GSK

#AheadTogether

Annual Report 2021-22

GSK plc at a glance

About our new logo

The new logo reflects our new purpose and growth ambitions. It combines science, technology and talent, whilst also retaining key elements of our heritage. The name and distinctive orange, both prominent features of our identity, remain an important part of the updated brand.

Our purpose

We unite science, technology and talent to get ahead of disease together

For health impact + shareholder returns + thriving people

OUR STRATEGY

We prevent and treat disease with vaccines, specialty and general medicines.

We focus on science of the immune system, human genetics, and advanced technologies investing in 4 core therapeutic areas and future opportunities to impact health at scale.

We operate responsibly for all our stakeholders by prioritising Innovation, Performance and Trust.

OUR CULTURE

Ambitious for patients
To deliver what matters better and faster

Accountable for impact
With clear ownership and support to succeed

Do the right thing
With integrity and care because people count on us

Our priorities | India

Innovation

At GSK, innovation is embedded in our pathbreaking products. We endeavour to launch relevant products from our parent company's promising pipeline.

Page 08 →

Performance

We deliver growth by investing effectively in our business, developing our people and executing competitively.

Page 10 →

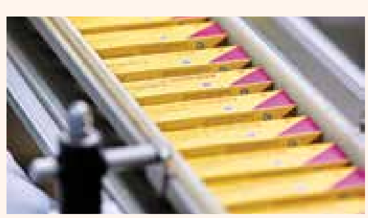
Trust

Our people help deliver on our ambition for patients, address select national health priorities and widen access to medicines to create value for our stakeholders and society at large.

Page 12 →

Key facts | India

#1
In Vaccines self-pay market*



#1
In Dermatology segment*

3,500+
People work in our offices, manufacturing facility and sales teams across India

**Source: IQVIA MAT March 2022*

Our business portfolios

General Medicines

Our General Medicines business has a broad portfolio of established medicines with commercial leadership in Anti-infectives, Pain, Dermatology and Vitamins.

Vaccines

Our Vaccines business currently markets 10 vaccines across age groups for infants, adolescents and adults.

Specialty

Our Specialty medicines in India are focused on helping patients breathe easy through innovative offerings that combine science and technology.

Contents

With our new purpose, strategy and culture, we will move #AheadTogether continuing our legacy in General Medicines, our leadership in the Vaccines self-pay market and introduce innovative offerings through our Specialty medicines – all three will help us deliver our ambition for patients and get ahead of disease together.

Message from the Chairperson

Embracing new ambitions for patients and shareholders

Dear Shareholders,

In 2021-22, the Indian economy continued to face sustained headwinds due to the pandemic and other external environment factors. However, the silver lining is that economic activity has gradually started to edge towards normalcy. According to International Monetary Fund (IMF) forecasts, India is expected to be amongst the fastest growing economies in 2022 and your Company continues to remain at the forefront of serving the healthcare needs of the country.

While the impact of the pandemic continued to mean we operate in a highly dynamic operating environment, your Company focused on sharpening commercial execution and cost discipline for our key brands. Your Company's established portfolio made market share gains, particularly in the anti-infectives and pain therapeutic areas which have been crucial in the fight against Covid. Your Company remains no.1 in the vaccines self-pay market and maintained leadership in dermatology. During the year, Iodex and Ostocalcium brand trademarks in India were transferred to GlaxoSmithKline Asia Private Limited for ₹1,649 crores and this income formed part of the profits from discontinued operations. Accordingly, the Board was pleased to recommend a dividend of ₹ 90 per share which included a special dividend of ₹ 60 per share.

Your Company launched Trelegy Ellipta, India's first single inhaler triple therapy (SITT) in a once-daily regime for chronic obstructive pulmonary disease (COPD) patients. Your Company is now gearing up for the launch of the shingles vaccine in the coming year. This vaccine will provide an option for patients who are vulnerable to this painful disease.

Continuing to play a part as a responsible corporate citizen, your Company launched a flagship community initiative, 'GSK Scholars'. This programme enables meritorious, but financially disadvantaged students, to study medicine from government medical colleges. Under this scholarship, a sum of up to ₹1,00,000 will be granted every year, over a four- and a half year period, to cover the academic expenses incurred for the MBBS programme. Through this programme your Company aims to make STEM education more accessible in the country.

Your Company is a place where outstanding people thrive. Your Company provides an inclusive work environment in which it develops talent, rewards great performance and protects its people. For the fourth time in a row, your Company was recognised as one of the 100 Best Companies for Women in India 2021 by Working Mother and Avtar, a diversity, equity and inclusion solutions firm. Your Company was also voted as one of India's Best Workplaces in Health & Wellness 2021 by Great Place to Work Institute.

I remain excited about the future of your Company as we prepare for a step change in growth and performance while embracing new ambitions for patients and shareholders. On behalf of all Board members, I would like to extend my sincere gratitude to employees for their commitment and shareholders for your continued trust.

Regards,

R. S. Karnad

Message from the Managing Director

#AheadTogether

Dear Shareholders,

I am pleased to inform you that your Company has adapted to a challenging milieu to continue to deliver on its ambition for patients and value for shareholders. During the year, your Company made significant progress towards improving the health of people in India. In 2021, that included nearly a billion doses of medicines and over 4.5 million doses of vaccines (source: IQVIA). Your Company is poised to deliver a step-change in growth and positively impact the health of millions through the General Medicines, Vaccines and Specialty portfolios to get #AheadTogether of disease.

Topline growth was driven by some of the category-leading General Medicines brands such as Calpol and Augmentin. Your Company's continued leadership in Dermatology, despite physical distancing, was propelled by focus brands. Your Company maintained leadership in the Vaccines self-pay market and continued to allow severe asthma patients to breathe easy with Nucala.

Apart from engaging Healthcare Professionals (HCPs), your Company initiated disease awareness campaigns that featured the likes of MS Dhoni, former captain of the Indian cricket team, Kareena Kapoor Khan, leading Indian actress, and Neha Kakkar, a playback singer.

The pandemic posed a multitude of challenges. With patient outcomes at stake, your Company responded with agility and determination to rise to these challenges. Your Company's pharmaceutical manufacturing team worked round the clock to fulfil the rise in demand for our key brands. This effort ensured that patients continued to have access to important medication during the pandemic.

Your Company's business strategy focused on building a resilient product portfolio, aligned with manufacturing capabilities and HCP engagement enhanced by adoption of digitalisation and emerging technologies. Strengthening your Company's vaccine product portfolio formed a significant part of our approach. The launch of Fluarix Tetra transformed the flu vaccine category in the country, with very high rates of recommendations by HCPs. Despite not being a first mover in this vaccine category, your Company has successfully gained the position of a market leader.

Your Company has been continuously bolstering digital capabilities and virtual brand presence through focused investments. During the pandemic, your Company's field force remained active on the ground by effectively using digital channels, to engage remotely with HCPs. The digital infrastructure ensured that touch points could be increased through enhanced use of tele-calling and webinars coupled with the adoption of digital platforms such as Veeva Engage and the HCP Persona Tool.

The resilience and commitment of your Company, the robustness of the operating models and the product portfolio driven by our focus brands is conducive to growth and unlocking shareholder value.

Your Company strives to maintain an inclusive workplace, which is supported by a strong culture of progress and belonging, with 91% of our employees responding positively to our annual culture survey.

As your Company embarks on a journey of navigating another exciting year of robust growth, I would like to extend my heartfelt gratitude to all our investors, employees and shareholders.

Regards,

Sridhar Venkatesh

Our focus brands

Our portfolio includes General Medicines, Vaccines and Specialty medicines that help prevent and treat disease.

GENERAL MEDICINES

Augmentin

- Augmentin (Amoxicillin-Clavulanic acid) is a broad spectrum prescription antibiotic used to treat various bacterial infections
- Ranked No. 1 in the segment*
- Setting standards for quality and innovation for over four decades

Calpol

- Indicated for treatment of mild to moderate pain
- Calpol is the No. 1 prescribed brand in the Indian Pharmaceuticals Market (IPM)*
- Ranked No. 1 in the segment*

Ceftum

- Ceftum (Cefuroxime) is a second generation cephalosporin antibiotic being used for over two decades to treat various bacterial infections
- Ranked No. 1 in the segment*

Eltroxin

- Serving patients with hypothyroidism since 1950
- Ranked No. 2 in the segment*

CCM

- Indicated for the treatment of calcium and vitamin D deficiency states (particularly pregnant and lactating women and children)
- Ranked No. 1 in the segment* (calcium citrate maleate salt segment)

Neosporin

- Indicated for treatment and prevention of specific bacterial skin infections
- Also available for topical ophthalmic use
- Neosporin has been a trusted brand for over five decades
- Ranked No. 3 in the segment*

**Source: IQVIA MAT March 2022*

GENERAL MEDICINES

Betnovate

- Betnovate (Betamethasone valerate) is a potent topical corticosteroid used for specific type of skin conditions which require relief of inflammation
- India's No. 1 brand in topical corticosteroid category
- Serving patients since 1963

T-bact

- Indicated for topical use in specific types of bacterial skin infections
- No. 1 prescribed topical antibiotic with strong equity amongst healthcare professionals

Tenovate

- Tenovate (Clobetasol propionate) is a super potent topical corticosteroid indicated for specific type of skin conditions to reduce inflammation
- No. 1 prescribed brand in the category*
- Ranked No. 1 in the segment*

Flutivate

- Flutivate (Fluticasone propionate) is a potent topical corticosteroid indicated for specific type of skin conditions to reduce inflammation
- Helping patients regain skin confidence for over two decades
- Ranked No. 1 in the segment*

Physiogel

- Indicated for dry skin and dry skin associated with redness and itch
- Ranked No. 10 in the segment*
- Physiogel works for stronger, smoother and visibly healthier skin

Zimig

- Zimig (Terbinafine) is an antifungal agent used for specific types of fungal skin infections available as oral and topical formulation
- Ranked No. 2 in the segment by value*
- Serving Indian patients for more than a decade

**Source: IQVIA MAT March 2022*

Our focus brands

GENERAL MEDICINES

Cobadex CZS

- Multivitamin with zinc combination, including 4 essential B-vitamins and trace elements of chromium, zinc and selenium
- Ranked No. 7 in the category*
- Prescribed by more than 30,000 HCPs

Supacef

- Supacef is a bactericidal cephalosporin antibiotic
- Indicated for the treatment of infections before the infecting organism has been identified or when caused by sensitive bacteria
- Ranked No. 1 in the category*

Source: IQVIA MAT March 2022

VACCINES

Infanrix Hexa

- Indicated for vaccination of infants against diphtheria, tetanus, pertussis, hepatitis B, poliomyelitis and disease caused by Haemophilus influenzae type B
- Powder and suspension for injection in intramuscular use
- Ranked No. 1 in the segment*
- Trusted among paediatricians
- Market leader in DTP Hexavalent vaccine category* with over two decades of market presence
- Registered in over 90 countries

Synflorix

- Indicated for active immunisation of infants against pneumococcal diseases and acute otitis media caused by Streptococcus pneumoniae and Non-Typeable Haemophilus influenzae
- Injectable suspension for intramuscular use
- Ranked No. 2 in the segment*
- Trusted for over 10 years in more than 130 countries
- More than 20 crore babies protected against pneumococcal diseases and AOM caused by S. Pneumoniae and NTHi

Havrix

- Indicated for active immunisation against disease caused by Hepatitis A virus (HAV) from 1+ year of age
- Injectable suspension for intramuscular use
- Ranked No. 2 in the segment*
- Rapid seroconversion and at least 50 years of long-term protection against Hepatitis A
- Most widely studied Hepatitis A vaccine registered in over 90 countries

Menveo

- Indicated for active immunisation from 2 years of age to prevent invasive meningococcal disease caused by Neisseria Meningitidis groups A, C, W-135 and Y
- Powder and solution for injection in intramuscular use
- Over 10 years of global experience and approved in the US and the EU countries

VACCINES

Boostrix

- Indicated for active booster immunisation against diphtheria, tetanus and pertussis in individuals aged 4+ years
- Injectable suspension for intramuscular use
- It is the only Tdap vaccine approved by the FDA for adults aged 65+ years and can be given to pregnant mothers also
- Ranked No. 1 in the segment*
- Boostrix is India's first and trusted Tdap vaccine

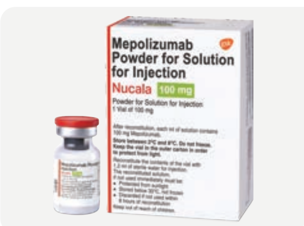
Fluarix Tetra

- Indicated for active immunisation from age group of 6 months and older for the prevention of influenza disease caused by the two influenza A virus subtypes and the two influenza B virus lineages contained in the vaccine
- For injection in intramuscular use
- Ranked No. 2 in the segment*
- World's first inactivated quadrivalent influenza vaccines (QIV) which is manufactured in Germany
- Over 24 crore doses sold worldwide

Varilrix

- Indicated for active immunisation against varicella of healthy subjects
- Powder and solvent for solution for injection to be given subcutaneously
- Ranked No. 1 in the segment*
- World's first varicella vaccine with robust and proven efficacy data
- Registered in over 90 countries, trusted worldwide with more than 30 years of experience

SPECIALTY



Nucala

- First anti-IL5 drug in India
- Indicated for adults suffering from severe eosinophilic asthma (SEA)
- Launched Nucala auto-injector device for easier self-administration

Trelegy Ellipta

- First once-daily single-inhaler triple therapy (SITT) in India for the maintenance treatment of chronic obstructive pulmonary disease (COPD) patients

**Source: IQVIA MAT March 2022*

Strategic priorities

Innovation #AheadTogether with new products

At GSK, innovation is embedded in our pathbreaking products. We endeavour to launch relevant products from our parent company's promising pipeline.

During the pandemic, patients with acute respiratory diseases were amongst the most susceptible. They chose to stay away from hospitals and active administering of their medication due to the additional risk posed by Covid. Consequently, their health often deteriorated.

To address this challenge, the Nucala auto-injector pen was launched. It is a first-of-its-kind device for severe eosinophilic asthma (SEA) patients in India. The ready-to-use device provided a more convenient way for patients, caregivers and HCPs to administer the dose.

We are also readying for the launch of Shingrix, our shingles (Herpes zoster) vaccine in the coming year. This will give an option to patients who are immunocompromised, aged 50+ years, to stay protected against this painful disease. GSK is committed to helping patients combat shingles and its complications by bringing them a vaccine option that can prevent this painful condition.

Trelegy Ellipta, is a single-inhaler triple therapy (SITT) for chronic obstructive pulmonary disease (COPD) patients in a once-daily regime. The product was approved by the Drugs Controller General of India (DCGI) as a maintenance treatment to prevent and relieve symptoms associated with COPD patients aged 18 and above. It will enable a greater number of COPD patients in India to benefit from this world-leading medicine.

Trelegy Ellipta exemplifies GSK's ambition for patients and offers an example of how our innovative use of science and technology can help us get ahead of disease. This triple-drug therapy is an equally remarkable discovery.

Severe asthma science animation

Strategic priorities

Performance #AheadTogether in delivering value

For us, performance is delivering growth by investing effectively in our business, developing our people and executing competitively.

Key highlights

#1
In the Vaccines self-pay market

#1
In Dermatology segment

#1
Calpol is the top-prescribed brand in the IPM

#2
Multi-national pharmaceutical company in India

3
Of our brands feature amongst the top 50 brands in the IPM

5th
Largest pharmaceutical company in terms of volume sales

Source: IQVIA MAT March 2022

Driving performance

Improved profitability with positive topline growth

Optimal working capital management, better control over costs and tight inventory control

Adoption of automation and digital platforms create synergies across the business, leading to improved competitive performance

CONSUMER AWARENESS AND DIGITAL INITIATIVES

GSK has been at the forefront of adopting an integrated digital strategy that allows us to reach patients, with the right information in a way that is easy to understand and helps us to get ahead of disease together.

Physiogel consumer campaign:

Physiogel was launched as a 'digital-first' brand. The campaign was unveiled across various platforms such as Facebook, Mediakart, Mcanvas, and several e-pharmacy sites, targeting Physiogel for women who are regular users of cosmetics or have dry or sensitive skin.

Consumer engagement for paracetamol:

To increase awareness about safe consumption of paracetamol, your Company reached out to consumers with science-led content through targeted online interventions delivered via a mix of digital channels and media outreach to protect patients against overdosage which may be associated with severe liver and pancreatic injury.

6-in-1 vaccination campaign:

Combination vaccination offers the option of less injections and less pain and we aim at increasing awareness amongst parents about "Protection against 6 diseases with 6-in-1 vaccination". MS Dhoni, Indian cricketer and a prolific hitter of sixes, partnered GSK in the 6-in-1 awareness campaign to raise awareness within the target group of mothers with infants between 0 to 3 months of age.

Health Ka Passport influencer campaign:

This campaign focuses on a common pain point for the parents of small children – keeping track of the vaccination schedule. The campaign was run in multiple regional languages featuring various influencers from across India, such as actors Kareena Kapoor Khan and Sameera Reddy, delivering the message - 'Your child's vaccination card is their Health ka Passport. Check your child's vaccination card for timely or missed vaccination and consult your paediatrician.'

HCP Persona tool: GSK has been leveraging machine learning to develop a persona-based interaction tool to facilitate more engaging and personalised interactions with HCPs.

MyVaccinationHub portal: A new vaccination awareness website for consumers (www.myvaccinationhub.co.in) was launched to provide consumers with vaccination-related information and an interactive vaccination tracker tool to help parents ensure babies do not miss their immunisation schedules.

Vaxikart: The app helps HCPs place orders of GSK vaccines through GSK-authorised wholesale dealers. The platform is being made available to more towns as we aim to protect patients.

Strategic priorities

Trust
#AheadTogether as a responsible company

Our people help deliver on our ambition for patients, address select national health priorities and widen access to medicines to create value for our stakeholders and society at large.

Purpose-led, performance-driven

GSK has always been at the forefront of science and harnesses the power of talent, technology and research to improve the quality of human life. To deliver on our purpose of getting ahead of disease, we rely on our outstanding people, and work hard to create a facilitative environment where they can thrive and achieve exceptional outcomes. Talent, Leadership and Culture remain our key organisation focus areas and we channelise our workforce development initiatives along these routes. During the year, several initiatives were rolled out under each of these focus areas.

AWARDS

Fourth time in a row, we were recognised as one of the 100 Best Companies for Women in India 2021 by Working Mother and Avtar, a diversity, equity and inclusion solutions firm.

India's Best Workplaces in Health & Wellness 2021 by Great Place to Work Institute

Talent management and the role of learning and development

GSK has developed several in-house competencies to meet the diverse learning needs of our employees. There are learning and development (L&D) activities that are undertaken to ensure that both long-term and short-term organisational objectives are met, a synergistic talent pipeline gets created and employees' career progression ambitions also get addressed. A crucial aspect of talent management and accountable leadership is the creation of a leadership pipeline that is well-prepared to take on priority roles that affect organisational profitability and stability.

Developing leaders

We have a strong focus on developing the effectiveness of managers, including their ability to help people maximise their potential.

Managers can access leadership development programmes to support them at each stage of their careers. Our One80 reviews help them improve based on feedback from their teams.

Inclusion and diversity

Increasing female representation within the workforce is now a leader-driven agenda and part of their performance metrics. We aim to work towards increasing women representation of our workforce to 25% by 2025, enabled by right attraction, development and retention framework.

We are fostering an inclusive work environment for the LGBTQIA+ community across GSK by focusing on awareness, psychological safety and developing conducive frameworks.

Employee health and wellbeing

Building a positive environment for our employees and taking care of their holistic healthcare needs has been an ongoing priority.

- 24/7 audio and video consultation with general physicians and specialists, apart from delivery of medicines
- Health and Wellbeing (H&W) Champions supporting leaders in educating and embedding mental health and wellbeing practices to help identify employees' needs and accordingly devise solutions
- Initiated a mobile health and wellbeing solution, 'Healthy Life', which enabled employees to choose and set their own personal health goals through the use of technology
- An Employee Assistance Programme was set up where employees could connect with a 24/7 professional counsellor

Strategic priorities | Trust

CORPORATE SOCIAL RESPONSIBILITY

Healthy communities form the foundation of strong, sustainable societies. Our corporate social responsibility (CSR) approach strives to address identified national priorities, improve access and support people in vulnerable communities.

117
Students benefitted across 15 states

32 million
Tablets contributed for elimination of LF

10,000+
Children supported through water, sanitation and hygiene (WASH) initiatives

5,200+
Employee volunteering hours

GSK Scholars

Our flagship CSR programme enables meritorious, but financially disadvantaged students to cover academic expenses for MBBS programmes from government colleges. Under this scholarship, up to ₹ 1,00,000 is granted every year over a four- and a half year period.

Partnering India to eliminate lymphatic filariasis (LF)

We have been donating Albendazole tablets, used during Mass Drug Administration (MDA) to the World Health Organization. We have also provided morbidity management and disability prevention (MMDP) support in three districts of Uttar Pradesh.

Health and hygiene

GSK has been supporting water, sanitation and hygiene (WASH) initiatives across 20 municipal schools in Nashik, Maharashtra, to help inculcate health and hygiene behaviours.

Mother and child health

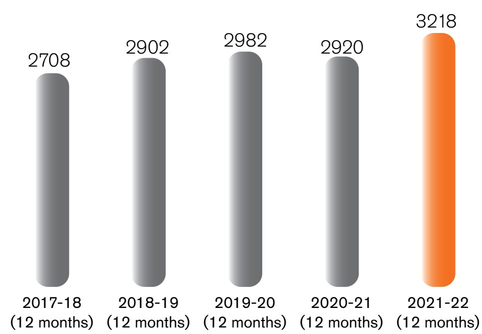
GSK has been working for the upliftment of vulnerable communities within Mumbai, Maharashtra, and Naya Basti district, West Bengal, to improve the health and nourishment of children and their mothers.

Employee volunteering

At GSK, we strive to strengthen communities and bring the change that we wish to see in this world through volunteering. In 2021, we contributed over 5,200 volunteering hours towards various social causes.

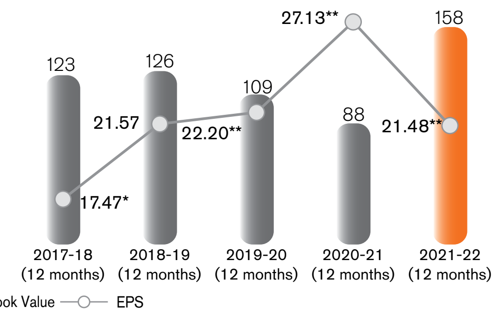
Financial Highlights

Revenue from Operations* (₹ in Crores)



*Revenue from operations reflects revenue from operations for continuing operations only. All prior years have been recasted to reflect the same

Earnings Per Share (EPS) and Book Value per share (₹)

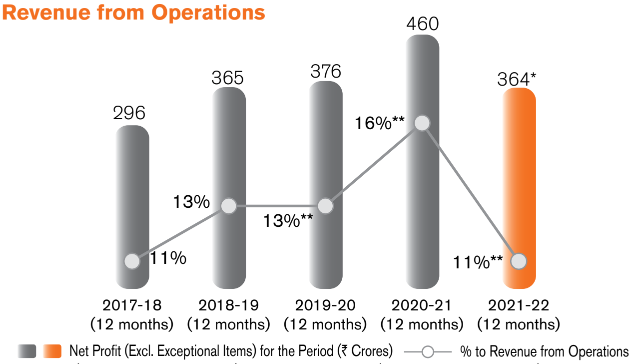


Earning per share reflects earning per share (excl. exceptional items) for continuing operations only. All prior years have been recasted to reflect the same.

* Retrospectively adjusted for September 2018 bonus issue.

** After considering exceptional items, Earnings per equity share for the period 2021-22 would be ₹ 22.23, 2020-21 would be ₹ 16.92 and 2019-20 would be ₹ 2.01 respectively

Net Profit (Excl. Exceptional Items) and % to Revenue from Operations

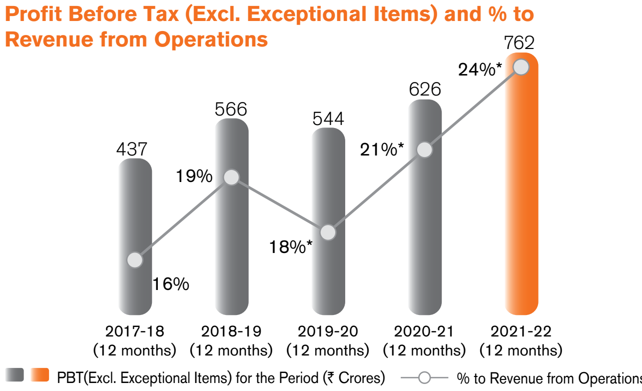


Net profit (excl. exceptional items) reflects Net profit (excl. exceptional items) for continuing operations only. All prior years have been recasted to reflect the same.

* Net profit excluding the impact of tax adjustment of prior years would be 552 cr.

** After considering exceptional items, the net profit for the period 2021-22 would be 12%, 2020-21 would be 10% and 2019-20 would be 1% respectively.

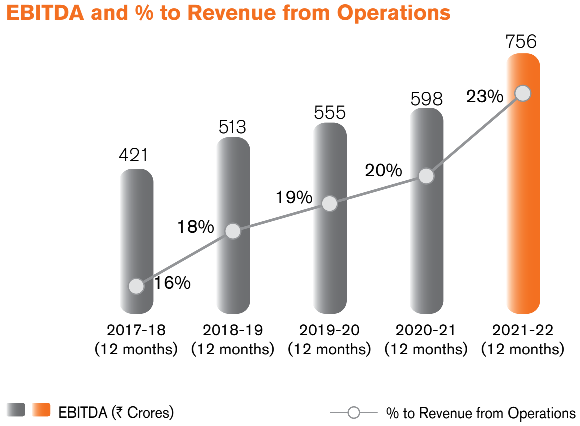
Profit Before Tax (Excl. Exceptional Items) and % to Revenue from Operations



Profit before tax (excl. exceptional items) reflects profit before tax (excl. exceptional items) for continuing operations only. All prior years have been recasted to reflect the same.

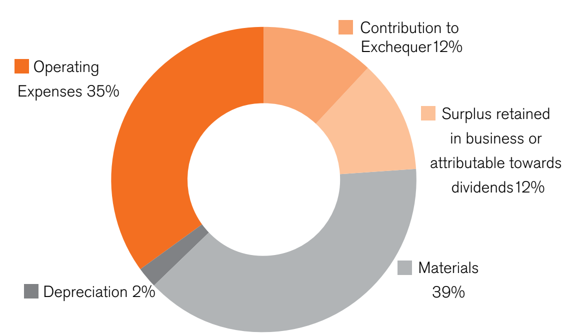
* After considering exceptional items, the profit before tax % for the period 2021-22 would be 24%, 2020-21 would be 16% and 2019-20 would be 7% respectively

EBITDA and % to Revenue from Operations



EBITDA reflects EBITDA for continuing operations only. All prior years have been recasted to reflect the same.

Utilisation of Income*



* % Utilisation of Income excludes Exceptional Income

Performance Summary

(Amounts in ₹ Lakhs)

	2021-22#	2020-21#	2019-20#	2018-19#	2017-18#	2016-17#	2015-16#	15 Months Ended March 2015#	2013	2012
	(Refer Note 1)	(Refer Note 1)						(Refer Note 5)		
PROFIT AND LOSS ACCOUNT										
Revenue from Operations	3217,51	2920,48	3224,68	3128,53	2895,88	2994,51	2826,21	3362,36	2619,37	2700,34
Profit before exceptional items and tax	761,87	625,83	646,99	658,82	523,78	465,35	573,63	766,84	703,17	994,78
Exceptional items	11,58	(172,60)	(324,49)	4,89	17,80	45,73	2,31	(51,88)	26,15	148,22
Profit Before Tax	773,44	453,23	322,50	663,71	541,58	511,08	575,94	714,96	729,32	1143,00
Profit for the Period	376,58	286,69	110,05	425,36	351,98	336,78	374,53	449,90	501,88	577,26
BALANCE SHEET										
Equity share capital	169,41	169,41	169,41	169,41	84,70	84,70	84,70	84,70	84,70	84,70
Other Equity	2508,21	1327,71	1670,63	1973,01	1995,25	1943,51	2119,94	2382,38	1932,49	1925,31
Borrowings	-	2	18	58	99	1,60	2,37	2,48	4,14	4,59
	2677,62	**1497,14**	**1840,22**	**2143,00**	**2080,94**	**2029,81**	**2207,02**	**2469,57**	**2021,33**	**2014,60**
Property, Plant and Equipment, Intangible Assets and CWIP	359,94	398,77	876,71	1432,63	1245,71	858,17	471,71	238,28	161,93	133,19
Investments including investment properties	25,68	25,82	25,97	26,17	49,43	52,99	53,63	53,80	57,67	102,58
Deferred tax assets (net)	112,78	101,67	108,85	60,48	103,05	91,31	100,81	94,83	92,11	86,54
Net Assets (Current and Non-Current)	2179,22	970,88	828,69	623,72	682,75	1027,33	1580,87	2082,65	1709,62	1692,29
	2677,62	**1497,14**	**1840,22**	**2143,00**	**2080,94**	**2029,81**	**2207,02**	**2469,57**	**2021,33**	**2014,60**
OTHER KEY DATA										
Equity Share of ₹10/- each										
Dividend	30.00	30.00	20.00	20.00	17.50	15.00	25.00	31.25	25.00	25.00
Special Additional Dividend	60.00	0.00	20.00	-	-	-	-	-	-	-
Total Dividend (Refer Note 2)	90.00	30.00	40.00	20.00	17.50	15.00	25.00	31.25	25.00	25.00
Earnings per equity share (Refer Note 2 and Note 3)	99.79	21.11	6.50	25.11	20.78	19.88	22.11	26.56	29.63	34.08
Book Value (Refer Note 2)	158.06	88.37	108.62	126.46	122.78	119.72	130.14	145.63	119.08	118.65
Number of employees	**3840**	**4323**	**4364**	**4960**	**4620**	**4697**	**4611**	**4657**	**5034**	**4706**

Period 15 Months Ended March 2015, Year 2015-16, 2016-17, 2017-18, 2018-19, 2019-20,2020-21 and 2021-22 are prepared in accordance with Indian Accounting Standards ("Ind-AS") and for other years it is prepared as per Indian Generally Accepted Accounting Principles ("IGAAP")

NOTES :-

1. The profit and loss statement for the period ended 2021-22 represents continuing operations of the business and 2020-21 have been recasted to reflect the same in accordance with the requirements of Ind AS105 consequent to the sale of certain brands and other identified assets. Hence they are not comparable with prior years.
2. Dividend, Earning per equity share and Book Value have been retrospectively adjusted for September 2018 bonus issue for all the prior years.
3. Without considering exceptional items, Earnings per equity share for the period 2021-22, 2020-21 and 2019-20 would be ₹ 99.05, ₹ 31.32 and ₹ 26.69 respectively
4. Figures have been adjusted/regrouped wherever necessary in line with the financial statements, to facilitate comparison.
5. The accounting year of the company has been changed from January - December to April - March with effect from Mar 2015. Consequently, financial statements from 1st January, 2014 to 31st March, 2015 are for 15 months.

Board of Directors
(As on 15.06.2022)

Chairperson
Ms. R. S. Karnad

Managing Director
S. Venkatesh

Directors
M. Anand
(w.e.f. 16.05.2022)
P. V. Bhide
J. Chandy
(w.e.f. 01.04.2022)
M. Dawson
(upto 30.06.2022)
N. Kaviratne CBE
Dr. (Ms.) S. Maheshwari
A. N. Roy
D. Sundaram
Ms. P. Thakur
(upto 31.03.2022)
S. Williams

Company Secretary
A. Nadkarni

Audit Committee
D. Sundaram – Chairman
M. Anand
P. V. Bhide
Ms. R. S. Karnad
N. Kaviratne CBE

Risk Management Committee
D. Sundaram – Chairman
M. Anand
P. V. Bhide
Ms. R. S. Karnad
N. Kaviratne CBE

Stakeholders' Relationship Committee
Ms. R. S. Karnad - Chairperson
P. V. Bhide
S. Ventakesh

Nomination & Remuneration Committee
N. Kaviratne CBE - Chairman
Ms. R. S. Karnad
D. Sundaram

Corporate Social Responsibility Committee
A. N. Roy - Chairman
Dr. (Ms.) S. Maheshwari
S. Venkatesh

MANAGEMENT TEAM

Managing Director
S. Venkatesh

Whole-time Director & Chief Financial Officer
J. Chandy

Executive Vice-Presidents
B. Akshikar
- General Medicines
Ms. S. Choudhary
- Regulatory Affairs
S. Dheri
- Vaccines
A. Pandey
- Legal
Dr. (Ms.) R. Hegde
- Medical Affairs
R. D'Souza
- Communications & Government Affairs
C. Sharma
- Human Resources

Vice-Presidents
S. Balasubramanian
- Ethics & Compliance
Ms. P. Hingorani
- Commercial Excellence
A. Kashyap
- Technology
R. Manchanda
- Customer Supply Chain
S. Mitra
- Specialty
A. Nadkarni
- Real Estate, Administration & Company Secretary

Registered Office
GSK House, Dr. Annie Besant Road,
Worli, Mumbai - 400 030
Tel.: 24959595, Fax: 24959494
Website: www.gsk-india.com
Email: askus@gsk.com
CIN: L24239MH1924PLC001151

Factory
Ambad, Nashik

Share Department
GSK House, Dr. Annie Besant Road,
Worli, Mumbai - 400 030
Telephone: 022-24959415/434
Fax: 022-24981526
Email: in.investorquery@gsk.com

Statutory Auditor
Deloitte Haskins and Sells LLP

Cost Auditor
R. Nanabhoy & Co.

Secretarial Auditor
Parikh & Associates

Solicitors
Khaitan & Co.,
Desai & Diwanji
Crawford Bayley & Co.
AZB & Partners

Bankers
Deutsche Bank
Hongkong and Shanghai Banking Corporation Limited

Registrar & Share Transfer Agent
KFin Technologies Limited
(Formerly Known as KFin Technologies Private Limited)
Unit: GlaxoSmithKline Pharmaceuticals Limited
Selenium Tower B, Plot No. 31 & 32 Gachibowli,
Financial District Nanakramguda,
Serilingampally, Hyderabad,
Telangana - 500 032
Tel. No.: 040-67162222
Fax No.: 040-23001153
Toll Free No.: 1800-3454-001
Email: einward.ris@kfintech.com
Website: www.kfintech.com

Notice

NOTICE IS HEREBY GIVEN THAT the Ninety-Seventh Annual General Meeting of GlaxoSmithKline Pharmaceuticals Limited will be held on **Tuesday, 26 July 2022 at 01.30 p.m.** through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31 March 2022 together with the Reports of the Board of Directors and Auditors thereon.

2. To declare Dividend on Equity Shares for the financial year ended 31 March 2022.

3. To appoint a Director in place of Mr. Subesh Williams (DIN: 07786724), who retires by rotation and being eligible, offers himself for re-appointment.

4. Re-Appointment of Deloitte Haskins and Sells LLP, Chartered Accountants as statutory Auditors of the Company

   To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Deloitte Haskins and Sells LLP, Chartered Accountants (Firm Registration No.117366W/W-100018) be and is hereby re-appointed as the Statutory Auditors of the Company for a term of five (5) years commencing from the conclusion of the 97th Annual General Meeting till the conclusion of the 102nd Annual General Meeting of the Company to be held in the Year 2027 on such remuneration as shall be decided by the Board of Directors of the Company;

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this Resolution."

SPECIAL BUSINESS

5. Appointment of Mr. Manu Anand as an Independent Director

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** Mr. Manu Anand (DIN: 00396716), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 16 May 2022 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 ("Act") and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed as the Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 152, Schedule IV and other applicable provisions of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the appointment of Mr. Manu Anand (DIN: 00396716), a Director of the Company, who has submitted a declaration as an Independent Director that he meets the criteria for independence as provided in section 149(6) of the Act and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from 16 May 2022 to 15 May 2027 be and is hereby approved."

6. Ratification of Remuneration to Cost Auditor

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to R. Nanabhoy & Company, Cost Accountants having Firm Registration No. 007464 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the year ending 31 March 2022, fees amounting to ₹ 6.56 lakhs plus payment of taxes as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 & 13 January 2021, 5 May 2022 (collectively referred to as "MCA Circulars") permitted the holding Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and

Notice

Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/OAVM.

2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 6 of the Notice, is annexed hereto. The relevant details, pursuant to Regulation 36(3) and (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are given in the Corporate Governance Report.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed with this Notice.

4. Corporate Members intending to send their authorized representatives to attend the Meeting through VC, pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with the specimen signature(s) of their representative(s) who are authorized to attend and vote on their behalf at the Meeting.

5. The Company has fixed Friday, 8 July 2022 as the Record Date for determining entitlement of members for final dividend for the financial year ended 31 March 2022, if approved at the AGM.

6. Dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source (TDS) will be made as under:

   - To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, 8 July 2022;

   - To all Members in respect of shares held in physical form as of the close of business hours on Friday, 8 July 2022.

7. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to KFin Technologies Limited, Registrar & Share Transfer Agent of the Company quoting their Folio number.

8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), bank mandate, nomination, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and for shares held in physical form pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3 November, 2021, the Company has sent individual letters to all the Members holding shares in physical form for furnishing their PAN, KYC details and Nomination forms, to the Company's Registrar and Transfer Agent, KFin Technologies Limited in case the shares are held by them in physical form by quoting their Folio Number.

9. If you have shares registered in the same name or in the same order of names but in multiple Folios, you are requested to send to the Company or KFin, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

10. Members are advised to register the nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is displayed on the Company's website and can be accessed at link www.gsk-india.com/investors.

11. In case of joint holders, attending the Meeting, only such joint holders who are higher in the order of the names will be entitled to vote.

12. Pursuant to the provisions of Section 124(5) of the Act the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. During the financial year, the dividend declared by the Company in respect of the financial year ended 31 March 2015, which is unclaimed, will be transferred to IEPF. Members who have not encashed their dividend warrants for subsequent period are requested to encash the same immediately.

13. Pursuant to the provisions of Section 124 (6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred all shares in respect of which dividend has not been encashed by the Members for seven consecutive years or more to the demat account of the IEPF Authority.

The Members/claimants whose shares, unclaimed dividend, etc. have been transferred to the Fund may claim the shares by making an application to IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) along with requisite fee as decided by the Authority from time to time. The Member/ claimant can file only one consolidated claim in a financial year as per the IEPF Rules and amendments thereto.

14. Action required to be taken by the members in case of non-receipt/non-encashment of dividends:

    In case of non-receipt/non-encashment of dividend warrants, members are requested to correspond with the Company's Registered Office/the Registrar and Share Transfer Agent.

Dividend	Financial Year	Dividend Declaration Date	Rate of Dividend per share (₹)	Due date for transfer to IEPF
68 Dividend	2014-2015	1/August/2015	63	5 September 2022
69 Dividend	2015-2016	29/July/2016	50	3 September 2023
70 Dividend	2016-2017	26/July/2017	30	30 August 2024
71 Dividend	2017-2018	25/July/2018	35	29 August 2025
72 Dividend	2018-2019	23/July/2019	20	27 August 2026
73 Dividend	2019-2020	27/July/2020	40	1 September 2027
74 Dividend	2020-2021	27/July/2021	30	31 August 2028

The Ministry of Corporate Affairs has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its Members through the electronic mode. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12 May, 2020, 15 January, 2021 and 13 May, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website (https://india-pharma.gsk.com/en-in/investors/shareholder-information), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. Members are requested to support this Green Initiative by registering/updating their e-mail addresses for receiving electronic communications.

Members who wish to register their email address/ bank account mandate may follow the below instructions-

Dematerialized Holding	Register/update the details in your demat account, as per process advised by your Depository Participant (DP)
Physical Holding	Register/update the details in prescribed form ISR-1 and other relevant forms with Registrar and Transfer Agents of the Company, KFin Technologies Limited at einward@kfintech.com Member may download prescribed forms from the Company's website at https://india-pharma.gsk.com/en-in/investors/shareholder-information/download-forms/

15. **The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market.** Members holding shares in electronic form are, accordingly, requested to submit their PAN to the Depository Participants with whom they maintain their Demat accounts. Members holding shares in physical form should submit their PAN to the Company.

