to know, what is the investment property? Also, the term on page 190, the inventories are going up from 483,000 it has gone up to 546,000. Can you throw some light on it? Our finished goods and goods lying in godown is almost up from 9000 to 12000. What is the reason for that? The stock in trade is also up from 28000 it has gone up to 31000. Madam on page 191 I noticed that there are some assets for sale at Vemgal. Around 18000 it is. From zero it has become 18000. And the group has recognized the impairment of I think 224,000 to 24,000 lakhs. Could you throw some light on this? Then there is a term maturity on page 190 which is less than 3 months. The term maturity has increased. Do we put only for three months? Maybe for short term cash requirement. I do not know. And then on page 219 it says again, it is written down as liabilities returned back. What are these liabilities which are returned back? And then 1700 lakhs you have spent on litigation. It is a high inventory level and stock in trade is also very high level. If you can throw some light on it. I wish the company – this is a COVID time, very crucial time we are passing through. You have given us a dividend

of Rs. 30. It is really worth mentioning under your able leadership Madam Renu Karnad. We have faith in you. Today the share price quoted is 1669. We had Abbot meeting wherein the share price of Abbot goes up to 17720. And they are giving us a dividend of 275. I take this opportunity – thank you for giving me this opportunity to speak. I thank the management especially the middle management and the lower management level people who have even in COVID times gone from place to place to procure the material as well as to sell the products. They are the actual good workers even in COVID times. They have worked hard and I wish the company appreciates their hard work in terms of finances. That is all. Thank you very much. Wishing you all good luck. Thank you.

Ms. Renu Sud Karnad - Thank you Mrs. Patel. Thank you for your words for our employees. We really cherish them. Moderator - Adil Irani.

Mr. Adil Irani - This is the 96th AGM of the company held on 27th July. Actually, last year also the AGM was held on the 27th of July. And this time since I am the second speaker, I will consider myself my duty to set an example and finish my speech within the allotted time. I will not take much time. Okay? And will have a warm welcome to the Chairperson and all the Directors on the Board. Especially the new director Mr. Mark Dawson. Thank you for sending me the annual report and the statement under section 197. The annual report is colorful with all facts and figures and easily understood. May I kindly request the Director to elaborate the year growth plan and future strategy? I wish the Board members, the management and employees of the company the very best. And do more, feel better and live longer. One more madam, in your covering address you mentioned that 60% of your staff produce 100% labor. Does it mean that we are over-staffed? And then another thing I want to know, what is the initiative taken by the company as far as vaccination of the employees are concerned. Have all our staff been vaccinated? You mentioned that we are going to get 1006, I think 1649 crores we are going to get when you sell Iodex and the other products. Are you going to give us a special dividend like you gave last time when the land was sold? Thank you for the Rs. 30, dividend. Even after giving a bonus 2 years back. All be safe. Mr. Nadkarni also thank you very much.

Ms. Renu Sud Karnad - Thank you Adil, thank you so much. Next speaker is Santosh Saraf.

Mr. Santosh Saraf - Respected Chairperson, all the Directors present here, and my shareholder brothers and sisters. My name is Santosh Kumar Saraf. I am calling from Calcutta. I hope that all the Directors, employees and staff and all the shareholders who are present in the video conference meeting, are all good and healthy. I give my greetings to everyone.

I would like to thank you madam for giving us Rs. 30, dividend. Even though the profits had gone down still you given us something good. During COVID Ajay was the first secretary who called to find out how we are doing. I felt very happy. We get such people very rarely. I have already written and sent you the questions. I have asked you about cost cutting. And I asked what steps you have taken so that our income and our operations are not affected. I have

asked about the capex plans and the R&D budget. Please tell us what is the R&D budget for this year? Are you planning to put solar panels on the rooftops of our factories? We will be less dependent on suppliers and we will also be able to cut costs. I have stated that fresh water should be used as less as possible. What steps are you taking for that? If water is reused by recycling, what are the steps for that? What steps are you taking to reduce single use plastic? What is the percentage of our vaccinated employees and the ones who are working from home, what technical support have you provided them? What percentage of employees are working from home and what support have you provided them? And madam will we get any share from the consumer goods company of GlaxoSmithKline? You have sold it at 1600 crores but will we get a share of that company or will any profit issue be there? We are also shareholders and it is a good thing that you sold it. But when there are two companies then we would like to be shareholders of the second company as well so that we can benefit from it. Tell us about that as well madam. The total number of employees, what is their figure zone wise, age wise. What is the next thing for the employees?