16. **Members who have not registered / updated their email addresses with KFin Technologies, if shares are held in physical mode or with their DPs, if shares are held in electronic mode, are requested to do so for receiving all future communications from Company including Annual Reports, Notices, Circulars etc. electronically.**

17. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3 November, 2021. The aforesaid communication is also intimated to the stock exchanges and available on the website of the Company. Attention of the Members holding shares of the Company in physical form are invited to go through the said important communication under the weblink at https://india-pharma.gsk.com/en-in/investors/shareholder-information/download-forms/.

    Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate;

Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available on the Company's website under the weblink at https://india-pharma.gsk.com/en-in/investors/shareholder-information/download-forms/.

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI.

SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Automated Clearing House (ACH)/Real Time Gross Settlement (RTGS)/Direct Credit/IMPS/NEFT etc.

In order to receive the dividend without any delay, the Members holding shares in physical form are requested to submit particulars of their bank accounts in 'Form ISR–1' along with the original cancelled cheque bearing the name of the Member to KFin/Company to update their bank account details and all the eligible Members holding shares in demat mode are requested to update with their respective DPs before Friday, 8 July, 2022, their correct Bank Account Number, including 9 Digit MICR Code and 11 digit IFSC Code, e-mail ID and mobile no(s). Members holding shares in physical form may communicate these details to KFin having address at KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032, before Friday, 8 July, 2022 by quoting the reference folio number and attaching photocopy of the cheque leaf of their active bank account and a self-attested copy of their PAN card.

18. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

19. Queries on accounts and operations of the Company, if any, may please be sent to the Company on in.investorquery@gsk.com seven days in advance of the Meeting so that the reply can be made available at the Meeting.

20. The documents pertaining to the items of business to be transacted at the AGM are available for inspection in electronic mode. The Members may write an e-mail to in.investorquery@gsk.com by mentioning "Request for Inspection" in the subject. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice of the email.

21. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of Members w.e.f. 1 April, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, the Members are requested to refer to the Finance Act, 2020 and amendments thereof. The Members are requested to update their PAN with the Company/KFin (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual Member with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to einwardris@kfintech.com by Friday, 8 July, 2022. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident Members can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to einwardris@kfintech.com. The aforesaid declarations and documents need to be submitted by the Members by Friday, 8 July, 2022.

22. **VOTING THROUGH ELECTRONIC MEANS**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and the Secretarial Standards on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote at the 97th Annual General Meeting (AGM) by electronic means (remote e-voting) and the business may be transacted through e-voting Services provided by NSDL.

The facility for voting, through electronic voting system shall also be made available at the AGM and members attending the meeting through VC/OAVM who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.

i. The Members who have already cast their vote by remote e-voting prior to the AGM would be entitled to attend the AGM through VC/OAVM but shall not be entitled to vote at the meeting.

ii. The Remote E-voting period commences from 9.00 a.m. on Friday, 22 July 2022 and ends at 5.00 p.m. on Monday, 25 July 2022. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut-off date of Tuesday, 19 July 2022 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast vote again.

iii. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, 19 July 2022. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting. The members who have not cast vote through remote e-voting shall be entitled to vote at the meeting.

   Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at www.evoting.nsdl.com.

iv. Mr. P. N. Parikh (Membership No. FCS 327) and failing him Ms. Jigyasa N. Ved (Membership No. FCS 6488) and failing her Mr. Mitesh Dhabliwala (Membership No. FCS 8331) of Parikh & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting and the voting at the AGM in a fair and transparent manner.

v. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock and count the votes cast during the AGM and votes cast through remote e-voting and make not later than 48 hours of the conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

vi. The results will be declared at the Registered Office of the Company situated at GSK House, Dr. Annie Besant Road, Worli, Mumbai 400030 and the Resolutions will be taken as passed effectively on the date of Annual General Meeting. The said results along with the Scrutinizer's Report shall be placed on the Company's website www.gsk-india.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the shares of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company.

Instructions for Remote e-voting:

Members are requested to follow the instructions given below before they cast their vote through e-voting: Voting through electronic means.

The procedure and instructions for E-voting are as follows:

Step 1: Access to NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for Individual Members holding securities in demat mode

In terms of SEBI circular dated 9 December, 2020 on e-voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email ID in their demat accounts in order to access e-voting facility.

Notice

Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on **"Access to e-voting"** under e-voting services and you will be able to see e-voting page. Click on Company name or **e-voting service provider i.e. NSDL** and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or **e-voting service provider i.e. NSDL** and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Individual Members holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/Easiest, can login through their user ID and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest, the user will be also able to see the e-voting Menu. The Menu will have links of **e-voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-voting is in progress.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Notice

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for Members other than Individual Members are given below:

   a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those Members whose email IDs are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password**?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based on login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

How to cast your vote electronically and join General Meeting on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs@parikhassociates.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those Members whose email IDs are not registered with the depositories for procuring user ID and password and registration of email IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of Members, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to in.investorquery@gsk.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of consolidated account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to in.investorquery@gsk.com. If you are an Individual Members holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual Members holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user ID and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated 9 December, 2020 on e-voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

The Instructions for Members for E-Voting on the day of the AGM are as under:-

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

3. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for Members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL e-voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.

2. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

3. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in /1800-222-990

or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in / 022-24994360/+91 9920264780.

4. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at in.investorquery@gsk.com from Monday, 18 July 2022 (9:00 a.m. IST) to Thursday, 21 July, 2022 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questionsduring the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

By Order of the Board of Directors

A. Nadkarni
Company Secretary
FCS 10460

Mumbai, 16 May 2022

Registered Office:
GSK House, Dr. Annie Besant Road,
Worli, Mumbai 400 030.
CIN : L24239MH1924PLC001151
Email: askus@gsk.com
Telephone: 022-24959595
Website: www.gsk-india.com

Explanatory Statement pursuant to Section 102 of Companies Act, 2013

Item No. 4

The Members at the 92nd Annual General Meeting ("AGM") of the Company held on 25 July, 2017, had approved the appointment of Deloitte Haskins and Sells LLP, Chartered Accountants having Registration No 117366W/W-100018, as Statutory Auditors of the Company, to hold office till the conclusion of the 97th AGM.

The Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on 16 May, 2022, proposed the re-appointment of Deloitte Haskins and Sells LLP, Chartered Accountants having Registration No 117366W/W-100018 as Statutory Auditors of the Company for a term of five years commencing from end of the 97th Annual General Meeting till conclusion of the 102nd Annual General Meeting to be held in the year 2027, along with remuneration plus applicable taxes, out of pocket expenses, etc incurred in connection with the Audit as may be decided by the Board of Directors in consultation with the Auditors.

Deloitte Haskins and Sells LLP, Chartered Accountants is a multi-disciplinary Audit Firm catering to various clients in diverse sectors. Deloitte Haskins and Sells LLP, Chartered Accountants is a network registered with the ICAI.

Considering the evaluation of the past performance, experience and expertise of Deloitte and based on the recommendation of the audit committee, it is proposed to appoint Deloitte as statutory auditors of the Company for a second term of five consecutive years till the conclusion of the 102nd AGM of the Company in terms of the aforesaid provisions.

Brief profile of Deloitte

Deloitte Haskins & Sells was constituted in 1997 and was converted to a Limited Liability Partnership, Deloitte Haskins & Sells LLP ("DHS LLP" or "Firm"), in November 2013. DHS LLP is registered with the Institute of Chartered Accountants of India (Registration No. 117366W/W-100018). The Firm has around 4000 professionals and staff. DHS LLP has offices in Mumbai, Delhi, Kolkata, Chennai, Bangalore, Ahmedabad, Hyderabad, Coimbatore, Kochi, Pune, Jamshedpur and Goa. The registered office of the Firm is One International Center, Tower 3, 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai - 400013, Maharashtra, India. The Firm has been engaged in statutory audits of some of the large companies in the pharma sector.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said Resolution.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

Item No. 5:

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Manu Anand (DIN: 00396716) as an Additional Director with effect from 16 May 2022. In terms of Section 149 and other applicable provisions of the Act, Mr. Manu Anand, being eligible, was also appointed as an Independent Director of the Company for a term of 5 (five) consecutive years from 16 May 2022 to 15 May 2027 not being liable to retire by rotation, subject to the approval of Members. Mr. Manu Anand has consented to act as a Director of the Company and has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, Mr. Manu Anand fulfills the conditions specified in the Act and the Rules thereunder for appointment as Independent Director and he is independent of the management. He has also given a declaration that he is not disqualified or debarred by SEBI or any other statutory authority from being appointed or continuing as Director.

The Company has received a Notice in writing from a Member of the Company under Section 160 of the Act proposing the candidature of Mr. Manu Anand for the office of Director of the Company. Further, Mr. Manu Anand has confirmed that he is not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. Mr. Manu Anand has also confirmed that he is registered with the data bank of Independent Directors maintained by the IICA.

The details required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are provided in Corporate Governance Report. In compliance with the provisions of Section 149 of the Act and the Rules framed there under read with Schedule IV to the Act, and regulations 17 of SEBI Listing Regulations and other applicable Regulations, the appointment of Mr. Manu Anand as an Independent Director is now being placed before the Members at the General Meeting, for their approval. A copy of the draft letter of Appointment with him as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members in electronic mode.

The Members may write an email to in.investorquery@gsk.com by mentioning "Request for Inspection" in the subject of the email. The Board considers that his association with the Company would be of immense benefit to the Company and it is hence desirable to avail services of Mr. Manu Anand as an Independent Director.

None of the Directors, Key Managerial Personnel of the Company or their relatives other than Mr. Manu Anand are, in any way, concerned or interested, in the Special Resolution set out in Item No. 5 of the Notice.

Accordingly, the Board recommends the Special Resolution as set out in Item No. 5 of the Notice for the approval of the members of the Company.

Item No. 6:

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of R Nanabhoy & Company, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended 31 March 2022. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said Resolution.

The Board of Directors recommend the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

By Order of the Board of Directors

A. Nadkarni
Company Secretary
FCS 10460

Mumbai, 16 May 2022

Registered Office:
GSK House, Dr. Annie Besant Road,
Worli, Mumbai 400 030.
CIN : L24239MH1924PLC001151
Email: askus@gsk.com
Telephone: 022-24959595
Website: www.gsk-india.com

Directors' Report

The Directors of your Company are pleased to share their Report for the year ended 31 March 2022.

1. Financial Results for the year ended 31 March 2022

(₹ in crores)

Year	2021-22	2020-21
Continuing Operations:		
Revenue from operations	3218	2921
Other income	76	110
Total income	3294	3031
Profit before exceptional items and tax	762	626
Add / (Less): Exceptional items	12	(173)
Profit before tax	774	453
Less: Income tax expenses	(397)	(166)
Profit for the year from continuing operations	377	287
Discontinued Operations:		
Profit before tax from discontinued operations	1708	97
Less: Tax expense of discontinued operations	(394)	(26)
Profit from discontinued operations after tax	1314	71
Profit for the year	1691	358

2. Dividend

Your Directors are pleased to recommend a dividend of ₹90 per equity share (including special dividend of ₹60) for the year. This dividend for the year ended 31 March 2022 is subject to the approval of Members at the Annual General Meeting on 26 July 2022 and will be paid on or after 27 July 2022. If approved by the Members at the Annual General Meeting, the dividend will absorb ₹1525 crores. The Board of Directors of your Company had approved the Dividend Distribution Policy on 27 October 2016, and it is available on the Company's website (https://india-pharma.gsk.com/media/6486/dividend-distrubtion-policy.pdf)

3. Management Discussion and Analysis

1. Economy review

Indian economy and outlook

The Indian economy recovered from the pandemic-induced environment experienced in the previous year, witnessing sequential improvement as the year progressed. According to the Indian Economic Survey 2021-22 issued in February 2022, India's GDP is estimated to have grown 9.2% in FY 2021-22 after contracting 7.3% in the previous year. The rapid roll-out of vaccination drives along with fiscal and monetary policy measures have supported this economic recovery.

The geopolitical fallouts of recent times have further aggravated inflationary pressures and policy makers the world over will be on a tight balancing act. As a result, businesses will have to address supply chain disruptions and inflationary concerns through novel approaches.

2. Industry review and outlook

The Indian pharmaceutical industry is the third largest in the world by volume, making significant contributions to global health. According to ICRA, the pharmaceutical industry is expected to grow between 9-11% in 2021-22. The industry demonstrated commitment during the pandemic, by not only providing adequate medicines, but also contributing significantly to other areas such as sanitation, preventive healthcare and quarantine facilities. The industry was able to overcome the challenges posed by the pandemic by carefully evaluating the potential use of available drugs. According to the Indian Economic Survey 2021-22, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market stood at $ 42 billion in 2021 and is likely to grow to $ 65 billion by 2024.

The Indian pharma industry has been a key contributor to improving the country's healthcare and economic outcomes. The pandemic has enhanced several opportunities and challenges for the industry. To emerge as a winner in the post-pandemic world, the industry needs to continue building on its strength while enhancing focus towards innovation. New capabilities need to be introduced across business functions to improve skills and to enhance the value chain. The government also needs to provide the right enablers and a supportive business environment for growth.

3. Company overview

We aim to bring differentiated, high quality and essential pharmaceuticals and vaccines to as many people as possible, with our global business, scientific and technical know-how along with a diverse talent pool. Our greatest contribution is towards improving the health of people around the world and this clear ambition has resulted in our parent company, GSK plc, being ranked number one yet again in the Access to Medicine Index. Our three priorities - Innovation, Performance and Trust - help us realise our ambition for patients and drive robust growth for our shareholders and people.

Business performance

Pharmaceuticals

Our business continuity measures ensured consistent growth of our focus brands, with Augmentin, Calpol, Ceftum, T-Bact and Neosporin featuring amongst the top brands in the Indian Pharmaceuticals Market (IPM). However, some of our leading categories such as Dermatology had early setbacks due to physical distancing restrictions during the Covid-induced lockdowns.

Our pharmaceutical manufacturing team worked round the clock to fulfil increased demand for our key brands, especially for Calpol (paracetamol). This effort ensured that patients continued to have access to this important medication during the pandemic. The first quarter of the financial year coincided with the second wave of the pandemic and presented an opportunity to serve significant sections of our population with brands like Calpol. Therefore, many of our key brands witnessed strong growth fueled by disciplined execution, enhanced digital capabilities and agility in the market, resulting in again in market share and higher-than-market evolution index.

Adapting to the Covid lockdowns, your Company's field force remained active on the ground, using digital channels effectively to engage remotely with Healthcare Professionals (HCPs). Your Company's robust digital infrastructure proved to be a reliable means of communicating the science behind our medicines. Touchpoints were increased to over 40 million across teams through enhanced use of tele-calling, webinars and emailers, coupled with adoption of technology platforms for virtual detailing such as Veeva Engage. Your Company also successfully launched a line extension with Augmentin ES deploying technology in reaching out to key specialists in ear, nose and throat (ENT) and Paediatrics practice.

Throughout the period of multiple pandemic waves, your Company focused on skill enhancement of its field force to upgrade their skills and efficiencies amid the new norms of functioning. As a result, your Company's representatives were amongst the first in the industry to prudently adopt all necessary personal safety and physical distancing guidelines to resume field work. In line with the changing business realities, your Company adapted its in-clinic communications to the need for delivery of key messages with greater immediacy and impact.

These initiatives led to market share consolidation and gains in competitive performance for your Company across the categories of Anti-infectives, Pain, Dermatology and Vitamins. Augmentin and Calpol have figured consistently amongst the top 5 brands in the Indian Pharmaceuticals Market (IPM) with Evolution Index above market.

Your Company also repositioned Eltroxin as a women-centric brand. An HCP-focused campaign was started for creating awareness and better diagnosis in hypothyroidism roping in Indian playback singer, Neha Kakkar, as the brand ambassador for Eltroxin to share her experiences about her thyroid disorder.

Besides leading the topical antibiotics market, your Company has been making gains consistently in the topical corticosteroids and emollient categories. Within the growing moisturiser category, Physiogel emerged as one of the fastest growing brands driven by some innovative social media campaigns and online organised trade channels. Even though Dermatology was one of the impacted segments during Covid, your Company further consolidated its leadership in this segment during the year by remaining digitally engaged with key opinion leaders. Virtual platforms, such as Tell e-Skin, PG-ki-Paathshaala were deployed during the lockdown periods to disseminate the opinions and information shared by Dermatology experts with general practitioners, paediatricians and PG students on diagnosis and use of steroids, thereby improving the outcome for patients.

Biologicals

Over the past couple of years, globally, the role of vaccines has not only been better understood but has also been appreciated, giving GSK an opportunity to protect people as well as deliver growth. Your Company currently markets 10 vaccines across age groups - infants, adolescents and adults.

The financial year 2021-22 saw six of your Company's vaccines featuring amongst the top 15 vaccines in the self-pay market (IQVIA MAT March 2022). Though the vaccines self-pay market is estimated to be over ₹ 2,285 crores, it is currently not reflecting any value growth (IQVIA MAT March 2022) on account of the slower uptake of vaccination during the Covid waves.

Your Company launched vaccination awareness campaigns during the year. Former captain of the Indian national cricket team and prolific scorer of sixes, MS Dhoni, featured in the 6 in 1 vaccination campaign to raise awareness about combination vaccination with the tagline 'Less injections, less pain' for infants. Also featured was Kareena Kapoor Khan, Indian actress and an aspirational icon for mothers, in the Health Ka Passport campaign to raise awareness about routine immunisation for children.

During the year, we launched a new vaccination awareness website (www.myvaccinationhub.co.in) that provides parents with vaccination related information. It also has an interactive vaccination tracker tool, reminding users about missed or upcoming vaccinations.

An innovative and industry-first HCP vaccine ordering app called VaxiKart was also launched. This app enables HCPs to order GSK vaccines from their preferred distributors.

We plan to grow our vaccines business by optimising our portfolio and expanding into newer segments. During the year, we got approval for Herpes Zoster (Shingrix) vaccine for prevention of Herpes Zoster (HZ) and Post-Herpetic Neuralgia (PHN) it causes in adults over 50 years of age. Its launch plans are currently underway.

Specialty

Nucala is the first anti-IL5 drug launched in India (March 2019) for patients suffering from severe eosinophilic asthma (SEA) in adults. Since its launch, Nucala has positively impacted many patients' lives across India by reducing exacerbations and hospitalisations, helping patients to reduce and even stop their oral corticosteroids.

We also launched the Nucala auto-injector formulation in June 2021 that enables patients to self-administer Nucala without the need for hospital visits. The auto-injector provided much needed compliance and ease during the pandemic-induced travel restrictions. The commercial and medical teams have actively engaged pulmonologists in the country to disseminate the robust clinical and real-world evidence of Nucala.

During the year, we organised RespiTalk roundtable meetings and forums led by experts on Severe Asthma across India, to increase understanding regarding the diagnosis of severe eosinophilic asthma, along with choosing the right treatment options based on phenotyping.

We launched Trelegy Ellipta in India, the country's first single inhaler triple therapy (SITT) in a once-daily regime for chronic obstructive pulmonary disease (COPD) patients. The product was approved by the Drugs Controller General of India (DCGI) as a maintenance treatment to prevent and relieve symptoms associated with COPD patients aged 18 and above.

Supply chain and manufacturing excellence

Our manufacturing facility in Nashik, along with our Contract Manufacturing Organisations (CMOs), are consistent with our pursuit of excellence, ensuring that we tided over supply chain disruptions caused by the pandemic, to provide unhindered supply of products to patients. We de-risked operations by enhancing capabilities of existing CMOs and developing alternate product sources in vicinity of demand nodes and devising business continuity plans including re-aligning resources to execute them. Some of the key highlights were:

- Over 3 million safe man-hours without reportable illnesses
- Over 0.7 million safe man-hours without reportable injuries
- Installed 100 KWP Solar PV System

Increase in production capabilities, particularly for products such as Calpol and Eltroxin, expansion of our fleet count and the continued measures of Covid-appropriate behaviours at each of our CFAs were some of the hallmarks that ensured each link of our supply chain remained resilient to ensure last-mile connectivity.

Warehousing and distribution

Responding to the unprecedented challenges during the year, the warehousing and distribution team moved with agility, collaborating with our vast network of stockists, warehouses, and contract manufacturing facilities. This not only improved access to quality healthcare, but also ensured that the supply chain network was not disrupted during the lockdown period.

The warehousing and distribution network comprising of more than 30 contract manufacturing facilities, 26 warehouses and 6,000 stockists continued to provide high levels of customer service on time.

We continued to implement automation and digitalisation initiatives, helping rationalise costs, and driving excellence every step of the way to pharmacies, healthcare professionals' clinics and patients.

4. Opportunities, risks, concerns and threats

With the pandemic came lockdowns and resulting disruptions to normal functioning of pharmaceutical businesses. Healthcare professionals continued practising at their clinics, as patient footfall through most of the year continued to remain comparatively low. This impacted prescription generation and demand for pharmaceuticals and vaccines.

Adapting learnings from the pandemic, we put in place agile business continuity processes, ensuring optimum levels of production and supply chain reliability are maintained. Over the medium- to long-term, we remain positive about delivering healthy growth.

Adverse regulations on product prices may impact revenues and profit margins, as we operate in a price-regulated market. We periodically assess our product portfolio to make it more diversified, with focus on high-volume growth products and operational efficiencies to control costs. With the revised National List of Essential Medicines (NLEM), expected to be released by the government later in 2022, we are engaging in various stakeholder discussions on NLEM.

We continue to adopt emerging technologies and expand the use of digital tools to equip our commercial teams with capabilities to better understand the needs of healthcare professionals, through innovations such as the My Vaccination Hub web portal and the HCP Persona Tool, a digital platform which leverages emerging technologies for better understanding of behavioural trends of healthcare professionals.

5. Finance and accounts

Revenue from continuing operations increased by 10% during FY 2021-22. This increase was mainly driven by growth in our General Medicine and Specialty portfolio, where we continued to gain market share in the respective categories. Our focus on key brands helped us revitalise growth, particularly in the Anti-infectives, Dermatology and pain therapeutic areas, as we notched up our strategy to reach more patients. While our Vaccines business was impacted due to low vaccination rates, many of our key brands witnessed strong growth backed by disciplined execution. We continued to maintain leadership in the private vaccines market resulting in market share gains. The revenue from operations for the year are not strictly comparable with that of the previous year, on account of the impacts of Covid-19.

Profit before exceptional items and tax along with EBITDA from continuing operations, increased by 22% and 26% respectively, as compared to previous year. The tax expenses for the year have been impacted by provisions in respect to earlier years towards possible disallowances of expenses which are under litigation. Adjusting for these tax provisions for earlier years and any exceptional items, Profit After Tax has increased by 20%. During the year, your Company also completed the transfer of the trademarks pertaining to 'Iodex' and 'Ostocalcium' brands in India, along with legal, economic, commercial and marketing rights of such brands and other identified assets to GlaxoSmithKline Asia Private Limited, which form part of the profits from discontinued operations.

Despite the difficult external environment, cash generation from operations remained strong during the year and was in line with the good underlying business performance. The Company focused its efforts on achieving working capital efficiencies and faster cash conversion. The Company also continued its efforts towards pursuing refunds from the tax authorities for past years.

There are no loans or guarantees given, securities provided, and investments covered under Section 186 of the Companies Act, 2013. The Company has not accepted any fixed deposits during the year. There was no outstanding amount towards unclaimed deposits payable to depositors, as on 31 March 2022. Further, there are no significant or material orders passed by regulators, courts or tribunals, which impact the going concern status of the Company and its future operations. There are also no material changes and commitments affecting the financial position of the Company as on the date of this report.

Financial Ratios

Key Financial Ratios	Year ended	31-Mar-22	31-Mar-21
Profitability Ratios			
Operating Profit Margin (%)	Profit from Operations/ Sale of Products	21.79%	19.48%
Net Profit Margin (%)*	Profit after Tax (excl. exceptional)/ Revenue from operations	11.85%	16.61%
Return on Net Worth*	Profit after Tax (excl. exceptional)/ Shareholders equity	21.71%	26.37%
EBITDA %	EBITDA/Revenue from operations	23.57%	21.76%
Return on Capital Employed	Profit before tax (excl. Exceptional) / Net Worth	43.49%	35.90%

Directors' Report

Key Financial Ratios	Year ended	31-Mar-22	31-Mar-21
Efficiency Ratios			
Current Ratio	Current assets# / current liabilities	2.19	1.51
Inventory turnover ratio	Sale of products / Average inventories	6.73	6.28
Debtors turnover ratio	Sale of products / Average trade receivables	16.58	20.04

Ratios are calculated including profits from discontinued operations but excludes the impact of sale of brands and identified assets and other exceptional items (Refer Note 40 and 55 of the Standalone Financial Statements).

*Net profit margin (%) excluding the impact of tax adjustment of prior years would be 17.19%, Return on Net Worth would be 28.69%.

Current Assets includes cash and bank balance which is mainly on account of cash received from sale of brands.

6. Regulatory affairs

The following applications were submitted to Central Drugs Standard Control Organisation (CDSCO) for marketing authorisation in India:

- Adsorbed Diphtheria, Tetanus, Pertussis (Acellular Component) and Inactivated Poliomyelitis vaccine I.P. (Infanrix-IPV) for active immunisation in infants from the age of two months against diphtheria, tetanus, pertussis and poliomyelitis, as well as a booster dose for children who have previously been immunised with diphtheria, tetanus, pertussis (DTP) and polio antigens
- Label expansion of Mepolizumab Solution for Injection (Nucala) to include two additional indications viz. Eosinophilic granulomatosis with polyangiitis (EGPA) and Hypereosinophilic syndrome (HES) in adults
- Marketing authorisation was successfully obtained for Herpes Zoster (Shingrix) vaccine for prevention of Herpes Zoster (HZ) and Post-Herpetic Neuralgia (PHN), in adults 50 years of age or older, along with an alternate ready-to-use liquid formulation of Rotavirus vaccine (Rotarix liquid)

We also applied to CDSCO for two Global Clinical Trial Applications to conduct a multi-country phase 2 study with Belantamab Mafodotin, in participants with Relapsed or Refractory Multiple Myeloma, along with a Phase 1/Phase 2 study with Staphylococcus aureus vaccine, for prevention of staphylococcal infections respectively.

The following Clinical Trial Applications were also approved during the year:

- A Global Clinical Trial Application for conducting a multi-country phase 3 study with Respiratory Syncytial Virus (RSV) Maternal (RSVPreF3) vaccine in India [Study RSV-MAT-012]
- A local Phase 3 Clinical Trial Application for Herpes Zoster Vaccine (Shingrix) [Study Zoster-081]
- A real-world evidence, post marketing observational non-interventional study with Mepolizumab Injection in Emerging Markets [Nucala Effectiveness Study (NEST)]

These filings and approvals will enable timely access to new and innovative therapeutic options and vaccines for patients in India, besides improving compliance and convenience of use with new formulations.

7. Medical affairs and medical governance

During the year, we launched several innovative digital programmes targeted at changing the ways in which we connect with our HCPs and key external experts.

The GSK Anti-infectives medical team has been at the forefront of driving correct science through local, regional, and national meetings, and prestigious congress presentations, as well as participating in industry-wide stakeholder consultations on combating antimicrobial resistance (AMR). The Primary Care medical team delivered over 200 scientific presentations to over 30,000 HCPs and conducted more than 300 one-on-one interactions with experts, including ear, nose and throat specialists (ENTs).

At GSK, we are advancing science through Phase 4 clinical trials that generate evidence on the safety and efficacy of our drugs in patients, along with several successful publications driving strong scientific messages on the appropriate use of antibiotics and reducing AMR.

In 2022, our Medical Affairs team has been leading 'ASCENT', a programme on 'Advanced Surgical Conclave for ENTs' for disseminating high science to ENTs on advancements in surgery and perioperative infection management.

Through more than 900 scientific presentations to over 30,000 HCPs and approximately 1,500 one-on-one scientific interactions with dermatologists, the Dermatology medical team continued its efforts to drive scientific discussions on appropriate use of topical steroids and various important dermatological diseases. The Dermatology medical team created E-Clinics, a learning platform for post-graduate education of young physicians through case clinics conducted across the country throughout the year.

In addition, the 'Dermatosis Case Study' clinics are designed to exclusively engage key institutional dermatology experts through interesting clinical discussions on systematic approach. The 'Challenging infectious diseases of skin' initiative is aimed at driving interactive, case-based discussions on challenging clinical scenarios in skin infections amongst Dermatologists. The popular 'PG ki Pathshala' continues to be rolled out to help strengthen connect with Dermatology PG students and teachers through robust educational programmes.

Your Company is generating real-world data on Mepolizumab (Nucala) use in India by running clinical studies in patients with severe asthma. The efforts towards generating real world India-specific data in severe eosinophilic asthma would not only help pulmonologists be confident in the safety of newer biologics but also ensure the eligible patients get the right treatment at the right time. Your Company's medical team is also ensuring that the patients are supported with the timely diagnosis of severe eosinophilic asthma as well as continue their biologic therapy from the convenience of their homes despite Covid-related restrictions. As a team, we have delivered over 1,300 scientific presentations through virtual and physical GSK standalone scientific promotional meetings (SPMs), national and regional webinars and focused group discussions, engaging more than 50,000 HCPs across the country.

8. Human resources

GSK aims to be a Company where outstanding people thrive. We provide an inclusive work environment in which we develop our talent, reward great performance, protect our people and value our differences. We believe that such an environment for our employees is essential to best deliver on our ambition for patients.

Your Company was recognised as one of India's Best Workplaces in Health & Wellness 2021 by Great Place to Work Institute. Your Company was also recognised as one of the 100 Best Companies for Women in India 2021 by Working Mother and Avtar, a diversity, equity and inclusion solutions firm.

Organisational culture

GSK has globally rolled out its new purpose, strategy and culture to deliver a step-change in growth and performance. To bring alive this change in India, cultural immersion workshops were conducted with senior management personnel to familiarise them with nuances of the change and cascading them to their teams.

Your Company conducted an organisation-wide annual culture survey to undertake a dipstick of the perception of culture. A score of 91% in the survey results demonstrated strong, continued engagement and connect amongst employees. They expressed confidence in our purpose, doing the right thing in addressing health needs, prioritising patient and product safety and acting with integrity and care.

Inclusion and diversity

Our inclusion and diversity agenda is central to the organisational culture that we are striving to foster within GSK. Your Company has strengthened the diversity in its workforce with 26% female diversity in hiring.

Your Company aims to ensure that its employees are empowered to be themselves, feel good and keep growing. Other supportive initiatives such as the Women's Leadership Initiative, which functions as one of our Employee Resource Groups (ERGs), are being prepared to identify and report inclusion-related issues. Spectrum, our other ERG, provides a similar supportive and nurturing forum for GSK employees across the spectrum of sexual orientation or gender identities, where they have the freedom to truly be themselves.

WeLeAP is an initiative which aims to develop women professionals by enhancing their confidence, credibility, capability and connections. Another initiative involves hiring more young women in sales roles from pharma and science colleges located in tier-2 cities. Another pilot underway is Resurge or Second Careers for Women programme. As a part of this initiative, we are working with various NGOs and civil society organisations to induct women on a career break, after matching skillsets with role requirements. We are also leveraging digital platforms such as the Woloo app, which helps women employees on the move to easily locate safe and hygienic washrooms.

Learning and development

GSK has developed several in-house competencies to meet the diverse learning needs of our employees.

Our virtual university, Keep Growing Campus, provides a blended e-learning and experiential learning space to enable on-the-go learning.

Our First Line Leaders (FLLs) undergo training through the Lakshya programme which serves to spot and develop potential talent through an academia-oriented approach. This year, another programme called First Line Leader Training was conducted for all first-time team leaders, with a focus on four themes — 'motivate', 'focus', 'care' and 'develop'.

Career progression trainings are offered through programmes like Catalyst that work with FLLs over a four-month period and use a blend of training, development and evaluation to prepare them to take on roles of Second Line Leaders (SLLs).

Your Company's One80 programme works at building openness and interactivity within the relationship that managers share with their teams. As a part of this programme, team members give feedback on their managers, which is also aligned with performance and evaluation systems and help people managers refine their interactions with their teams.

The Global Employee Recognition is an avenue through which managers can recognise employees championing GSK's priorities and achieving its objectives. A sales incentive scheme is also in place which recognises both productivity and outcomes through efforts put in by our field force.

Leveraging technology to deliver solutions to employees

The Service Now portal, an online case management and resolution platform, was introduced to resolve employee queries related to various HR processes that could be raised via tickets, tracked and addressed. The introduction of this platform has ensured resolution of HR-pertinent queries for employees across the organisation with transparency and accountability.

Employee relations

Your Company works with unions for the mutual benefit of its members and provides them forums to voice their opinions and effectively represent themselves. Your Company considers these unions to be an integral part of its business and growth. Four unions, based on the selling area zones (North, East, West and South), represent the Medical Business Associates (MBAs) in their respective locations. The union in the West Zone also represents employees of the Nashik manufacturing facility. The management and all the four unions of your Company have recently signed long-term wage and benefits settlements, operative for a period of four years i.e. till 30 September 2023. Your Company is grateful to its unions for their positive contributions and maintenance of cordial industrial relations.

Prevention of sexual harassment at the workplace

Your Company has a policy to make the workplace safer, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (India) and the rules thereunder. Your Company has established Internal Committees (ICs) across different zones and manufacturing facilities to address any kind of sexual harassment (SH) complaints. All the members of these ICs are trained to handle such complaints. During the year, your Company received two sexual harassment complaints and two sexual harassment complaints were already under investigation. All four complaints have been closed. Your Company aims to further increase awareness around prevention of sexual harassment and the working of ICs through refresher e-learning modules and training programmes.

Employee health and well being

Building a positive environment for our employees and taking care of their holistic healthcare needs has been an ongoing priority.

Our preventive healthcare programme, Partnership for Prevention (P4P), continues to be available to all our permanent employees and their dependents, as a corollary of the group medical insurance programme, providing 40 preventive healthcare services at little or no cost. These include immunisation for adults and children, preventive examinations covering disease clusters such as cardiovascular health and diabetes, communicable diseases, cancer screenings and women's health issues.

The Employee Assistance Programme (EAP) enables access to professional, confidential counselling through a 24-hour helpline to your Company's employees.

Effective January 2022, existing coverages under the medical insurance scheme for your Company's employees in domains such as maternity coverage and home quarantine expense coverage have been increased. In alignment with our larger inclusion and diversity initiatives, gender reassignment surgery has also been added to the list of coverages.

GSK designed several special support packages to help our employees and their families through the Covid pandemic.

- **Oxygen support:** Oxygen concentrators were available at the GSK offices at Ahmedabad, Bengaluru, Chennai, Delhi, Gurugram, Hyderabad, Kolkata, Lucknow, Mumbai, Nashik and Patna.

Oxygen concentrators were made available on first-come, first-served basis for our employees and their dependents.

- **Accommodation to facilitate self-isolation:** We partnered with GIG hospitality, a hotel service provider, to offer rooms at very reasonable rates, in more than 130 mid-size hotels, across 29 cities for those seeking self-isolation on a self-pay model.
- **Home isolation packages:** In association with PORTEA Medical, GSK devised three home isolation programmes which could be used by asymptomatic to mild or moderate symptomatic Covid positive patients.

These timely initiatives helped to alleviate the difficulties that many families faced during those difficult months.

Environment and Human Health, Safety, and Security (EHSS)

The GSK head office in Mumbai was conferred the 'Safe Place to Work' recognition by Equinox Labs, a food, water and air testing lab. Your Company also introduced 12 'Life Saving Rules' with an aim to ensure all employees get home safely. Nine of these rules are for job-specific roles while three of them are applicable to personnel across departments.

Your Company is subject to Extended Producer Responsibility (EPR) obligations, and we have collected 1,583.31 MT of post-consumption plastic garbage from across India until January 2022. The garbage was subsequently properly disposed of in an environmentally friendly manner. By the end of March 2022, we had collected 1,652.75 MT of total plastic garbage. Our Nashik manufacturing facility has been focused on Single Use Plastic Reduction (SUPR) and has eliminated 268 kgs in 2021. The Nashik site also has programmes in place to reduce water consumption, CO_2 emissions, and hazardous waste.

9. Corporate social responsibility (CSR)

Giving back to society is integral to how your Company operates. With continued efforts in CSR activities, we have contributed significantly to society. The focus of our CSR efforts, during the year, was on impacting life-changing and lasting differences in human health by addressing the healthcare burdens of accessibility, affordability and awareness.

Education

The GSK Scholars programme enables meritorious, but financially disadvantaged students to study Medicine from government colleges. Under this scholarship, a sum of upto ₹ 1,00,000 is granted over a four- and a half year period to cover the academic expenses incurred for the MBBS programme. The programme aims to make STEM education accessible within the country as it is one of the most expensive educational streams and every year, countless eligible students cannot pursue this line of education due to shortage of funds.

117	32 million	10,000+	5,200+
students benefitted across 15 states	tablets contributed for elimination of LF	children supported through water, sanitation and hygiene (WASH) initiatives	employee volunteering hours

Partnering India to eliminate lymphatic filariasis (LF)

In India, more than 650 million people are at risk across 272 districts. We have been donating albendazole tablets, used during mass drug administration (MDA) to the World Health Organization (WHO) since the inception of the programme in 2000. We have donated nearly 3 billion albendazole tablets to WHO for distribution in affected areas and have pledged to donate albendazole for as long as needed to help eliminate LF as a public health issue from the country.

During FY 2021-22, 32 million tablets were contributed for elimination of LF. We partnered with Project Concern International (PCI) and have been working to mobilise lymphedema and hydrocele patients and connect them with the services in endemic districts of Unnao, Sitapur in Uttar Pradesh. The project assists the state government in updating the line listing of patients—both hydrocele and lymphedema (based on the symptoms).

'Trust in Science' initiative

The life sciences industry faces acute shortage of well-trained and experienced biostatisticians and bio-informatics professionals. Under our 'Trust in Science' (TiS) initiative, your Company partnered with the Regional Centre of Biotechnology (RCB), an academic institution established by the Department of Biotechnology, Government of India, to support 12 PhD students over almost seven years, as they pursue their research. Through this, we hope to promote scientific and technological cooperation that has mainstream impact.

Employee volunteering

In 2021, we contributed over 5,200 volunteering hours towards varied social causes. Volunteering is one of the key mechanisms that we have chosen to channelise our employees towards societal good. At GSK, we strive to strengthen communities and bring the change that we wish to see in this world through volunteering.

The CSR policy of GSK can be accessed on our website (https://india-pharma.gsk.com/media/6492/csr-policy_revised-310715.pdf). A detailed report on the CSR programmes undertaken during the year is provided in Annexure 'A' to the Directors' Report of this Annual Report.

10. Risk management

The significance of risk management holds an important place in the management of a healthcare company. We focus on delivering products to serve millions of patients across the world. Hence, risk management goes beyond ensuring business success, gaining investor confidence or ensuring regulatory compliance. An adverse impact on the business could result in disruption to patient service, directly impacting quality and sustenance of human life.

We take immense pride in our culture, including the maturity of our risk management processes. Our risk management culture is driven via the Internal Control Framework (ICF) model which is approved by the Global GSK Leadership Team (GLT) and global Risk Oversight and Compliance Council (GROCC). At a country level, the Risk Management and Compliance Board (RMCB) is responsible for promoting the 'tone from the top' and an appropriate risk culture, in addition to ensuring effective oversight of internal controls and risk management processes. The risk management process is monitored by the RMCB on a regular basis (minimum bimonthly meetings). The Risk Management Framework, covering business, operational and financial risks, is also reviewed twice a year by the RMCB and presented to the Risk Management Committee of the Board of Directors.

Each function maintains risk registers where each risk is described, the root cause is identified, along with existing controls and monitoring. Mitigation actions along with owners and timelines are agreed upon. All significant risks are discussed at the bimonthly RMCB and then subsequently, at the Risk Management Committee of the Board at least twice a year.

Real-time internal risk management processes ensure that your Company is able to manage any crisis, including black-swan events like the global pandemic. The maturity of the process has changed the approach from risk mitigation to risk-resilience. This has helped with timely business decisions aligned with the risk appetite and culture, helping to ensure our brands remain available to our patients and customers, during the most challenging pandemic times.

At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of GSK.

Vigil mechanism

Your Company has a 'Speak Up' programme which offers people, whether working for GSK or not, a range of channels to voice concerns and report any misconduct. The Speak Up channel and procedures encourage everyone to raise concerns about potential unethical, illegal or inappropriate conduct and assures confidentiality and protection from retaliation, retribution or any form of harassment to those reporting such concerns.

An independent third party manages these reporting lines and calls are logged through their central system to ensure the integrity of the programme. We endeavour to treat all questions or concerns about compliance in a confidential manner, even if the person reporting a question or concern identifies himself/herself. We also have an extensive and widely communicated process to prevent and take disciplinary action, and deter acts of sexual harassment. The Speak Up channels can be accessed on our website (https://gsk.com/speakup).

We also have in place a whistleblower policy, to provide a mechanism for its employees/external stakeholders to approach local/group management or the Chairperson of the Audit Committee in case of any grievance or concern (accindrx.audicomitteechairmangskindiarx@gsk.com).

The GSK Code can be accessed on our website (https://www.gsk.com/en-gb/about-us/codes-and-standards/codes-and-standards).

11. Internal control framework

We conduct our business with integrity and high standards of ethical behaviour, in compliance with the laws and regulations that govern the business. Our Internal Control Framework (ICF) is a comprehensive enterprise-wide risk management model and supports the continuous process of identification, evaluation and management of the Company's risks. ICF is supported by standard operating procedures, policies and guidelines, including suitable monitoring procedures and self-assessment exercises.

Compliance with laws and regulations is monitored through a well-crafted framework. As required by the Companies Act 2013, we have implemented an Internal Financial Control (IFC) framework. We continue our annual Independent Business Monitoring (IBM), designed by GSK plc to review activities, data, exceptions and deviations, for monitoring and improving the quality of operations.

As part of the due diligence activities for onboarding of vendors and third parties engaged by us, they are required to confirm compliance with our corporate values through a detailed Third Party Oversight (TPO) process.

As an annual exercise, our senior executives review and confirm adherence to GSK plc's IFC. The GSK Code (https://www.gsk.com/media/7727/the-code-printable-version.pdf) sets out the commitments your Company and its employees make to get ahead together – so we can deliver on our ambition in the right way, bring our culture to life and make GSK an exciting and inspiring place to work. During the year, an enterprise-wide training was undertaken for all employees on 'Protecting GSK everyday', 'Focusing on Anti Bribery & Corruption (ABAC)' and 'Creating an Inclusive Workplace'. These trainings presented scenarios that explored our values and their application to our ways of working and risks such as those associated with information security, privacy, Anti-Bribery and Corruption (ABAC), inclusion & diversity, and conflicts of interest.

4. Directors

Ms. P. Thakur, ceased to be whole-time Director & Chief Financial Officer of the Company with effect from closing hours of 31 March 2022. Mr. M. Dawson would cease to be Director with effect from 30 June 2022. The Board places on record their appreciation of the valuable services rendered by Ms. P. Thakur and Mr. M. Dawson during their tenure and for their contribution to the deliberations of the Board.

Mr. S. Venkatesh was re-appointed as Managing Director for a period of one year from 1 April 2022. Mr. J. Chandy was appointed as Whole-time Director and Chief Financial Officer of the Company for period of three years from 1 April 2022. Both their appointments have been approved by the Members through Postal Ballot.

As per the provisions under Section 149 of the Companies Act, 2013, the Board and Members have approved the appointment of all the existing Independent Directors viz. Mr. P. V. Bhide, Mr. N. Kaviratne, Mr. A. N. Roy and Mr. D. Sundaram for second term of five years from 30 March 2020 and Dr. (Ms.) S. Maheshwari for a first term of five years from 18 May 2020. Mr. Manu Anand's first term of five years would be approved in upcoming AGM by the Members.

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149 (7) of the Companies Act, 2013, stating that they meet the criteria of Independence as provided in sub-section (6).

During the year ended 31 March 2022, seven Board & six Audit Committee Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

5. Remuneration Policy and Board Evaluation

In compliance with the provisions of the Companies Act, 2013 and Regulation 27 of the Listing Obligations & Disclosures Regulations (LODR), the Board of Directors on the recommendation of the Nomination & Remuneration Committee, adopted a Policy on remuneration of Directors and Senior Management. The Remuneration Policy is stated in the Corporate Governance Report. Performance evaluation of the Board was carried out during the period under review. The details are given in the Corporate Governance Report.

6. Familiarization programmes for the Independent Directors

In Compliance with the provisions of LODR, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model, etc. It is also available on the Company website:

http://india-pharma.gsk.com/en-in/investors/shareholder-information/policies/.

7. Particulars of Contracts and Related Party Transactions (RPT)

In line with the requirements of the Companies Act, 2013 and LODR, your Company has formulated a policy on RPT. All RPTs entered into, during the year ended, were on arm's length basis and were in ordinary course of business. There were no materially significant RPTs with the Promoters, Directors or Key Managerial Personnel which may have a potential conflict of interest of the Company at large. The Policy of RPTs can be accessed on the Company website:

http://india-pharma.gsk.com/en-in/investors/shareholder-information/policies.

All RPTs are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for RPTs on a quarterly basis for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at arm's length. All RPTs are subject to independent review by a reputed accounting firm to establish compliance with the requirements of RPTs under the Companies Act, 2013 and LODR.

8. Directors' Responsibility Statement

Your Directors confirm:

(i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

(ii) that the Directors have selected such accounting policies and applied them consistently and made judgements 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 on 31 March 2022 and of the profit of the Company for the year ended on that date;

(iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the Directors have prepared the annual accounts on a going concern basis;

(v) that proper internal financial controls laid down by the Directors were followed by the Company and such internal financial controls are adequate and were operating effectively and;

(vi) that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively.

9. Annual Return

In line with the requirement of the Companies (Amendment) Act, 2017, effective from 31 July 2018, the extract of annual return, is no longer required to be part of the Board's Report. However, copy of the Annual Return is available on the Company's website (https://india-pharma.gsk.com/en-in/investors/shareholder-information/annual-return/).

10. Corporate Governance & Business Sustainability Report

Your Company is part of the GSK plc group and conforms to norms of Corporate Governance adopted by them. As a Listed Company, necessary measures are taken to comply with the Listing Obligations & Disclosures Regulations, 2015 (LODR) with the Stock Exchanges. A Business Responsibility Report, describing the initiatives taken by your Company from an environmental, social and governance perspective, given in Annexure 'B', forms a part of this Report. A report on Corporate Governance, along with a certificate of compliance from the Auditors, given in Annexure 'C', forms a part of this Report.

11. Auditors

As per the provisions of section 139 of the Companies Act, 2013, Deloitte Haskins and Sells LLP, Chartered Accountants were appointed as the Statutory Auditors of the Company for a period of five years at the 92nd Annual General Meeting held on 25 July 2017 to hold office from the conclusion of the said Meeting till the conclusion of the 97th Annual General Meeting to be held in 2022 on a renumeration to be determined by the Board of Directors.

Subject to the approval of the Members, the Board of Directors has recommended the re-appointment of Deloitte Haskins and Sells LLP, Chartered Accountants as the Statutory Auditors of the Company for the second term of five years effective conclusion of this Annual General Meeting. Member's attention is drawn to a Resolution proposing the reappointment of Deloitte Haskins and Sells LLP as Statutory Auditors of the Company, which is included as Item No 4 of the Notice convening the Annual General Meeting.

Pursuant to the provisions of section 204 of the Act, and the Rules made there under, the Company has appointed Parikh & Associates, Practicing Company Secretaries, to undertake Secretarial Audit of the Company for the financial year March 31, 2023. The Report of the Secretarial Auditor is annexed to the Board Report as Annexure 'D' which forms a part of this Report. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

Pursuant to Section 148 of the Companies Act, 2013, the Board of Directors on the recommendation of Audit Committee have appointed R. Nanabhoy & Co., Cost Accountants for conducting the audit of the cost accounting records maintained by the Company for its Formulations for the year 2022-2023. The Committee recommended ratification of remuneration for year 2021-22 to the Members of the Company at the ensuing Annual General Meeting.

12. Transfer of Equity Shares Unpaid/Unclaimed Dividend to the Investor Education Protection Fund (IEPF)

In line with the statutory requirements, the Company has transferred to the credit of the Investor Education and Protection Fund set up by the Government of India, equity shares in respect of which dividend had remained unpaid/unclaimed for a period of seven consecutive years within the timelines laid down by the MCA. Unpaid/unclaimed dividend for seven years or more has also been transferred to the IEPF pursuant to the requirements under the Act.

13. Compliance with Secretarial Standards

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board and its Committees which have mandatory application.

14. General

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in section 134(3) M of the Companies Act, 2013, and the rules framed there under is attached herewith as Annexure 'E' which forms a part of this Report. The Disclosures pertaining to the remuneration and other details as required under section 197(12) of the Companies Act, 2013 and the rules made thereunder is enclosed as Annexure 'F' which forms a part of this Report. Pursuant to section 129(3) of the Companies Act, 2013, a statement in form 'AOC-1' containing salient features of the Financial Statements of the Subsidiary Company is attached. Pursuant to section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, a statement in form 'AOC-2' relating to material contracts or arrangement or transactions at arm's length basis of Company is attached.

Although the audited statements of accounts, relating to Company's subsidiary is no longer required to be attached to the Company's Annual Report, the same is enclosed as and in way of better disclosure practice.

The information relating to top ten employees in terms of remuneration and employees who were in receipt of remuneration of not less than ₹1.02 crores during the year or ₹8.5 lakhs per month during any part of the year forms part of this report and will be provided to any Member on a written request to the Company Secretary. In terms of Section 136 of the Act, the said report will be available for inspection of the Members through electronic mode up to the date of Annual General Meeting. The Members may write an email to in.investorquery@gsk.com by mentioning "Request for Inspection" in the subject of the email.

15. Acknowledgments

The Directors expressed their appreciation for the contribution made by the employees to the significant improvement in the operations of the Company and for the support received from all other stakeholders, including members, doctors, medical professionals, customers, suppliers, business partners, and the government.

The Board and the Management of your Company are indeed appreciative of the substantial support being received from GSK plc, the parent organization, in providing new healthcare solutions which are products of its discovery labs and the technology improvements which benefits your Company immensely.

On behalf of the Board of Directors

Ms. R. S. Karnad
Chairperson

Mumbai, 16 May 2022

Annexure 'A' to the Director's Report

Report on Corporate Social Responsibility (CSR)

1. Brief outline on CSR Policy of the Company

Healthy communities are the backbone of strong, sustainable societies. However, there are still millions of people without access to basic healthcare in India.

Your Company's approach to corporate social responsibility (CSR) strives to address identified national priorities, improve access and support people in vulnerable communities, either in partnership with credible implementation partners or directly.

The CSR policy has been designed in consonance with Section 135 of The Companies Act, 2013 to lay down the guidelines for undertaking CSR initiatives of your Company in accordance with the Companies Rules, 2014 as amended from time to time.

2. Composition of the 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.	A. N. Roy	Chairman, Independent Director	1	1
2.	Dr. (Ms.) S. Maheshwari	Independent Director	1	1
3.	S. Venkatesh	Managing Director	1	1

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.

https://india-pharma.gsk.com/media/786327/csr-policy-annexure-3_csr-committee-composition.pdf

https://india-pharma.gsk.com/media/733606/csr-policy_revised-310715.pdf

https://india-pharma.gsk.com/media/6493/csr-policy-annexure-1_implementation-schedule-and-execution-modalities.pdf

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).

Please find the summary report (https://india-pharma.gsk.com/media/7156/summarised-impact-assessment-report.pdf) for the impact assessment carried out voluntarily for Partnering India to eliminate Lymphatic Filariasis-Albendazole tablets programme.

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 (in ₹ lakh)	Amount required to be set-off for the financial year, if any (in ₹ lakh)
1.	FY 19-20	1.25	0.00
	Total	**1.25**	**0.00**

6. Average net profit of the company as per section 135(5): ₹ 62,684.19 lakh

a.	Two percent of average net profit of the company as per section 135(5)	₹ 1253.68 lakh
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	₹ 0.00
c.	Amount required to be set off for the financial year, if any	₹ 0.00
d.	Total CSR obligation for the financial year (7a+7b-7c).	₹ 1253.68 lakh

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹ Lakh)	Amount Unspent (in ₹ Lakh)				
	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
1253.74	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(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 (in Year)	Amount allocated for the project^ (in ₹ Lakh)	Amount spent in the current FY (in ₹ Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakh)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
	GSK Scholars											
1	Providing financial assistance to underserved students to pursue a career in medicine	Promoting Education, Including Special Education and Employment Enhancing Vocational Skills	No	15 States	Multiple locations	1	126.72	126.72	0.00	No	Give Foundation	CSR00000389
	Mother and child healthcare											
2.	Addressing child nutrition through a holistic approach	Promoting Healthcare; Eradicating Hunger, Poverty and Malnutrition; Sanitation	Yes	Maharashtra	Mumbai	1	73.60	73.60	0.00	No	Society for Nutrition, Education and Health Action	CSR00002137
3.	Awareness building on ante and post-natal care;	Promoting Healthcare; Eradicating Hunger, Poverty and Malnutrition; Sanitation	No	West Bengal	Kolkata	1	2.45	2.45	0.00	No	BITAN Institute for Training, Awareness and Networking	CSR00004091
	School sanitation-WASH and nutrition services											
4.	WASH facilities in schools with behaviour change communication	Promoting Healthcare; Eradicating Hunger, Poverty and Malnutrition; Sanitation	No	Maharashtra	Nasik	1	70.00	70.00	0.00	No	Bal Raksha Bharat (Save the Children)	CSR00000065
	Holistic care for the underserved											
5.	Holistic care for vulnerable underserved girls	Promoting Education, Including Special Education and Employment Enhancing Vocational Skills	No	Bihar	Patna	1	5.00	5.00	0.00	No	Nai Dharti	CSR00000078

Annexure 'A' Report on Corporate Social Responsibility (CSR)

(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 (in Year)	Amount allocated for the project^ (in ₹ Lakh)	Amount spent in the current FY (in ₹ Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakh)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
	Education											
6.	Mainstreaming children who are school dropouts by enhancing their grade level competencies	Promoting Education, Including Special Education and Employment Enhancing Vocational Skills	No	Haryana	Gurugram	1	2.11	2.11	0.00	No	Sakshi	CSR00000232
	Total						**279.88**	**279.88**	**0.00**			

* Note: Local area means project undertaken around Head/Registered Office i.e. Mumbai.
^ Amount allocated for the ongoing project is for FY 21-22 only.

(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 ₹ Lakh)	Mode of implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
	Partnering India to eliminate Lymphatic Filariasis (LF - also known as Elephant Foot)								
1.	Albendazole donation for supporting mass drug administration	Promoting Healthcare; Eradicating Hunger, Poverty and Malnutrition; Sanitation	No	Pan India	Pan India	788.32	Yes	-	-
2.	Integration of Morbidity Management and Disability Prevention with public health system	Promoting Healthcare; Eradicating Hunger, Poverty and Malnutrition; Sanitation	No	Uttar Pradesh	Unnao, Sitapur	29.20	No	Project Concern International	CSR00003256
	Covid response								
3.	Covid support to frontline warriors	Covid support to frontline warriors	No		-	73.00	Yes	Give Foundation	CSR00000389
	Project Monitoring and Evaluation								
4	Monitoring and evaluation of CSR projects	NA	-	-	-	18.89	No		-
	Total					**909.41**			

* Note: Local area means project undertaken around Head/Registered Office i.e. Mumbai.

(d) Amount spent in Administrative Overheads: ₹62.68 lakh

(e) Amount spent on Impact Assessment, if applicable: ₹1.77

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹1253.74 lakh

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Lakh)	Amount spent in the reporting Financial Year (in ₹ Lakh)	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 ₹ Lakh)
				Name of the Fund	Amount (in ₹ Lakh)	Date of transfer	
	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Total						

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	1253.68
(ii)	Total amount spent for the Financial Year	1253.74
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.06
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.06

8. (a) Details of Unspent CSR amount for the preceding three financial years:

   (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 (In Years)**	**Total Amount allocated for the project (in ₹ Lakh)**	**Amount spent on the project in the reporting financial year (in ₹ Lakh)**	**Cumulative amount spent at the end of reporting Financial Year. (in ₹ Lakh)**	**Status of the project – Completed/ Ongoing**
1	Project Concern International	Integration of Morbidity Management and Disability Prevention with public health system	FY 19-20	3	251.20	29.20	251.20	Completed
2	Society for Nutrition, Education and Health Action	Addressing child nutrition through a holistic approach	FY 19-20	2	201.00	14.32	201.00	Completed
3	Bal Raksha Bharat (Save the Children)	WASH facilities in schools with behaviour change communication	FY 19-20	2	157.00	20.00	157.00	Completed
4	BITAN Institute for Training, Awareness and Networking	Awareness building on ante and post-natal care	FY 19-20	2	20.00	2.45	12.45	Ongoing
5	Sakshi	Mainstreaming children who are school dropouts by enhancing their grade level competencies	FY 19-20	2	20.00	2.11	12.11	Ongoing
	TOTAL				**649.20**	**68.08**	**633.76**	

9. 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 **(asset-wise details).**

a.	Date of creation or acquisition of the capital asset(s).	Not Applicable
b.	Amount of CSR spent for creation or acquisition of capital asset	Not Applicable
c.	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
d.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

CSR committee responsibility statement

Your CSR committee confirms that the implementation and monitoring of CSR Policy, is compliant with CSR objectives and policy of your Company.

S. Venkatesh
Managing Director

A. N. Roy
Chairman, CSR Committee

Mumbai, 16 May 2022

Annexure 'B' to the Directors' Report

Business Responsibility (BR) Report

Section A: General information about the Company

1.	Corporate Identity Number (CIN)	:	L24239MH1924PLC001151
2.	Name of the Company	:	GlaxoSmithKline Pharmaceuticals Limited
3.	Registered Address	:	GSK House, Dr. Annie Besant Road, Worli, Mumbai - 400030
4.	Website	:	https://india-pharma.gsk.com/en-in/
5.	Email ID	:	in.investorquery@gsk.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):

Group	Class	Sub class	Description
210	2100	21001	Manufacture of medicinal substances used in the manufacture of pharmaceuticals: antibiotics, endocrine products, basic vitamins; opium derivatives; sulpha drugs; serums and plasmas; salicylic acid, its salts and esters; glycosides and vegetable alkaloids; chemically pure sugar

8.	List three key product/services that the Company manufactures/provides (as in balance sheet):	:	Betamethasone, Potassium Clavulanate with Amoxycillin and Pneumococcal Polysaccharide and Conjugate Vaccine (adsorbed) Ph. Eur.
9.	Total number of locations where business activity is undertaken by the Company:		
	a. Number of international locations	:	Nil
	b. Number of national locations	:	One manufacturing plant at Nashik, head office in Mumbai and seven branches in India.
10.	Markets served by the Company	:	Across all markets in India

Section B: Financial details of the Company

1.	Paid-up capital (₹ in lakhs)	:	169,40.60
2.	Total turnover of continuing operations (₹ in lakhs)	:	3217,50.87
3.	Total profit after taxes of continuing operations (₹ in lakhs)	:	376,57.54
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	:	The Company's total spending on CSR is 2% of the average net profit in the previous three financial years.
5.	List of activities in which expenditure in 4 above has been incurred	:	Please refer to Annexure 'A' to Directors' Report for the details.

Section C: Other details

1. Does the Company have any subsidiary Company/Companies?

Yes, the Company has one subsidiary - Biddle Sawyer Limited.

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)?

Business responsibility initiatives of the parent Company are applicable to all subsidiary Company(s).

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? If yes, then indicate the percentage of such entity/entities? [less than 30%, 30-60%, more than 60%]

The GSK Code is applicable to all the business entities which do business with the Company. The business associates do not directly participate in business responsibility initiatives of the Company.

Section D: BR Information

1. Details of Director / Directors responsible for BR:

Details of the Director / Directors responsible for the implementation of the BR Policy / Policies:

Director Identification Number (DIN): 07263117

Name: Mr. Sridhar Venkatesh

Designation: Managing Director

Telephone no.: +91 22 2495 9595

Email ID: sridhar.v.venkatesh@gsk.com

2. Principle-wise (as per NVGs) BR policy/policies (reply in Y/N)

2a. Details of compliance (reply Y/N)

	Question	Business Ethics	Product Responsibility	Wellbeing of Employee	Stakeholder Engagement and CSR	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/guideline for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Have the policy/guidelines been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the policy/guidelines conform to any national/ international standards? If yes, specify.	Most of the Company's policies/guidelines are aligned with GSK plc's global best practices. The Company adhered to Indian laws and regulations in cases where they are more stringent.								
4	Have the policy/guidelines been approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Y	Y	N.A.	Y	N.A.	Y	Y	Y	Y
		Standards and policies adopted by our global parent Company have been put in place in India. Being in the healthcare business, our standards are more stringent.								
5	Does the Company have a specified Committee of the Board / Director / Official to oversee the implementation of the policy/guidelines?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	https://www.gsk.com/media/7727/the-code-printable-version.pdf https://india-pharma.gsk.com/en-in/investors/shareholder-information/policies/								
7.	Has the policy/guidelines been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies/guidelines?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies/guidelines to address stakeholder's grievances?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy/guideline by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Annexure 'B' Business Responsibility (BR) Report

2b. If the answer to Sr. No. 1 against any principle is 'No', please explain why: (Tick up to 2 options)

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The Company has not understood the principles	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
The Company does not have financial or manpower resources available for the task	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
It is planned to be done within the next six months	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
It is planned to be done within the next one year	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Any other reason (please specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

3. Governance related to BR:

The Board of Directors of the Company assesses business responsibility initiatives annually. The Company publishes a Business Responsibility Report in its Annual Report once a year which is available on our official website.

Section E: Principle-wise performance

Ethics, transparency and accountability

Good governance and transparent reporting are a part of our commitment to be open about our business activities. Your Company has a strong value-based culture and its actions are supported by robust policies and compliance processes. It conducts business in an ethical way and engages stakeholders directly to understand and prioritise the issues that are important to them. As a global corporation, your Company has a GSK Code. This Code sets out fundamental standards for all employees and is supported by the written standards, which help employees make ethical decisions and emphasise the Company's values. Your Company ensures that everything that it does is guided by its commitment to its values and regulations within which it must operate. The foundations of these commitments are laid out in the Company's Code and each employee takes personal responsibility to abide by this Code. This Code also extends to anyone who works for and on behalf of your Company.

Your Company markets prescription medicines and vaccines to healthcare professionals, hospitals, and the government. Our policies and the updated Code of Practice for Promotion of Prescription Medicines and for Scientific Engagement prescribe the nature of your Company's practices. This Code, as the name suggests, is applicable worldwide. Regional and local policies, standard operating procedures, and other written standards provide additional guidance to employees. In addition, your Company is also a signatory to the Code of Pharmaceutical Practices of the Organisation of Pharmaceutical Producers of India (OPPI). Your Company has an extensive Anti-Bribery and Corruption (ABAC) Programme. ABAC is a part of your Company's response to the threat and risk of bribery and corruption. The programme includes the ABAC Policy, which has been designed to assist internal and external parties, understand corruption risk, and identify people's responsibilities to actively combat both real and perceived corruption.

Safety and sustainability of products and services

Sustainability in business is critically important to deliver continued innovation and success while reducing environmental impact. Your Company's commercial success depends on growing a diverse business, creating innovative and efficient new products which people value, making them widely sought after. In the process, your Company can grow its business and add value to patients, consumers, employees, shareholders, and society. Through a wide range of products and services, your Company touches the lives of millions of patients every day. Your Company endeavours to work with responsible suppliers who adhere to the quality, social and environmental standards that are mandated. The interest of the patient is of prime importance at every stage in your Company - from development to final distribution. As a global organisation, most of your Company's products are approved by major international regulators. Besides, there are mandatory regulatory approvals required in India, endorsing the safety of the products.

A significant proportion of ingredients for your Company's products and packaging material are sourced locally from third-party manufacturers belonging to micro, small and medium enterprises (MSMEs). A qualified team is in place to build capacity and capability, to educate and raise the standard of these vendors and as mentioned above, these vendors comply with your Company's standards. To ensure the same, all vendors must go through the GSK audit and approval process, which are based on global guidelines. Your Company's operational quality team trains and guides these vendors to ensure that they have the infrastructure, facilities, systems and controls in line with GSK's global standards. In addition, periodic quality audits are held to ensure that the manufacturing processes, both internally as well as with contract manufacturing partners, remain compliant with your Company's quality standards. These are over and above the specific quality checks with respect to each batch of finished products, as well as inputs in the form of raw materials.

There remains a relatively lesser scope in the healthcare industry for recycling. However, there is a mechanism to segregate the waste given to the authorised vendor for recycling, wherever appropriate. Globally, we look forward to working across our value chain - from discovery to disposal - to deliver reduction in environmental impact.

Your Company follows the GSK Manufacturing Practices guidelines with respect to product packaging. Your Company's products have various anti-counterfeiting and anti-pilferage measures such as barcodes and unique codes for products which are reviewed from time to time.

Employee health and wellbeing

Your Company believes in delivering performance by investing in and supporting its people. Your Company has a range of health and well being programmes and support services to help employees understand how to feel better and more energised at work and at home. These programmes focus mainly on five key elements – physical health, mental well being, nutrition, preventive health screening, and de-addiction. Your Company provides support to this programme by making investments, engaging senior leadership and subject matter experts who can provide directive guidelines for the programmes, and establish its tracking and monitoring system.

Employee Assistance Programme (EAP) and Partnership for Prevention (P4P) are the main modes of intervention offered to employees and their family members. EAP is a 24/7 independent counselling service available to all employees and their family members in multiple languages, accessible online and through mobile apps and helplines. P4P offers eight types of preventive healthcare services – adult and child immunisation, adult and child preventive care, de-addiction support, heart and diabetes care, women's health support, and cancer screening. Your Company, in the year under consideration, not only sustained its offerings under the P4P but also included two additional vaccines under the flu category to the offering. The medical insurance benefits offered to employees were reviewed in light of the Covid pandemic, and coverage was expanded for better protection against Covid, including covering home quarantine expenses.

Your Company is committed to conducting its operations in a responsible manner to protect its employees, the environment, and the communities in which it operates. Extensive work has been carried out at the Nashik site as well as amongst the sales force to train and create awareness on employee health and safety. Safety training has been imparted to employees, temporary employees, and those with disabilities at the Company's Nashik manufacturing facility in the last year.

Your Company introduced 12 'Life Saving Rules' which are designed to be simple tenets to live by and keep in mind for our employees across offices, the field, the manufacturing sites or even on their way back home with an emphasis on road safety.

Your Company has also developed a global driver safety programme - Safe Driving: Every Journey Counts - for the safety of its employees in the field force. This initiative aims at increasing awareness on road and motor-vehicle safety, and training employees in bolstering defensive driving skills.

Stakeholder engagement

Engaging and building trust with the broad range of stakeholders who interact with or are impacted by your Company's business is key to delivering its strategy, and ensuring the success of your Company over the long term.

Patients and consumers	**How your Company engages with patients** • Interactions with Health Care Professionals (HCPs) help shed light on patient needs • Market research helps to uncover consumer insights	**What matters** • The pricing of healthcare products, particularly out-of-pocket expenses • Product innovation • Access to a reliable supply of high-quality, safe products **What your Company is doing** • GSK takes a values-based approach to pricing to balance reward for innovation, with access and affordability • GSK is strengthening its pipeline to bring innovative products to patients and to ensure that the Company maintains high standards for product quality and safety
Investors	Your Company maintains regular and constructive dialogue with investors to communicate its strategy and performance in order to promote investor confidence. **How your Company engages with investors** • Annual General Meeting • Analysts' Meet • Detailed Company information made available online • One-to-one meetings between institutional investors and Managing Director and Chief Financial Officer	**What matters** • Financial performance and commercial success • Management of key environmental, social and governance issues to mitigate risk and create opportunities **What your Company is doing** • Continuing to report, in line with the best practice disclosure on progress towards strategic goals • Specific business and R&D updates

Annexure 'B' Business Responsibility (BR) Report

Health Care Professionals (HCPs)	Your Company works with HCPs to understand patient needs and to ensure the HCPs understand the science behind GSK's medicines. **How your Company engages with HCPs** • Scientific dialogue to increase understanding of disease management and patient experience • Providing high quality, balanced information about our medicines and vaccines	**What matters** • Access to product and scientific information • Responsible sales and marketing practices • Safety, efficacy and differentiated innovation **What your Company is doing** • Increasing the use of digital channels to deliver a more personalised and effective sharing of information to HCPs
Government and regulators	Your Company works with the government and regulators to advocate for policies which encourage innovation, promote efficient management of healthcare spending, and give patients the support they need. **How your Company engages with governments and regulators** • Meeting with regulatory bodies throughout the product introduction process to ensure high quality and safe new products • Engaging with government health agencies to demonstrate the value of our products • Working with the government to build a strong operating environment for healthcare	**What matters** • Environment which values innovation and drives investment in healthcare • Pricing of medicines • Public health threats • Scientific funding and collaboration **What your Company is doing** • Working with policy-makers to support an operating environment that remains competitive for investment, enables mobility of scientific talent, and accelerates the uptake of innovative medicines • Actively focusing on government proposals for healthcare reform • Partnering with authorities to ensure support for global innovation, including swift regulatory approval for our pipeline products
NGOs and multilateral organisations	Your Company works with non-governmental organisations (NGOs) and multilateral organisations to improve access to healthcare and provide educational support through its corporate social responsibility (CSR) initiatives. **How your Company engages with NGOs and multilateral organisations** • Working with NGOs and partners to implement CSR initiatives in communities • Partnering with multilateral organisations like the World Health Organization (WHO) to address the public health issue of lymphatic filariasis in India	**What matters** • Achieving the UN Sustainable Development Goals (SDGs) • Achieving World Health Organization (WHO) targets for specific disease areas and providing access to medicine **What your Company is doing** • Leveraging CSR programmes to deliver more impact for communities and vulnerable sections • Focusing on unique value-addition as a global health partner to develop products in the domain where we have scientific expertise, through our global health programmes
Suppliers	Your Company works with multiple suppliers, large and small, who provide goods and services that support your Company in delivering a reliable supply of high quality, safe products for patients. **How your Company engages with suppliers** • Regular, direct engagement between business owner and supplier to ensure they support your Company's strategies and targets • Engage with suppliers through your Company's Third Party Oversight (TPO) programme, by conducting in-depth audits and by adding additional dimensions related to Risk identification and mitigation programmes • Participate in cross-industry forums such as the Organisation of Pharmaceutical Producers of India (OPPI) and Convention of Pharmaceutical Ingredients (CPhI) to improve supply chain sustainability	**What matters** • Prompt adherence to payment terms, especially for small and micro category MSME suppliers • Understanding of GSK standards, policies and procedures to ensure compliance • Opportunities to innovate and grow relationships with suppliers **What your Company is doing** • Updating and adherence to prescribed payment practices to ensure that MSME suppliers benefit from preferential payment terms • Conducting business with suppliers who share your Company's values and maintain high quality and ethical standards to ensure the security of supply • Engaging with suppliers to develop improvement plans and track progress when areas for improvement are identified

Employees	Your Company involves and listens to employees to help maintain strong employee engagement and retain talented people. **How your Company engages with employees** • Regular interactive events christened 'Let's Talk' • Facilitating dialogue and collaboration through various internal communication platforms • Women's Leadership Initiative and Employee Resource Groups covering different strands of diversity • Global all-employee survey and One80 Survey for employees to provide feedback pertaining to line managers	**What matters** • Opportunities for career growth and personal development • Flexible working to enable balancing wider responsibilities • Working in an inclusive and diverse environment • Working for a Company with purpose **What your Company is doing** • Providing all employees with access to a new development portal with resources that are most relevant to their roles, development needs and interests • Formal flexible working and career policies • Monitoring employee engagement through the employee survey and acting on feedback to improve engagement

Ambition for patients

Your Company is constantly seeking new ways of delivering healthcare and making its products available and affordable to people who need them, across all geographies. To expand access to its products, GSK has led the industry by adopting a flexible pricing approach for its medicines and vaccines, which is based on a country's ability to pay. This has resulted in a significant reduction of prices in India, expanding access to patients.

Your Company adheres to local and GSK global standards with respect to product quality and provides all information, as required under the Drugs and Cosmetics Act and Rules in its product packaging.

As of 31 March 2022, from a quality perspective, 39 complaints which were reported to the Company are being investigated as per Company standards. As of 31 March 2022, there are five consumer complaints pending before the court and consumer forums.

Your Company is committed to identifying and managing Human Safety Information (HSI)/Adverse Event (AE) to help safeguard those who take its products or take part in GSK clinical trials (HSI is defined as information relating to human health and/or wellbeing following exposure to GSK products, including AE information). If anyone at GSK becomes aware of any HSI/AE in the course of their work, they must report it to the Central Safety Department (CSD) or their Company's Pharmacovigilance Team within 24 hours of their awareness, which can be done through the Human Safety Information (HSI)/Adverse Events (AE) reporting email - india.pharmacovigilance@gsk.com. Protecting our patients means taking this information seriously and your Company provides regular reports and discusses actions with regulatory authorities.

Human Rights

Your Company conforms to local laws as well as global GSK policies.

Your Company has direct control over human rights in its own operations and aims to act responsibly across all spheres, which include our employees, suppliers, local communities and the society, at large.

Employees

Your Company's employment standards promote diversity and inclusion, equal opportunities, health, safety and protection of human rights.

Suppliers

Your Company's third parties are required to meet its guidelines for ethical standards and human rights. Environmental, Health and Safety (EHS) audits helps it identify potential breaches of human rights clauses.

Communities

Your Company acts responsibly towards communities in which it operates and supports them as part of its role as a responsible corporate citizen.

Society

Your Company's efforts to improve access to healthcare and SDGs help promote the welfare of society, fulfilling our purpose to get ahead of disease together.

Read our Position Statement on Human Rights at https://www.gsk.com/media/4503/human-rights-statement-policy.pdf

Environment protection

Your Company continues to support environmental initiatives through its environmental sustainability strategy that is implemented across the entire value chain - from raw materials to product disposal. As your Company grows its business to bring innovative medicines to people across the world, environmental sustainability continues to be a priority and your Company remains committed to reducing any adverse impact to the environment. Your Company's policies on environment conforms to local laws as well as GSK's global standards.

Annexure 'B' Business Responsibility (BR) Report

The packaging of your Company's products plays an important role in delivering safe, stable and trusted medicines and vaccines. However, the plastic used in product packaging has an impact on the environment. In alignment with our commitment towards environmental sustainability and compliance with locally applicable laws and regulations, we continued with our Extended Producer Responsibility (EPR) obligation and collected back 1652.75 MT of post-consumer plastic waste from the market in FY 2021-22 on a pan-India basis and disposed the plastic waste in an environmentally sound manner.

Your Company is committed to reducing the environmental footprint from the production of antibiotics at its manufacturing site at Nashik, and at the third-party manufacturers, by controlling the release of antibiotics into the environment within the science-driven, risk-based discharge limits.

Various initiatives for energy efficiency and renewable energy were undertaken at your Company's manufacturing facility at Nashik during the year. The facility undertook initiatives for reducing water consumption on principles of reduction, recycling and re-use in applications across the facility. There was zero discharge with respect to water, and treated site effluents were used for site gardening. There were also continued efforts to monitor noise levels and gaseous emissions from the boiler and recycle waste. These initiatives resulted in sustaining a high level of energy efficiency. The emissions generated by your Company were within the limit specified by the Maharashtra Pollution Control Board. As part of our waste management processes, waste has been segregated and given to the government approved vendors for recycling and incineration, as appropriate.

To read more about GSK's global environmental initiatives, please log on to our website (https://www.gsk.com/en-gb/responsibility/environment/).

Public policy and patient advocacy

Your Company is a member of various industrial and trade bodies such as the Federation of Indian Chambers of Commerce and Industry (FICCI) and the Organisation of Pharmaceutical Producers of India (OPPI), the India Business Councils of UK and US and Pharmaceutical Research and Manufacturers of America (PHRMA). Your Company is part of various task forces and sub-committees working on critical issues such as clinical trials, drug pricing and forums within these chambers. Your Company works closely with industry bodies to devise strategies to improve healthcare access in the country, and advocates for creating a business-friendly environment in the country.

Safeguarding our workplace

The Company has in place a Prevention of Sexual Harassment policy in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An internal committee has been set up to redress complaints received regarding sexual harassment (SH). All employees (permanent, contractual, temporary, trainees) are covered under this policy. The information on complaints received under this policy is a part of the Directors' Report. During the year, your Company received two SH complaints & two SH complaints were already under investigation. All four complaints have been closed.

Inclusive growth and equitable development

Your Company has a long legacy of partnering communities in which it operates. It undertakes Corporate Social Responsibility (CSR) projects focused on making life-changing, long-term differences by addressing some of the major health-related concerns and to provide support to academically proficient albeit financially constrained students access to medical education through the recently launched GSK Scholars programme. Your Company works to fulfil this through community-based partnerships since local organisations have deep insights into the needs of their people and the strategies which stand the greatest chance at success. For more details on your Company's CSR projects, please refer to to the CSR section on our website (https://india-pharma.gsk.com/en-in/responsibility/corporate-social-responsibility-programmes/).

Your Company also encourages its employees to contribute towards community initiatives through employee volunteering programmes. Your Company has a range of volunteering initiatives from one day of volunteering for each employee called Orange Day. In FY 2021-22, despite challenges due to Covid, employees contributed over 5,200 volunteering hours towards varied social causes.

On behalf of the Board of Directors

Ms. R. S. Karnad
Chairperson

Mumbai, 16 May 2022

Annexure 'C' to the Directors' Report

Report on Corporate Governance

(Pursuant to Regulations 17 to 27 and clauses (b) to (i), (t) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Obligations & Disclosures Regulations, 2015 (LODR) entered into with the Stock Exchanges)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and in meeting its obligations to stakeholders, and is guided by a strong emphasis on transparency, accountability and integrity. For several years, the Company has adopted a codified Corporate Governance Charter, which is in line with the best practices, as well as meets all the relevant legal and regulatory requirements. All Directors and employees are bound by Code of Conduct and the associated standards of conduct that sets out the fundamental standards to be followed in all actions carried out on behalf of the Company.

2. BOARD OF DIRECTORS

- **Composition and size of the Board**

The present strength of the Board is ten Directors. The Board comprises of Executive and Non-Executive Directors. The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. Two Directors, including the Managing Director are whole-time Directors. There are eight Non-Executive Directors, of which, five are Independent Directors.

Glaxo Group Limited, U.K., have rights enshrined in the Articles of Association relating to the appointment and removal of Directors not exceeding one-third of the total number of retiring Directors.

- **Board meetings and attendance**

Seven Board meetings were held during the year ended 31 March 2022 and the gap between two Board meetings did not exceed four months. The annual calendar of Board meetings is agreed upon at the beginning of each year.

The information as required under Schedule V (C) of the Listing Obligations & Disclosures Regulations, 2015 is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated at least seven days prior to the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board meeting to enable the Board to take informed decisions.

The dates on which meetings were held are as follows:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1.	21 April 2021	10	10
2.	18 May 2021	10	10
3.	26 July 2021	10	10
4.	19 August 2021	10	9
5.	29 October 2021	10	10
6.	25 November 2021	10	10
7.	7 February 2022	10	10

- Attendance of each Director at the Board meetings and last Annual General Meeting (AGM) and the number of companies and committees where he/she is a Director / Member (as on the date of the Directors' Report).