Ms. Renu Sud Karnad - – Thank you, Mr. Saraf for your good wishes. Thank you. And we wish you all the best as well and also your family. The next speaker is Mr. Dinesh

Mr. Dinesh Kotecha Okay. Madam good afternoon to all of you. My folio number is 120189000000561. I am speaking from Vasai near Bombay. Madam, I would like to know whether our annual reports are integrated annual reports first of all. Because as per the guidelines of the government we have to give an integrated annual report. If it is not an integrated annual report, from which year are we going to make an integrated annual report that I would like to know first of all. Last 2 years we have been digging into the reserves to give dividends more than the normal profit & normal EPS. Our normal EPS as 21.11 then we have given Rs. 30 dividend this year. Last year it was 6.50 and we gave Rs. 40. It was 20 plus 20. I would like to know if we are a cash rich company, we are having no liabilities in the balance sheet. Zero debt company. And we are making profits. But I know – you know for last 3 years that is – last 4 years rather, we have been caught up in the Vemgal project. That is why we have been basically stagnant. The price has been stagnant for the last 3 years ranging between 1300 and 1500 and nowhere to go. We had become very complacent. Because as regards the other MNCs listed pharma MNCs, like Pfizer, Rs. 10 face value is having 12000-13000 price, Astra Pharma, Astra Zeneca, Rs. 2 face value quoted at 3500. Abbot Rs. 17010. And we are at the bottom of that pharma MNC as far as the CMP goes. I think something should be done so that we wake up again and we also compete as far as the CMP goes for the other pharmaceutical companies. Madam asset for sale 181 crores and amount received for disposal has been 180 crores. Now I would like to know whether the entire deal has been completed, we are not wasting our time, money, energy over that Vemgal plant. Or when it will be completed can you tell me, so that we will be able to understand better. Madam page 36 all the key financial ratios have improved this year both profitability and efficiency ratios. In particular, the profit after tax ratios have improved tremendously from 3% to 11%. Now this gives me more hope that our products now are going to become little bit more profitable. We will be

above the two figures profitable, profit after tax. And double digit 11%. And will it be maintained now? I want it to be improved upon. And what further improvements can be envisaged in our plans in both efficiency ratios and profitability ratios? Now company law or SEBI does not require to give the shareholding of our top 10 shareholders but he has given the names and the list and the percentage. I am very happy about it. I would want it as a shareholder to know the 10 top shareholders or it may not be required by the law. Glaxo group is holding 75%, public is holding 11.25 and all the others you know banks and insurance companies are holding the balance. Madam CSR and BRR, I am very happy that it is comprehensive, inclusive, and several questions of mine have been answered in the BRR. I went through the details. All statutory disclosures are required which is given. Though it is not helpful to me as a minority shareholder anyway. Because when you do CRR means you are spending the money. Okay you are doing it for the community. But as a shareholder you know it is a – I am not comfortable with all this. This is a government's job. We, as a corporate should earn the profit, we are paying tax, and that is what the government is supposed to do. As a minority shareholder not helpful. Page 92, disputed cases, amount involved and amount unpaid. Both accounts are given very nicely. You have clubbed all the years under income tax, sales tax. All the years have been clubbed, two, three, five years have been taken together. It should be given year wise so that we get better information for which year it is involved and how much amount is involved. Page 94, our equity capital is 169.40 crores. Now I would just give one small suggestion. You know what Colgate did. Do the Colgate operation. Colgate reduced it to Re. 1. instead of paying dividends of Rs. 20, 30, you pay Rs. 20 and give Rs. 9 back by way of capital. That would improve the performance, that would help our equity will be less to that extent because only 16 crores instead of 169 crores. That will help us to improve the performance even though it was on slightly lower side, it will still be better and you can then pay a dividend of Rs. 500 per share if you want on Re. 1 face value share. The last three years was a struggle to put up the Vemgal plant and then not being able to operate, then sell it, you can now concentrate on the future growth. That is my only humble request. Thank you very much. Wish you all the best.

Ms. Renu Sud Karnad - Thank you. My apologies, I missed Mr. Sharad Kumar Shah. Can I request him to please come?

Mr. Sharad Kumar Shah - First thing, I have already sent my views by email. You can go through that. What you said in your Chairman's speech, I will start with Ostocalcium. I am seeing this advertisement for a long time did not know this product is of GSK. On page number 7 you have clubbed all the products. If you allocate for each product one-one page, then people will know your products. Now you have got 1640. How you are going to spend that you have not said in your speech. GSK Pharma can make a medicine for technology also. And you talked about this COVID vaccine. The GSK Pharma is taking some time because you say that developing vaccine takes time. Your Q1 results are good. Your financial results 2021 results also are good. My face value of the share is Rs. 10. Is this the right time to do a reduction of share capital? I am very happy that you have given a dividend of Rs. 30. What I see on page number 13, you say you have got a revenue of 76% from pharma,

24% from vaccine. I have seen the balance sheet of Vedanta. They have got a section called finance review. What they do, for each segment, each product, they give revenue, they give EBITDA, they give PAT, they give EPS so that it becomes very clear. This is the first balance sheet I have seen in these last two months that has got equity history. I personally feel as a shareholder equity history is a must. I must thank to Ajay Nadkarni for providing this equity history in the balance sheet. We know that in 1995 GSK has given bonus and then 2018 GSK have given bonus. It looks like bonus is only after 23 years or 25 years. So, I will not demand bonus Madam. And just now you said in your speech on the efficiency, 60% employees do total manufacturing. After 10 years you have got the lowest employee numbers. But average salary for employee comes to Rs. 14 lakhs. And the profit comes per employee 8 lakhs. This is not a correct figure. The profit is low. Thank you very much for giving me an opportunity.

Ms. Renu Sud Karnad - Thank you, Sharad Kumarji. Next speaker is Manoj Kumar Gupta.

Mr. Manoj Kumar Gupta - Good afternoon, respected Chairman, Board of Directors and fellow shareholders, myself Manoj Kumar Gupta from Calcutta. Thanks for your excellent speech in your opening remarks about the working of the company and future aspects. Thanks to the share department that has helped us to join this meeting through VC. Some people criticized the dividend of Rs. 30, some said dividend should be more, but I will say dividend should be curtailed for future because during this COVID pandemic you are paying dividend & that's a good thing. And I am very thankful that Mr. Nihal Kaviratne is there, I respect him a lot because after 3 years I am seeing him in this GSK AGM. I was reading a news clip that Pharma business of the country will grow more than 30 times in next 5 years. What's your view, and what will be our position in that case, if the Pharma business grows 30 times and future outlook for next 5 years of our company. I want to know your view on the online Pharma business. Will you tie up with some online pharma business companies to sell your products. I will not say that this is not the right time to split the shares or reduce capital, just wait for some time then when the situation comes at that time, then split the shares or reduce the capital. And instead of bonus in future, issue bonus debenture so that equity will not increase, because today market cap is around 26,000 crores so instead of issuing bonus shares, issue the bonus debenture with coupon rate of 8%-8.5% for 3 years. And your Calpol brand is very popular brand, in the first phase of COVID and in the second phase of COVID we used Calpol, because Calpol is very safe and light Paracetamol. Before the AGM, I watched your video of 20 minutes Influenza infection so that should be spread in the country about how to protect the children from Influenza. And you are a master in vaccines for children and in this context I suggest that you should donate some vaccines for children to NGOs, hospitals and clinics and you can ask them to give to children of some weaker section of society who cannot afford the cost vaccines. When will you be leader in Asthma medicine? What is the status of real estate business? What is your view of generic medicine? How much is our share in the generic pharma business?

Ms. Renu Sud Karnad - Thank you. Next speaker is Mr. Praful Chavda.

Mr. Praful Chavda - I would like to thank the Chairperson and the Board of Directors that I am getting an opportunity to speak at the 96th AGM. I would like to say that in the last ten years our company's book value has become the lowest, and the number of employees for the last 10 years, our company is the lowest. In 2011 there were 5050 employees, and today there are 480 employees. I would like to talk about CSR specifically, a lot of money is used for CSR, but what I have noticed is that our money is being used in schools. In the schools besides arranging for good education, you can give technical knowledge also, and teach the person skills of carpentry, masonry, pottery, nursing so that they know how to help others who fall sick, and how to take that person to the doctor.

Ms. Renu Sud Karnad - Thank you. Next speaker is Ashish Bansal.

Mr. Ashish Bansal - Respected Chairman and Board of Directors, thank you for giving us dividend, what you have given Rs. 30. On page no. 10 of balance sheet how much Pharma sector has increased from previous year and when next is coming up. Have you printed the balance sheet? I want the balance sheet in physical mode, Thank you.

Ms. Renu Sud Karnad - Thank you, Mr. Bansal, we will send you the balance sheet, you will get it in a couple of days. Next speaker is Mr. Gautam Tiwari.