Name of Director	Category of Directorship	Number of Board Meetings attended	Attendance at the last AGM held on 27 July 2021	*Number of Director-ships in other companies (including GSK)	**Number of mandatory committee positions held in other companies	
					Chairman	Member
Ms. R. S. Karnad Chairperson	Non-Executive	7	Yes	8	3	3
Mr. P. V. Bhide	Non-Executive & Independent	7	Yes	7	4	4
Mr. M. Dawson (Upto 30.6.2022)	Non-Executive	7	Yes	1	Nil	Nil
Mr. N. Kaviratne	Non-Executive & Independent	7	Yes	1	Nil	1
Dr. (Ms.) S. Maheshwari	Non-Executive & Independent	7	Yes	2	Nil	Nil
Mr. A. N. Roy	Non-Executive & Independent	7	Yes	9	4	8
Mr. D. Sundaram	Non-Executive & Independent	7	Yes	6	5	2

Annexure 'C' Report on Corporate Governance

Name of Director	Category of Directorship	Number of Board Meetings attended	Attendance at the last AGM held on 27 July 2021	*Number of Director-ships in other companies (including GSK)	**Number of mandatory committee positions held in other companies	
					Chairman	Member
Mr. S. Venkatesh Managing Director	Executive	7	Yes	2	Nil	1
Mr. S. Williams	Non-Executive	6	Yes	1	Nil	Nil
Ms. P. Thakur (upto 31.03.2022)	Executive	7	Yes	2	Nil	Nil

*Excludes directorship held in Private Limited Companies, Foreign Companies and Section 8 Companies;

** Committees considered are Audit Committee and Stakeholders' Relationship Committee as per Listing Regulations.

Ms. P. Thakur resigned as Whole-time Director and Chief Financial Officer of the Company with effect from closing hours 31 March 2022 and Mr. J. Chandy was appointed as Whole-time Director & Chief Financial Officer with effect from 1 April 2022. Mr. M. Dawson would cease to be a Director with effect from 30 June 2022.

Ms. Renu Sud Karnad - Non-Executive Director & Chairperson (DIN: 00008064)

Ms. Karnad is the Managing Director of HDFC Limited and in charge of the lending operations of HDFC and is responsible for spearheading HDFC's expansion. Ms. Karnad holds a Master's degree in Economics from the University of Delhi and a Bachelor's degree in law from the University of Mumbai. She is also a Parvin Fellow - Woodrow Wilson School of International Affairs, Princeton University, U.S.A. Ms. Karnad brings with her rich experience and enormous knowledge in the mortgage sector, having been part of the nascent real estate & mortgage industry in India for over 40 years. She has been instrumental in building the retail distribution network at HDFC and has played a key role in introducing several innovative & customer friendly products and services in the mortgage market. Apart from being HDFC's brand custodian, she is the guiding force behind the formulation of HDFC's communication strategy and public image. Ms. Karnad is currently the President of the International Union for Housing Finance (IUHF), an association of housing finance firms present across the globe. She is a Member of the Audit Committee, Risk Management Committee, Nomination & Remuneration Committee and Chairperson of Stakeholders Committee of the Company.

Sr No	Directorship in listed entities	Category of Directorship	Expertise in Specific Functional Areas
1	HDFC Life Insurance Company Limited	Non-Executive Director	Finance, Economics, Sales & Marketing, Human Resources, Risk Management, Housing Finance, Real Estate and Infrastructure Sector
2	HDFC Asset Management Company Limited	Non-Executive Director	
3	Housing Development Finance Corporation Limited	Managing Director	
4	Unitech Limited - (Resignation has been submitted to the Govt. of India and the Company. However, withdrawal of nomination is awaited.)	Nominee Director	
5	HDFC Bank	Nominee Director	

Mr. Damodarannair Sundaram – Independent Director (DIN: 00016304)

Mr. Sundaram's experience spans corporate finance, business performance, monitoring operations, governance, mergers & acquisitions, talent / people management and strategy.

Mr. Sundaram joined Hindustan Unilever Limited (HUL), the Indian listed subsidiary of Unilever plc, as a management trainee in June 1975 and served in various capacities including six years in Unilever, London as Commercial Officer: Africa and Middle East (1990-93) and as Sr. Vice President for South Asia and Middle East (1996-99). He was the Chief Finance Officer of HUL from April 1999 to March 2008 and as the Vice Chairman and CFO from April 2008 to July 2009. He is a two-time winner of the prestigious "CFO of the Year for FMCG Sector" award by CNBC TV18 (2006 and 2008). He was awarded as the 'Best Independent Director in 2019' by Asian Centre for Corporate Governance and Sustainability in December 2020.

Mr. Sundaram is currently the Vice Chairman (Non-executive, Non-independent) of TVS Capital Funds in managing a growth capital Private Equity Fund

(TVS Shriram Growth Fund). Mr. Sundaram is a post-graduate in Management Studies (MMS), Fellow of the Institute of Cost Accountants, and has done Harvard Business School's Advanced Management Program (AMP). He is also on the Executive Council of KREA University.

Sr No	Directorship in listed entities	Category of Directorship	Expertise in Specific Functional Areas
1	ACC Limited	Independent Director	Commercial, Finance, IT, Corporate Governance M&A & Treasury
2	Crompton Greaves Consumer Electricals Limited	Independent Director	
3	Infosys Limited	Independent Director	

Mr. Nihal Kaviratne – Independent Director (DIN: 00032473)

Mr. Nihal Kaviratne, CBE has an Honours degree in Economics from Mumbai University. His global career with Unilever spanned 40 years. He joined them in India as a Management Trainee in 1966 and held a series of increasing senior roles including Head of Marketing Research and Economics and General Manager of Export Division. In 1984, he moved to Indonesia as Managing Director of the Detergents Division and later became Regional Leader for Latin America and South Asia at Corporate Headquarters in London, Managing Director in Argentina, and Chairman in Indonesia. He was appointed Senior Vice President - Development and Environmental Affairs, Unilever Asia, based in Singapore and Chairman of Unilever's Home and Oral Care businesses in Asia. He was awarded the CBE for services to UK business interests and for sustainable development in Indonesia. He is Chairman of the Nomination & Remuneration Committee and member of Audit Committee & Risk Management Committee of the Company. He is an Independent, Non-Executive Director of several Temasek-linked companies including StarHub Limited and Olam Group Limited. He is a Member of the Private Sector Portfolio Advisory Committee in India for the UK Government's Department for International Development (DFID). He was appointed a member of the Global Corporate Resilience Advisory Council of McKinsey & Company, effective January 2018 and also appointed as Senior Advisor of Bain & Company for SEA, effective January 2021. He is the Chairman of Caraway Pte Ltd, Singapore and also the Chairman of the Advisory Panel for SATS Indonesia. His expertise is in the field of Marketing, Strategy, General Management, Environmental Affairs, Governance, Audit and Risk Management.

Mr. Anami N. Roy – Independent Director (DIN: 01361110)

A well-known former civil servant, Mr. Anami Roy changed course to get into the social/nonprofit sector, post his superannuation and works for livelihood for the poorest in Mumbai slums and for the widows of farmers who committed suicide in Vidarbha. Vandana Foundation which he co-founded with his daughter immediately after retirement works to make these farmers' widows financially independent through the medium of micro-enterprises with grants and interest free loans. Vandana Foundation also runs a Khadi project to make garments from cotton through these women and rural workers.

During his nearly four decades of dedicated tenure in the Indian Police Service, Mr. Roy held a variety of challenging assignments, both in Maharashtra and Govt of India, including Police Commissioner of Mumbai and Director General of Police Maharashtra state. He launched multiple innovative initiatives and schemes for time bound and simplified delivery for people's expectations from the Police towards making Police more accessible to people. Passionate about bringing in technology in multiple areas of policing, his Mumbai Police Infoline, Citizen Facilitation Centres, Elderline are some of those which became very popular and useful and made him known as "People's Commissioner".

He was Head of Operations of the elite Special Protection Group while in Government of India, supervising security of Prime Minster and former PMs during the tenure of 4 PMs during which he had the opportunity to work and interact with elite forces of all states in India and many countries of the world. Mr. Roy brings with him vast experience of problem solving and of functioning within state and central governments. Mr. Roy holds a Master's Degree in History from the University of Allahabad and an M Phil in Public Administration. He has undergone a number of in-service training courses in India and overseas.

In addition to his deep commitment with the non-profit sector, Mr. Roy is engaged in the corporate world being on the Board of Directors many prominent market leading companies including Bajaj Auto, Bajaj Finance etc. and does consulting with some prominent organizations in the financial sector. He also contributes time and his bandwidth with some startups and charitable organizations pro bono. He is a Chairman of CSR Committee of the Company.

Annexure 'C' Report on Corporate Governance

Sr No	Directorship in listed entities	Category of Directorship	Expertise in Specific Functional Areas
1	Bajaj Auto Limited	Independent Director	Human Resource, Administration, Security and Intelligence matters, Anti-Corruption & Vigilance
2	Bajaj Holdings & Investment Limited	Independent Director	
3	Bajaj Finance Limited	Independent Director	
4	Bajaj Finserv Limited	Independent Director	
5	Finolex Industries	Independent Director	

Mr. Pradeep Bhide – Independent Director (DIN: 03304262)

Mr. Bhide, Science and Law graduate from Delhi University, has done his Master's in Business Administration from IGNOU. He is enrolled as an Advocate with Delhi Bar Council. Mr. Bhide joined the Indian Administrative Service in 1973 and has served for 37 years. He held a series of increasingly senior positions at the State and Central levels. He worked as Secretary for Department of Finance and then Department of Energy of Andhra Pradesh. He was a Deputy Secretary / Director in the Department of Economic Affairs, Ministry of Finance and served as Advisor to India's Executive Director to the International Board for Reconstruction and Development, Washington. Mr. Bhide then served as Additional Secretary / Special Secretary in the Ministry of Home Affairs of the Government before being appointed as Secretary in the Department of Disinvestment with the Ministry of Finance. Mr. Bhide retired as Secretary, Department of Revenue, Ministry of Finance in January 2010, a position which he held from June 2007. He is a member of Audit Committee, Risk Management Committee and Stakeholders Relationship Committee.

Sr No	Directorship in listed entities	Category of Directorship	Expertise in Specific Functional Areas
1	Borosil Renewables Limited	Independent Director	Finance, Administration & Taxation
2	L&T Finance Holdings Limited	Independent Director	
3	Nocil Limited	Independent Director	

Mr. Subesh Williams – Non- Executive Director (DIN: 07786724)

Subesh Williams, 59, is a Chartered Accountant and Senior Vice President, Global Corporate Development at GSK plc, a role he was appointed to in September 2013. In his current role, Subesh is responsible for M&A and Business Development across GSK's commercial businesses and has been involved in executing numerous transactions, including the creation of ViiV Healthcare (a HIV JV with Pfizer and Shionogi), the combination of the Consumer Healthcare businesses of GSK and Pfizer in a joint venture and more recently in leading the demerger of Haleon, the Consumer Healthcare business from GSK.

In 2016, Subesh was appointed to the Board of Galvani Bioelectronics, a joint venture between GSK and Verily (a subsidiary of Alphabet). From 2009-2013, Subesh was Chief Financial Officer of ViiV Healthcare, with responsibility for Finance, Business Development, IT and Supply and prior to that has had roles of increasing responsibility in Finance and Corporate Development. Prior to joining GSK he was a Manager at PwC. He was appointed with effect from 7 April 2017. He has expertise in the fields of Finance, Business development and Mergers & Acquisitions. He does not hold any shares in the Company and is also not related to any Directors of the Company.

Mr. Sridhar Venkatesh – Managing Director (DIN: 07263117)

Mr. Sridhar is a senior business leader with more than 24 years of diverse experience in pharmaceuticals & healthcare and has a strong track record of success in multiple roles within GSK. Sridhar joined GSK in 2011 as Head of Commercial, Established Products, Branded Generics, and moved as General Manager, Singapore before taking up the role of Commercial Head, India from 2014 to 2016. He was then promoted as VP of Central America & Caribbean before taking the role as VP, Emerging Markets East, with direct management of six markets (Philippines, Vietnam, Thailand, Malaysia, Indonesia, and Sri Lanka). Sridhar began his career with Eli Lilly and then moved to Pfizer and held increasingly senior roles including the role of Senior Director, Business Development (Asia) for Pfizer, before joining GSK. Sridhar is a Registered Pharmacist, with a Master's in Pharmacy (Pharmaceutical Marketing). He is member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee. He is Director in Biddle Sawyer Limited.

Dr. (Ms.) Sunita Maheshwari – Independent Director (DIN: 01641411)

Dr. Sunita Maheshwari, Outlook Business WOW 2019 (Woman of Worth) and 2014's 'Amazing Indian' award by Times Now, is a US Board certified Pediatric Cardiologist who did her MBBS at Osmania Medical College, followed by her postgraduation at AIIMS, Delhi and Yale University in the US. She is the winner of the 'Young Clinician Award' from the American Heart Association and the 'Best Teacher Award' at Yale University. She was nominated as one of the Top 20 women achievers in medicine in India.

Apart from her medical clinical work, she is a medical entrepreneur and cofounded and is the Chief Dreamer at Teleradiology Solutions (India's first and largest teleradiology Company that has provided over 6 million diagnostic reports to patients and hospitals globally), Telrad tech which builds AI enabled tele health software, RXDX multi-specialty phygital clinics in Bangalore, and has incubated other start-up companies in the tele-health space such as Healtheminds, a tele-counselling platform. She is active in the social arena in India where she runs 2 trust funds. People4people has put up over 500 playgrounds in government schools and Telrad Foundation provides teleradiology and telemedicine services to poor areas in Asia that do not have access to high quality medical care. Her expertise is in the field of Medical Science. She is a member of the Corporate Social Responsibility Committee. She is also on the Board of HDFC Bank.

Mr. Mark Dawson – Non-Executive Director (DIN: 09032378)

Mark Dawson is Vice President of Primary and Small Molecules Manufacturing (PSM) within GSK's Pharmaceutical Business. Mr. Dawson is responsible for the supply chain that manufactures all GSK Primary (API) products, Antibiotics supply chain and Regional Rx manufacturing with 18 facilities located across Europe, MEA, India, China, Singapore, Japan, and Australia. He is also responsible for all supply chain planning, logistics and warehousing operations into 105 global markets from Latam, Middle East, Africa, Russia/CIS, India, Pakistan, China and South Asia. He is a member of the Global Supply Chain Executive Team and the Emerging Markets Leadership Team. He also sits as a member of GSK's Global Gender Diversity Council. He joined GSK in 2005 working in various roles of increasing seniority within Global Manufacturing and Supply as Engineering Director, Site Director for the Irvine manufacturing site, VP and Head of Global Supply Chain within ViiV Healthcare (GSK's HIV business), VP and Head of Supply Chain for Emerging Markets and latterly as VP and Head of Manufacturing and Supply Chain for Primary and Established Products. Prior to GSK, he has worked for several multinational companies including Eli Lilly & Company, Kvaerner and Schneider Electric. He is a graduate of the University of Sheffield in the UK and a Chartered Engineer. He has expertise in the field of Supply Chain.

Mr. Juby Chandy – Whole-time Director & Chief Financial Officer (DIN: 09530618)

Mr. Juby Chandy, a Chartered Accountant, is an experienced finance Leader who has led GSK's finance teams in various regions. Mr. Chandy joined GSK in 2007 and has held a number of leadership positions with increasing responsibilities across various geographies, including Finance Director for GSK's Middle East business based in Turkey, Finance Director for GSK Vietnam, Finance Planning Director for Emerging Markets, Area Finance Director for Emerging Market East (South East Asia) and, most recently, Head of Finance for Global General Medicines portfolio, partnering with the leadership team on strategy, profit maximisation, and helping to drive performance for General Medicines. He is also a Director in Biddle Sawyer Limited.

Mr. Manu Anand – Independent Director (DIN: 00396716)

Mr. Manu Anand, 63, is a Chartered Accountant and has completed Advance Management Program from the Wharton School of the University of Pennsylvania, USA. Mr. Manu brings the experience of over three decades, out of which he has been in the General Manager roles for the last 20 years with a track record of building diverse teams, driving growth, managing multi-billion-dollar P&Ls, and leading change and transformation. In his role with Mondelez International before his retirement, he managed the Chocolate business (approx $2 billion) operations across the Asia Pacific, Middle East, and Africa, covering a range of developed and developing markets. The role required managing the levers of P&L, driving top and bottom line and market share growth through a combination of region-wide and market-specific initiatives on the brands and innovation. In addition, he ran a consolidated supply chain with a complex manufacturing site network and worked closely with sales teams in markets to deliver sustained business performance. Mr. Manu was earlier leading the India business for Mondelez International and as Managing Director for Cadbury India Limited was responsible for all business functions; the role required a high degree of general management skills to steer the categories and functions appropriately to drive continued growth

Annexure 'C' Report on Corporate Governance

and build competent teams. Mondelez International started transforming to a category run model from the end of 2014, and he led significant change management initiatives to transition the organization to the new model seamlessly. At PepsiCo India, Mr. Manu spent 19 years in various roles and is credited with building its food business virtually from scratch.

In his last role at PepsiCo as the Chairman and CEO, PepsiCo India, Manu was responsible for PepsiCo's beverage and foods business (including JVs) in India and South Asia, reporting to the President of AMEA. PepsiCo India was a scale operation with over 6000 direct employees, over 50 manufacturing sites, and availability in over 2 million retail outlets with high growth driven by scale brands. Preceding this, Mr. Manu was based in Bangkok as the President of South-East Asia. He was responsible for the Beverage and Food businesses in Thailand, Vietnam, Malaysia, Indonesia, Singapore, Cambodia, and Laos. The Business Unit was a complex portfolio of different business models in the various stages of development across the markets. It included Company-owned businesses, Joint Ventures, and Franchise business models through bottlers. The job helped develop a strong ability to collaborate and work effectively with local partners while learning to work effectively in a multi-cultural environmental. As a result, Mr. Manu successfully built sustainability and profitable growth models in these competitive, high potential markets with healthy growth in top and bottom lines. Currently, Mr. Manu is the Senior Advisor with Advent and Director on Manjushree Technopack and DFM Foods boards. He has also been a member of Confederation of Indian Industry (CII) and has experience as Chairman of PepsiCo India and Director on Board of Mondelez India. He is a member of Nomination & Remuneration and Audit Committee in Manjushree Technopack Limited and he is on the Board of Trustees in American India Foundation. He is member of Audit and Risk management committee of the Company.

Sr No	Directorship in listed entities	Category of Directorship	Expertise in Specific Functional Areas
1	Manjushree Technopack Limited	Non-Executive Director	Marketing, Strategy, General Management, Governance, Audit and Risk Management
2	DFM Foods Limited	Non-Executive Director	

- Independent Directors have confirmed that they meet the criteria of independence as laid down under the Companies Act and the SEBI Listing Regulations as amended.

- Company has obtained certificate from Practicing Company Secretaries, Parikh & Associates confirming that none of the Directors on Board is debarred or disqualified from being appointed or continuing as Directors of the Companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

- Independent Directors meeting was held on 15 June 2021 where all the Independent Directors including Ms. R. S. Karnad, as an invitee, were present.

- Directors with materially significant related party transactions, pecuniary or business relationship with the Company:

  The Board of Directors has approved a policy for related party transactions and has been uploaded on the Company's website http://india-pharma.gsk.com/en-in/investors/shareholder-information/policies/. There are no materially significant related party transactions entered into by the Company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. All transactions entered with the related parties during the year ended 31 March 2022 as mentioned under the Companies Act, 2013 and Regulation 23 and 27(2)(b) of the Listing Obligations & Disclosures Regulations (LODR) were in the ordinary course of business and at arm's length pricing basis. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

  The Company has adopted a policy for determination of 'material subsidiary' and the same has been posted on the Company website http://india-pharma.gsk.com/en-in/investors/shareholder-information/policies/.

  None of the Directors are related to each other.

- Dividend Distribution Policy

  The Board of the Directors of the Company had approved the Dividend Distribution Policy on 27 October 2016 and the policy is available on the Company website http://india-pharma.gsk.com/en-in/investors/shareholder-information/policies/.

- Directors Inductions and Familiarization

  The Board members are provided with necessary reports and internal policies to enable them to familiarize themselves with Company procedures and practices. Web link giving details of familiarization program http://india-pharma.gsk.com/en-in/investors/shareholder-information/policies/.

- Details of Directors being appointed/re-appointed

  As per the Statute, two-thirds of the Directors, excluding the Independent Directors, should be retiring Directors. One-third of these retiring Directors are required to retire every year and if eligible, these Directors qualify for re-appointment.

  Mr. S. Williams retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for his re-appointment. Mr. M. Anand's first term of five years as an Independent Director would be approved in upcoming Annual General Meeting.

  A brief resume of Directors appointed / eligible for re-appointment along with the additional information required under Clause 36(3) of the Listing Obligations & Disclosures Regulations, 2015 as required is provided above.

3. AUDIT COMMITTEE

Terms of Reference

The terms of reference of this Committee are wide enough to cover the matters specified for audit committee under Section 177 of the Companies Act, 2013 and Clause 18 of the Listing Obligations & Disclosures Regulations, 2015 with Stock Exchanges and are as follows:

a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

b) to review with Management, the financial statements at the end of a quarter, half year and the annual financial statements thereon before submission to the Board for approval, focusing particularly on:

   (i) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of Sub Section 3 of Section 134 of the Companies Act, 2013;

   (ii) changes, if any, in accounting policies and practices and reasons for the same;

   (iii) major accounting entries involving estimates based on the exercise of judgment by management;

   (iv) significant adjustments made in the financial statements arising out of audit findings;

   (v) compliance with listing and other legal requirements relating to financial statements;

   (vi) disclosure of any related party transactions; and

   (vii) Qualifications in the draft audit report.

c) to consider the appointment, re-appointment, remuneration and terms of appointment of the statutory auditors, any questions of resignation or dismissal and payment to statutory auditors for any other services rendered by them;

d) to discuss with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern (in the absence of management, where necessary);

e) reviewing, with management, performance of statutory and internal auditors, adequacy of the internal control systems and discuss the same periodically with the statutory auditors, prior to the Board making its statement thereon;

f) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

g) discussion with internal auditors on any significant findings and follow up thereon;

h) reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

i) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

j) to review the functioning of the Whistle Blower mechanism;

k) to approve any subsequent modification of transactions of the Company with related parties; (explanation): The term "related party transactions" shall have the same meaning as provided in Clause 2(1)(zc) of the Listing Obligations & Disclosures Regulations, 2015;

l) to scrutinize inter-corporate loans and investments;

m) to evaluate internal financial controls and risk management systems;

n) to do valuation of Undertakings or assets of the Company, wherever it is necessary;

o) to approve appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

p) to review the external auditor's audit reports and presentations and management's response;

q) to ensure co-ordination between the internal and external auditors, and to request internal audit to undertake specific audit projects, having informed management of their intentions;

r) to consider any material breaches or exposure to breaches of regulatory requirements or of ethical codes of practice to which the Company subscribes, or of any related codes, policies and procedures, which could have a material effect on the financial position or contingent liabilities of the Company;

s) to review policies and procedures with respect to directors' and officers' expense accounts, including their use of corporate assets, and consider the results of any review of these areas by the internal auditors or the external auditors;

t) to review with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

u) the Auditors of the Company and the Key Managerial Personnel shall have right to be heard in the meetings of the Audit Committee when it considers the Auditor's Report but shall not have the right to vote;

v) to consider other topics, as defined by the Board;

w) to carry out any other function as is mentioned in the terms of reference of the Audit Committee;

x) Review the following information by Audit Committee

The Audit Committee shall mandatorily review the following information:

i) Management discussion and analysis of financial condition and results of operations;

ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

iii) Management letters/letters of internal control weaknesses issued by the statutory auditors;

iv) Internal audit reports relating to internal control weaknesses; and

v) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

y) to review Cyber security policy of the Company.

z) to review the utilization of loans and / or advances from / investments by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

aa) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

- **Details of composition of the Audit Committee & attendance of Members are as follows:**

Six Audit Committee meetings were held during the year ended 31 March 2022. The Committee comprises of Independent and Non-Executive Directors and their meetings were held on 21 April 2021,18 May 2021, 26 July 2021, 29 October 2021, 25 November 2021 & 7 February 2022.

Names of the Members	Designation	Category of Directorship	Attendance out of Six meetings held
Mr. D. Sundaram	Chairman	Non-Executive & Independent	6
Mr. P. V. Bhide	Member	Non-Executive & Independent	6
Ms. R. S. Karnad	Member	Non-Executive	6
Mr. N. Kaviratne	Member	Non-Executive & Independent	6

All the members of Audit Committee are financially literate. The Managing Director, Chief Financial Officer, other Whole-time Directors, the Statutory Auditors and Internal Auditors are invitees to the meetings. The Company Secretary is Secretary to the Committee.

The Chairman of the Audit Committee, Mr. D. Sundaram, was present at the Annual General Meeting of the Company held on 27 July 2021.

Risk Management Committee

Terms of Reference

a) Review risks trends, exposure, their potential impact analysis, and mitigation plans;

b) Defining framework for identification, assessment, monitoring, mitigation and reporting of risks;

c) Reviewing risks including cyber security and evaluating treatment including initiating mitigation actions and ownership as per a predefined cycle;

d) Reviewing the robustness of the risk management processes followed by the Management.

The composition of the Risk Management Committee

Names of the Members	Designation	Category of Directorship
Mr. D. Sundaram	Chairman	Non-Executive & Independent
Mr. P. V. Bhide	Member	Non-Executive & Independent
Ms. R. S. Karnad	Member	Non-Executive
Mr. N. Kaviratne	Member	Non-Executive & Independent

During the year under review, the Committee met on, 18 May 2021 & 25 November 2021. The Chairman and all the members attended the meeting. The Managing Director, Chief Financial Officer, other whole-time Directors are invitees to the meetings. The Company Secretary is Secretary to the Committee.

The Chairman of the Risk Management Committee, Mr. D. Sundaram, was present at the Annual General Meeting of the Company held on 27 July 2021.

4. NOMINATION & REMUNERATION COMMITTEE

Terms of Reference

The terms of reference of this Committee covers matters specified for the Nomination & Remuneration Committee under Section 178 of the Companies Act, 2013 and Clause 19 of the Listing Obligations & Disclosures Regulations, 2015 with Stock Exchanges and are as follows:

a) Formulation of the criteria for determining qualification, positive attributes and independence of a Director and they recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees;

While formulating the policy as mentioned above, the Committee will ensure that;

1) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

2) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

3) remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

b) Formulation of criteria for evaluation of Independent Directors and the Board;

c) Devising a policy on Board diversity;

d) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;

e) To recommend to the Board, all remuneration, in whatever form, payable to senior management.

f) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

The composition of the Nomination & Remuneration Committee is as follows:

Names of the Members	Designation	Category of Directorship
Mr. N. Kaviratne	Chairman	Non-Executive & Independent
Ms. R. S. Karnad	Member	Non-Executive
Mr. D. Sundaram	Member	Non-Executive & Independent

Four Nomination & Remuneration Committee meetings were held during the year ended 31 March 2022. The Committee met on 19 August 2021, 25 November 2021, 7 February 2022 & 3 March 2022. The Chairman and all the members attended the meeting.

Remuneration Policy & evaluation criteria

The Nomination & Remuneration Committee has adopted a Policy on Remuneration to the Senior Management and Whole-time Directors of the Company and a Policy on composition, diversity and evaluation of the Board of the Company. The major terms of both policies are as under:

Remuneration Policy for Senior Management & Whole-time Directors

a) All the whole-time Directors including the Managing Director is paid such remuneration as may be mutually agreed between the Company and the Whole-time Directors within the overall limits prescribed under the Companies Act, 2013 and is subject to approval by the Shareholders of the Company.

b) The remuneration for the Senior Management and Whole-time Directors mainly consists of salary, benefits, perquisites and retirement benefits which are fixed components and the annual performance bonus and long-term incentives are the variable components.

c) When determining remuneration levels, individual's role, experience and performance and independently sourced data for relevant comparator groups are considered.

d) Ordinarily, salary increases will be broadly in line with the average increases for the wider GlaxoSmithKline workforce. However, increases may be higher to reflect a change in the scope of the individual's role, responsibilities or experience.

e) The overall performance of the individual is a key consideration when determining salary increases.

f) The Company has adopted remuneration policy and the same has been posted on the Company's website http://india-pharma.gsk.com/en-in/investors/shareholder-information/policies.

Performance Evaluation of the Board

In terms of the provisions of the Companies Act, 2013 and Schedule II-part D of the Listing Obligations & Disclosures Regulations, 2015, the Board has carried out the annual performance evaluation of its own including the various Committee and individual Directors with a detailed questionnaire covering various aspects of Board's functioning like composition of the Board and its Committees, Board culture, performance of specific duties and obligations.

A similar process with a separate exercise was carried out to evaluate the performance of the individual Directors, including the Chairman of the Board, who were evaluated on parameters such as the independence of judgement, level of engagement, their contribution, safeguarding the interests of the Company and minority shareholders.

Remuneration to Non-Executive Directors

a) Independent and Non-Executive Directors other than Directors who are in the employment of the GSK Group Companies are entitled for sitting fees of ₹ 50,000 per meeting of Board or Committee thereof. They will also be entitled for reimbursement of expenses incurred for participation in the Board or Committee Meetings.

b) All the Directors of the Company, excluding the Managing Director, Directors in the whole-time employment of the Company and Directors who are in the employment of the GSK plc. Group Companies are entitled to receive commission collectively up to a maximum of one percent of the net profits of the Company computed in accordance with the provisions of the Companies Act, 2013 for such period and such amount as may be decided by the Board of Directors from time to time.

c) The Independent Directors of the Company are not entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

The details of the remuneration paid to the Directors during the year ended 31 March 2022 are given below:

(₹ in lakhs)

Directors	Salary	Performance Bonus	Perquisites and Allowances	GSK plc-Share Value Plan	Contribution to Provident Fund & Superannuation Fund	Total
Mr. S. Venkatesh	246.58	98.31	622.94	-	30.56	998.38
Ms. P. Thakur *	120.05	103.89	165.35	85.82	14.41	489.51

* Ms. P. Thakur ceased to be whole-time Director & Chief Financial Officer of the Company with effect from closing hours of 31 March 2022.

(₹ in lakhs)

Independent Directors and Non-Executive Directors	Commission#	Sitting Fees	Total
Ms. R. S. Karnad	20.00	10.00	30.00
Mr. P. V. Bhide	15.00	08.00	23.00
Mr. N. Kaviratne	15.00	09.50	24.50
Dr. (Ms.) S. Maheshwari	15.00	04.50	19.50
Mr. A. N. Roy	15.00	04.50	19.50
Mr. D. Sundaram	15.00	09.50	24.50

\# payable in 2022

Notes:

a) The agreement between the Company and Whole-time Directors is;

Mr. S. Venkatesh for a period from 1 April 2022 to 31 March 2023

Mr. J. Chandy for a period from 1 April 2022 to 31 March 2025

The terms of the agreement are valid up to the expiry of agreement or normal retirement date, whichever is earlier. Either party, to the agreement is entitled to terminate the agreement by giving not less than three months' notice in writing to the other party.

b) Performance bonus is paid as a percentage of salary, based on certain pre-agreed performance parameters.

c) The above figures do not include provision for encashable leave, gratuity and premium paid for health insurance.

d) There is no separate provision for payment of severance fees.

e) None of the Directors other than those listed above are paid remuneration.

f) None of the other Non-Executive Directors hold any shares of the Company except Ms. R. S. Karnad who holds 600 equity shares of the Company.

5. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Terms of Reference

a) Formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;

b) Recommend the amount of expenditure to be incurred on activities referred to above and;

c) Monitor the CSR policy of the Company from time to time

In compliance with the provisions of Section 135 of the Companies Act, 2013, the composition of the Corporate Social Responsibility Committee is as follows:

Names of the Member	Designation	Category of Directorship
Mr. A. N. Roy	Chairman	Non-Executive & Independent
Dr. (Ms.) S. Maheshwari	Member	Non-Executive & Independent
Mr. S. Venkatesh	Member	Managing Director

During the year under review, the Committee met on 24 August 2021 and all the members attended the meeting. Please refer to the Board's Report and its annexures for details regarding CSR activities.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The Committee is authorised by the Board to consider and resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

a) To review measures taken for effective exercise of voting rights by shareholders.

b) To review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

c) To review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

In compliance with the provisions of Section 178 of the Companies Act, 2013 and clause 20 of the Listing Obligations & Disclosures Regulations, 2015, the composition of the Investors / Shareholders Grievance Committee is as follows:

Names of the Members	Designation	Category of Directorship
Ms. R. S. Karnad	Chairman	Non-Executive & Independent
Mr. P. V. Bhide	Member	Non-Executive & Independent
Mr. S. Venkatesh	Member	Managing Director

During the year under review, the Committee met on 7 February 2022 and all the members attended the meeting.

Name, designation and address of the Compliance Officer:

Mr. Ajay Nadkarni
Vice President – Administration, Real Estate & Company Secretary

GSK House, Dr. Annie Besant Road,

Worli, Mumbai - 400 030

Phone: (022) 2495 9433

Fax: (022) 2498 1526

Email ID: ajay.a.nadkarni@gsk.com

Annexure 'C' Report on Corporate Governance

The complaints received during the year under review are as follows:

Sr. No	Particulars	No. of Complaint
1	At the beginning of the year	00
2	Received during the year	87
3	Resolved during the year	87
4	Pending at the end of the year	00

During the year under review, the above complaints regarding non-receipt of shares sent for transfer, demat queries and non-receipt of dividend warrants and annual reports were received from the shareholders, all of them were resolved. The Company had no transfers pending at the close of the financial year.

7. GENERAL BODY MEETINGS

Details of the location of the last three Annual General Meetings (AGM) and details of the resolutions passed or to be passed by Postal Ballot:

Date	Year	Venue	Time	Special resolution
27 July 2021	1 April 2020 to 31 March 2021	At Registered Office - through Video Conferencing facility	2.30 p.m.	• Commission to Independent Directors
27 July 2020	1 April 2019 to 31 March 2020		2.30 p.m.	• None
22 July 2019	1 April 2018 to 31 March 2019	Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Marine Lines, Mumbai – 400 020	2.30 p.m.	• Re-appointment of Mr. Pradeep V. Bhide as an Independent Director • Re-appointment of Mr. Nihal Kaviratne CBE as an Independent Director • Re-appointment of Mr. Anami N. Roy as an Independent Director • Re-appointment of Mr. D. Sundaram as an Independent Director

All the resolutions, including special resolutions set out in the respective Notices were passed by the shareholders. One Special Resolution is proposed to be passed at the forthcoming Annual General Meeting.

Postal Ballot

During FY 2021-2022, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, and any other applicable provisions of the Companies Act, 2013, below mentioned resolutions was passed by the members through postal ballot. The notice of the postal ballot dated 21 April 2021 & 26 July 2021 was sent to all members of the Company. P. N. Parikh of Parikh & Associates, Practicing Company Secretary, was appointed as the Scrutinizer for the Postal Ballots and submitted his report to Chairperson, Ms. R. S. Karnad. The results of the Postal Ballot were announced on 27 May & 15 September 2021, and the details are as follow:

Means of Communication

The quarterly and half-yearly results are published in widely circulating national and local dailies such as The Economic Times and Business Standard, in English and Maharashtra Times, in Marathi. These are not sent individually to the shareholders. The Company's results and official news releases are displayed on the Company's website at www.gsk-india.com.

During the year, the Company held and made presentations at two institutional investor and analysts meetings, which is available on Company website at https://india-pharma.gsk.com/en-in/media/analysts-meets/.

The Management Discussion and Analysis Report form a part of this Annual Report.

Description of the Resolution	Votes in favour of the resolution			Votes against the resolution			Invalid votes	
	Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Number of members voted	Number of valid Votes cast (Shares)	Percentage of total number of valid votes cast	Total number of members whose votes were declared invalid	Total number of invalid votes cast (Shares)
Special Resolution:- Sale and transfer of Business Undertaking	243	14,63,16,347	99.89	46	1,57,486	0.11	0	0
Ordinary Resolution:- Approval of Related Party Transactions	563	1,78,48,344	89.26	122	21,48,665	10.74	0	0

General Shareholder Information

AGM: Date, Day, Time and Venue	26 July 2022, Tuesday at 01.30 p.m. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")
Financial Year	i. April to March ii. First Quarter Results – July 2022 iii. Half-Yearly Results – October 2022 iv. Third Quarter Results – February 2023 v. Results for the year ending 31 March 2022 - May 2023
Record Date	Friday, 8 July 2022
Dividend Payment date(s)	On or after 27 July 2022
Listing on Stock Exchange	The BSE Limited, Mumbai and the National Stock Exchange of India Limited. The Company has paid the listing fees for the year 1 April 2021 to 31 March 2022 and from 1 April 2022 to 31 March 2023.
Stock Code	500660 on BSE GLAXO on NSE
Demat ISIN Number for NSDL and CDSL	INE159A01016

In terms of requirements of Regulation 39(4) and Schedule VI of the SEBI Listing Regulations, shares which remained unclaimed in the custody of the Company are required to be transferred to the Suspense Account opened by the Company. Accordingly, details of the unclaimed shares lying in the Company's Unclaimed Suspense Account are as follows:

Particulars	No of Shareholders	No of Shares
No. of shares as on 1 April 2021	0	0
Number of shares claimed and transferred from the Unclaimed Suspense Accounts during the year	0	0
Number of shares transferred to Investor Education and Protection Fund	1900	175533
No. of shares as on 31 March 2022	1900	175533

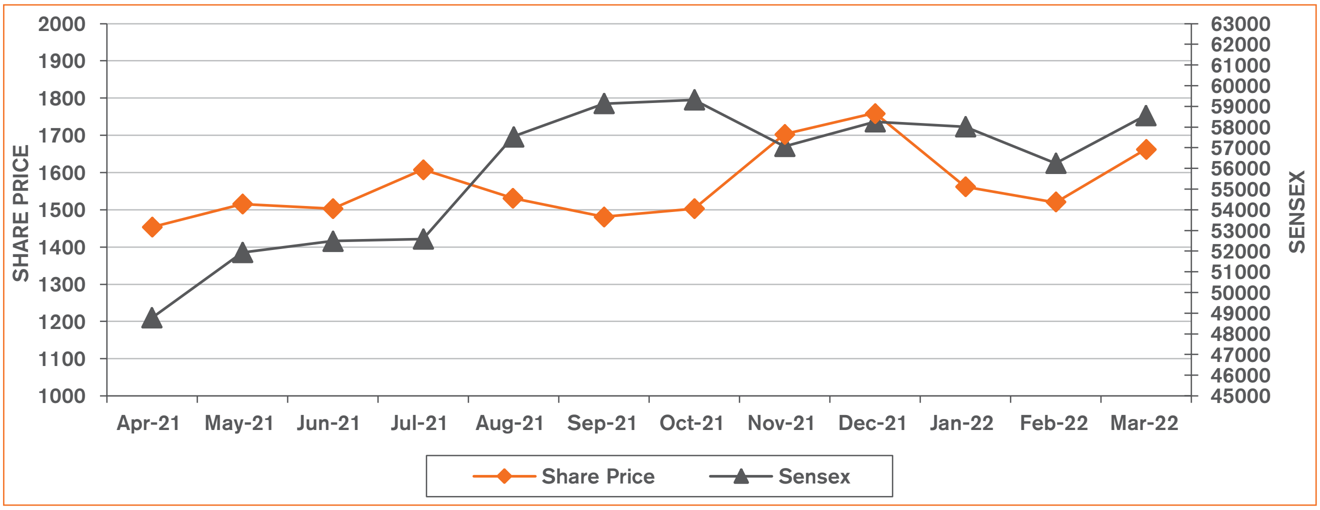
All benefits accruing on such shares shall be credited to Unclaimed Suspense Account for a period of seven years. Thereafter, the said shares including all benefits accrued thereon shall be transferred by the Company to the IEPF Authority in accordance with provisions of Section 124(5) and (6) of the Act and Rules framed thereunder. The voting rights in respect of such shares shall remain frozen till the rightful owner claims such Equity Shares.

High/low of market price of the Company's shares traded along with the volumes on the Stock Exchange, Mumbai and on the National Stock Exchange during the year April 2021 to March 2022 is furnished below:

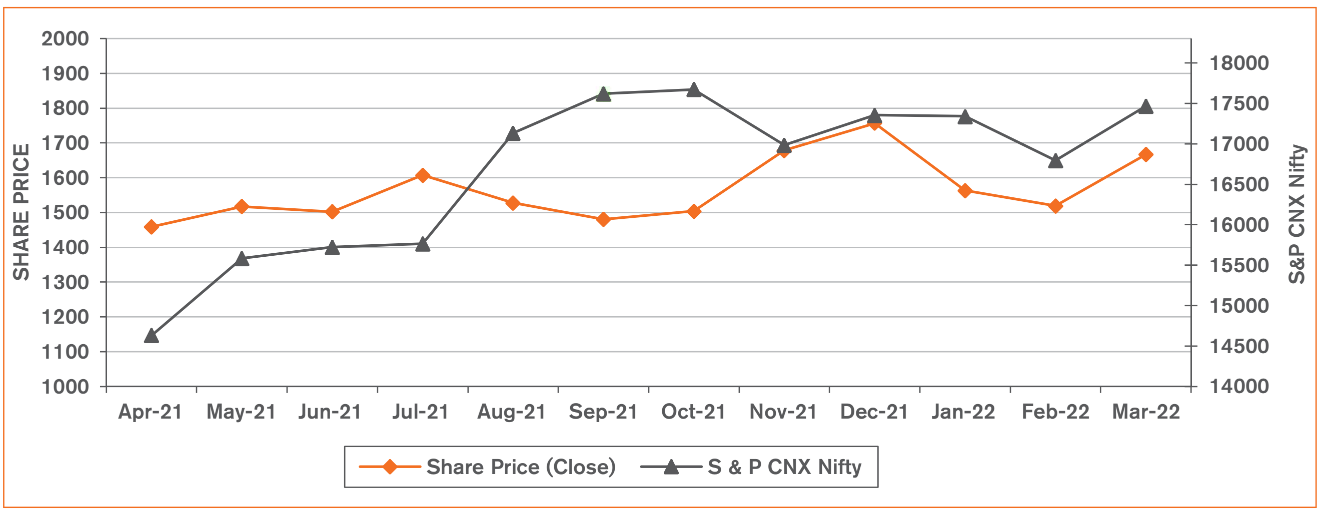
Month and Year	BSE			NSE		
	High	Low	Volume	High	Low	Volume
	(₹)	(₹)	(No. of Shares)	(₹)	(₹)	(No. of Shares)
Apr-21	1503.5	1400.00	74738	1495.00	1399.30	976170
May-21	1574.35	1445.60	84714	1575.00	1446.00	1295648
Jun-21	1634	1470.00	108045	1634.35	1477.30	1012910
Jul-21	1765.95	1490.00	107608	1767.40	1490.00	1777561
Aug-21	1763.60	1507.80	102455	1763.70	1508.90	1452545
Sep-21	1603.80	1472.00	86264	1604.90	1471.00	1275007
Oct-21	1515.00	1450.00	60148	1515.00	1450.00	849305
Nov-21	1824.65	1538.00	177511	1824.00	1531.00	3407733
Dec-21	1917.00	1646.40	189404	1918.75	1645.05	2212114
Jan-22	1789.45	1536.10	72178	1789.90	1535.45	1264929
Feb-22	1599.00	1489.25	66145	1594.00	1486.80	1030523
Mar-22	1734.90	1458.00	59130	1734.00	1460.00	1225600

Annexure 'C' Report on Corporate Governance

Share Performance of the Company in comparison to BSE Sensex



Share Performance of the Company in comparison to NSE S&P CNX Nifty



Equity History

Particulars	No. of shares issued (of ₹ 10 each)	Year of issue
Original Holding	18,00,000	1924
Bonus Issue	2,00,000	1947
Bonus Issue	10,00,000	1962
Bonus Issue	24,00,000	1968
Public Issue	18,00,000	1969
Bonus Issue	36,00,000	1977
Bonus Issue	36,00,000	1980
Public cum Rights Issue	56,00,000	1983
Shares allotted to Group Companies	44,89,800	1993
Rights Issue	53,97,700	1993
Bonus Issue	2,98,87,500	1995

Particulars	No. of shares issued (of ₹ 10 each)	Year of issue
Shares issued pursuant to the amalgamation of SmithKline Beecham Pharmaceuticals (India) Limited (SBPIL) with the Company in the ratio of one share of the Company for every two shares of SBPIL issued on 30 November 2001.	1,47,00,000	2001
Shares issued pursuant to the amalgamation of Burroughs Wellcome (India) Limited (BWIL) with the Company in the ratio of fourteen shares of the Company for every ten shares of BWIL issued on 29 October 2004	1,28,47,546	2004
Buy back of equity shares	(26,19,529)	2005
Bonus Issue	8,47,03,017	2018
Total	**16,94,06,034**	

List of top ten shareholders of the Company other than Glaxo Group Limited, GlaxoSmithKline Pte Limited, Eskaylab Limited and Burroughs Wellcome International Limited who hold 35.99%, 28.10%, 6.94% and 3.97% shares respectively are as follows:

Sr. No.	Name of Shareholder	% to Equity
1	Life Insurance Corporation of India & Funds	4.54
2	Aditya Birla Sun Life Trustee Private Limited & Funds	3.19
3	General Insurance Corporation of India	1.42
4	Investor Education and Protection Fund Authority	0.54
5	ICICI Prudential Funds	0.49
6	Vanguard Emerging Markets Stock Index Fund, A Series	0.34
7	Vanguard Total International Stock Index Fund	0.33
8	The New India Assurance Company Limited	0.23
9	PGIM India Trustees Private Limited A/C PGIM India	0.19
10	IShares Core Emerging Markets Mauritius Co	0.18
	Total	**11.45**

The distribution of shareholding as on 31 March 2022 is as follows:

Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
Upto 25	43410	37.95	405211	0.24
26 to 50	13685	11.96	560765	0.33
51 to 100	15256	13.34	1293078	0.76
101 to 500	35160	30.74	8644184	5.10
501 to 1000	4510	3.94	3209888	1.90
1001 to 10000	2257	1.97	4739243	2.80
10001 and above	118	0.10	150553665	88.87
Total:	**114396**	**100.00**	**169406034**	**100.00**

Shareholding pattern as on 31 March 2022 is as follows:

Category	No. of Shares	%
Promoter and Promoter Group		
• Glaxo Group Limited, U.K.	60,970,500	35.99
• GlaxoSmithKline Pte Limited, Singapore	47,604,024	28.10
• Eskaylab Limited, U.K.	11,760,000	6.94
• Burroughs Wellcome International Limited, U.K.	6,720,000	3.97

Annexure 'C' Report on Corporate Governance

Category	No. of Shares	%
Mutual Funds	7064446	4.17
Financial Institutions / Banks / Insurance Companies	11123834	6.57
Foreign Institutional Investors / NRI / OCB	4334364	2.56
Bodies Corporates	924518	0.54
Foreign Nationals	618	0.00
Individuals	17969918	10.61
Others	933812	0.55
Total	**169,406,034**	**100.00**

Registrar and Share Transfer Agent	KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) Unit: GlaxoSmithKline Pharmaceuticals Limited Selenium Tower B, Plot No 31 and 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana – 500032 Tel No.: 040 - 67162222, Fax No.: 040 - 23001153 Contact Person: Mr. Premkumar Nair Email ID: einward.ris@kfintech.com
Share transfer system	The Directors and Company Secretary are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings. In terms of amended Regulation 40 of Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from 24th January, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/ splitting/consolidation of securities, transmission/ transposition of securities. Vide its Circular dated 25th January, 2022, SEBI has clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.
Dematerialisation of shares and liquidity	98.90% of the paid-up capital has been dematerialised as on 31 March 2022. Glaxo Group Limited, GlaxoSmithKline Pte Limited, Eskaylab Limited and Burroughs Wellcome International Limited, who jointly hold 75.00% of the paid-up share capital of the Company, hold their shares in the dematerialised form.
Outstanding GDRs/ADRs/ Warrants or any convertible instruments conversion date and likely impact on equity	Not issued
Address for correspondence	Members correspondence should be addressed to the Company's Registrar and Share Transfer Agent at the address mentioned above. Members may also contact Mr. Ajay Nadkarni, Company Secretary, at the Registered office of the Company for any assistance. Tel. Nos. 022- 24959595 Extension 433/434/415, Email ID : ajay.a.nadkarni@gsk.com Members holding shares in electronic mode should address all their correspondence to their respective Depository Participant.
Plant	A-10, M I D C Area - Ambad, Nashik, Maharashtra 422001

OTHER DISCLOSURES

- Transactions with related parties are disclosed in Note 53 to the standalone financial statements in the Annual Report.
- Company has not obtained any credit rating for the financial year ended 31 March 2022.
- Company has not raised any funds through preferential allotment or QIP for the financial year ended 31 March 2022.
- Company has paid ₹ 1,21.50 lakhs as total fees for all services provided by Deloitte Haskins & Sells LLP, Statutory Auditors of the Company.
- Policy for related party transactions has been uploaded on the Company's website (https://india-pharma.gsk.com/en-in/investors/shareholder-information/policies/).
- During the year, your Company received two sexual harassment complaints & two sexual harassment complaints were already under investigation. All four complaints have been closed.
- During the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.
- The Codes of Conduct applicable to all Directors and employees of the Company have been posted on the Company's website. For the year under review, all Directors and Senior Management personnel of the Company have confirmed their adherence to the provisions of the said Codes.
- The Company has put in place a whistle blower policy/ vigil mechanism pursuant to which employees of the Company can raise their concerns relating to fraud, malpractice or any other activity or event which is against the interest of the Company and no one has been denied access to the Audit Committee.
- The Company has in place Risk Management Policy for Risk Assessment and Mitigation and it is periodically reviewed by the Board Members.
- The Company is not dealing in commodity and hence disclosure pursuant to SEBI Circular dated 15 November 2018 is not required to be given.
- There is no Non-Compliance of any requirement of Corporate Governance Report of Sub para (2) to (10) of Part C of Schedule V of the Listing Regulations.

The Company has complied with all mandatory items of the Regulations 17 to 27 and clauses (b) to (i), (t) of sub-regulation (2) of the regulation 46 with schedule II and V of Listing Regulations.

NON-MANDATORY REQUIREMENTS

A. The Board

The Chairman of the Board does not maintain a Chairman's office at the Company's expense.

B. Shareholders' Right

The quarterly and half-yearly results are published in widely circulating national and local dailies such as The Economic Times and Business Standard, in English, and Maharashtra Times, in Marathi. These are not sent individually to the shareholders but hosted on the website of the Company.

C. Audit Qualification

There are no qualifications contained in the Audit Report.

D. Separate post of Chairman and Managing Director

The posts of Chairman and Managing Director are separate.

E. Reporting of Internal Auditors

The Internal Auditor of the Company reports to the Audit Committee and makes detailed presentations at quarterly meetings.

On behalf of the Board of Directors

Ms. R. S. Karnad
Chairperson

Mumbai, 16 May 2022

Annexure 'C' Report on Corporate Governance

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the members of GlaxoSmithKline Pharmaceuticals Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 10 May 2022.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of GlaxoSmithKline Pharmaceuticals Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March 2022.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

R. K. Bhatt
Partner
(Membership No. 046930)
(UDIN 22046930AJAKWM1182)

Place: Mumbai
Date: 16 May 2022

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's code of Conduct

In accordance with Regulation 26(3) of the SEBI Listing Obligations & Disclosures Requirements (LODR), Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them, for the year ended 31 March 2022.

For **GlaxoSmithKline Pharmaceuticals Limited**

Sridhar Venkatesh
Managing Director

Mumbai, 16 May 2022

Annexure 'D' to the Director's Report

Secretarial Audit Report for the financial year ended 31 March, 2022

FORM No. MR-3

(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,
GlaxoSmithKline Pharmaceuticals Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GlaxoSmithKline 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 authorised 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 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 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 31 March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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');

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time (Not applicable to the Company during the audit period);

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the audit period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during the audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period).

(vi) Other laws applicable specifically to the Company namely:

(1) Pharmacy Act, 1948,

(2) Drugs and Cosmetics Act, 1940,

(3) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954,

(4) Narcotic Drugs and Psychotropic Substances Act, 1985,

(5) Drug Pricing Control Order, 2013

Annexure 'D' Secretarial Audit Report

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors 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 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.

As per the minutes, decisions at the Board Meetings were taken unanimously.

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 no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For **Parikh & Associates**
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN: F000327D000324607
PR No.: 1129/2021

Place: Mumbai
Date: 16.05.2022

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,
The Members
GlaxoSmithKline Pharmaceuticals Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The 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 **Parikh & Associates**
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 CP No: 1228
UDIN: F000327D000324607
PR No.: 1129/2021

Place: Mumbai
Date: 16.05.2022

Annexure 'E' to Director's Report

Disclosure pursuant to Section 134(3)(M) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014

a) Conservation of Energy

During the year, Nashik site has undertaken various initiatives for energy and water conservation to reduce energy consumption at the site, such as installation of 100KWp Solar PV for electricity generation, adoption of LED lighting, installation of EC drive for AHUs etc. Due to these efforts, despite higher production volumes as compared to last year, the CO_2 consumption has marginally increased by 0.7%. The site has reduced its water consumption by 6204kl during the year, through water saving projects including enhanced usage of rainwater in boiler, recycled ETP treated water for cooling towers, resulting in reduction of 6.6% as compared to last year.

b) Technology absorption:

- Implementation of CRSF caps for the bottles of all SKUs of Eltroxin.
- Removal of high noise DG set, ensuring generator area is free from mandated hearing protection, replacing it with acoustic enclosure Genset.
- Installation of site wide Public Address System and upgrading the assembly points for emergency response.
- Upgradation of all safety related parts of control systems of identified high risk equipment to the machinery safety standards.
- Installation of condition monitoring system on 1600 kVA transformer for online monitoring of parameters.
- Completion of upgrades in the facility & effluent stream, achieving compliance to AMR requirements.
- Improving the equipment capability & compliance on data integrity by upgrading equipment - Dissolution Media Degasser, Dissolution Tester, Sonicator, Microscope & Tablet Compression machines.
- Deployment of platform for e-validation, ensuring electronic generation, execution & approval of validation documents, migrating to a paperless process.
- Deployment of geo segmentation, anetwork fire wall protection project to ensure cyber security controls are in place.
- Installation of dehumidifier system for tablet testing in the QC Lab to meet controlled condition testing requirements.
- Installation of new dust collection units in the Ointment & Tablet facility, to improve controls on chemical exposure and mitigating risks.

c) Foreign exchange earnings and Outgo:

The foreign exchange earnings for the year ended 31 March 2022 was ₹ 5277.79 lakhs and foreign exchange outgo for the year ended 31 March 2022 was ₹ 88525.82 lakhs. The foreign exchange earnings for the period ended 31 March 2021 was ₹ 2780.23 lakhs and foreign exchange outgo for the period ended 31 March 2021 was ₹ 113971.49 lakhs.

On behalf of the Board of Directors

Ms. R. S. Karnad
Chairperson

Mumbai, 16 May 2022

ANNEXURE 'F' to the Directors Report

Disclosure under Section 197 (12) of the Companies Act, 2013 and other disclosures as per Rule 5 of the Companies (Appointment & Remuneration of Key Managerial Personnel) Rules, 2014

1. Ratio of Remuneration of Non-Executive Directors to the median remuneration of the employees of the Company for the financial year ended 31 March 2022.

Sr no	Name of Directors	Designation	Ratio to Median Remuneration
1	Ms. R. S. Karnad	Chairperson, Non-Executive Director	2.15
2	Mr. P. V. Bhide	Independent Director	1.65
3	Mr. N. Kaviratne	Independent Director	1.76
4	Dr (Ms.). S. Maheshwari	Independent Director	1.40
5	Mr. A. N. Roy	Independent Director	1.40
6	Mr. D. Sundaram	Independent Director	1.76

2. Ratio of Remuneration of Whole-time Directors & Key Managerial Personnel (KMP) against the Company.

Sr no	Whole-time Directors & KMP	Designation	Ratio to median Remuneration	(%) Increase in remuneration in the financial year
1	S. Venkatesh	Managing Director	71.54	8.03%
2	Ms. P. Thakur	Whole-time Director & CFO	35.08	10.6%
3	A. Nadkarni	Company Secretary	10.73	8.24%*

3. There was 25.37%** increase in the median remuneration of employees.

4. There were 3840 permanent employees on the rolls of the Company as on 31 March, 2022.

5. Average percentile increases 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:

   The average percentage increase made in the salaries of employees and managerial personnel was 8% in 2021-22 in line with market and business growth.

6. We affirm that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Ms. R. S. Karnad
Chairperson

Mumbai, 16 May, 2022

*Excluding one-time market correction

**Higher median in 2021 is on account of implementing the Long-term Settlement signed with unions for increase in salary of Medical Business Associates which was due for renewal from October 2019 and was paid with arrears. This settlement is valid till September 2023.

Business Responsibility and Sustainability Report

Responsible business is how we do business

Being commercially successful and operating responsibly is how we will generate sustainable returns for our shareholders and deliver on our purpose. We aim to bring differentiated, high quality and essential pharmaceuticals and vaccines to as many people as possible. Our three priorities – Innovation, Performance and Trust – help us realize our ambition for patients and drive robust growth for our shareholders and people to positively impact the health of millions of people.

About this report

The contents of this report are aligned with the 9 principles contained in the National Guidelines on Responsible Business Conduct (NGRBC) charted out by the Ministry of Corporate Affairs on Environmental, Social and Governance parameters for Financial Year ('FY') 2021-22.

The report complies with the requirements for disclosing sustainability-related information aligned to the 9 principles of the NGRBC. Our disclosures around the non-financial performance indicators also seeks to enhance connectivity within your company's general purpose financial reporting and the management of sustainability related impacts within our own operations.

This report is our attempt at complying with the Business Responsibility and Sustainability Reporting as mandated under Regulation 34 of the Listing Regulations before it becomes mandatory from the next reporting cycle i.e., FY 2022-23. Careful consideration has been applied in reporting data which is true to the best of our knowledge and understanding of the reporting requirements. We are currently in the process of further strengthening our ESG data management systems to improve the quality of non-financial performance data disclosures for future reporting.

The non-financial performance data reported herein has not been subjected to an independent third-party audit for the current FY.

The disclosures under the extant Business Responsibility Report mandate are covered as **Annexure B** of the Director's Report for FY 2021-22.

Section A: General Disclosures

Details of the listed entity

1.	Corporate Identity Number (CIN) of your company	L24239MH1924PLC001151
2.	Name of your company	GlaxoSmithKline Pharmaceuticals Limited ('GSK' or 'your company' or 'we')
3.	Year of incorporation	1924
4.	Registered office address	GlaxoSmithKline Pharmaceuticals Limited GSK House, Dr Annie Besant Road, Worli, Mumbai- 400030
5.	Corporate address	Same as above
6.	E-mail	in.investorquery@gsk.com
7.	Telephone	+91 22 24959595
8.	Website	https://india-pharma.gsk.com/en-in/
9.	Financial year for which reporting is being done	FY 2021-22
10.	Name of the stock exchange(s) where shares are listed	BSE Ltd. (Bombay Stock Exchange) and the National Stock Exchange of India Ltd. (NSE).
11.	Paid-up capital	INR 16,940.60 lakh
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	**Name**: Mr. Ajay Nadkarni **Designation**: Company Secretary **Telephone no.**: +91 22 2495 9595 **Email ID:** ajay.a.nadkarni@gsk.com
13.	Reporting boundary	Standalone basis

Business Responsibility and Sustainability Report

Products/services

1. Details of business activities (accounting for 90% of the turnover):

   Your company is engaged inter alia, in the business of manufacturing, distributing, and trading in pharmaceuticals.

2. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Pharmaceuticals	21002	100%

3. Number of locations where plants and/or operations/offices of the entity are situated:

Number of plants	Number of offices
One Manufacturing plant at Nashik	**One** head office at Mumbai
	Seven branches in India.

Markets served by the entity

1. Locations - Across all markets in India

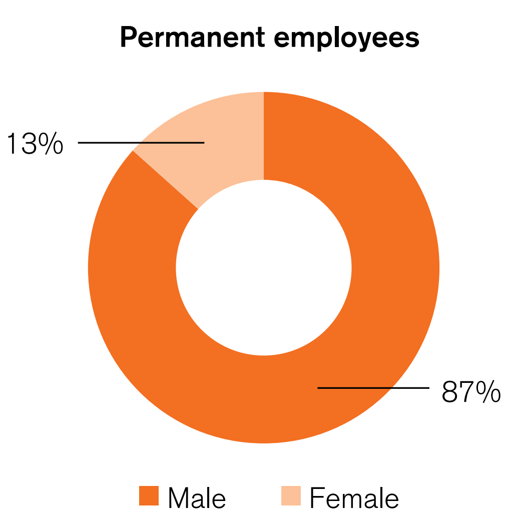
2. Exports - Your company does not export its products.

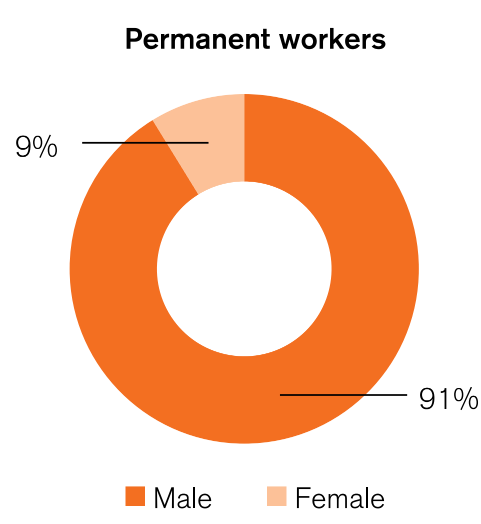
3. Customers - Customers are important stakeholders in our business. Our company's customer base includes stockists, Health Care Professionals ('HCPs') and Government Institutions to whom your company sells its products.

Employees

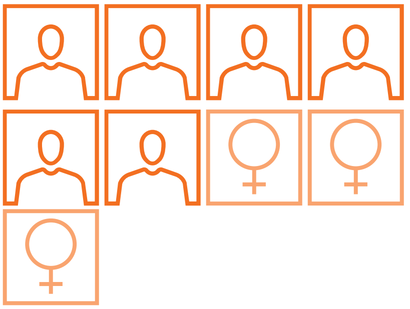
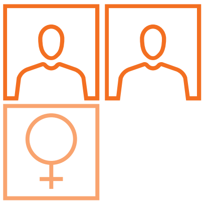
Gender representation for FY 2021-22 and Participation/Inclusion/Representation of women

Particulars	Total	Male	Female
Permanent Employees	1816	1573	243
Permanent Workers[1]	2024	1846	178

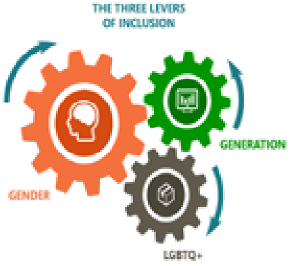




[1] All unionized employees are classified as permanent workers

Managerial level	Board of Directors	Key Management Personnel
		

Inclusion and Diversity Targets



- We value diversity (Gender, LGBTQIA+, Persons with Disabilities, etc.) and treat all employees equally. We aim to create an inclusive workplace where all employees feel engaged, supportive of one another, and know their work makes an important contribution.
- Your company is an Equal Opportunity and Affirmative Action Employer. All qualified applicants receive equal consideration for employment without regard to race, color, national origin, religion, sex, pregnancy, marital status, sexual orientation, gender identity/expression, age, disability, genetic information, or any other central, state or local protected class
- Your company is committed to accelerate its progress on inclusion and diversity (I&D) to achieve equity in our employment practices to create an inclusive workplace without any sort of bias.
- Your company has strengthened its inclusive culture and by increasing leadership accountability through three levers of:
  - Focus on Gender Representation
  - Build Generational Diversity
  - Embrace LGBTQIA+ Community
- As on March of 2022, ~11% of the workforce is represented by women. To improve diversity, your company has put in place several focused initiatives to nurture the work culture, career and capabilities of women.
- Your company has put consistent efforts to improve the diversity in its workforce through targeted female hiring.
- These are described in detail under Principle 3.

Initiatives

The culture at your company promotes inclusion and diversity through the following initiatives -

- Referral Policy: A renewed branding of "Parichay" with a differentiated bonus for Women and LGBTQIA+ referrals
- Day care Support: Your company provides day care support for eligible employees at our head office in Worli and Nashik factory
- Your company has initiated a project to improve diversity in field salesforce
- Your company plans to hire returning mothers for "Second Careers" as part of a pilot project
- Your company has undertaken People Manager capability building on leading & fostering inclusive teams, coaching & developing team members through gender sensitization trainings

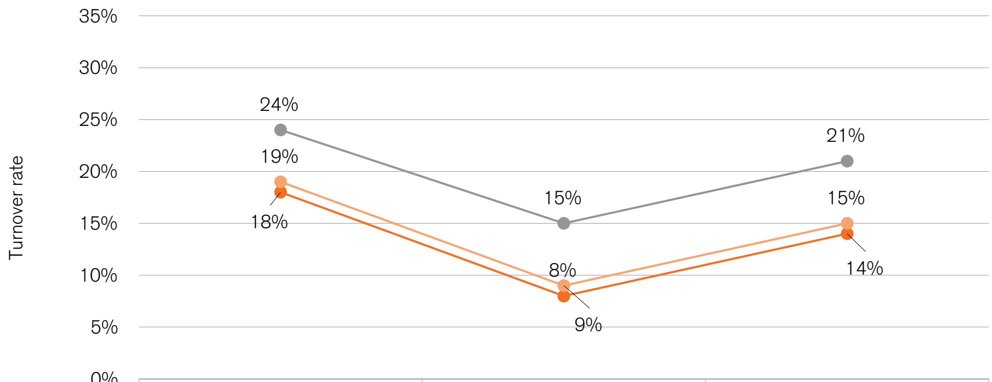
Accessibility

- Two permanent employees are differently abled. Your company's corporate office in Worli, Mumbai is accessible to differently abled persons as well.

Business Responsibility and Sustainability Report

Voluntary[2] employee turnover rate for permanent employees and workers

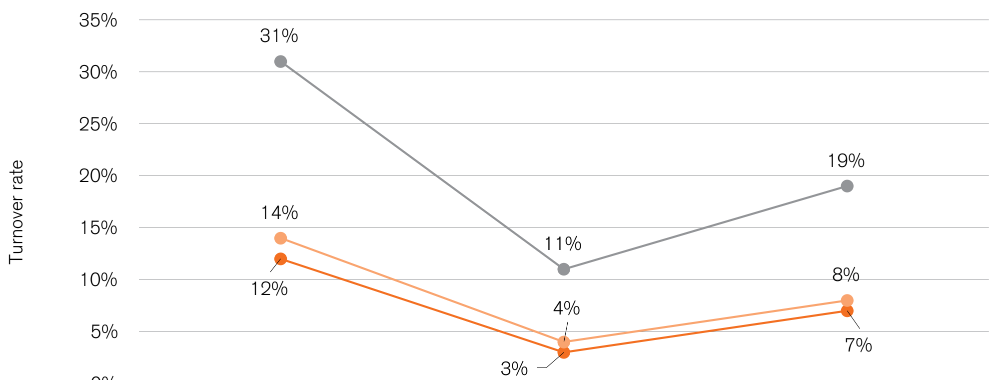
Permanent Employees



	FY 2021-22	FY 2020-21	FY 2019-20
Male	18%	8%	14%
Female	24%	15%	21%
Overall	19%	9%	15%

Years

Permanent Workers



	FY 2021-22	FY 2020-21	FY 2019-20
Male	12%	3%	7%
Female	31%	11%	19%
Overall	14%	4%	8%

Years

Holding, Subsidiary and Associate Companies (including joint ventures)

Names of holding / subsidiary / associate companies / joint ventures are as follows -

S. No.	Name of the holding/subsidiary/associate companies / joint ventures (A)	Indicate whether the holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	GlaxoSmithKline plc indirectly holds 75% shares in your company	Holding	75%	No
2	Biddle Sawyer Limited.	Subsidiary	100%	Yes

Also, please refer to Note 53: Related Party Disclosures for the list of related parties

[2] Voluntary includes resignations (career/ personal), terminations (misconduct, poor job performance). However, involuntary causes like retirement, death, etc. are not included.

CSR Details

CSR is applicable as per section 135 of Companies Act, 2013. Your company's total spending on CSR is 2% of the average net profit in the previous three financial years. The CSR budget for this reporting year is INR 12,53.68 lakhs.

(ii) Turnover (in INR): For immediately preceding FY i.e., FY 2020-21 the turnover was INR 3193,73.63 lakhs

(iii) Net worth (in INR): For immediately preceding FY i.e., FY 2020-21 the net worth was INR 1517,93.48 lakhs

The detailed report on the CSR programs undertaken during the year has been provided in Annexure 'A' to the Directors' Report.

Healthy communities are the backbone of strong, sustainable societies. However, there are still millions of people without access to basic healthcare or affordable access to education in India. Your company's approach to corporate social responsibility (CSR) strives to address identified national priorities, improve access and support people in vulnerable communities. Your company believes in enabling access to education and its ability to transform lives for a promising future.

Highlights of some key CSR programmes undertaken during the year are as follows –

1. **GSK Scholars – Enabling future healthcare professionals**

   Beneficiaries: 117 students | Location: 15 States

   The GSK Scholars Programme is focused towards providing financial assistance to meritorious and financially constrained students enabling them to pursue a career in medicine from government colleges.

2. **Partnering India to eliminate lymphatic filariasis (LF)**

   Locations: Mass Drug Administration (MDA) Endemic districts- Pan India | Morbidity Management and Disability Prevention (MMDP): Unnao, Sitapur, Uttar Pradesh

   MDA: 32 million albendazole tablets | MMDP: Area covered 5,080 villages in 35 blocks ASHA training 3,772 trained sessions

   We have been donating Albendazole tablets, used during MDA to World Health Organization (WHO), since the inception of the program in 2000. In the year 2021-22, over 32 million tablets were contributed for elimination of LF. We have also provided morbidity management and disability prevention (MMDP) support in three districts of Uttar Pradesh.

3. **Healthy School Environment - The right of every child**

   Beneficiaries: 10,000 | Location: Nashik, Maharashtra

   The programme goal is to ensure continued health, nutrition and water, sanitation and hygiene (WASH) support among children of municipal schools in Nashik, Maharashtra. During the year the following activities were carried out -

   - Safety kits provided to 10,000 vulnerable and marginalized children to help safe return to the 20 project intervention schools

   - Kitchen garden developed in 5 schools to enhance the knowledge of children regarding nutritional aspects and give first-hand experience with nature and gardening

4. **SNEHA Centers Project**

   Location: Mumbai, Maharashtra | 5100 households

   The main objective of SNEHA Centre is to improve the health and nutrition status of children, women, and adolescent by building resilient community with active engagement of system and community stakeholders to mitigate public health concerns in a vulnerable community of Mumbai.

5. **Save Lives**

   Location: South 24 Parganas, West Bengal | Beneficiaries: 3000

   The project aims to empower community with focus on mother and child health related issues and facilitating linkage with health services in Nayabasti, West Bengal

6. **Mainstreaming out of school children**

   Location Gurugram, Haryana | Beneficiaries: 120

   The aim is to upgrade the targeted beneficiaries to grade level competencies by providing access to quality education, nutrition, and healthcare. At the end of the annual intervention period, the targeted beneficiaries are mainstreamed into conventional educational channels, in this case, government schools for continuing their education.

7. **Holistic care for the vulnerable**

   Location: Patna | Beneficiaries: 150

   The programme is dedicated towards upliftment of underprivileged and deprived girls through free residential formal school education, co-curricular activities & vocational training. The mission is to prove that given equal opportunity, any girl has the potential to excel, irrespective of her family background. The programme has supported a residential school for 100 vulnerable girls and 50-day scholars in Patna.

8. **Be A Changemaker (Orange day – Employee Volunteering programme)**

   Volunteering is one of the key mechanisms that we have chosen to channelize our employees towards societal good. We strive to strengthen communities and bring the change that we wish to see in this world through volunteering. In 2021, we contributed over 5,200 volunteering hours towards varied social causes.

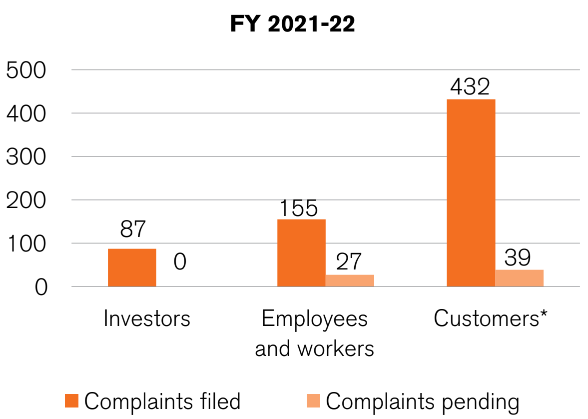
   For more details, please refer to the CSR Section on our website (https://india-pharma.gsk.com/en-in/responsibility/corporate-social-responsibility-programmes/)

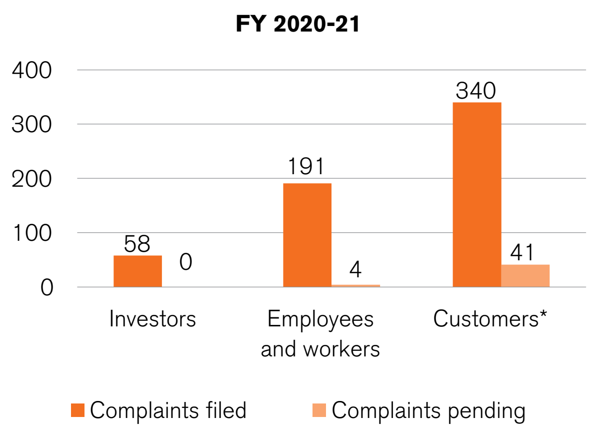
Transparency and disclosures compliances

1. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

   The below chart represents the complaints filed and pending as at the end of respective financial years. Pending complaints are resolved within your company defined timelines

   (*Note: Only those complaints from customers that relate to product quality are disclosed in the below chart. There may be more complaints from customers which may not be related to product quality. However, they are not disclosed here.)





Overview of the entity's material responsible business conduct issues

The material issues are risks to your company but at the same time, if acted upon proactively, could provide significant opportunities for your company over its competitors in the industry. The identified risks are noted in your company's risk register and are discussed periodically by the Compliance team with business owners, the Risk Management and Compliance Board (RMCB) and Risk Management committee of the board. Based on discussions and the estimated implications, appropriate mitigation actions are taken for material issues.

Your company was conferred with the CNBC-TV18 Risk Management Award in the Pharma sector. This is a prestigious national award with over 500 top companies going through the nomination process set by an expert jury. Your company was recognized on evaluation against parameters pertaining to policy & framework, technology, people & culture, framework & governance, and testing & evaluation. The award recognizes the agility and resilience in serving millions

of patients during the most difficult pandemic phases. This award is also a testament of the matured risk culture and management practices, with focus on delivering against our three culture pillars.

Some material issues identified are as follows –

ESG dimension	Material issues	Impact	Management approach
Business Ethics	Prevention of bribery & corruption	High	The company is exposed to regulation around the prevention of bribery and corruption, including extra-territorial laws. Failure to comply could have significant financial and reputational consequences. We have stringent anti bribery and corruption ('ABAC') policies, governance, and compliance monitoring mechanisms in place to mitigate the risks.
	Data protection and cyber security	High	The company has access to employees' data and administrative data from partners. We have a global data protection and cyber security policy. Breaches and threats are continuously monitored at the global level.
Human Resources	Occupational health & safety	High	Providing a safe and healthy workplace environment for our workers is critical to the success of our operations. Our focus is to create a workplace free of injuries, fatalities, and illness (both chronic and acute, and physical and mental health) by leveraging technology and through trainings, appropriate personal protective equipment, incident tracking and reporting.
	Training & development	Very High	Your company is focused on creating an enabling environment for our employees through carefully curated learning and development modules. We believe that this is critical to ensure retention of our skilled workforce and to consistently provide them with growth opportunities which improve their employability.
	Exposure to physical climate change risks	High	For our manufacturing operations, we have internal targets to reduce carbon emissions from our Nashik plant in order to mitigate our impact on climate change.
Supply Chain	Supply Chain Management	High	Our supplier and distribution network are widespread and inherently exposed to risks from disruption. We undertake detailed assessments of our suppliers and third-party contract manufacturers at the time of onboarding and periodically. These assessments cover a multitude of ESG topics like labour rights, fair wages, ABAC, and regulatory compliances.
Social outcomes	Product Quality and Patient Safety	Very High	We understand that we have a responsibility to provide our consumers with manufactured products that positively impact health outcomes for the society. Our Quality and Pharmacovigilance teams proactively tracks regulatory and non-regulatory complaints and grievances and works towards redressing them in an effective manner.
	Access and affordability	Very High	We are committed to ensure access and affordability of our pharmaceutical products within India by periodically assessing our product portfolio to make it more diversified. With the revised National List of Essential Medicines (NLEM) expected to be released by the government, we are engaging in various stakeholder discussions on the same.

Other factors that could impact your company include government policies and evolving market landscape (e.g., channel disruption and digitization)

Section B: Management and Process Disclosures

The section aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1 Ethics and transparency	P2 Product responsibility	P3 Human resources	P4 Responsiveness to stakeholders	P5 Human rights	P6 Protect & restore environment	P7 Public policy advocacy	P8 Inclusive growth	P9 Customer engagement
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	NA	Y	NA	Y	Y	Y	Y

Business Responsibility and Sustainability Report

Disclosure Questions	P1 Ethics and transparency	P2 Product responsibility	P3 Human resources	P4 Responsiveness to stakeholders	P5 Human rights	P6 Protect & restore environment	P7 Public policy advocacy	P8 Inclusive growth	P9 Customer engagement
c. Web link of the policies, if available	All business responsibility policies can be found on our website: GSK India Policies and Shareholder Information/ Policies.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

3. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle.

Your company is a signatory to the Organization of Pharmaceutical Producers of India (OPPI), Code of Pharmaceutical Practices based on the International Federation of Pharmaceutical manufacturers and Associations (IFPMA) Code.

We are also signatory to the AMR (antimicrobial resistance) Industry Alliance's Antibiotic Manufacturing Framework, which is one of the largest private-sector coalitions set up to provide sustainable solutions to curb AMR and wastewater discharge limits. .

For more details refer to Principle 7

4. Specific commitments, goals and targets set by the entity with defined timelines, if any.; and

5. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.

Nashik plant and third-party contract manufacturers

Sr. no.	Key Indicators for Nashik plant	2021[3] - Target	2021[3] – Results	2020[2] - Target	2020[3] - Results
1	Single use plastic reduction (SUPR)	No target	0.26 Tons	1.96 Tons	8.8 Tons
2	Energy Reduction	3%	0.73%	7%	11%
3	Water reduction	6%	7%	9%	17%
4	Waste reduction (hazardous)	5%	4.2%	15%	21%
5	Health & Wellbeing - Gold certification score	76	79	60	68

Specific commitments, goals and targets set by the entity with defined timelines, if any.	Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.
The company is committed to reducing the environmental footprint from the production of antibiotics at the third-party manufacturers' sites by controlling the release of antibiotics into the environment within the science-driven, risk-based discharge limits.	The company is a signatory to the AMR (antimicrobial resistance) Industry Alliance's Antibiotic Manufacturing Framework, which is one of the largest private-sector coalitions set up to provide sustainable solutions to curb AMR and wastewater discharge limits.
Water risk assessments for its plants and Contract Manufacturing Operations (CMO) sites.	▪ 8 Contract Manufacturing Operation (CMO) sites were assessed for their exposure to water risk. 2 sites were found to be at high risk and accordingly, operations for these 2 sites were discontinued. ▪ Your company has decided to fully understand the site's water consumption and discharge practice and then identify water consumption reduction opportunities. Your company has also decided to select and develop alternate sites for meeting the water requirements in the long run.
Comply with Plastic Waste Management Rules, 2016 (Amended, 2018) of the Central Pollution Control Board and implement action plans to collect post-consumer plastic waste.	▪ Your company collects back post-consumer plastic waste from the Indian markets and recycles and recovers it in an environmentally sound manner every year as a part of our Extended Producer Responsibility (EPR) obligation. In FY 2021-22, your company collected and disposed of as per EPR 1,652.75 MT of plastic waste.
Your company has targeted to limit their carbon emissions to 768,176 tonnes in 2022.	▪ Our carbon emission[4] is 802,637 tonnes. We have implemented projects to utilize biomass in our boilers and install solar panels to increase the share of renewable energy and thereby reduce carbon emissions from fossil fuel usage.