Ms. Renu Sud Karnad - Mr. Gautam Tiwari. Should we move to the next speaker? Mr. Hariram Choudhary. I think he has to be unmuted.

Mr. Hariram Choudhary - Madam Renuji, my name is Hariram Choudhary, I am speaking from my home in Santa Cruz and I will take only 3 minutes, madam. You have announced the results of the 1st quarter and it is encouraging, first quarter revenues were more than 19%, PBT 10% more, very encouraging.

I would like to know in COVID times what have we done, have we provided PPE kits, have we provided ICU beds, have we provided oxygen concentrators, have we provided food for migrant workers and have we provided medicines, we are manufacturing COVID medicines, have we provided this. I would like to have the attention of the CSR Committee Chairman. Kindly let us know what is the amount we have spent for COVID affected people and what is the total amount we have spent under CSR and whether this amount is more than 2% of the net profit?

Ms. Renu Sud Karnad - Thank you very much. Mr. Gautam Tiwari speaker no. 9.

Mr. Gautam Tiwari - Madam, a very good afternoon to our popular and well respected Renu Karnadji, to all my eminent and well dignified directors, to my fellow shareholders and team GlaxoSmithKline. My name is Gautam Tiwari and I am participating at this AGM from Mumbai. I would specially like to thank our MD, CEO, CFO, CS and full secretarial and finance team and also the entire Board of management and our Company Secretary and finance team also for the excellent and outstanding performance that they have delivered despite dreaded COVID pandemic situation worldwide and despite the challenging situation. You have paid a dividend of Rs. 30 for which the shareholders are really very happy. Madam, I would like to say that our company has worked really hard in identifying the areas and projects for CSR

activities which are beneficial to the public at large, so congratulations to you, we have done a lot of work and have given funds to the PM Cares Fund also and you have done a lot of COVID related work, thank you very much for that. I am very much impressed and pleased with our annual report which is robust, strong healthy and well designed and with all parameters and facts in place. Madam, I can imagine how much hard work and dedicated efforts must have been put in by our IR, Finance and Secretarial departments for preparation of this elaborate report. I have got certain queries in my mind in order to improve my appreciation and understanding for the company's working. What is the strategy of our company going forward and what is your growth plan. Similarly, I would like to know any plan for our capital expenditure. Now how many new products are available for launching in pipeline with us? What is that special contribution of our company for the manufacture of medicines for COVID 19? Madam, many people told you about the stock split, but I think you will do it at an appropriate time, we are leaving the matter to you. Now the capital utilization of our plant to what extent we can improve further. And madam, whenever we do a sale or sale of property, we give special dividend to shareholders. This time too you have made a sale for 1649 crores of our special products, so we hope that you will give special dividend to the shareholders. Madam, we would like to know what is the percentage of products under price control and which are our top brands which contribute to more than 50% of our sales? Please answer whatever is possible. And what is our R&D expenditure, we would like to know. Our company is doing very well and it has been many years since bonus has been declared, but the company is giving a generous dividend and we are happy. I support all the resolutions wholeheartedly and I have already voted for all of them and I also support all the appointments and reappointments.

Ms. Renu Sud Karnad –Thank you. Speaker no. 11 is Homa Pouredehi.

Mrs. Homayun Pouredehi - Madam, do we come under essential services so in that case our plants are running to full capacity? We have seen our plant at Nasik, it is really state of the art, it is wonderful. Are all the employees are working and we are working to full capacity? During the first COVID lockdown we did not get medicines from the chemists. We just want to know is the supply chain there everywhere in India or it is good only in Bombay or Maharashtra? Any new products which have come under DCPO, we would like to know? And how many sales rep do we have? Regarding your R&D, any new medicines have been produced/ discovered? Regarding your very famous Eltroxin for thyroid, is there any other competition for Eltroxin? We only know Eltroxin. Of course, even Abbott is having thyroid medicine but we want to know about Eltroxin. We wish our company all the very best and looking for better market cap and better dividend next year. Thank you very much.

Ms. Renu Sud Karnad - – Thank you, Mrs. Pouredehi. Next speaker is Mr. V. Manisundaram.