[3] Calendar Year
[4] As on Jan 1, 2022

Corporate office

Specific commitments, goals and targets set by the entity with defined timelines, if any.	Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.
▪ Your company has set internal targets for improving the mental well-being of employees.	▪ In order to sensitize managers towards mental well-being of their teams, your company has provided trainings to 73% of managers. For more details, refer Principle 3
▪ Your company has set global safety improvement targets by way of standardized operating procedures contained in the Life-Saving-Rules (LSR). ▪ Your company aims to achieve over 90% awareness and compliance with Independent Business Monitoring (IBM) Standards (Overall for 6 IBM standards).	▪ Your company conducts refresher campaigns and awareness drives based on the Life Saving Rules for improving health and safety outcomes. ▪ The Global Driver Safety Standard (for field sales employees) to prevent road accidents has been successfully implemented. ▪ Overall compliance with the 6 IBM standards is 83% for the reporting year.
▪ Your company intends to improve the physical and nutritional well-being for more than 30% of its workforce.	▪ Your company has received a Gold certification Score (79/100) from the US Green Building Council in its health and well-being initiatives.

6. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies

Director Identification Number (DIN): 07263117

Name: Mr. Sridhar Venkatesh

Designation: Managing Director

7. Details of Review of NGRBCs by your company:

Performance against policies and follow up action	Performance against policies is governed by internal mechanisms covered under these policies. Any non-compliances are flagged as per the centralized system for appropriate action.
Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	Your company has no reportable non-compliances

Section C: Principle-wise Performance Disclosure

This section is aimed at helping companies demonstrate their performance in integrating the Principles and Core Elements of the National Guidelines on Responsible Business Conduct (NGRBC).

3.1 Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Your company ensures that we do business with integrity, accountability and transparency. The GSK Code of Conduct ('Code') is the guiding principle to the delivery of ethical business conduct, and we abide by the values and expectations set forth within the Code. In addition, the Code of Practice for Promotional and Non-promotional External Interactions provides principles for our external interactions that aim to enhance the understanding and appropriate use of GSK medicines and vaccines for the benefit of individual patients and populations. In conjunction with our supporting policies and procedures, enables us to conduct our external interactions in a way that adheres to relevant laws, regulations, and external codes

We are patient-focused, and we respect the people whom we serve and work with, which includes our colleagues and society at large. In addition to our firm-level written codes and policies, we work to comply with the applicable local laws, regulations, industry codes and requirements to deliver the best products and services to our stakeholders.

Business Responsibility and Sustainability Report

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Some of the virtual trainings were conducted during the year are as follows -

- **Diversity and Inclusion** – 3285 persons[5] took this training
- **Focusing on anti-bribery and corruption (ABAC)** – 3228 persons[5] took this training
- **Code of conduct** – 3313 persons[5] took this training
- **Prevention of Sexual Harassment (POSH)** – 1029 new joiners[5] were trained
- **Phishing training** - 3668 persons[5] took this training

These trainings presented scenarios that explored our values and their application to our ways of working and risks such as those associated with Information Security, Privacy, Anti-Bribery and Corruption, Inclusion & Diversity, and Conflicts of Interest.

Category	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in a respective category covered by the awareness programmes
Board of Directors	1	Board of Directors sign off on Code of Conduct annually and a "No Conflict of Interest" declaration	100%
Key Managerial Personnel Employees other than Board of Directors and KMPs	4	▪ Creating an inclusive workplace - Diversity and Inclusion ▪ Anti-bribery and corruption ▪ Protecting GSK everyday - Protecting GSK values, data privacy and information risk, ABAC. ▪ Prevention of Sexual Harassment: e-learning Refresher module for every employee once in two years. This is a mandatory e-learn for every person who joins your company.	The trainings are mandatory for all employees and KMPs
Workers	12	Health and safety training: 12 types of health and safety trainings were provided to management and non-management staff. Contractor/ non-permanent workers are provided 6 types of training. The details of trainings are provided under Sr. No. 8 of Principle 3.	100% of the staff is covered under this training.

2. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes. Your company has an Anti-Bribery and Anti-Corruption Program which is a part of your company's response to the threat and risk of bribery and corruption. The program includes the ABAC Written Standards, which has been designed to assist internal and external parties to understand corruption risk and identify people's responsibilities to actively combat both real and perceived corruption. As part of your company's approach to minimize and manage risk related to bribery and corruption, your company has instituted comprehensive Anti-Bribery and Corruption Policy, SOP on Managing Third Party risks, Guidance on External Experts with influence on GSK's business, Gifts, Entertainment and Hospitality Policy and Conflicts of Interest Policy, among other policies and guidance. Further, specific categories of employees and high ABAC risk third parties undergo mandatory training on ABAC periodically.

3. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

There were no such instances for FY 2020-21 and FY 2021-22.

[5] Number computed based on active employees in the system as on 31 March 2022

4. **Details of complaints with regard to conflict of interest:**

   All related party transactions are pre-approved by the Audit Committee and the Board of Directors. Any significant transaction is pre-approved by the Board of Directors and shareholders of your company as required by regulatory requirements. No complaints with regard to conflict of interest were received in FY 2021-22.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

   - Specific third parties who interact with the Government on your company's behalf undergo online ABAC trainings. Your company also conducts customized, case study-based trainings for such third parties

   - Two Employee Health and Safety trainings were conducted during the year for all third-party contract manufacturers. The virtual trainings were conducted on fire safety and electrical safety.

   - Further, awareness programmes on "Water Kaizen" (brainstorming on various water saving initiatives) and antimicrobial resistance (e.g., permissible discharge limits) are regularly conducted amongst key third-party contract manufacturers.

   - All third-party contract manufacturers receive communication on your company's business responsibility policies such as the Code of Conduct, prevention of sexual harassment, and Standard Operating Procedures (SOPs) for health and safety.

2. **Processes in place to avoid/ manage conflict of interests involving members of the Board**

   Your company's approach to avoiding/managing conflict of interests involving members of the Board is embodied within our Code of Conduct. Your company assesses all its activities for potential conflicts and ensures that any actual, potential, or perceivable conflicts are declared and resolved before the initiation of any task or project. The policy can be accessed at GSK Code of Conduct. Further, the Board of Directors sign off on Code of Conduct on an annual basis and a "No conflict of interest" declaration is obtained from the Board of Directors.

   Further, the Board confirms that there were no materially significant related party transactions made with the Promoters, Directors or Key Managerial Personnel which may have a potential conflict of interest with the company at large.

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

Your company is committed to quality, safety and reliable supply of our products for patients and consumers. From the sourcing of raw materials to the manufacturing and marketing of the products, we make sure that effective quality management practices are strictly followed during all stages of the supply chain.

We put our patient's and consumers' safety first. As a responsible entity, we have extensive controls in place to detect, evaluate, and communicate benefits, risks, and potential safety concerns about our products. Hence, we make sure that up-to-date relevant information is available on the packaging. Our procedures comply with Good Manufacturing Practice (GMP) regulations and other good practice procedures for ensuring Product Quality, and these are documented in the GSK Quality Management System. Compliance with GMP enables us to ensure that the medicinal products are consistently produced and controlled to the highest quality standards.

Responding to the unprecedented challenges during the pandemic, the warehouse and distribution team moved with agility, collaborating with our vast network of stockists, warehouses, and manufacturing facilities. This not only improved access to quality healthcare, but also ensured that the supply chain network was not disrupted during the lockdown period(s). The warehousing and distribution network comprising 22 CMOs, 26 warehouses and 6,000 stockists continued to provide high levels of customer service on time. We continued to implement automation and digitalisation initiatives and driving excellence every step of the way to pharmacies, healthcare professionals' clinics and patients.

Our efforts are always directed at positively impacting patient health outcomes. An example of this was the launch of Nucala auto-injector formulation that enables patients to self-administer Nucala without the need for hospital visits. The auto-injector provided much needed compliance and ease during the pandemic-induced travel restrictions.

Essential Indicators

1. Percentage of capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total capex investments made by the entity.

Details of improvements in environmental and social impacts
▪ 100KW Solar panels installed for electricity generation as an extension to existing 500 KW Solar panels installed.
▪ Implementation of Child Resistance and Senior Friendly Packaging caps for the bottles of selected product categories.
▪ Removal of high noise DG set, ensuring generator area is free from mandated hearing protection, replacing with acoustic enclosure Genset.
▪ Installation of site wide Public Address System and upgrading the assembly points for emergency response.
▪ Upgradation of all safety related parts of control systems of identified high risk equipment to the machinery safety standards.
▪ Installation of condition monitoring system on 1600 kVA transformer for online monitoring of parameters.
▪ Completion of upgrades in the facility & effluent stream, achieving compliance to AMR requirements.
▪ Improving the equipment capability & compliance on data integrity by upgrading equipment - Dissolution Media Degasser, Dissolution Tester, Sonicator, Microscope & Tablet Compression machines.
▪ Deployment of platform for e-validation for equipment and facility, ensuring electronic generation, execution & approval of validation documents, migrating to a paperless process.
▪ Deployment of Geo Segmentation, a Network Fire wall protection project to ensure cyber security controls in place.
▪ Installation of Dehumidifier system for tablet testing in the QC Lab to meet controlled condition testing requirements.
▪ Installation of New Dust Collection Units in the Ointment & Tablet facility, to improve controls on chemical exposure and mitigating risks.

2. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The packaging of the company's products plays an important role in delivering safe, stable and trusted medicines and vaccines. However, the plastic used in product packaging has an impact on the environment. In alignment with our commitment to environmental sustainability, we complied with our Extended Producer Responsibility (EPR) obligation and collected back the equivalent amount of post-consumer plastic waste from the market and safely recycled and recovered it through authorised third parties. As per your company's EPR commitments in FY 2021-22: 1,652.75 MT of plastic waste was collected and disposed in accordance with EPR.

Your company's processes to safely reclaim products for recusing, recycling and disposing of the end-of-life e-waste, hazardous waste and other waste are in alignment with the waste handling Rules of the Central Pollution Control Board and other applicable local laws and regulations.

3. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same Extended Producer Responsibility (EPR) is applicable to the entity's activities.

Your company complies with the EPR obligations put forth by the Central Pollution Control Board (CPCB) and disposes of all varieties of waste in an environmentally sustainable manner. As part of the company's waste management processes, the waste has been segregated and handed over to government-approved vendors for recycling and incineration as appropriate.

Leadership Indicators

Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.

Your company has a robust process in place to take back all its products that have expired or have suffered breakages. The products that are closer to their expiry dates or have expired are returned by the dealers/distributors to GSK's distribution warehouse/ Clearing and Forwarding Agents. They are then sent for disposal via authorized waste management agencies for incineration. Certificates of disposal are obtained for quality control purposes and to ensure that there is no risk of the expired/damaged products being returned to the market. This mitigates the risk of possible adverse impacts on consumer health, which may occur due to consumption of such expired or damaged products.

	FY 2021-22		FY 2020-21	
	Recycled (MT)	Safely disposed (MT)	Recycled (MT)	Safely disposed (MT)
Plastics (including packaging)	-	1,652.75	-	2,070.52
E-waste	0.320	-	0.480	-
Hazardous waste	-	906.35*	-	472.95*

(*Note: Includes product returns)

3.3. Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Your company lives up to its commitment of being a modern employer with a sharp focus on inclusion and diversity, health and wellbeing and continuous learning and development. The pandemic induced disruptions notwithstanding, your company continued to prioritize the safety, health and development of its employees, in line with its commitment on People inclusion and diversity, health and wellbeing and continuous learning and development.

Inclusion and diversity

Your company is an equal opportunity employer with a keen focus on inclusion and diversity. Your company aims to create a thriving working environment where all our employees and workers feel valued and included and respected for their contribution. From the beginning of our journey, we have focused on building and strengthening the capabilities of our employees, thereby equipping and empowering our employees to realize their true potential.

A personalized GSK-curated program, WeLeAP was launched to develop women professionals by enhancing their confidence, credibility, capability and connections. Women employees at your company were given the opportunity to connect with leaders and managers across the industry by way of a 6-month monitored mentoring program comprising of sessions with leaders & conversations with managers.

Your company aims to foster an inclusive work environment for the LGBTQIA+ Community across your company by:

- Creating awareness: Your company launched the 'Spectrum India' programme in 2018 wherein your company undertook leadership sensitization sessions through external speaker webinars, personal storytelling etc.
- Developing safe support systems: Your company plans to create a Spectrum Ally Group comprising employees who are strong advocators of LGBTQIA+ inclusion.
- Strengthen Internal Frameworks & External Presence: Your company has taken initiatives to include same sex partners as a part of the Group Insurance Policy (2020) and to add gender reassignment surgery in the policy cover (2022). Your company has also taken initiatives to improve its external presence from an inclusion lens.

Employee engagement

Your company has globally rolled out new Purpose, Strategy & Culture pillars and has conducted workshops to onboard and immerse the new company culture to top 75 senior managers through blended activities. 'Workplace by Facebook', the preferred mode of connecting and collaborating with employees across the globe, helped your company stay engaged and connected with all employees through the lockdown period. The platform has helped to transform the way employees work together while shaping the cultural evolution.

Your company conducted an organisation-wide annual culture survey to understand and take a dipstick of the perception of culture from its employees. A score of 91% in the survey results demonstrated strong continued engagement and connect amongst employees.

Early Talent Engagement:

Your company continues to engage with the early talent through the Future Leaders Programme, Commercial Leadership Programme and the Pharma Supply Chain Leadership Programme. These programmes comprise of a holistic experience

Business Responsibility and Sustainability Report

encompassing challenging business stints, capability building interventions & driving networking by increasing Leadership Connects. Hires from premier B-schools undergo an extensive experiential training before taking up important roles, such as First Line Sales Leaders (FLSLs).

In 2021, with the objective of enhancing its brand awareness among potential campus hires, the company was one of the foremost organizations to launch an in-person case study competition- E-Cube across top B schools. The competition saw a record participation on campus.

To build and sustain an early talent pipeline, your company worked on enhancing the experience of the interns through having meaningful engagement activities and streamlining the internship assessment process. A 100% of our Early Talent trainees for year 2022 have been sourced through our xCEL Internship process. An impressive 78% of this pool are female candidates.

Flexibility

In 2020, your company introduced Performance with Choice for office-based employees to explore how they can work in a way that supports individual and collective performance and personal wellbeing.

This signaled an important cultural shift encouraging people to look at how they might work differently to perform at their best - rather than a policy change, breathing new life into flexible working policies many countries already have.

Your company has chosen a flex/hybrid model going forward with Performance with Choice programme.

Vigil Mechanism

Your company aims to create a healthy world for everyone; we work towards that goal by creating a healthy work environment for all our people. We train them to act honestly, ethically, and openly and to speak up against any malpractices which might have come to their attention knowingly or unknowingly. Your company has a dedicated Speak-Up portal for all our stakeholders to raise opinions and concerns. We also have a Whistle-blower policy, and it provides a mechanism for all stakeholders to approach the local/group management or the Chairperson of the Audit Committee to raise issues of concern.

Awards

Your company has received these recognitions in 2021:

- **Among India's Best Workplaces in Health & Wellness 2021** by Great Place to Work

  Your company has been recognized among India's Best Workplaces for Health and Wellness 2021. Based on a comprehensive assessment, we have been identified as one among the top 15 Best workplaces in the country that has well designed practices for workplace wellness. Our employees have also validated their experience of a psychological and emotionally healthy workplace environment. The various parameters that were assessed include responsible leadership, supportive managers, sense of community, enabling work environment, autonomy & fulfilment.

- **One of the 100 Best Companies for Women in India 2021** by Working Mother and Avtar

  For the 4th time in a row, your company has been selected as part of the top 100 employers for women by Avtar and Working Mother Foundation. The nomination process and criteria consider the inclusive culture of workplace, leadership commitment, safety and security of women and investment into acceleration and development of women.

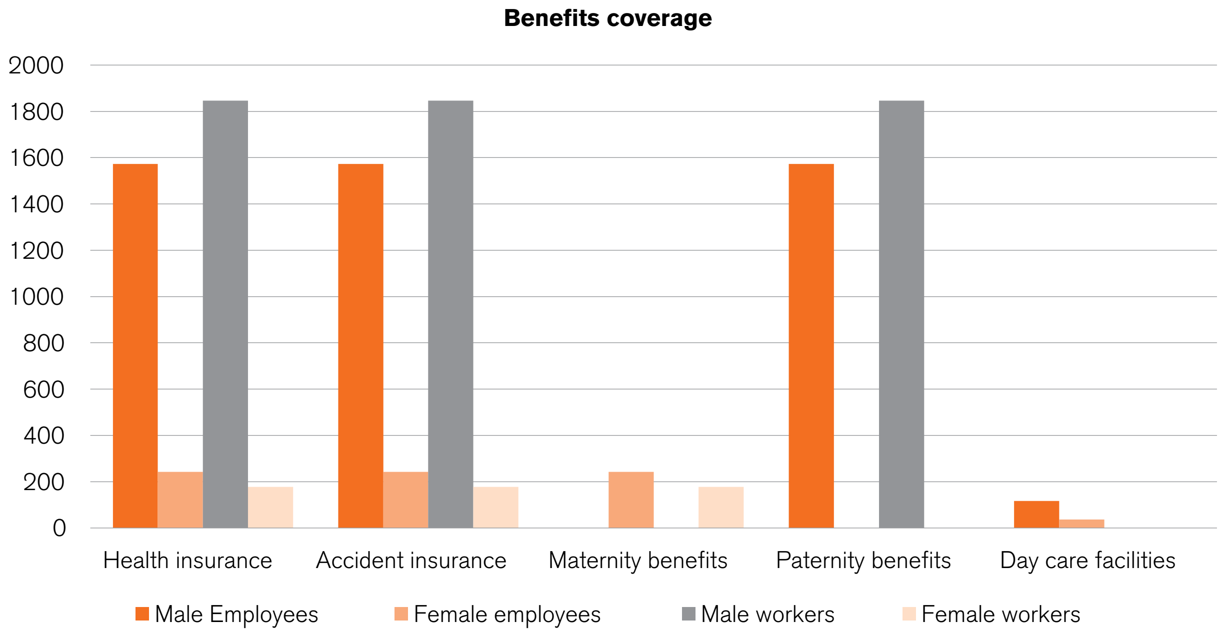
- The GSK head office in Mumbai was recognized as a 'Safe Place to Work' by Equinox Labs

Essential Indicators

1. a. **Details of measures for the well-being of employees.**

   All permanent employees and workers are covered by well-being measures such as health insurance, accident insurance, maternity benefits (if applicable), paternity benefits (if applicable), day care facilities (if applicable).

The below graph represents the number of employees and workers covered under the specific benefits



2. **Details of retirement benefits.**

Benefits	FY 2021-22			FY 2020-21		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Yes
Gratuity	100%	100%	Y	100%	100%	Yes
ESI	2%	0%	Y	7%	0%	Yes

3. **Accessibility of workplaces**

Your company's head office at Worli, Mumbai is accessible to differently abled employees and workers.

4. **Equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016**

Your company is an Equal Opportunity and Affirmative Action Employer. We value diversity and treat all candidates, including persons with disabilities equally. We aim to create an inclusive workplace where all employees feel engaged, supportive of one another, and know their work makes an important contribution.

Your company's approach to equal and inclusive treatment is clearly enunciated in our Code of Conduct. We are a merit-based organization where we do not discriminate against potential employees. Two of our permanent employees are differently abled. The code of conduct policy can be accessed here: GSK Code of Conduct

5. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers?**

Yes, there is a grievance mechanism in place for all employees and workers, whether permanent or non-permanent.

Anyone inside or outside GSK can raise concerns or speak to an independent third party through our Speak Up reporting channels, confidentially or anonymously, without fear of retaliation. We continue to take every concern raised seriously and review every report to identify whether we need to investigate formally. If investigations show an employee has breached our policies, we take action

To handle sexual harassment cases, there is a policy as laid down under the law and internal committees defined and communicated to all stakeholders. The Internal Committee investigates POSH related matters.

6. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

- The company works with unions for the mutual benefit of its members and provides them the necessary forums to voice their opinions and effectively represent themselves. Your company engages with several unions representing Medical Business Associates (MBAs) of Pharmaceutical Marketing at your company's sales locations (Delhi, Kolkata, Mumbai, Chennai).
- The company also engages with union representing workmen at the Nashik plant.
- The company guarantees the MBA and workmen respectively of their right to freedom of association for collective bargaining arrangements.
- The management and all the four unions have recently signed long-term wage and benefits settlements, operative for a period of four years i.e., till 30 September 2023.

7. Details of training given to employees and workers:

Health and safety: At Nashik plant, 12 types of health and safety trainings were provided to the management and non-management staff. 100% of the eligible population was covered under those trainings. The list of trainings includes first aid training, safety induction and refresher, role/function based specific training, firefighting training, stop for safety sessions, significant incident fatality training, emergency preparedness, awareness covid, diet, health, heat wave, seasonal flu, malaria etc.

6 types of trainings were given to non-permanent staff. 100% of the eligible population was covered under those trainings.

Skill upgradation: 1993[6] trainings for employees and 18207[6] for workers were conducted on skill upgradation in FY 2021-22. The number of skill upgradation trainings for employees and workers in FY 2020-21 was 7804[6] and 33318[6] respectively. Throughout multiple pandemic waves, your company focused on skill enhancement of its field force to upgrade their skills and efficiencies amid the new norms of functioning.

The key areas in which such trainings were conducted included productivity, time management, team management, management essentials, managing performance and development, embracing & delivering change, personal impact, self-awareness & emotional intelligence, and marketing.

Your company has developed several in-house competencies to meet the diverse learning needs of employees.

- Your company has activated a virtual university called Keep Growing Campus, which is a blended e-learning & experiential learning space to enable on-the-go learning.
- Your company continues to assess and develop field force into First Line Leaders through a holistic program, Lakshya.
- The program Catalyst, through a blended approach of training, development and evaluation over a course of 4 months, develops the First Line Leaders to become Second Line Leaders through inputs by internal facilitators, subject matter experts and a neutral leadership evaluation.
- Your company also activated a First Line Leader (FLL) training for all first-time team leaders. The program focused on 4 themes for all managers- Motivate, Focus, Care, Develop.
- Your company has also invested in the Second Line Leaders on the field under the program Lesson Up.
- The Selling Excellence team partnered with the commercial, compliance and HR teams to launch initiatives like Empower 2 Excel to improve field managers' capabilities around best practices, emotional intelligence, feedback and accountability.
- Your company introduced the Lead Craft program to the field force to improve leading self behaviour, growth mindset and teamwork.

8. Details of performance and career development reviews of employees and worker:

For employees

The performance cycle for employees is from January to December. The mechanism is as follows –

- Employees prepare performance and development goals to align their career objectives to GSK's IPT[c] (Innovation, Performance, Trust, Culture) priorities. Every employee is requested to prepare a development plan. For Calendar Year 2022, 98% employees completed their development goals.
- At the end of the performance cycle, based on discussions, the performance of the employee is evaluated – whether the employee has performed as per expectations or not.

[6] Number of trainings taken (Persons x No. of individual trainings done)

- Rewards like increments and bonus are accordingly determined.
- Your company provides managers with an opportunity to develop and grow through honest feedback through Manager One80. A survey under this initiative requires team members to give feedback regarding their managers.
- Global Employee Recognition is an avenue through which managers can recognize employees championing GSK's priorities and objectives

For Workers

There is a support system in place for career development of workers. Your company assesses and develops its field force into First Line Leaders through a holistic program, Lakshya.

9. Health and safety management system:

1. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

   Your company has a health and safety management system in place. The company is committed to conducting its operations in a responsible manner to protect our employees, the environment, and the community. The EHS system covers all these stakeholders. The overall goal of this control is to provide a safe working environment that is devoid of harm, and incidents and to provide adequate training and awareness on key risks from unsafe working conditions.

2. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

   The company carries out periodic meetings with all operations to identify and assess work-related hazards.

   There are also awareness initiatives through which employees are made aware of the potential safety risks and they are encouraged to report the same. Your company undertakes extensive work at the Nashik site to train and create awareness among employees for occupational health and safety and work-related hazards such as operating machinery or driving. Your company also undertakes driver safety training and assessments for the commercial field force.

   Further, there are policies in place to undertake safety assessments of key third party suppliers at the time of onboarding and at periodic intervals thereafter.

3. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

   Yes, internal controls and systems are in place to report work-related hazards on site. The management has invested in a state-of-the-art facility to reduce exposure to potential health risks. Further, the company has modified machines and improved infrastructure arrangements to reduce the exposure close to nil.

4. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

   1. Your company employees are covered by medical insurance for occupational as well as non-occupational healthcare cover. Effective January 2022, coverage under the medical insurance scheme for your company's employees in domains such as maternity coverage and home quarantine expense coverage, has been increased. In alignment with our larger inclusion and diversity initiatives, gender reassignment surgery has also been added to the list of coverages. We have also increased the personal accident coverage and improved the modular plans in health insurance, by giving options to employees to increase their medical coverage and also include their parents by offering negotiated premiums to its employees.

   2. Building a positive environment for employees and taking care of their holistic healthcare needs has been an ongoing priority. The preventive healthcare programme, Partnership for Prevention (P4P), continues to be available to all our permanent employees and their dependents, as a corollary of the group medical insurance programme, providing 40 preventive healthcare services at little or no cost. As part of this program, the following benefits are provided -

      - Preventive screening for cancer, diabetes, physician consultation, sugar cholesterol test, pediatric consultation, etc.
      - Adult and child immunization programs and COVID vaccinations
      - Care programs for prenatal care and tobacco cessation

3. Your company also has an Employee Assistance Program under which employees and their immediate family members can connect with a professional counsellor 24/7 to discuss issues such as unwieldy emotions, post-traumatic stress, anxiety, disrupted sleep/ appetite, etc. in an easy to access, voluntary and confidential manner.

4. Your company is looking after the mental health and wellbeing of employees by training managers to build the skills to start a conversation on mental health.
5. Your company has initiated a Driver Safety Programme to ensure health and safety of field-based colleagues. This programme has several initiatives such as Defensive Driving and Cultural risk perception workshops. Using Virtual Risk Manager platform, field-based employees are trained and evaluated on several risk areas.
6. GSK's Life Saving Rules consolidate the most critical safety rules into a simple, standardized format that all employees can recognize and follow every day.
7. Your company has designed several special support packages to help employees and their families through the pandemic with the provision of oxygen support, accommodation to facilitate self-isolation and home isolation packages.

10. Details of safety-related incidents, in the following format:

Key highlights

- 3 million+ safe people hours without reportable illnesses
- 0.7 million+ safe people hours without reportable injury

Nashik Plant

- Only **one** work related injury reported in current year and previous year respectively
- **NO** fatalities reported in current year or previous year
- **NO** High consequence work-related injury or ill-health fatalities reported in current year or previous year

11. Describe the measures taken by the entity to ensure a safe and healthy workplace.

- Focused on preventing incidents before they occur; training and awareness activities are carried out on key risks, such as operating machinery or driving.
- Training programmes 'Energy for Performance' and 'Personal Resilience' have been organized to promote employee health, wellbeing, and resilience.
- Regular consultations with the employees to improve their experience at work.
- Awareness sessions on Life Saving Rules are conducted periodically.

12. Number of complaints on the following made by employees and workers

For corporate office, only 1 complaint was filed during FY 2021-22 on matter relating to working conditions / health & safety. No such complaints were filed in FY 2020-21.

13. Assessments for the year

Health and safety practices	Internal assessments are undertaken by your company at periodic intervals for its plant as well as offices. All health and safety requirements as per law are complied with.
Working Conditions	There is no specific assessment done for the same. However, the entity complies with all laws and regulations relating to fair working conditions and labour laws.

14. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Your company has introduced the Life Saving Rules (LSR), which is a company wide EHS programme to make sure everyone understands and follows the most critical safety rules. Under the LSR safety campaigns, impact communication on LSR is being prepared to create awareness on the importance of the same.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death?**

   Your Company has a Group Life Insurance coverage and Accidental Life Insurance coverage, which is extended to our employees.

2. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   Transition Assistance is provided for employees whose employment is terminated due to Job redundancies.

3. **Details on assessment of value chain partners**

   All the value chain partners are subject to Third party risk assessment (TPRA) on induction. The outcome of such assessment highlights the risks associated in dealing with such vendors on various parameters like environment, health & safety, labour rights, Privacy, crisis & continuity management, ABAC, etc. and the mitigation actions are agreed. Further, background checks are conducted which help in early identification of any red flags associated in dealing with such vendors.

4. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Health and safety conditions and working conditions	As part of your company's onboarding process for all third-party vendors/ suppliers/ contract manufacturers, various risks including labour rights and health and safety are assessed. The suppliers/ vendors/ contract manufacturers are evaluated on their existing policies and procedures for dealing with issues relating to sexual harassment, discrimination, child labour, forced labour, and fair wages. In the previous FY 2021-22, no physical audits, or assessments were carried out due to the pandemic. Third-party contract manufacturers Quarterly performance review of health and safety and incidents/ accidents if any is undertaken for key contract manufacturers. Based on the detailed SOP on Third Party Manufacturer EHS management Process, audits are carried out once in three years and various Corrective and Preventive Action (CAPA) plans are prepared and they are monitored closely. In addition, other programs relating to antimicrobial resistance, process safety management, and chemical exposure are undertaken. All key third party contract manufacturing sites have an internal committee comprising its site management and workers wherein all matters relating to working conditions and EHS are discussed.

3.4. Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Our continued focus on the quality of product delivery has enabled us to build trust with a broad range of stakeholders. This in return has sustained the success of our business and added value to our stakeholder relationships. During the course of our business, we engage with multiple stakeholder groups. Our stakeholder engagement and feedback mechanisms help us identify stakeholder expectations, conflicts and concerns.

Essential Indicators

1. **List stakeholder groups identified as key for the entity**

Stakeholder Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Patients and consumers	Webcasts, Social media pages, Websites, Posters, Standees, Pamphlets, Face to face meetings	Need based	Disease awareness programs /Vaccination awareness programs are organized to educate the general public including patients about the signs, symptoms, diagnosis, treatment and prevention options for a disease to foster better patient outcomes through prevention, early diagnosis, and management to minimize or slow disease progression and complications.
Healthcare Professionals (HCPs)	Face to face, Emails, Webcasts, Social media pages, Doctor networking platforms, SMSs, Instant messaging platforms, Congress exhibits etc.	Need based	Keep the HCP abreast with the latest information on product and science, access to product and to gain understanding of the disease and its management. To provide avenues for HCPs to discuss and deliberate on latest data, clinical challenges, multidisciplinary expert discussions, new published data intending to help improve treatment outcomes for our patients.

Business Responsibility and Sustainability Report

Stakeholder Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
			We ensure responsible sales and marketing practices including local laws and applicable industry codes are followed while interacting with HCPs.
Investors	Annual General Meeting, Analysts' Meet, Detailed Company information made available online, One-to-one meetings between institutional investors and Managing Director and Chief Financial Officer	As required	Financial performance and business outlook
Government and Drug Regulators	Websites, Emails, Meetings, Industry Forums, Submissions through online Regulatory Agency portals or direct submissions to Regulatory Agency office	As required	Policy and Regulatory Matters, Grant and maintenance of licenses to import, manufacture and market GSK's products in India, pricing of medicines and other regulatory approvals
Community, NGOs, multilateral organizations	Partnering with multilateral organisations like the World Health Organization (WHO), NGOs/institutions	As required	Providing access to medicines, Achieving the UN Sustainable Development Goals (SDGs) and World Health Organization (WHO) targets for specific disease area, Promoting healthcare and education.
Suppliers	5 step Procurement Processes – Suppler Market Research, RFPs, Bidding, Supplier Relationship management, and contract management	Need based	Identification of right partners to enable our growth agenda, ensuring compliance to our global ways of working and sustainable procurement practices, while delivering savings.
Employees	Internal communications, Employee Resource Groups Manager/ employee evaluations and surveys.	As required	Business outlook, business performance, career opportunities and personal development, creating an inclusive work environment for our diverse set of employees.

Leadership Indicators

Details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Your company engages with vulnerable and marginalized communities through its CSR programmes which are targeted to benefit vulnerable and marginalized stakeholder groups. We conduct voluntary impact assessments for few of our projects to understand their impact and understand concerns, if any. For more details, please refer to the CSR initiatives mentioned under Section A.

3.5 Principle 5: Businesses should respect and promote human rights

We understand our responsibility to respect and protect human rights wherever we do business. We are committed to upholding the human rights of every individual or collective, within our own operations and within our value chain.

We have **zero tolerance** toward violence, harassment, unreasonable, offensive or threatening behaviour of any kind. To manage and mitigate such inappropriate behaviour, periodic training is provided to all employees on our Code of Conduct and the prevention of sexual harassment and misconduct at the workplace. Additionally, the 'GSK Culture Survey' is conducted annually to receive feedback from our employees, and understand their needs and expectations in order to improve our workspace and create a fostering environment for our people.

Our Code of Conduct outlines the responsibilities of each individual within your company towards the protection of human rights. We strive to prevent, mitigate and remedy negative impacts that our business activities/ relationships may have on our employees, patients, consumers, workers and society. We conform to all applicable national laws, GSK policies and the expectations set forth in the international bill of human rights.

Your company's Statement on Human Rights can be accessed at GSK/Human rights statement

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity.**

Human rights issues include issues related to sexual harassment and labour rights. As a multinational organisation with global outreach, we recognize that we have a role to play in upholding human rights and in addressing adverse human rights impacts where we are in a position to influence. We conduct periodic training related to the code of conduct, ethics, inclusion and diversity, etc. These are mandatory in nature for all our employees.

2. Details of minimum wages paid to employees and workers, in the following format

ALL permanent employees and workers at your company are consistently paid wages which are more than the minimum wage.

3. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Your company has a 'Speak Up' programme (managed by independent third-party managers) which offers employees and other relevant stakeholders, a range of channels to voice concerns and report any misconduct. The Speak Up channel and procedures encourage everyone to raise concerns about potential unethical, illegal, sexual harassment or inappropriate conduct and assure confidentiality and protection from retaliation, retribution or any form of harassment to those reporting such concerns.

The Speak Up channels can be accessed at http://www.gsk.com/speakup on your company's website.

The Code of Conduct which includes details of the Speak Up process can be accessed on our website.

Your company also has a Whistleblower policy in place.

Please refer to Sr. No. 5 of Principle 3 for more details.

4. Number of Complaints on the following made by employees and workers:

Child Labour	▪ No complaints relating to child labour, forced labour, wages in current financial year or previous financial year.
Forced Labour	
Wages	
Sexual harassment	▪ 2 sexual harassment complaints filed for FY 2021-22, which were resolved before the end of year ▪ 3 sexual harassment complaints filed for FY 2020-21, out of which 2 were being investigated at year end and were closed within the given timeline
Discrimination at workplace	▪ No cases for FY 2021-22 ▪ 3 cases filed for FY 2020-21, which were resolved before year end

5. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Your company prohibits retaliation against anyone who raises or reports concerns and will take disciplinary action to and including dismissal (in accordance with local labour laws) of any employee who threatens or engages in retaliation or harassment of someone who has reported, or is considering reporting, a concern in good faith.

6. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, business agreements and contracts entered into by your company with third parties include standard contract clause for labour rights which requires self-assessment on issues of child labour, forced labour, safe and healthy workplace, non-discrimination, abusive practices, minimum wages, working hours, and trade unions.

7. Assessments of the year

Matters	Details
Child labour, Forced/involuntary labour, Sexual harassment, Discrimination at workplace	No specific assessments were carried out by your company or any statutory body or third parties
Wages	100% compliance of Provident Fund as per audit by RPFC officials. There are no adverse compliance remarks for the PF Trust.
Labour	Our branch office at Chennai was audited by the Labour Officer from the Commissionerate of Labour. The review was satisfactory and there were no reported observations.

8. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

   Since your company is compliant, there was no corrective action suggested by any auditing / inspecting authority / official.

Leadership Indicators

1. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Yes, your company's corporate office in Worli, Mumbai is accessible to differently abled visitors.

2. **Details on assessment of value chain partners:**

   For matters related to sexual harassment, discrimination, labour, wages, etc.: As part of your company's onboarding process, for all third-party vendors, suppliers, and contract manufacturers, various risks including labour rights and health and safety are assessed. The suppliers, vendors, and contract manufacturers are evaluated on their existing policies and procedures for dealing with issues relating to sexual harassment, discrimination, child labour, forced labour, and fair wages. In the previous FY 2021-22, no physical audits were carried out due to the pandemic.

3.6. Principle 6: Businesses should respect and make efforts to protect and restore the environment

We consider sustainability in our ways of doing business and believe that collectively we can make a difference. We continuously monitor and evaluate our operations to improve their efficiency, deploy impactful waste management practices at our units and offices, and thereby reduce the impact we create on the environment.

We have successfully integrated the Environment, Health, Safety and Sustainability (EHSS) strategy across our value chain. This has enabled us to comply with necessary applicable environmental laws and mandates during the manufacturing and commercial activities. Additionally, Good Manufacturing Practices are strictly followed during the manufacturing of the products. During this year, we have considered the usage of renewable energy for the conversion of boilers to biomass and photovoltaic solar power systems in the manufacturing units to reduce environmental impacts.

Globally, GSK has set two ambitious goals: a net-zero impact on carbon and a net positive impact on nature by 2030. We strongly believe in our path toward the goals set forth and we reaffirm our aspirations to integrate sustainability into the core of our business and manufacture products.

For our vaccines business, your company migrated from passive transportation to active transportation for key locations, making the use of thermocol boxes and coolants redundant. Instead, vaccines are now transported regularly and stored in coolers with the Clearing and Forwarding Agents (CFAs) and stockists. This has led to reduction in your company's carbon footprint.

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

   (Note: below data under (A), (B) is for Nashik and Corporate Office)

Parameter	FY 2021-22	FY 2020-21
Total electricity consumption (A)	1,58,15,356 kWh (56,935.28 gigajoules)	1,56,97,567 kWh (56,511.24 gigajoules)
Energy consumption through other sources (B)	200 kWh (0.72 gigajoules)	120 kWh (0.43 gigajoules)
Total energy consumption (A+B)	1,58,15,556 kWh (56,936 gigajoules)	1,56,97,687 kWh (56,511.67 gigajoules)

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India?**

   The entity does not have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India

3. Provide details of the following disclosures related to water, in the following format:

(Note: below data for water withdrawal is for Nashik and Corporate Office)

Parameter	FY 2021-22	FY 2020-21
Water withdrawal by source (in kiloliters)		
(i) Surface water (By corporate office)	53,562	58,796
(ii) Third party water (Municipal water supplies) (by Nashik plant)	93,961	87,758
Total volume of water withdrawal (in kiloliters) (i + ii)	**147,523**	**146,554**

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. The Nashik plant runs on a zero-discharge basis with respect to water. The water is treated at the effluent treatment site and the treated water is then consumed internally for ancillary operations such as site gardening, using the water for cooling towers, etc. We are further exploring to enhance the capability of Effluent treatment plant so that the treated water can be 100% used for Operations internally.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

1. For Corporate Office

Parameter	Unit	FY 2021-22
NOx	g/Kw-hr	0.43
SOx	g/Kw-hr	0.19
Particulate matter (PM)	g/Kw-hr	0.10

For Nashik plant, Nox and Sox Limit as per MPCB, Nashik's consent is 80 µg/ m3 . Particulate Matter limit is 100µg/ m3 for PM10 and 60µg/ m3 for PM 2.5. Your company is within the limit specified by the Maharashtra Pollution Control Board (MPCB).

(Note: Below data is the average of data for the four quarters of respective FY)

Parameter	Please specify unit	FY 2021-22	FY 2020-21
NOx	µg/ m3	28.16	20.41
SOx	µg/ m3	18.16	21.62
Particulate matter (PM)	µg/ m3	58.94 (PM10) 36.67 (PM 2.5)	53.27 (PM 10) and 36.25 (PM 2.5)
Persistent organic pollutants (POP)	µg/ m3	NA	NA
Volatile organic compounds (VOC)	µg/ m3	BLQ 5 µg/ m3	BLQ 5 µg/ m3
Hazardous air pollutants (HAP)	µg/ m3	BLQ 5 µg/ m3	BLQ 5 µg/ m3
Others – Ozone Depleting Substances (HCFC - 22 or R-22)	µg/ m3	0	0

6. Does the entity have any project related to reducing Greenhouse Gas emissions? If Yes, then provide details.

Your company has two active projects related to reducing greenhouse gas emissions. These projects include installation of a 100KW Solar Panel for electricity generation and conversion of furnace oil boiler to high-speed diesel ('HSD') fired boiler to meet the Maharashtra Pollution Control Board (MPCB) requirements. HSD is a less emission intensive fuel compared to furnace oil.

Business Responsibility and Sustainability Report

7. Provide details related to waste management by the entity, in the following format:

Your company collects back post-consumer plastic waste from the market on Pan India basis and disposes it in an environmentally sound manner every year as an Extended Producer Responsibility (EPR) obligation:

- FY 2021-22: 1,652.75 MT Plastic Waste collected and disposed as per EPR obligation.
- FY 2020-21: 2,070.52 MT Plastic Waste collected and disposed as per EPR obligation.

1. For Nashik plant

Parameter	Generated		Nature of disposal
	FY 2021-22	FY 2020-21	
Total Waste generated (in metric tonnes)			
E-waste	0.56	0.36	Safe disposal through government authorized vendors
Bio-medical waste	2.21	2.24	Safe disposal through government authorized vendors
Battery waste	1.39	–	Safe disposal through government authorized vendors
Other Hazardous waste.	219.00	317.17	Incinerated as per regulations
Total	**223.16**	**319.77**	

For corporate office

Parameter	FY 2021-22	FY 2020-21	Nature of recovery
Total Waste generated (in metric tonnes)			
E-waste	0	5.27	Recycled through government authorized recyclers
Other Non-hazardous waste generated	2.59	NA	Recycled through government authorized recyclers

8. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- Your company collects the waste generated from its own operations. The waste is then segregated and handed over to authorised waste handlers for recycling and incineration, as appropriate. Since 2010, your company has been able to reduce waste to landfill by over 78%.
- Several waste management practices are deployed at our Nashik site to reduce waste from ointments and tablets. Approximately 9,000 kgs of waste has been reduced from 2020[7] to 2021[8].
- The Kaizen program at the Nashik site offers employees the opportunity to brainstorm and find solutions to reduce the use of single-use plastics within the premises. Some of the interventions which have been undertaken include the usage of cloth shoe covers instead of plastic shoe covers in the laboratories and swapping plastic milk pouches with milk cans in the cafeteria.

9. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required:

The manufacturing site in Nashik is not located in a notified ecologically sensitive region. The Ambad site is a region under the purview of the Maharashtra Industrial Development Corporation. Further, all the environmental permits and clearances required by law and the statutes of the Maharashtra Pollution Control Board and the Central Pollution Control Board are obtained and renewed periodically.

10. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

As per the notification of the Ministry of Environment, Forests and Climate Change in India, an Environmental Impact Assessment is supposed to be carried out for industries which have an adverse impact on the environment. The pharmaceutical sector is not notified as an industry which requires an EIA pre-clearance by the MOEFCC. Additionally, your company's

[7] and [8] as per Calendar Year

pharmaceutical plant in Nashik does not cause adverse impacts on the regional environment and biodiversity. All the regulatory compliances around water and air quality are strictly adhered to within our own operations.

11. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Your company has a centralized system through which it maintains details of the compliances to be undertaken under various regulations and circulars. As per the data maintained, there are no major non-compliances for FY 2021-22.

Leadership Indicators

1. Provide the following details related to water discharged; and

2. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters): For each facility / plant located in areas of water stress, provide the following information:

1. Name of the area: Ambad, Nashik
2. Nature of operations: Manufacturing

Nashik site runs on **zero discharge basis** with respect to water. Treated site effluent is used for site gardening and recycled water use applications such as cooling towers. Nashik site treated 43,805 kiloliters and 54,258 kiloliters of water in FY 2021-22 and FY 2020-21 respectively

Parameter	FY 2021-22	FY 2020-21
Water withdrawal by source (in kiloliters) and internal consumption		
Third party water (Municipal water supplies) (by Nashik plant)	93,961	87,758

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Your company does not have operations in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

S. No	Initiative undertaken for calendar year 2021	Outcome of the initiative
1.	Removal of Polyvinyl chloride (PVC) from secondary and tertiary packaging	Successfully delivered
2.	Carbon reduction projects and Eco-design projects	Delivered as per plan - ▪ Improving of biomass boiler efficiency i.e., Conversion of Furnace oil Boiler to HSD Boiler and 100KW Solar Panel installed for electricity generation ▪ Usage of treated water for cooling towers and Usage of Rainwater in boilers
3.	Waste reduction projects	Waste reduction projects delivered - Hazardous waste reduction project, single use plastic reduction project, recycled gowns in place of Hazmat suits

5. Does the entity have a business continuity and disaster management plan?

Yes - A global business continuity and disaster management assessment is carried out for all functions once in 3 years and accordingly disaster management plans are formulated based on the priority and materiality assessed. The exercise was last carried out in 2020 wherein a business impact analysis was carried out. The assessed operational impacts include those related to life safety, customer service, revenue/ cash flow, public image, regulatory, product development, competitive advantage, financial control/ reporting, liability increase. The impact on vital assets is also assessed.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Your company is committed to managing and reducing the environmental impacts of its operations and products across their lifecycle globally. Since the pharmaceutical industry is regulated with respect to impact on the environment, there are no significant adverse impacts to the environment. Your company has obtained the consent to operate under the pollution control limits set by the pollution control boards and we report on the same periodically. Also, your company follows Good Manufacturing Practices which mitigate some of the risks in this regard. The contract manufacturers and suppliers are assessed at the time of onboarding and periodically for compliance with these issues.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

- Our key contract manufacturers are assessed for their environmental impacts once in 3 years. An environment assessment was initiated during the financial year for 3 contract manufacturers to evaluate the release of Albendazole in the environment.

- The contract manufacturers are also assessed for water risk based on Site's current water profile, analysis based on the Aqueduct tool & WWF water risk assessment tool, and CGWA (Central ground water authority) requirements. Based on this, a detailed assessment of the contract manufacturers in high water risk areas is undertaken and actions are taken to reduce water consumption, relocate them or to find an alternate solution.

- Further a programme is implemented to reduce the environmental footprint from the production of antibiotics at the third-party contract manufacturers' site by controlling the release of antibiotics into the environment within the science-driven risk-based discharge limits. This is also in accordance with the AMR Industry Alliance Common Manufacturing Framework (GSK is a signatory of the AMR Industry Alliance which is one of the largest private sector coalitions set up to provide sustainable solutions to curb Antimicrobial Resistance (AMR)) and wastewater discharge limits

3.7. Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

We are committed to advocating for policies that protect the interests of patients, our business and the pharmaceutical sector in India. We actively engage with various industrial, trade and government bodies and are a part of various task forces and sub-committees on sector-specific critical issues such as drug pricing and clinical trials. Our code of conduct is a critical guiding document that enables us to maintain our interactions with these associations with transparency and with integrity. As responsible corporate citizen, we do not make any political contributions.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Organization of Pharmaceutical Producers of India (OPPI)	National
2	Confederation of Indian Industry (CII)	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4	India Business Councils of US (USIBC) and UK (UKIBC)	Global
5	European Federation of Pharmaceutical Industries and Associations (EFPIA) India network	National, Global
6	Indian society for clinical research (ISCR)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

   No orders from regulatory authorities have been received on issues related to anti-competitive conduct by the entity.

Leadership Indicators

Details of public policy positions advocated by the entity:

Your company's regulatory affairs and government affairs teams are actively involved in government advocacy activities by representing GSK's position to trade associations and participating in meetings with regulators and as representatives of trade associations such as OPPI, ISCR, EFPIA India network, FICCI, USIBC. Your company is not involved in matters directly relating to public policy advocacy.

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

Our corporate social responsibility (CSR) programmes play an important role in the actualization of your company's purpose. We are cognizant that complex social inequalities such as access to basic health care and affordable education in India are a barrier to building a sustainable and resilient society. Our CSR projects are focused on healthcare and education that are aligned to your company's purpose thereby contributing to communities at large.

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   In India, Social Impact Assessments have been mandated since 2013 by The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act for projects which displace communities and disrupt livelihoods. Your company's plant and operations do not fall under the purview or warrant the need for a Social Impact Assessment

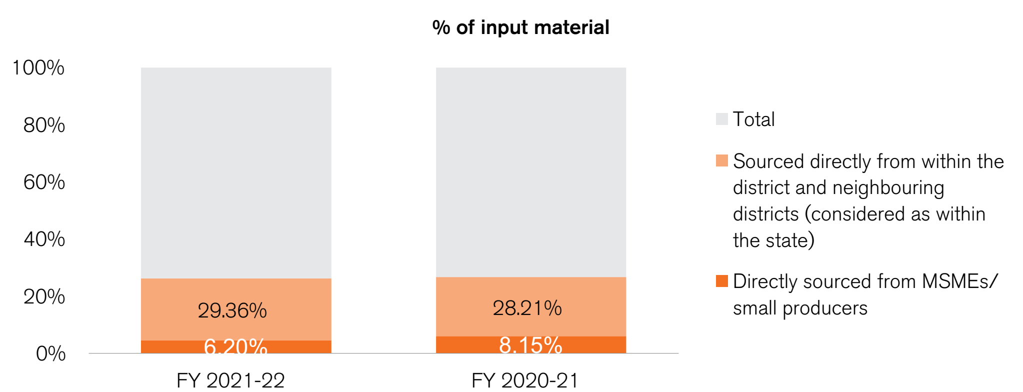
2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

   None of your company's operations and units have caused displacement to local communities due to which Rehabilitation and Resettlement (R&R) would need to be undertaken.

3. **Describe the mechanisms to receive and redress the grievances of the community.**

   Your company prominently engages with communities during the implementation of CSR projects. The CSR Committee reviews the annual action plan and projects under CSR and has instituted appropriate mechanisms to maximize outcomes and assess the impact of the CSR projects. Nodal Officers are appointed to review the progress and impact of the projects. All community issues are adequately managed and resolved timely.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**



Leadership Indicators

Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Albendazole donation for supporting mass drug administration under lymphatic filariasis programme.	32 million albendazole tablets were donated	100% of beneficiaries indicated under our CSR will fall under the vulnerable and marginalised group.
2	Addressing child nutrition through a holistic approach - SNEHA Centres Project	5,100 households	
3	WASH facilities in schools with behaviour change communication	10,000	
4	Awareness building on ante-and postnatal care	3,000	
5	Holistic care for vulnerable underserved girls	150	
6	Mainstreaming children who are school dropouts by enhancing their grade level competencies	120	
7	GSK Scholars – Enabling future healthcare professionals	117	

3.9. Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

We focus on our consumers' needs and factor their perspectives in developing products that are trustworthy, safe, and effective.

We strictly comply Good Manufacturing Practices (GMP) regulations for manufacturing the products and ensuring product quality. This assures that our products are manufactured with the highest standards of quality to ensure safety and efficacy of our products. Aligned to statutory requirements, in all our product packaging we provide our consumers with the necessary information regarding the products and additional information that is consistent with scientific evidence.

Being a responsible company, our approach for promotion of products is clearly defined by our 'Code of Practice for Promotional and Non-promotional External Interactions' policy. This enables us to conform to high levels of ethical, medical, and scientific standards.

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Your company is committed to identifying and managing Product quality complaints, Human Safety Information (HSI) and Adverse Events (AE) to help safeguard those who take its products or take part in GSK clinical trials (HSI is defined as information relating to human health and/or wellbeing following exposure to GSK products, including AE information).

Consumers

Your company has multiple mechanisms to receive and respond to consumer complaints and feedback based on the nature of the matter. Consumers can lodge a complaint or raise a concern about our products via email (india.pharmacovigilance@gsk.com), call our toll-free number (1800-2222-03), and reach out to us directly via telephone (+91-22-24959595) or mobile device (+91- 8657549542).

If the consumer is raising a complaint/feedback on possible side-effects of our products can reach out to us via our website- GSK/Contact/SideEffects.

Employees

If anyone at GSK becomes aware of any HSI / AE in the course of their work, they must report it to the Central Safety Department (CSD) or their Company's Pharmacovigilance Team within 24 hours of their awareness, which can be done through the Human Safety Information (HSI) / Adverse Events (AE) reporting email - india.pharmacovigilance@gsk.com. Protecting our patients means taking this information seriously and your company provides regular reports and discusses actions with regulatory authorities.

Employees also have a responsibility to report product quality complaints to the Quality function through a centralized email ID - locq-india.product-complaints@gsk.com

2. **Turnover of products / services as a percentage of turnover from all products/services that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable - There are no specific environmental and social parameters relevant to the product since the products are pharmaceutical products prescribed by physicians.
Safe and responsible usage	100% - Almost all products are prescriptive products. Hence the dosage/usage instruction for these products is generally as directed by the physician. This directive is mentioned on all its prescription-based products. For non-prescription based products such as some ointments, creams, etc., the usage directions are mentioned on packaging along with the products.
Recycling and/or safe disposal	Not applicable - While your Company does not specifically mention any such details on its products, it complies with all statutory requirements of the Pollution Control Boards, Extended Producer Responsibility, etc.

3. **Consumer complaints in respect of data privacy**

Your company has a mechanism in place to monitor complaints related to data privacy. There were no consumer complaints received during FY 2021-22.

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	16	The voluntary recalls are initiated by your company based on discrepancies that may have been picked up during ongoing monitoring of product quality standards and labelling as defined in GSK's Quality Management System and Good Manufacturing Practice (GMP) regulations in India when your company decides to recall a product either from the market or performs an internal recall of stock which is still within its control at the distribution centres often as a precautionary action. The process of Managing Product recalls is well defined and regulated as per GMP regulations existing in the country. There is a defined process for handling product recalls by your company. The statutory recalls are mandated by the drug regulatory agency in India and are usually related to product quality testing or labelling discrepancies. Your company follows all statutory recall directions even when your company is not in agreement with the regulator's recommendations and subsequently handles the matter through necessary appellate and legal channels.
Forced recalls	6	

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Cybersecurity

Your company has a global policy on cyber security which can be accessed by employees on your company's intranet.

Data privacy

Your company has deployed a detailed data privacy model to manage personal information of individuals including employees, patients, consumers, customers, and healthcare professionals. Your company has outlined 9 privacy principles to follow while dealing with Personal Information (PI). Periodic trainings on identifying and mitigating PI risks at stages of data collection, storage, use, etc. are undertaken. This can be accessed by employees on your company's intranet.

6, **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

With respect to cybersecurity, the issues are identified and resolved globally. With respect to protection of personal information, a data security governance mechanism is in place.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Your company's products are displayed on their website https://india-pharma.gsk.com/en-in/products/ and specific information has been provided with respect to their names and their active ingredients.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

- Your company undertakes various illness/ disease awareness sessions for public awareness of specific illnesses
- Your company undertakes safe and responsible usage awareness sessions with Healthcare professionals (HCPs) via webinars and conferences. Your company's robust digital infrastructure is a means of communicating the science behind medicines. Sales representatives are equipped with a GSK electronic tablet which has detailed information on all the products. This is used to disseminate information to Healthcare professionals (HCPs). Touch points were increased to 40 million+ across teams through enhanced use of webinars and emailers, coupled with the adoption of state-of-the-art technology platforms for virtual detailing such as Veeva Engage.
- The dosage instructions for the prescriptive drugs are directed by the physicians based on the context of the patient. The product information clearly contains directives to be used only under guidance from a medical practitioner.
- In case of non-prescriptive drugs, the directions for usage are mentioned.
- Product information leaflets for use by Registered Medical Practitioners / Hospitals/ laboratories provide information as directed by regulatory authorities. This information includes the generic name, qualitative and quantitative composition, dosage form and strength, clinical particulars (e.g., therapeutic indication, method of administration), contraindications, special warnings and precautions for use, ability to drive and use machines and overdose.
- Your Company has also conducted specific programs on antimicrobial resistance (AMR) training for pharmacists in partnership with the Common Wealth Association of pharmacists and IPA (approximately 50,000 pharmacists were trained on AMR and responsible dispensing of antibiotics)

3. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Your company follows the regulations under the Drugs and Cosmetics Act & Rules regulations with respect to product packaging. Anticounterfeit features have also been incorporated on the packaging of some of our products. Other product information includes -

- QR code for locally manufactured products to provide additional product information.
- Imported products contain prescribing information leaflets for ready reference by the healthcare professional prescribing the product as per regulatory requirement.
- Product packaging of some products (e.g., Nasal mist Avamys) contains additional information on the correct handing for use of the product due to past feedback received by the company on incorrect product handling for use and administration.
- Toll free number is available on all product packages.

Independent Auditor's Report

To The Members of GlaxoSmithKline Pharmaceuticals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **GLAXOSMITHKLINE PHARMACEUTICALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Information Technology (IT) systems which impact financial reporting** The IT systems of the Company form a critical component of the Company's financial reporting activities and impact all account balances. IT controls, in the context of our scope for the financial audit, primarily relate to access security and change control. The purpose of such controls is to prevent inappropriate changes being made to IT systems in relation to application functionality, transactional processing and direct changes to underlying data.	**Principal audit procedures performed with the assistance of our IT specialists:** ▪ We identified the IT risks for each IT system based on our understanding of the flows of transactions and the IT environment. ▪ We determined whether each general IT control, individually or in combination with other controls, is appropriately designed to address the associated IT risk. ▪ We tested the design, implementation and operating effectiveness of the relevant general IT controls. ▪ We tested the mitigating manual controls for the IT control deficiencies noted around privilege access for certain scoped-in IT systems and the associated infrastructure.

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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders Information in Annual Report, but does not include the consolidated financial statements, 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 during the course of our 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 Responsibility for the Standalone Financial Statements

The Company's 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 standalone financial statement 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 system 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.

- 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 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 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 purposes of our audit.

   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, the Statement of Profit and Loss including Other Comprehensive Income, the 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 the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g. With respect 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 explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h. 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 on its financial position in its standalone financial statements.

      ii. The Company has long term contracts as of March 31, 2022 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2022.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 59(iii) to the standalone financial statements, no funds 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 to or in any other person(s) or entity(ies), including foreign entities ("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 ("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, as disclosed in the note 59 (iv)s to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including

Independent Auditor's Report

foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company 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 performed that have 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) and (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 60 to the standalone 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 proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930AJAKLR8629)

Place: Mumbai
Date: May 16, 2022

Annexure "A" To The Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **GLAXOSMITHKLINE PHARMACEUTICALS LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 its 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930AJAKLR8629)

Place: Mumbai
Date: May 16, 2022

Annexure "B" To The Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of GlaxoSmithKline Pharmaceuticals Limited on the financial statements for the year ended March 31, 2022).

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and investment properties.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, capital work-in-progress and investment properties so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed / transfer deed / conveyance deed / court orders approving schemes of arrangements / amalgamations provided to us, we report that, 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, capital work-in progress, investment property and non-current assets held for sale) are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories / alternate procedures performed as applicable when compared with books of account.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) (a) The Company has granted loans during the year and details of which are given below:

		Amount (₹)
A.	**Aggregate amount granted during the year:**	
-	Subsidiary	14,60 lakhs
-	Others (Fellow Subsidiary)	190,00 lakhs
B.	**Balance outstanding as at balance sheet date in respect of above cases**	
-	Subsidiary	14,60 lakhs
-	Others (Fellow Subsidiary)	190,00 lakhs

The Company has not provided any advance in the nature of loans or guarantee or security to any other entity during the year.

(b) The terms and conditions of the above-mentioned loans granted during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of sections 185 or 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statue	Nature of Dues	Forum where dispute is pending	Period to which the amount relates#	Amount involved (₹ in Lakhs)	Amount Unpaid (₹ in Lakhs)
Income - tax Act, 1961	Income-tax	Commissioner of Income Tax (Appeals)	2005-06 to 2007-08, 2010-11, 2012-13 to 2017- 2018	362,44.64	191,74.35
		Income Tax Appellate Tribunal	2001-02	88.02	88.02
Sub-total				**363,32.66**	**192,62.37**
The Central Excise Act, 1944	Excise Duty	Appellate Authority - up to Commissioners / Revisional authorities Level	1991-92 to 1993-94, 1995-96 to 1997-98	14.89	14.89
		Customs, Excise and Service Tax Appellate Tribunal	1996-97 to 2002-03, 2010-11 to 2012-13	5,52.28	5,04.32
		High Court	1976-77 to 1980-81, 1987-88 to 1991-1992	1,60.83	1,60.83
Sub-total				**7,28.00**	**6,80.04**
Custom Act, 1962	Custom Duty	Appellate Authority - up to Commissioners / Revisional authorities Level	1992-1993 to 1993-94, 2003-04 to 2013-14, 2017-18 to 2019-20	2,59.13	2,59.13
		Customs, Excise and Service Tax Appellate Tribunal	1994-95	66.53	66.53
Sub-total				**3,25.66**	**3,25.66**
Finance Act, 1994	Service Tax	High Court	2000-01, 2002-03	1,29.20	1,29.20
Sub-total				**1,29.20**	**1,29.20**

Annexure "B" To The Independent Auditor's Report

Name of the Statue	Nature of Dues	Forum where dispute is pending	Period to which the amount relates#	Amount involved	Amount Unpaid
				(₹ in Lakhs)	(₹ in Lakhs)
Sales Tax and Laws as per statues applicable in various states	Sales Tax and VAT	Appellate Authority - up to Commissioners / Revisional authorities Level	1983-84, 1987-88 to 1994-95, 1996-97 to 2006-2017	23,85.66	18,90.90
		Appellate Authority - Tribunal	1998-99 to 1999-00, 2001-02 to 2002-03, 2005-06 to 2012-13	66,22.75	61,55.75
		High Court	1990-91, 1999-2000, 2001-02 to 2005-06	2,76.06	2,30.58
		Supreme Court	1993-94, 1994-95	42.14	42.14
Sub-total				**93,26.61**	**83,19.37**
TOTAL				**468,42.13**	**287,16.64**

generally, the year refers to financial year i.e. April to March

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(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 subsidiary. The Company did not have any associate or joint venture during the year.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, 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 upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and upto the date of this report and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports issued to the Company during the year and till date, for the period under audit.

(xv) In our opinion, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) 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 and 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 indicating 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930AJAKLR8629)

Place: Mumbai
Date: May 16, 2022

Standalone Balance Sheet

as at March 31, 2022

(₹ in lakhs)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	277,37.03	310,93.21
Right of use assets	48	17,57.48	31,26.43
Capital work-in-progress	3	30,50.21	13,21.43
Investment property	4	1,18.49	1,32.87
Intangible assets	5	34,49.74	43,36.40
Financial assets			
(i) Investments	6	24,49.31	24,49.31
(ii) Loans	7	204,60.00	-
(iii) Other financial assets	8	11,04.84	12,07.55
Current tax assets (net)	47	192,87.56	341,52.93
Deferred tax assets (net)	47	112,78.38	101,66.93
Other non-current assets	9	44,95.64	45,88.02
		951,88.68	**925,75.08**
Current assets			
Inventories	10	512,71.32	523,33.85
Financial assets			
(i) Current Investments	11	365,59.23	-
(ii) Trade receivables	12	205,23.89	215,60.46
(iii) Cash and cash equivalents	13	280,79.12	404,90.20
(iv) Bank balances other than (iii) above	14	2198,32.07	752,77.48
(v) Other financial assets	15	63,05.83	19,20.27
Other current assets	16	44,88.42	75,38.46
		3670,59.88	**1991,20.72**
Assets classified as held for sale	17	11.23	180,11.84
		3670,71.11	**2171,32.56**
TOTAL ASSETS		**4622,59.79**	**3097,07.64**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18	169,40.60	169,40.60
Other equity	19	2508,21.14	1327,70.90
Total equity		**2677,61.74**	**1497,11.50**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	20 & 48	7,62.35	20,24.99
(ii) Other financial liabilities	21	2,04.46	2,04.46
Provisions	22 & 29	260,95.83	258,24.55
		270,62.64	**280,54.00**
Current liabilities			
Financial liabilities			
(i) Borrowings	23	-	2.40
(ii) Lease liabilities	24 & 48	12,45.30	14,35.27
(iii) Trade payables	25		
Total outstanding dues of micro enterprises and small enterprises		7,74.40	5,26.94
Total outstanding dues of creditors other than micro enterprises and small enterprises		538,88.55	442,71.91
(iv) Other financial liabilities	26	133,50.57	171,87.83
Other current liabilities	27	357,58.36	246,83.26
Provisions	28 & 29	327,97.88	274,62.27
Current tax liabilities (net)	47	296,20.35	163,72.26
		1674,35.41	**1319,42.14**
Total liabilities		**1944,98.05**	**1599,96.14**
TOTAL EQUITY AND LIABILITIES		**4622,59.79**	**3097,07.64**

The accompanying notes 1 to 63 are an integral part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930

Mumbai, May 16, 2022

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
S. Venkatesh	Managing Director	DIN: 07263117
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 16, 2022

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in lakhs)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Continuing operations			
Income			
Revenue from operations	30	3217,50.87	2920,47.58
Other income	31	76,21.57	110,18.78
Total income		**3293,72.44**	**3030,66.36**
Expenses			
Cost of materials consumed	32	552,47.11	452,39.86
Purchases of stock-in-trade	32	729,44.10	823,09.06
Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	13,82.60	(26,12.38)
Employee benefits expense	34	610,23.13	616,16.01
Finance costs	35	1,98.98	3,53.14
Depreciation and amortization expense	36	68,18.60	78,60.49
Other expenses	37	555,71.25	457,17.65
Total expenses		**2531,85.77**	**2404,83.83**
Profit before exceptional items and tax		**761,86.67**	**625,82.53**
Exceptional items (net)	40	11,57.66	(172,59.69)
Profit before tax		**773,44.33**	**453,22.84**
Tax expense:	47		
Current tax		219,42.59	158,67.23
Deferred tax		(10,49.39)	7,86.69
Tax adjustment of earlier years		187,93.59	-
		396,86.79	**166,53.92**
Profit for the year from continuing operations		**376,57.54**	**286,68.92**
Discontinued Operations	55		
Profit before tax from discontinued operations		1708,17.66	96,50.78
Tax expense of discontinued operations		394,22.62	25,62.94
Profit from discontinued operations (after tax)		**1313,95.04**	**70,87.84**
Profit for the year		**1690,52.58**	**357,56.76**
Other comprehensive (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans	47	(2,46.59)	(2,73.74)
Income tax relating to items that will not be reclassified to profit or loss	47	62.06	68.90
		(1,84.53)	**(2,04.84)**
Total comprehensive income for the year		**1688,68.05**	**355,51.92**
Earnings per equity share	49		
Earnings per equity share from continuing operations			
Basic and diluted earnings per share before exceptional item		21.48	27.13
Basic and diluted earnings per share after exceptional item		22.23	16.92
Earnings per equity share from discontinued operations			
Basic and diluted earnings per share		77.56	4.18
Earnings per equity share from continuing operations & discontinued operations			
Basic and diluted earnings per share before exceptional item		99.05	31.32
Basic and diluted earnings per share after exceptional item		99.79	21.11

The accompanying notes 1 to 63 are an integral part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930

Mumbai, May 16, 2022

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
S. Venkatesh	Managing Director	DIN: 07263117
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 16, 2022

Standalone Statement of Cash Flows

for the year ended March 31, 2022

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before exceptional items and tax from :		
	Continuing operations	761,86.67	625,82.53
	Disontinued operations	1708,17.66	96,50.78
		2470,04.33	722,33.31
	Adjustments for :		
	Gain on sale of brands and other identified assets (Discontinued Operations)	(1635,65.34)	-
	(Gain) / Loss on disposal of property, plant and equipment (net)	(32.37)	5.88
	Interest income	(71,68.71)	(110,18.78)
	Finance costs	1,98.98	3,53.14
	Depreciation and amortisation expense	68,18.60	78,60.49
	Allowance for doubtful debts and advances	16.17	2,06.05
	Depreciation expense related to discontinued operations	39.59	67.87
	Operating Profit before working capital changes	**833,11.25**	**697,07.96**
	Change in operating assets and liabilities		
	Decrease/ (Increase) in inventories	10,62.53	(23,43.34)
	Decrease/ (Increase) in trade receivables	10,20.40	(99,93.42)
	(Increase) in other assets	(10,92.33)	(2,51.33)
	Increase in trade payables	96,59.05	92,14.19
	Increase in provisions	71,28.11	27,08.09
	(Decrease)/ Increase in other liabilities	(42,88.73)	69,68.99
	Cash generated from operations	**968,00.28**	**760,11.14**
	Income taxes (paid) (net of refunds)	(120,43.25)	(146,91.85)
	Cash inflow from operating activities before exceptional items	**847,57.03**	**613,19.29**
	Exceptional items:		
	Payment of associated costs on sale of Vemgal Plant	(4,42.88)	(7,03.09)
	Payment of redundancy cost	(31,63.26)	(11,30.59)
	Income taxes on exceptional items	8,28.26	0.93
	Net cash generated from operating activities A	**819,79.15**	**594,86.54**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Payments to acquire property, plant and equipment and other intangible assets	(34,64.11)	(44,22.66)
	Proceeds from sale of property, plant and equipment	1,17.72	67.20
	Margin money deposits (placed) / matured	(12.21)	14.33
	Investment in bank deposits (having original maturity more than 3 months but less than 12 months)	(2704,10.00)	(3305,23.00)
	Redemption / maturity of bank deposits (having original maturity more than 3 months but less than 12 months)	1257,00.00	3520,23.00
	Current Investments	(365,27.51)	-

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
Loan given to related parties		(204,60.00)	-
Net proceeds from sale of brands and other identified assets (net of tax) (Discontinued Operations)		1265,60.61	-
Indirect taxes payables on sale of brands and other identified assets (Discontinued Operations)		295,77.67	-
Interest received		44,40.65	54,55.98
Cash (outflow) / inflow from investing activities before exceptional items		**(444,77.18)**	**226,14.85**
Exceptional items:			
Proceeds from sale of property		32,34.24	1,84.09
Advance received towards disposal of Vemgal assets		-	180,00.00
Income taxes on Exceptional items		(7,23.06)	(42.12)
Net cash (outflow) / inflow from investing activities	**B**	**(419,66.00)**	**407,56.82**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		(2.40)	(15.30)
Interest paid, other than on lease liabilities		(25.28)	(34.99)
Interest paid on lease liabilities		(1,73.70)	(3,18.15)
Principal payment of lease liabilities		(15,59.35)	(14,83.08)
Dividend paid to company's shareholders		(506,63.50)	(677,04.43)
Net cash outflow from financing activities	**C**	**(524,24.23)**	**(695,55.95)**
Net (decrease)/ increase in cash and cash equivalents	**(A + B + C)**	**(124,11.08)**	**306,87.41**
Cash and cash equivalents at the beginning of the year		404,90.20	98,02.79
Cash and cash equivalents at the end of the year		280,79.12	404,90.20
Net (decrease)/ increase in cash and cash equivalents		**(124,11.08)**	**306,87.41**
NOTES:			
Cash and cash equivalents include:			
Balances with banks			
Current accounts		50,73.12	205,83.20
Term deposits with original maturity period of less than three months		230,06.00	199,07.00
Total		**280,79.12**	**404,90.20**

The above Standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 'Statement of Cash Flows'

The accompanying notes 1 to 63 are an integral part of the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930

Mumbai, May 16, 2022

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
S. Venkatesh	Managing Director	DIN: 07263117
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 16, 2022

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

(a) Equity share capital

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the reporting period	169,40.60	169,40.60
Changes in equity share capital during the year	-	-
Balance at the end of the reporting period	**169,40.60**	**169,40.60**

(b) Other equity

(₹ in lakhs)

	Reserves and Surplus				Items of Other comprehensive income	Total Other Equity
	Capital reserve (i) (Refer Note 57)	General reserve (ii)	Retained earnings (iii)	Capital redemption reserve (iv)	Remeasurements of the net defined benefit plans	
Balance as at April 1, 2021	(19,16.47)	790,74.14	562,71.30	2,61.95	(9,20.02)	1327,70.90
Total comprehensive income						
Profit for the year	-	-	1690,52.58	-	-	1690,52.58
Other comprehensive loss for the year	-	-	-	-	(1,84.53)	(1,84.53)
Add: Acquisition of brand rights	4.00					4.00
Transactions with owners of the company						
Dividend on equity shares (₹ 30 per share)	-	-	(508,21.81)	-	-	(508,21.81)
Balance as at March 31, 2022	**(19,12.47)**	**790,74.14**	**1745,02.07**	**2,61.95**	**(11,04.55)**	**2508,21.14**
Balance as at April 1, 2020	**1,65.51**	**790,74.14**	**882,76.95**	**2,61.95**	**(7,15.18)**	**1670,63.37**
Less: Utilisation of Capital Reserve toward acquisition of vaccines business (Restated as per IndAS 103)	(20,81.98)	-	-	-	-	(20,81.98)
Restated balance as at April 1, 2020	**(19,16.47)**	**790,74.14**	**882,76.95**	**2,61.95**	**(7,15.18)**	**1649,81.39**
Total comprehensive income						
Profit for the year	-	-	357,56.76	-	-	357,56.76
Other comprehensive loss for the year	-	-	-	-	(2,04.84)	(2,04.84)
Transactions with owners of the company						
Dividend on equity shares (₹40 per share including special dividend of ₹20 per share)	-	-	(677,62.41)	-	-	(677,62.41)
Balance as at March 31, 2021	**(19,16.47)**	**790,74.14**	**562,71.30**	**2,61.95**	**(9,20.02)**	**1327,70.90**

(i) Capital reserve includes Central Government subsidy and capital profit on reissue of shares forfeited of erstwhile Burroughs Wellcome (India) Limited and is not available for distribution as adjusted for the difference between the net consideration paid and net assets acquired from GlaxoSmithKline Asia Private Limited (Refer Note 57).

(ii) General reserve represents the transfer of profits from retained earnings.

(iii) Retained earnings represents the cumulative profits of the Company which can be utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Capital redemption reserve is on account of buy back of equity shares and it is not available for distribution.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930

Mumbai, May 16, 2022

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
S. Venkatesh	Managing Director	DIN: 07263117
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 16, 2022

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL INFORMATION

GlaxoSmithKline Pharmaceuticals Limited ('the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on the BSE Ltd. (Bombay Stock Exchange) and the National Stock Exchange of India Ltd. (NSE). The registered office of the Company is located at Dr. Annie Besant Road, Worli, Mumbai 400 030.

The Company is engaged interalia, in the business of manufacturing, distributing and trading in pharmaceuticals.

B. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act") (as amended from time to time).

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value;
- assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- defined benefit plans - plan assets measured at fair value; and
- share-based payments.

The financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except where otherwise indicated.

b) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised when the goods have been passed on to the buyer as per contractual terms, at which time all the following conditions are satisfied:

- the company is recognizing revenue as and when it satisfies the performance obligation by transferring promised goods or services to a customer and customer obtains control of the same.;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Income from clinical research and data management services is recognised in the accounting period in which the services are rendered based on terms of the agreement.

Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability.

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (g) financial instruments.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Dividends

Dividend is recognised when the Company's right to receive the payment is established, it is probable that economic benefit associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

Interest Income

Interest income is recorded using the Effective Interest Rate (EIR). Interest income is included in other income in the statement of profit and loss.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation is provided on the straight-line method over the estimated useful lives of the assets as per the rates prescribed under Schedule II to the Companies Act, 2013 or re-assessed useful life based on technical evaluation as under:

▪ Factory Buildings	30 to 50 years
▪ Other Buildings	60 years
▪ Plant and Equipment	10 to 15 years
▪ Personal Computers and Laptops	3 to 5 years
▪ Other Computer Equipment	4 years
▪ Furniture and Fixtures	10 years
▪ Office Equipment	5 years
▪ Vehicles	5 years

Depreciation is provided pro-rata for the number of months available for use. Depreciation on sale / disposal of assets is provided pro-rata up to the end of the month of sale / disposal.

An asset purchased where the actual cost does not exceed ₹ 5,000 is depreciated at the rate of 100%.

Leasehold building, leasehold land and leasehold improvements are amortised over the period of the lease.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognised as income or expense in the statement of profit and loss.

Cost of items of property, plant and equipment not ready for intended use as on the balance sheet date is disclosed as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as capital advance under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangible assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognised as income or expense in the statement of profit and loss.

Cost of items of intangible assets not ready for intended use as on the balance sheet date are disclosed as intangible assets under development.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Amortisation method and periods

Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Software expenditure have been amortised over a period from 8 to 10 years. Distribution rights are amortised over the agreement / contract period.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

e) Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

f) Leases

The Company recognises right of use assets under lease arrangements in which it is the lessee. Rights to use assets owned by third parties under lease agreements are capitalised at the inception of the lease and recognised on the balance sheet. The corresponding liability to the lessor is recognised as a lease obligation. The carrying amount is subsequently increased to reflect interest on the lease liability and reduced by lease payments made. For calculating the discounted lease liability, the lessee's incremental borrowing rate is used. The incremental borrowing rate is calculated at the rate of interest at which the Company would have been able to borrow for a similar term and with a similar security the funds necessary to obtain a similar asset in a similar market.

Finance costs are charged to the income statement so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Variable rents are not part of the lease liability and the right of use asset. These payments are charged to the income statement as incurred. If modifications or reassessments occur, the lease liability and right of use asset are re-measured. Right of use assets are depreciated over the shorter of the useful life of the asset or the lease term.

g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

(i) 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 Company's business model for managing 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.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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 the 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 assets cash flow represents 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 revenue 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 profit and loss and recognised in other expenses/ income. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: 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 expenses/ income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments 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 and 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 statement are recognised in other income/ expense 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.

(iii) 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.

(iv) Derecognition 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

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.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liability or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities subsequently measured at amortised cost

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

Financial liabilities that are not held-for-trading and are not designated as at fair value through profit or loss are measured at amortised cost at the end of the subsequent accounting period. The carrying amount of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance costs" line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount in initial recognition.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

h) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

i) Inventories

Inventories are valued at lower of cost and net realisable value. Cost is determined on weighted average cost basis. The cost of work-in-progress (other than those lying at third party manufacturing sites which is valued at material cost) and finished goods comprises of raw materials, direct labour, other direct costs and related production overheads, but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

j) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, short-term balances (with an original maturity of three months or less from date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

k) Foreign currency transactions

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses/ income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in the statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

l) Taxes

Income tax expense represents the sum of the current tax and deferred tax.

Current tax charge is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit and loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

m) Employee benefits

(a) Short Term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid 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.

(b) Post-Employment Benefits

(i) Defined Contribution Plans

The Company's defined contribution plans are superannuation and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Company has no further obligation beyond making the contributions. The Company's contributions to these plans are charged to the statement of profit and loss as incurred.

(ii) Defined Benefits Plans

"Liability for defined benefit plans is provided on the basis of valuations, as at the balance sheet date, carried out by an independent actuary."

Gratuity and Post-Retirement Medical

The actuarial valuation method used for measuring the liability for gratuity and post-retirement medical is projected unit credit method. Actuarial gains and losses are recognised in the statement of other comprehensive income in the period of occurrence of such gains and losses. The obligations for gratuity and post-retirement medical are measured as the present value of estimated future cashflows discounted at rates reflecting the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations. The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors. The expected rate of return of plan assets is the Company's expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations. Plan assets are measured at fair value as at the balance sheet date.

Provident Fund

Provident fund contributions are made to a Trust administered by the Company. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The actuarial valuation method, carried out by an independent actuary, used for measuring the liability for provident fund is projected accrued benefit method. This approach determines the present value of the interest rate guarantee under three interest rate scenarios: base case scenario, rising interest rate scenario and falling interest rate scenario. The defined benefit obligation of the interest rate guarantee is set equal to the average of the present values determined under these scenarios in respect of accumulated provident fund contributions as at the valuation date.