Mr. V. Manisundaram - –Hello, I am Manisundaram, shareholder of GSK Pharmaceuticals Company. My folio number is 125161. I warmly welcome all the shareholders at the 96th Annual General Meeting of GSK Pharmaceuticals. Due to COVID you have done very good job and also CSR

has been done. But we are in South India, Tamil Nadu, Salem, I have not reached CSR to this state. I am an old shareholder since 1982. Reserve is very high and also when did you declare bonus, only one time has been given rights. One more, in my folio I have physical share 3 times I have forwarded to edit my initial, they returned my documents, only share certificates and kept the affidavit and the bank particulars for themselves. I went to Hyderabad but they don't allow anyone inside, you can send a mail. There is a lot of dispute. As per SEBI norms you can change every 3 years registrar of the company and the transfer agent. One more, I would like to give some suggestion to the company as per the recent notice to the BSE you have diversified stake to the own listed company at throwaway price, where is the valuation report and why the same is not shared with the long term investors. How much was the sale of profit brands, Iodex and Ostocalcium which was sold at beaten down prices through Glaxo Asia. GSK despite being MNC is most negative stock in BSE. Do management feel ashamed about that? I ask the board of directors the CEO and CFO immediately what is the performance they have done to the GSK pharmaceuticals, you can clarify.

Mr. Suresh Anant Khanolkar - – Good evening, I am Mr. Suresh Khanolkar speaking from Mumbai. To begin with an annual report presentation is extremely good with all relevant facts and figures and images. COVID pandemic has affected our performance this year. We are a nil debt company and it is highly admirable. Coming to consolidated balance sheet, sir, our working capital management is extremely good. We are working on reasonably negative working capital. Our liquidity maintenance is also nice, position of reserves to equity is also very strong. Cash flow management and balancing is also very fine. And we are a very comfortable cash rich company. The foreign exchange earnings and outgo figures are very pathetic. It really hurts, something needs to be done to reduce the wide gap. I wish and I appeal specially to particularly our parent company. Another thing I would like to ask is about our trade payables and I would like to get myself enlightened from our CFO. The thing is that our trade payables have gone up, means we are getting less cash discount for us, how come when liquidity is so good why should we keep that trade payables pending and as it is. Are we not losing our cash discounts in that event? So please let me know about this. And finally after considering all positive factors and odds, you have given us very good dividends even though it is more than EPS, I admire it because results are not only meant for issuing bonus shares alone but even they are meant to support shareholders, particularly small shareholders in the event if the income is less, in that event we should also maintain reasonably good and satisfactory dividend policy which you have always maintained last year as well as this year. I really congratulate you and support you for your policy. With these few comments I take your leave, thank you very much.

Ms. Renu Sud Karnad - Thank you very much, Mr. Khanolkar. Our next speaker No. 15 is Mr. Aspi Bhesania.

Mr. Aspi Bhesania - Madam, I am Aspi Bhesania from Bombay. Our results are better year on year but bad quarter on quarter, any reason for that. Any new products to be introduced from the parent portfolio? And how many new products were introduced in the last 2 years. Madam, some shareholders are asking for split, I would not recommend for split because then everybody will

buy one-one share and come and harass the company secretary. I would like you to increase the share price and compete with MRF. Madam, brands Iodex and Ostocalcium, an unlisted subsidiary of our parent. Earlier parent had two listed companies, one with prescription drugs and other for OTC. Now there is only one company. At the same time, you are buying vaccines from the same subsidiary, what's going on. Glaxo should have only one listed subsidiary in India like Hindustan Unilever or Sheffler, you should ask the parent to merge all the unlisted subsidiaries in India into one company. Ma'am, thank you and all the best.

Ms. Renu Sud Karnad - Thank you so much. Our next shareholder is Jaydip Bakshi.

Mr. Jaydip Bakshi - Good afternoon madam, Managing Director, CFO and other Board of Directors present in today's virtual meeting. Myself, Jaydip Bakshi connecting from the city of Kolkata. Thanks to Mr. Ajay Nadkarni, our company secretary for presenting a descriptive and illustrative annual report and maintaining an investor relation with the shareholders and giving me an opportunity and also keeping in contact, in touch with us and also to Mr. Anand Joshi who is also maintaining constant touch with us. We are having a diversified portfolio in vaccine segment for protection of all. What is the progress for the COVID-19 trials and any plans for the generation of booster dose to overcome the future virus attacks? Madam, what is the amount of the business effected into the supply chain and production line disruption, and steps to counter the future waves? Highlight on the investment in digital transformation? Congrats to the entire team for ensuring manufacturing and distribution of medicine, continuing in these difficult times and this unpredictable operating environment. Also, thanks madam for this dividend of Rs. 30 in this time and congrats for achieving the Best Company and Workplace for Women.

Regarding the CSR activities is always great as always and spending up more than thousand lakhs in this sector. And the quarter one results have been good in the positive way. Madam you have said in your speech that Calpol which has come up with good response in this COVID times. I would suggest why not, focus on Becadexamin which I am also using this medicine, for the patients and also for the ordinary people also, because this multivitamin would be a good one for everyone. Congrats to the R&D team for the new innovative ideas. What are our expenditure plans for the future? How are you planning to counter the rising cost of API, which is the pinching the industry? What is our future plans for growth and reduction of carbon footprint? And one more thing I want to know regarding the sale of this Vermgal plant, what is the amount and how are you going to utilize it in the future? Nothing to add more. I have full faith in the management and hope will overcome the biggest challenges in global health with better results and market capitalization. Thank you and stay safe all. Thank you, Madam.

Ms. Renu Sud Karnad - Thank you so much. Next speaker number 17 is Mr. Kaushik Shahukar.

Mr. Kaushik Shahukar – At the outset, let me introduce myself as Kaushik Shahukar from Mumbai. Good afternoon madam. Professionally I am a chartered accountant, medically I suffer from dystonia. Due to aforesaid, I had previously approached Glaxo to work in the certification area. Unfortunately, that has not progressed. I would therefore like to use this forum to reach out to you and explore avenues where we could work together. I am confident that my professional acumen will value add to your organization and will empathize with my condition and support me with some work. I would like to thank the Board of Directors for giving me opportunity to speak and also patiently hearing me. I support all the resolution listed in the notices and I have voted all in favour. I am a proud shareholder of Glaxo and also hopeful that the company will empathize with me and diligently consider me. Thank you so much.

Ms. Renu Sud Karnad - Thank you. Mr. Shahukar and we will definitely see how we can help you. And it is very nice that you are self-reliant and we really pray for you. Please be in touch with Ajay and let us see what we can do. Thank you so much. Our next speaker is Mr. Bharat Shah, speaker number 18.

Ms. Smita Shah - Balance sheet is informative and attractive too. I would like to appreciate them for their work. Glaxo has always maintained our number one position in the market. This is a great thing. Otherwise ups and downs are common everywhere even then revenue from operation, EBITDA, net profit all of them are good. If we compare the dividend of the last two years you have given us Rs. 10 more per equity share and now it is Rs. 30. I am thankful to you for that.

Madam I would like to ask you that the five GSK products, which comes under the IPM – Indian Pharmaceutical Markets brands when compared to the other products in the market how much profit have we made? If you can please share that information. The top 20 vaccination in the market in which it remains the no. 1 company, that is a great thing. Keep it up. Have you thought about any new brands or products or something innovative for the future? Please do tell us about it. What is your plan for future too? I have supported you in all the resolutions. Thank you.

Ms. Renu Sud Karnad - Thank you so much for your best wishes. And wishing you the same from our side too.

Mr. Bharat Shah - Respected Chairperson Renuji Karnad, and other respected Directors, my name is Bharat Shah. I don't have any queries. Because to run the company during such difficult times and taking it forward is a great thing, I would like to thank you for that. Sir, the dividend is really good. I would like to thank you for that. The CSR activities are going on really good. Thank you for that too. I would also like to thank you for all the awards. I support you in all the resolutions. Thank you.

Ms. Renu Sud Karnad - Thank you. Speaker number 20, Ms. Lekha Shah. Maybe we could give her another 30 seconds to 1 minute.

Okay, I think Mr. Mani Sundaram who dropped off, speaker no. 13 would like to complete his request that he be allowed to finish. So maybe we can connect.

With that, I think we finished all the questions and thank you so much. Before I hand it to Mr. Sridhar I just want to thank all the shareholders for the praises that they gave to Ajay. He's very precious for us too and we know he is very good. And thank you Ajay on behalf of the company this time. A couple of questions that people had asked one was about the Vemgal and, whether the Vemgal deal was through. Just wanted to say, we have already sold the land, as I mentioned in my talk to Hetero. But we are still awaiting the statutory and the regulatory approvals. As soon as that happens, the deal will be through. There was a question also about how many of our employees were vaccinated. Under the global PLC rules asking somebody about vaccination is supposed to be a very personal question. Some companies have this, they don't ask personal questions, and that is it is a private thing. But the knowledge that we have is out of our close to 4,500 employees that we have practically, nearly all of them, nearly 90% of them have been vaccinated. Just thought I would share that with you. There was also a question as to why we sold Iodex and Ostocalcium, and we announced it yesterday. So, this is, I had explained to you that GSK globally is going to break into two companies. This was a part of the rights. The vision of GSK is to create actually two world-class companies, one in pharma and one in consumer healthcare. So, in keeping with that global process of segregating, making these into two, this sale was done. We believe that the consumer healthcare is in a best place to derive future commercial benefits from these brands. We will be able to devote the right resources behind this. That was the reason.

Another question was asked by one of you is that, what are we going to do with the money that we are going to get? I think the cash generated, we are still waiting your approval. We were waiting for our shareholders approval. Once the deal is closed, that is when we will start planning and see how we are going to use the utilization of these funds. The other questions I am going to leave to the experts to answer. I am going to hand this over to Mr. Sridhar and Puja, and they will answer your questions. Over to you Sridhar.

Mr. Sridhar Venkatesh - Managing Director, GlaxoSmithKline Pharmaceuticals Limited

Thank you Renu. Namaskara to everybody, to all the shareholders, hope that all are safe and sound. I will try and respond to as many questions as I can. And if there are any or if I am not able to answer everything, we will find a way of getting back to you. I will go by the order of the speakers who asked the questions and then go from there. Early on there was a question from Ms. Hutokshi Patel about the reason for global recall. That was because of a specific substance that was found in the API, and that was a global decision that was taken to recall across all geographies. You also had a question about products which are our market leaders. Vaccine segment we continue to be market leaders and that is something that we are extremely proud of. Adil ji you asked us a question regarding growth plan for the future. Our focus continues to remain on our few key sets of products that we will focus on,

where we continue to be gaining market share and continue to be leaders. Vaccines is going to be an integral part, and of course globally, some of the new assets that are being launched by GSK globally will be brought into the country in a very phased manner. Dinesh Kotecha ji you had asked a question about annual report. Is it integrated? No, it is not yet. We will update you when the date gets decided. There are several questions about Vemgal which our Chairperson has responded to and I will not get into that.

Now steps taken by the management to minimize the business incomes, Santosh Saraf ji this was your question, about what we are doing. The company has done so many things that in spite of these disruptions we continue to show our growth in the respective areas. There has been a lot of impact on vaccination. Because kids are not going out, they are not going to the doctors because of which the vaccinations are not happening. But in some other therapeutic areas, like in the case of anti-infectives and of course in the case of our fever medicine, which is a paracetamol, which is Calpol, we have done extremely well. We are also looking at our costs and managing the costs very-very tightly. And that is why you will see an improvement in our EBITDA margins. There was several other questions Saraf ji from you on solar power, freshwater usage, single use plastic. I can only say this that globally GSK has been focussing on all these things and we continue to remain very vigilant about doing the right thing and ensuring that we are using all of these newer technologies to full use in all our plants, and Nasik is definitely a big recipient of what we are doing on this particular space. You had also asked about GSK's work from home policy. We, during this time of pandemic, we have to be flexible. We are looking at what are some of the jobs that can, where we can have a hybrid way of working, some parts of it where they can come to the office and parts of which where they can work from home. There are of course, certain roles which cannot be worked from home, right? And those are the roles like in the factories or in our sales rep roles. Barring that in all of the other roles, we are ensuring that our employees are supported, ensuring that they have the flexibility during this particular time to continue to work from home.

There was a question around female employees. We have approximately around 488 female employees out of our total, which is around 12% of our strength. Then there were similar questions, Manoj Kumar Gupta ji about five years. I think I responded to that in my previous one. And, Bansal ji you had a question about vaccine candidates that have entered phase three? Globally, we are in a partnership with Sanofi and India too we are running a clinical trial. Sanofi is running the clinical trial. They are running a phase three trial, and as and when the when the results play out, you will hear more about that in times to come. In terms of, there were questions Gautam ji about the strategy of the company. I mentioned that to you. You asked about the CAPEX spend. No major spends immediately, nothing that what is being done. On top brand. So our top 20 brands, you had a question about top brands and what do they contribute. Our top 20 brands contribute to close to around 87% of our revenue. Betnovate, Augmentin, Calpol, Infanrix, Synflorix, these are some of the core brands. You had also a question about percentage of products under price control around 24% of our products are under a price control. So, there was another question about what we have done during COVID times through

CSR. See at a company level, I think each one of our employees have been fully involved in this process. In many cases, employees have donated a day's salary and the company has matched the contribution. We have also provided PPE kits, ventilator, insurance coverage to all our employees. Apart from that in various geographies, we have kind of worked with the local government local authorities in terms of supporting some of the efforts that they are doing.

How is the supply chain pan-India? We have one of the best distribution systems across the country. Every part of the country is very well distributed by GSK India, and we are able to meet all patients need. I don't see any impact of that happening in spite of this COVID impact that we see. This was a question I believe from Ms. Homayun Pouredehi. Continuing on, there were a couple of points that Mr. Mani Sundaram mentioned before he dropped off. And I think he was trying to mention something about the cost cutting initiatives. I think this is a core focus area and something that all of us continue to look at. I will invite our CFO to kind of talk about some of our cost management, I won't call it cost cutting I will call it cost initiatives that we are focused on and ensuring that we are having the right balance. Puja, do you want some to add some thoughts on that?

Ms. Puja Thakur – Executive Director and CFO, GlaxoSmithKline Pharmaceuticals Limited

Yeah sure. So, I think I will cover both the cost cutting and also the working capital, because I think there was a query on the working capital as well. In terms of, if you see our results for the last four years, we have maintained our all OPEX exactly to the same amount that it used to be three to four years ago. We have hardly increased the spend and that we have done, A) of course by rationalizing all kinds of non-essential spends. So, we only spend on mandatory things. We have also rationalized employees, and that is why the headcount has come down, wherever we could cut the slack. And in terms of, we have focused more on selling more profitable goods, and that is why, as you see a gross margin improvement. The brands which were making losses we have removed them from the portfolio. In terms of working capital, thank you so much for acknowledging our efforts towards improvement in working capital, and that has come with a lot of effort, not only in from finance but from supply chain and procurement and everyone. The increase that you see in the March numbers is mainly on account of the higher purchases that we have made in March, which is also reflected in the higher inventory that we are carrying. But the credit payment terms are all standardized, and we do benchmark and try and keep it best in the market because we don't want to compromise on any quality. So, we buy and pay quickly and if there is a quality rejection then it will be very difficult to claim it from the suppliers. So, we need that kind of time to make a payment. Do we take cash discounts? We take discounts as well, right. So, we do ensure that it is the best in class, what is available in the market. So, in terms of EBITDA, I think our lowest probably we reached in the year 2015-2016. We were almost down to 14%. Today we are talking about 22% so that is the journey we have achieved through profitability, through gross margin improvement, through cost cutting. So that is what I wanted to share Sridhar. Thank you and back to you.

Mr. Sridhar Venkatesh – Managing Director, GlaxoSmithKline Pharmaceuticals Limited:

Three other questions that I'll pick up which was around providing a list of 350 shareholders. I think our Company Secretary will do the needful on that one. Aspi ji you were talking about new products to be launched. I think if you refer to page 9 of the annual report, it does give a sense of what are some of the products that are under filing and what are we looking at. Of course, there are a whole set of new products that our GSK global is looking at it and in a phased manner, as I mentioned, we will bring it to the country as appropriate. Jaydipji you had a question about planning, countering the rising price of API. Look, I think this is as a part of our overall cost management we also have a very strong arm in our procurement team who continue to look at building long-term on tracks and ensuring that we are not impacted by these intermediate fluctuations that happen. So, I can assure you as a company we are a well-protected, but look, nobody is immune to this. If this continues to go on over a period of time, we will also get impacted and we have to continue to find better ways of negotiating this. And I can assure you our team is right on top of that. Again, questions around Vemgal which has been responded. Questions of our future plans, which I have mentioned. And I think, predominantly those were the broad questions that we had and if there are any other specific questions that anybody wants, a more detailed response please I would invite you to send a note to our company secretary Mr. Ajay Nadkarni. I am more than happy to let you know. I hand it now back to our Chairperson Shri Renu Karnad.

Ms. Renu Sud Karnad - Thank you so much Sridhar. Members may note that the voting on the NSDL platform will continue to be available for the next 15 minutes. Therefore, members who have not cast their votes are requested to do so. The Board of Directors has appointed Mr. Parekh and Associates, practicing company secretary as the scrutinizer to supervise the e-voting process. Further I hereby authorize Ajay Nadkarni, our company secretary to declare the result of the voting and place the results on the website of the company earliest. The resolutions as set forth in the notice shall be deemed to be passed today, subject to receipt of the requisite number of votes. With this, I think I close the meeting. Thank you all for attending the meeting and I declare the meeting closed. Thank you and see you next year. Bye-bye.

End of File