(c) Other Long Term Benefit Plans

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

(d) The expenditure on voluntary retirement schemes is charged to the statement of profit and loss in the year in which it is incurred.

(e) Share Based Payment Arrangements

In terms of a long-term incentive plan, the eligible members of the senior management are entitled to receive cash settled awards at the end of a three year 'restricted period', provided they remain in continuous employment with the Company for the aforesaid period. The value of such incentive is based on the price of shares of GlaxoSmithKline Plc, U.K.

The fair value of the amount payable to employees in respect of long term incentive

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

plan, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the shares of GlaxoSmithKline Plc, U.K. Any changes in the liability are recognised in the statement of profit and loss.

n) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Based on technical evaluation the following is the best estimate of period over which investment property is depreciated on a straight-line basis.

Asset	Management estimate of useful life
Factory Building	30 Years
Freehold Land	-

Any gain or loss on disposal of an investment property is recognised in statement of profit and loss.

o) Investment in subsidiary

Investment in subsidiary is carried at cost less impairment loss, if any, in the separate Standalone Financial Statements.

p) Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to the owners of 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 profit for the period attributable to the owners of the Company and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

q) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

r) Exceptional items

When items of income or expense are of such nature, size or incidence that their disclosure is necessary to explain the performance of the Company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "Exceptional items".

s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Managing Director of the Company has been identified as CODM and he is responsible for allocating the resources, assess the financial performance and position of the Company and makes strategic decisions.

The Company has identified one reportable segment "Pharmaceuticals" based on the information reviewed by the CODM. Refer note 52 for segment information presented.

t) Provision and contingent liabilities

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised as an interest expense.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

u) Discontinued operations and non-current assets held for sale

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a major line of business.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

v) Business Combination

Common control business combination is accounted using the pooling of interest method where the Company is transferee. Assets and liabilities of the combining entities are reflected at their carrying amounts and no new asset or liability is recognised. Identity of reserves of the transferor company is preserved by reflecting them in the same form in the Company's financial statements in which they appeared in the financial statement of the transferor company. The excess between the amount of consideration paid over the share capital of the transferor company is recognised as a negative amount and the same is disclosed as capital reserve on business combination.

The financial information in the financial statements in respect of prior periods is restated from the beginning of the preceding period in the financial statements if the business combination date is prior to that date. However, if business combination date is after that date, the financial information in the financial statements is restated from the date of business combination.

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable to the Company from April 1, 2022.

NOTE 2 : CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of Standalone Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

a Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

b Estimation of useful life

Useful lives of tangible assets and intangible assets are based on the estimate by the management. The useful lives as estimated are same as prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimate, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalised.

The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

c Provisions and contingent liabilities

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

d Impairment of assets

The Company reviews the carrying amounts of its property, plant and equipment, Capital work in progress and intangible assets, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Further details on the Company's accounting policies on this are set out in the accounting policy above. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires company to estimate the Fair value less cost of disposal.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

	Gross Carrying Value				Accumulated Depreciation					Net Carrying Value
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	Charge for the Year	On Disposals	Impairment (Refer Note 3(b) below)	As at March 31, 2022	As at March 31, 2022
Freehold land	2.00	-	-	2.00	-	-	-	-	-	2.00
Leasehold land	2,22.93	-	0.05	2,22.88	50.04	-	-	-	50.04	1,72.84
Freehold buildings	26,05.30	67.52	38.31	26,34.51	3,17.25	60.09	3.33	-	3,74.01	22,60.50
Leasehold buildings	76,14.95	1,58.63	-	77,73.58	15,36.92	3,07.25	-	-	18,44.17	59,29.41
Plant and equipment (Refer Note 3(a) below)	316,53.27	10,45.01	6,82.76	320,15.52	139,18.23	30,98.42	4,14.59	1,44.02	167,46.08	152,69.44
Furniture and fixtures	43,52.45	30.31	18.78	43,63.98	12,26.82	4,21.99	13.22	-	16,35.59	27,28.39
Vehicles	14,88.32	3,10.57	4,80.50	13,18.39	7,34.31	2,52.02	3,60.90	-	6,25.43	6,92.96
Office equipment	16,55.08	26.09	9.50	16,71.67	7,17.52	2,81.39	8.73	-	9,90.18	6,81.49
Total	**495,94.30**	**16,38.13**	**12,29.90**	**500,02.53**	**185,01.09**	**44,21.16**	**8,00.77**	**1,44.02**	**222,65.50**	**277,37.03**

(₹ in lakhs)

	Gross Carrying Value						Accumulated Depreciation							Net Carrying Value
	As at April 1, 2020	Additions	Disposals	Restatement as per IND AS 103 (Refer Note 3(c) below)	Assets held for sale (Refer Note 3(b) below)	As at March 31, 2021	As at April 1, 2020	Charge for the Year	On Disposals	Impairment (Refer Note 3(b) below)	Restatement as per IND AS 103 (Refer Note 3(c) below)	On Assets held for sale (Refer Note 3(b) below)	As at March 31, 2021	As at March 31, 2021
Freehold land	2.00	-	-	-	-	2.00	-	-	-	-	-	-	-	2.00
Leasehold land	55,99.13	-	-	1,78.70	55,54.90	2,22.93	21,98.55	17.82	-	-	50.04	22,16.37	50.04	1,72.89
Freehold buildings	26,05.30	-	-	-	-	26,05.30	2,49.53	67.72	-	-	-	-	3,17.25	22,88.05
Leasehold buildings	415,19.49	1,54.39	-	-	340,58.93	76,14.95	196,92.59	5,15.18	-	-	-	186,70.85	15,36.92	60,78.03
Plant and equipment (Refer Note 3(a) below)	749,84.71	21,90.29	5,73.98	-	449,47.75	316,53.27	384,61.50	38,01.89	5,68.10	54,45.00	-	332,22.06	139,18.23	177,35.04
Furniture and fixtures	46,98.04	20,98.51	9.97	-	24,34.13	43,52.45	32,09.00	4,59.88	7.93	-	-	24,34.13	12,26.82	31,25.63
Vehicles	14,21.66	4,06.29	3,03.18	-	36.45	14,88.32	7,47.11	2,48.92	2,50.81	-	-	10.91	7,34.31	7,54.01
Office equipment	10,24.72	7,61.14	4.90	-	1,25.88	16,55.08	5,33.82	3,14.23	4.65	-	-	1,25.88	7,17.52	9,37.56
Total	**1318,55.05**	**56,10.62**	**8,92.03**	**1,78.70**	**871,58.04**	**495,94.30**	**650,92.10**	**54,25.64**	**8,31.49**	**54,45.00**	**50.04**	**566,80.20**	**185,01.09**	**310,93.21**

Notes:

Note 3 (a):

Plant and equipment includes computers.

Note 3 (b):

Impairment charge for the year ended March 31, 2022 is on account of additional impairment taken for old Eltroxin facility at Nashik Following the decision to initiate a global voluntary recall (pharmacy/retail level) of ranitidine products including Zinetac in India by the Ultimate Holding Company, the Company had undertakten comprehensive strategic review of the impact of this recall on all related assets in India including its manufacturing site at Vemgal. After considering all the strategic options available, during the previous year ended March 31, 2021 the Company decided to proceed with the sale of the assets at Vemgal site and classifed these assets as held for sale after considering additional impairment of ₹54,45.00 lakhs.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 3 (c):

Consequent to the approval of the shareholders, the Company on September 30, 2021, has acquired the assets and liabilities associated with the vaccine business of GlaxoSmithKline Asia Private Limited. The Company has accounted the acquisition in accordance with Appendix C to IND AS 103 being business combination of entities under common control. Accordingly, the financial information in respect of prior periods has been restated for the acquisition as if the business combination has occurred from the beginning of preceding periods.

Capital work-in-progress:

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Opening Balance	13,21.43	120,12.15
Additions	35,35.92	20,95.67
Less:		
Capitalisation	(18,07.14)	(57,62.89)
Asset held for sale (Refer Note 3(b) above)	-	(70,23.50)
Closing Balance	**30,50.21**	**13,21.43**

(₹ in lakhs)

	As at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	19,21.09	9,46.59	1,23.82	58.71	30,50.21

(₹ in lakhs)

	As at March 31, 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	7,11.42	5,00.33	99.74	9.94	13,21.43

Project is overdue or has exceeded its cost compared to its original plan

(₹ in lakhs)

	As at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	12,11.72	-	58.71	-	12,70.43

(₹ in lakhs)

	As at March 31, 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	5,76.17	2,44.03	36.07	-	8,56.27

NOTE 4 : INVESTMENT PROPERTY

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Gross carrying amount		
Opening gross carrying amount	2,24.33	2,24.33
Additions	-	-
Closing gross carrying amount	2,24.33	2,24.33
Accumulated Depreciation		
Opening Accumulated Depreciation	91.46	77.08
Depreciation	14.38	14.38
Closing Accumulated Depreciation	1,05.84	91.46
Net carrying amount	1,18.49	1,32.87

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(i) Amounts recognised in the Statement of Profit and Loss for investment property

(₹ in lakhs)

	Year Ended March 31, 2022	Year ended March 31, 2021
Depreciation	(14.38)	(14.38)

(ii) Estimation of fair value

The Company has two properties (March 31, 2021: two properties) that have been considered as Investment Properties. These comprise of two vacant land sites (March 31, 2021: two vacant land sites) that are not in operational use at present.

In the view of the management, the fair market value of the land sites is not reliably measurable as there are very few recent transactions of comparable composition of these properties in the market. Further, the fair market value will be subject to numerous municipal deductions dependent upon the current use and intended use of the property. Based on the above, it is not possible to ascertain and disclose the range of fair market value. The estimated Ready Reckoner value at year end, based on latest published data and on current stated use, totals ₹225,95.73 lakhs (March 31, 2021: ₹225,95.73 lakhs). Ready Reckoner rates are the prices of residential property, land or commercial property for a given area that is published and regulated by the respective State Governments as a guide towards payment of stamp duty at the time of transaction. The Ready Reckoner Value is regarded as a gross value and does not represent the underlying fair market value of the properties. The company will further detail the fair value of its investment properties upon entering a committed agreement with a third party, unless an alternative reliable estimate of the fair value is attainable.

NOTE 5 : INTANGIBLE ASSETS

(₹ in lakhs)

	Gross Carrying Value				Accumulated Amortisation			Net Carrying Value
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	Charge for the Year	As at March 31, 2022	As at March 31, 2022
Intangible Assets								
Computer Software	73,44.29	60.30	-	74,04.59	30,07.89	9,46.96	39,54.85	34,49.74
Trademarks	-	4.00	(4.00)	-	-	-	-	-
Total	**73,44.29**	**64.30**	**(4.00)**	**74,04.59**	**30,07.89**	**9,46.96**	**39,54.85**	**34,49.74**

(₹ in lakhs)

	Gross Carrying Value				Accumulated Amortisation			Net Carrying Value
	As at April 1, 2020	Additions	Assets held for Sale (Refer Note 3(b) above)	As at March 31, 2021	As at April 1, 2020	Charge for the Year	On Assets held for Sale (Refer Note 3(b) above)	As at March 31, 2021	As at March 31, 2021
Intangible Assets									
Computer Software	94,46.48	2,77.24	23,79.43	73,44.29	44,83.97	9,03.35	23,79.43	30,07.89	43,36.40
Total	**94,46.48**	**2,77.24**	**23,79.43**	**73,44.29**	**44,83.97**	**9,03.35**	**23,79.43**	**30,07.89**	**43,36.40**

NOTE 6 : INVESTMENTS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Unquoted Equity Instruments		
In Subsidiary		
Biddle Sawyer Limited	47,61.31	47,61.31
9,60,000 Equity Shares of ₹ 10 each fully paid		
Less: Provision for Impairment	(23,12.00)	(23,12.00)
	24,49.31	**24,49.31**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 7 : NON-CURRENT FINANCIAL ASSETS - LOANS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Loans to related parties - Unsecured considered good	204,60.00	-
	204,60.00	**-**

NOTE 8 : NON-CURRENT FINANCIAL ASSETS - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Margin money / Deposit against bank guarantee	4,10.78	4,01.47
Security Deposits - Unsecured considered good	6,94.06	8,06.08
Security Deposits - Unsecured considered doubtful	2,41.34	2,41.34
Less: Allowance for doubtful deposits	(2,41.34)	(2,41.34)
	11,04.84	**12,07.55**

NOTE 9 : OTHER NON-CURRENT ASSETS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Capital advances	3,13.23	2,87.24
Less : Allowance for doubtful advances	(2,83.17)	(2,83.17)
	30.06	**4.07**
Balances with Government Authorities	11,84.22	11,58.27
Sundry Deposits	31,48.18	31,23.66
Others	1,33.18	3,02.02
	44,95.64	**45,88.02**

NOTE 10 : INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Raw materials and Packing materials (includes in-transit as on March 31, 2022: ₹ Nil lakhs; March 31, 2021 ₹ 9,06.49 lakhs)	95,27.74	88,88.47
Work-in-progress	72.86	1,06.14
Finished goods	140,55.22	116,21.99
Stock-in-trade (includes in-transit as on March 31, 2022: ₹ 9,30.83 lakhs; March 31, 2021 ₹ 17,11.20 lakhs)	272,27.35	313,38.13
Stores and spares	3,88.15	3,79.12
	512,71.32	**523,33.85**

NOTE 11 : CURRENT INVESTMENTS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Quoted		
Investments measured at Fair value through profit and loss		
Investment in Mutual Funds	365,59.23	-
	365,59.23	**-**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 12 : TRADE RECEIVABLES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered good	205,23.89	215,60.46
Receivables which have significant increase in Credit Risk (Refer Note 50 C)	20,23.24	20,07.07
Less : Allowance for doubtful receivables	(20,23.24)	(20,07.07)
	205,23.89	**215,60.46**

During the year ended March 31, 2022 the Company has created additional allowance for doubtful debts of ₹16.17 lakhs (net) (Previous Year: ₹2,06.05 lakhs (net)).

Trade Receivables Ageing :-

(₹ in lakhs)

	Outstanding as at March 31, 2022						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	191,74.74	7,55.10	88.71	99.79	2,17.77	1,87.78	205,23.89
(ii) Undisputed trade receivables - which have significant increase in credit risk	6.39	45.15	50.62	1.20	2,17.68	13,14.59	16,35.63
(iii) Disputed trade receivables - which have significant increase in credit risk	-	-	43.23	10.68	33.76	2,99.94	3,87.61
Less : Allowance for doubtful receivables							(20,23.24)
Total							**205,23.89**

(₹ in lakhs)

	Outstanding as at March 31, 2021						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	142,06.26	68,04.49	64.86	4,40.71	44.14	-	215,60.46
(ii) Undisputed trade receivables - which have significant increase in credit risk	5.01	61.26	29.77	1,23.21	97.92	13,54.05	16,71.22
(iii) Disputed trade receivables - which have significant increase in credit risk	-	-	2.16	33.75	53.37	2,46.57	3,35.85
Less : Allowance for doubtful receivables							(20,07.07)
Total							**215,60.46**

NOTE 13 : CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Balances with Banks:		
Current account	50,73.12	205,83.20
Term deposits with original maturity period of less than three months	230,06.00	199,07.00
	280,79.12	**404,90.20**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 14 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Earmarked Balances:		
Unclaimed dividend accounts	18,28.05	19,86.36
Term deposits with original maturity period of more than three months but less than twelve months	2179,10.00	732,00.00
Margin money	94.02	91.12
	2198,32.07	**752,77.48**

NOTE 15 : CURRENT FINANCIAL ASSETS - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
(Unsecured considered good)		
Receivable from group companies	55,11.32	11,38.56
Interest accrued on deposits with banks	7,62.86	7,50.06
Advances recoverable	31.65	31.65
	63,05.83	**19,20.27**

NOTE 16 : OTHER CURRENT ASSETS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Balances with Government Authorities	9,72.41	46,34.42
Advance to Creditors	18,35.40	9,82.18
Prepayments and Prepaid Expenses	12,77.25	13,49.57
Others	4,03.36	5,72.29
	44,88.42	**75,38.46**

NOTE 17 : ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Freehold Land and Building	9.60	9.60
Plant and Machinery (Refer Note (a) below)	1.63	1.63
Assets at Vemgal location (Refer Note (b) below)	-	180,00.61
	11.23	**180,11.84**

Notes:-

(a) The amount includes Plant and Machinery from Mysore and Bangalore site held for sale.

(b) Assets at Vemgal location held for sale during the previous year ended March 31, 2021 consequent to the binding sale agreement entered into by the Company .The Company has received all relevant statutory and other approvals during the year and transaction has been concluded in December 2021.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 18 : EQUITY SHARE CAPITAL

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Authorised		
18,00,00,000 (March 31, 2021: 18,00,00,000) equity shares of ₹10 each	180,00.00	180,00.00
Issued		
16,94,15,420 (March 31, 2021: 16,94,15,420) equity shares of ₹10 each	169,41.54	169,41.54
Subscribed and Paid-Up		
16,94,06,034* (March 31, 2021: 16,94,06,034) equity shares of ₹10 each, fully paid up	169,40.60	169,40.60
	169,40.60	**169,40.60**

* excludes 9,386 (March 31, 2021: 9,386) equity shares of ₹10 each of the Company (3,352 equity shares of ₹ 10 each of erstwhile Burroughs Wellcome (India) Limited) held in abeyance.

(₹ in lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
a) Reconciliation of the number of shares				
Balance at the beginning of the year	16,94,06,034	169,40.60	16,94,06,034	169,40.60
Balance at the end of the year	16,94,06,034	169,40.60	16,94,06,034	169,40.60

b) Rights, preferences and restrictions attached to equity shares:

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares held by promoters of Company

Sr. No.	Promoter's Name	FY 2021-22		% change during the year
		No. of Shares	% of total shares	
(i)	Glaxo Group Limited, U.K.	6,09,70,500	35.99%	-
(ii)	Eskaylab Limited, U.K.	1,17,60,000	6.94%	-
(iii)	Burroughs Wellcome International Limited	67,20,000	3.97%	-
(iv)	GlaxoSmithKline Pte Limited, Singapore	4,76,04,024	28.10%	-

d) Shares held by subsidiaries of ultimate holding company in aggregate

(₹ in lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
Equity shares of ₹10 each (representing 75.00% of total shareholding)	12,70,54,524	127,05.46	12,70,54,524	127,05.46

e) Details of equity shares held by shareholders holding more than 5% shares of the aggregate shares in the Company:

(₹ in lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% Shareholding	Number of Shares	% Shareholding
Glaxo Group Limited, U.K.	6,09,70,500	35.99%	6,09,70,500	35.99%
GlaxoSmithKline Pte Limited, Singapore	4,76,04,024	28.10%	4,76,04,024	28.10%
Eskaylab Limited, U.K.	1,17,60,000	6.94%	1,17,60,000	6.94%
Life Insurance Corporation of India	76,95,698	4.54%	80,91,878	4.78%

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 19 : OTHER EQUITY

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve	2,61.95	2,61.95
General reserve	790,74.14	790,74.14
Capital reserve (Refer Note 57)	(19,12.47)	(19,16.47)
Retained earnings (Including Other Comprehensive Income)	1733,97.52	553,51.28
	2508,21.14	**1327,70.90**

NOTE 20 : NON-CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Refer Note 48)	7,62.35	20,24.99
	7,62.35	**20,24.99**

NOTE 21 : NON-CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Security deposits received (Unsecured)	2,04.46	2,04.46
	2,04.46	**2,04.46**

NOTE 22 : NON-CURRENT PROVISIONS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
For Pricing matters (Refer Note 29 and 43)	122,70.82	122,70.82
For employee benefits (Refer Note 41)		
Gratuity	17,68.11	16,98.96
Leave encashment and compensated absences	36,74.38	34,94.48
Post retirement medical and other benefits	61,78.92	62,85.22
For long term incentive plan (Refer Note 29 and 54)	4,14.14	2,85.61
For divestment / restructuring (Refer Note 29)	1,92.96	1,92.96
For others (Refer Note 29)	15,96.50	15,96.50
	260,95.83	**258,24.55**

NOTE 23 : CURRENT BORROWINGS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Current Maturity of Interest free deferred sales tax incentive	-	2.40
	-	**2.40**

Terms of repayment

Interest free deferred sales tax incentive as at March 31, 2022 of ₹ Nil lakhs (March 31, 2021: ₹ 2.40 lakhs) availed under the 1993 Sales Tax Deferment Scheme.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 24 : CURRENT FINANCIAL LIABILITIES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Refer Note 48)	12,45.30	14,35.27
	12,45.30	**14,35.27**

NOTE 25 : TRADE PAYABLES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (Refer Note 46)	7,74.40	5,26.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	538,88.55	442,71.91
	546,62.95	**447,98.85**

Trade Payables Ageing :-

(₹ in lakhs)

	Outstanding as at March 31, 2022						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	6,84.29	81.12	0.06	3.42	5.51	7,74.40
(ii) Others	181,90.09	249,87.11	96,20.66	10,01.46	89.23	-	538,88.55

(₹ in lakhs)

	Outstanding as at March 31, 2021						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	3,87.78	1,25.38	6.53	0.20	7.05	5,26.94
(ii) Others	133,55.95	190,97.87	113,08.10	1,81.88	1,73.85	1,54.26	442,71.91

NOTE 26 : CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Unclaimed dividends *	18,28.05	19,86.36
Salaries, wages, bonus and employee benefits payable	95,49.35	126,97.57
Creditors for capital goods	1,66.54	2,17.03
Rationalisation relating to a manufacturing site	1,30.28	1,30.28
Other Payables	16,76.35	21,56.59
	133,50.57	**171,87.83**

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 27 : OTHER CURRENT LIABILITIES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Statutory dues including provident fund and tax deducted at source (Refer Note (a) below)	353,23.62	61,92.30
Advance from Customers	4,34.74	4,90.96
Advance received towards disposal of Vemgal Assets (Refer Note (b) below)	-	180,00.00
	357,58.36	**246,83.26**

Note:-

a) Statutory dues includes ₹295,77.67 lakhs payable towards indirect tax liability on sale of brands and other identified assets.

b) During the previous year, the company had received money as advance towards disposal of Vemgal Assets consequent to the signing of a binding agreement to sell. Actual transfer was concluded in the current year after obtaining all relevant statutory and other approvals / consents / permissions as required by law (Refer Note 17).

NOTE 28 : CURRENT PROVISIONS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
For employee benefits (Refer Note 41)		
Leave encashment and compensated absences	4,16.75	4,11.44
Post retirement medical and other benefits	3,41.99	3,36.01
For long term incentive plan (Refer Note 29 and 54)	5,81.58	10,18.81
For expected sales returns (Refer Note 29)	91,83.75	72,87.28
For others (Refer Note 29)	222,73.81	184,08.73
	327,97.88	**274,62.27**

NOTE 29 : MOVEMENT IN PROVISIONS

(₹ in lakhs)

	Pricing matters Refer note (i)	Long term Incentive Plan Refer note (ii)	Divestment / Restructuring Refer note (i)	Expected Sales Returns Refer note (iii)	Associated cost to Impairment and cost to sell	Severance pay	Provision for Zinetac (Other costs) Refer note (iv)	Others Refer note (v)
Balance as at April 1, 2021	**122,70.82**	**13,04.42**	**1,92.96**	**72,87.28**	**16,41.00**	**19,38.39**	**7,05.00**	**157,20.84**
Add: Provision during the year	-	6,54.48	-	42,13.10	-	-	-	85,70.00
Less: Amounts utilised/reversed during the year	-	9,63.18	-	23,16.63	11,41.00	15,72.05	46.47	19,45.40
Balance as at March 31, 2022	**122,70.82**	**9,95.72**	**1,92.96**	**91,83.75**	**5,00.00**	**3,66.34**	**6,58.53**	**223,45.44**
Balance as at April 1, 2020	**122,70.82**	**10,06.07**	**1,92.96**	**52,33.04**	**64,10.87**	**31,51.74**	**18,91.00**	**116,11.96**
Add: Provision during the year	-	12,85.06	-	75,54.27	-	-	-	29,23.00
Add: Restated as per IND AS 103 (Refer Note 57)	-	-	-	-	-	-	-	20,44.65
Less: Amounts utilised/reversed during the year	-	9,86.71	-	55,00.03	47,69.87	12,13.35	11,86.00	8,58.77
Balance as at March 31, 2021	**122,70.82**	**13,04.42**	**1,92.96**	**72,87.28**	**16,41.00**	**19,38.39**	**7,05.00**	**157,20.84**

Notes:

(i) Pricing matters and Divestment/ Restructuring : Provision for pricing matters and Divestment/ Restructuring made for probable liabilities/ claims arising out of pending dispute, litigations/ commercial transactions with statutory authorities/ third parties. The outflow with regard to the said matters depends on the exhaustion of remedies available to the Company under the law and hence the Company is not able to reasonably ascertain the timing of the outflow. Also refer notes 43.

(ii) Long term incentive plan: Refer note 54.

(iii) Expected sales returns: This represents provision made for expected sales returns. Revenue is adjusted for the expected value of returns.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(iv) Provision for Zinetac (Other costs) : This represents provision for incidental costs and other related costs for the Zinetac inventory pending to be destroyed.

(v) Consists mainly of provisions in respect of indirect tax matters.

NOTE 30 : REVENUE FROM OPERATIONS

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
A. Sale of products		
Sale of products	3190,07.67	2886,41.74
	3190,07.67	**2886,41.74**
B. Other operating revenue		
Service income	13,32.13	20,67.58
Manufacturing charges recovery	13,03.40	7,60.93
Others	1,07.67	5,77.33
	27,43.20	**34,05.84**
Total Revenue from operations (A + B)	**3217,50.87**	**2920,47.58**
C. Revenue from contracts with customers disaggregated based on geography (Refer Note 52)		
Revenue from the Country of Domicile- India	3209,61.60	2905,84.28
Revenue from foreign countries	7,89.27	14,63.30
	3217,50.87	**2920,47.58**
D. Reconciliation of gross revenue with revenue from contracts with customers		
Gross revenue	3510,38.11	3085,55.15
Less:		
Trade discounts, volume rebates, etc.	320,30.44	199,13.41
Net revenue recognised from contracts with customers	**3190,07.67**	**2886,41.74**

NOTE 31 : OTHER INCOME

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on:		
Deposits with banks	41,08.56	38,61.66
Income Tax Refund	26,83.54	71,28.52
Loans	3,76.61	16.04
Others	50.49	12.56
Gain on disposal of Property, Plant and Equipment (net)	32.37	-
Others	3,70.00	-
	76,21.57	**110,18.78**

NOTE 32 : COST OF MATERIALS CONSUMED

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Cost of materials consumed	552,47.11	452,39.86
	552,47.11	**452,39.86**
Purchases of stock-in-trade	729,44.10	823,09.06
	729,44.10	**823,09.06**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

NOTE 33 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Opening stock		
Finished goods*	108,23.54	85,80.35
Stock-in-trade	313,38.13	280,02.46
Work-in-progress	1,06.14	30,72.62
	422,67.81	**396,55.43**
Less: Closing stock		
Finished goods*	135,85.00	108,23.54
Stock-in-trade	272,27.35	313,38.13
Work-in-progress	72.86	1,06.14
	408,85.21	**422,67.81**
	13,82.60	**(26,12.38)**

* Finished goods inventory has been adjusted to give effect of discontinued operations (Refer Note 55).

NOTE 34 : EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus		559,17.25	563,60.56
Contributions to :	Provident and pension funds (Refer Note 41)	23,14.96	24,51.01
	Gratuity funds (Refer Note 41)	8,53.87	8,93.70
Staff welfare expense		19,37.05	19,10.74
		610,23.13	**616,16.01**

NOTE 35 : FINANCE COSTS

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
On Security deposits	25.28	34.99
Interest in respect of financial lease liability	1,73.70	3,18.15
	1,98.98	**3,53.14**

NOTE 36 : DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
On Property, Plant and Equipment* (Refer Note 3)	43,81.57	53,57.77
On Investment Properties (Refer Note 4)	14.38	14.38
On Other Intangible assets (Refer Note 5)	9,46.96	9,03.35
On Right to use Assets (Building) (Refer Note 48)	14,75.69	15,84.99
	68,18.60	**78,60.49**

* Depreciation has been adjusted to give effect for discontinued operations. (Refer Note 55).

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 37 : OTHER EXPENSES

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Sales promotion	128,32.65	67,37.17
Stock point commission	20,94.98	19,87.26
Freight	50,94.92	37,48.93
Travelling	54,58.91	46,88.44
Loss on disposal of Property, Plant and Equipment (net)	-	5.88
Exchange loss (net)	5,13.56	-
Manufacturing charges	93,46.30	81,96.22
Repairs:		
Buildings	9,25.39	11,80.57
Plant and Machinery	12,76.75	13,71.55
	22,02.14	**25,52.12**
Consumption of stores and spares	4,65.55	3,10.36
Power, fuel and water	27,83.23	26,07.72
Rent	1,81.29	2,09.72
Rates and taxes	27,57.32	37,84.38
Printing, postage and telephones	11,52.82	9,27.57
Sales training, briefing and conference	4,46.62	91.92
Insurance	5,35.41	5,43.99
Remuneration to auditors :		
Statutory audit fees	1,12.00	1,00.00
In other capacity in respect of :		
Tax audit fees	7.00	7.00
Other services	2.50	2.50
Reimbursement of expenses	-	1.24
	1,21.50	**1,10.74**
Cost audit fees	5.70	5.92
Corporate social responsibility (Refer Note 39)	11,91.05	10,32.99
Commission to non whole-time Directors	95.00	1,43.06
Directors' sitting fees	47.50	49.00
Legal and professional fees	35,96.56	11,72.13
Miscellaneous	46,48.24	68,12.13
	555,71.25	**457,17.65**

NOTE 38 :

The recurring expenditure on research and development charged off to statement of profit and loss amounts to ₹ 1,82.85 lakhs (Previous Year: ₹ 1,80.72 lakhs).

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 39 : EXPENSES TOWARDS CSR

Expense towards activities relating to Corporate Social Responsibility in compliance with section 135 of the Companies Act, 2013 is as under:

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
a)	Amount required to be spent by the company during the year*	12,53.68	10,86.04
b)	Amount of expenditure incurred	12,53.73	10,87.29
c)	Nature of CSR activities	Partnering India to eliminate lymphatic filariasis (LF) ; GSK Scholars – Enabling future healthcare professionals; Healthy School Environment - The right of every child.	Partnering India to eliminate lymphatic filariasis (LF) ; GSK Scholars – Enabling future healthcare professionals; Healthy School Environment - The right of every child.
d)	Details of related party transactions	6,65.55	3,23.43
e)	Where the provision is made with respect to a liability incurred by entering into a contractual obligation , the movement in provision	NA	NA

*The above includes allocation of ₹ 62.68 lakhs (Previous Year ₹ 54.30 lakhs) towards Corporate Social Responsibility which are shown under Employee Benefits Expenses in note 34.

NOTE 40 : EXCEPTIONAL ITEMS

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Profit on sale of property	31,40.01	1,84.09
Impairment of Assets (Refer Note (b) below)	-	(209,00.00)
Associated cost to Impairment (Refer Note (c) below)	1,70.10	-
Provision for product recall (Refer Note (a) below)	-	34,80.26
Impairment of Nashik Assets	(1,44.02)	-
Redundancy Costs (Refer Note (d) below)	(20,08.43)	(24.04)
	11,57.66	**(172,59.69)**

Notes:

a) The Ultimate Holding Company had been contacted by regulatory authorities in 2019 regarding the detection of genotoxic nitrosamine NDMA in ranitidine products. Based on the information received and correspondence with regulatory authorities, the Ultimate Holding Company had made the decision to suspend the release, distribution and supply of all dose forms of ranitidine hydrochloride products to all markets, including India, as a precautionary action. Consequently, the Company had in prior years recognised provisions relating to estimates of loss on account of sales returns, stocks withdrawn and inventories held including incidental costs thereto and other related costs. During the previous year there has been reversal of these provisions of ₹34,80.26 Lakhs.

b) Following the decision to initiate a global voluntary recall (pharmacy/retail level) by the Ultimate Holding Company of ranitidine products including Zinetac in India , the Company initiated a comprehensive strategic review of the impact of this recall on all related assets in India including the manufacturing site at Vemgal. After considering all the strategic options available, the Company decided to proceed with the sale of the site and had classified the corresponding assets as held for sale for the previous year ended March 31, 2021. During the previous year the company entered into a binding agreement for the sale of these assets subject to necessary regulatory approvals. Consequently, the company had recognized an impairment of ₹ 249,45.00 lakhs to reflect the estimated realizable value of the assets and reversal of associated costs ₹ 19,22.00 lakhs and reversal of cost to sell of ₹ 21,23.00 lakhs. The sale of the site has been concluded in the current year after all necessary approvals in December 2021.

c) Post-transaction closing adjustments consequent to disposal of Asset held for sale at Vemgal.

d) Restructuring cost of manufacturing and commercial organisation.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

NOTE 41 : EMPLOYEE BENEFIT OBLIGATIONS

The company obtained actuarial reports as required by IND AS 19 (Employee Benefits) based on which disclosures have been made in the financial statement for the year ended March 31, 2022. The disclosures as required by the IND AS 19 are as below.

(i) Defined Contribution Plan

The Company's defined contribution plans are superannuation and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Charge to the Statement of Profit and Loss based on contributions:		
Superannuation	2,54.18	3,26.02
National Pension Scheme	2,10.70	1,94.63
Employees' pension scheme	5,47.56	5,72.71

(ii) Defined Benefit Plan

Gratuity

The Company makes annual contributions to an income tax approved irrevocable trust gratuity fund to finance the plan liability, a funded defined benefit plan for qualifying employees. The scheme provides for payment as under:

i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service: As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

Post - Retirement medical benefit

The Company earmarks liability towards unfunded Post - Retirement medical benefit and provides for payment to vested employees. The benefits under the plan are in form of a medical benefit paid to employees post their employment with the Company.

Provident Fund

The liability of the Company on the exempt Provident Fund managed by the trustees is restricted to the interest shortfall if any.

Leave Encashment and compensated absences

The scheme is a non-contributory defined benefit arrangement providing benefits expressed in terms of a multiple of final monthly salary. The liability for leave encashment and compensated absences as at year end is ₹ 40,91.13 lakhs. (March 31, 2021: ₹ 39,05.92 lakhs).

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Based on the actuarial valuations obtained, the following table sets out the status of the gratuity plan, post retirement medical benefits and provident fund and the amounts recognised in the Company's Standalone Financial Statements as at balance sheet date:

(₹ in lakhs)

		Year ended March 31, 2022			Year ended March 31, 2021		
		Gratuity	Post retirement medical and other benefits	Provident Fund	Gratuity	Post retirement medical and other benefits	Provident Fund
		(Funded plan)	(Non-funded plan)	(Funded plans)	(Funded plan)	(Non-funded plan)	(Funded plans)
(i)	**Change in Defined Benefit Obligation**						
	Opening defined benefit obligation	108,55.24	66,21.23	616,75.48	99,85.25	63,63.71	579,20.62
	Amount recognised in Statement of profit and loss/Capitalised						
	Current service cost	7,78.04	68.95	13,06.47	7,32.30	63.74	13,69.22
	Past service cost	-	-	-	-	-	-
	Interest cost	7,13.53	4,40.35	42,03.58	6,61.71	4,25.30	39,35.09
		14,91.57	**5,09.30**	**55,10.05**	**13,94.01**	**4,89.04**	**53,04.31**
	Amount recognised in other comprehensive income						
	Actuarial loss / (gain) arising from:						
	Financial assumptions	(51.10)	(1,13.87)	5,04.93	1,39.03	38.80	-
	Demographic assumptions	-	-	-	21.64	(4.87)	-
	Experience adjustment	5,13.53	(1,54.82)	(2,87.17)	53.66	76.68	7,62.92
		4,62.43	**(2,68.69)**	**2,17.76**	**2,14.33**	**1,10.61**	**7,62.92**
	Contributions by employee	-	-	39,22.56	-	-	35,59.71
	Liabilities assumed on acquisition/(settled on divestiture)	-	-	(9,53.87)	19.86	-	(5,32.60)
	Benefits paid	(23,77.38)	(3,40.93)	(57,82.83)	(7,58.21)	(3,42.13)	(53,39.48)
	Closing defined benefit obligation	**104,31.86**	**65,20.91**	**645,89.15**	**108,55.24**	**66,21.23**	**616,75.48**
(ii)	**Change in Fair Value of Assets**						
	Opening fair value of plan assets	91,56.28	-	616,75.48	75,62.98	-	579,20.62
	Amount recognised in the Statement of Profit and Loss/Capitalised	-	-	-	-	-	-
	Expected return on plan assets	6,37.70	-	42,03.58	5,00.31	-	39,35.09
	Amount recognised in other comprehensive income						
	Actuarial gain / (loss)	(52.85)	-	(2,87.17)	51.20	-	7,62.92
	Contributions by employer	13,00.00	-	13,06.47	18,00.00	-	13,69.22
	Contributions by employee	-	-	39,22.56	-	-	35,59.71
	Assets Acquired on acquisition/(settled on divestiture)	-	-	(9,53.87)	-	-	(5,32.60)
	Benefits paid	(23,77.38)	-	(57,82.83)	(7,58.21)	-	(53,39.48)
	Closing fair value of plan assets	**86,63.75**	**-**	**640,84.22**	**91,56.28**	**-**	**616,75.48**
	Actual return on Plan Assets	5,84.85	-	39,16.41	5,51.51	-	46,98.01
(iii)	**Amount recognised in the Statement of Profit and Loss**						
	Service Cost:						
	Current service cost	7,78.04	68.95	13,06.47	7,32.30	63.74	13,69.22
	Past service cost	-	-	-	-	-	-
	Net interest expense	75.83	4,40.35	-	1,61.40	4,25.30	-
	Less : Capitalised	-	-	(3.95)	-	-	-
	Less : Employee Cost adjusted against provision for Vemgal	-	-	-	-	-	(11.57)

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

	Year ended March 31, 2022			Year ended March 31, 2021		
	Gratuity	Post retirement medical and other benefits	Provident Fund	Gratuity	Post retirement medical and other benefits	Provident Fund
	(Funded plan)	(Non-funded plan)	(Funded plans)	(Funded plan)	(Non-funded plan)	(Funded plans)
Components of defined benefit costs recognised in the Statement of Profit and Loss	**8,53.87**	**5,09.30**	**13,02.52**	**8,93.70**	**4,89.04**	**13,57.65**
(iv) Amount recognised in Other Comprehensive Income						
Remeasurement on the net defined benefit liability:						
Return on plan assets (excluding amounts included in net interest expense)	(52.85)	-	(2,87.17)	51.20	-	7,62.92
Actuarial gain / (loss) arising from changes in demographic assumptions	-	-	-	(21.64)	4.87	-
Actuarial gain / (loss) arising from changes in financial assumptions	51.10	1,13.87	-	(1,39.03)	(38.80)	-
Actuarial gain / (loss) arising from changes in experience adjustments	(5,13.53)	1,54.82	2,87.17	(53.66)	(76.68)	(7,62.92)
Components of defined benefit costs recognised in Other Comprehensive Income	**(5,15.28)**	**2,68.69**	**-**	**(1,63.13)**	**(1,10.61)**	**-**
(v) Amount recognised in the Balance Sheet						
Present value of obligations as at year end	104,31.86	65,20.91	645,89.15	108,55.24	66,21.23	616,75.48
Fair value of plan assets as at year end	86,63.75	-	645,89.15	91,56.28	-	616,75.48
Net (asset) / liability recognised as at year end	**17,68.11**	**65,20.91**	**-**	**16,98.96**	**66,21.23**	**-**
(vi) The major categories of plan assets are as follows:						
Government of India Securities	3%		50%	3%		49%
Other debt instruments	0%		31%	1%		34%
Special Deposit Scheme	8%		8%	8%		9%
Insurer managed funds	88%		0%	87%		0%
Equity instruments	0%		6%	0%		0%
Others	1%		5%	1%		8%
(vii) Principal actuarial assumptions used						
Discount rate (p.a.)	7.05%	7.05%	7.05%	6.90%	6.90%	6.90%
Expected rate of return on plan assets (p.a.)	7.05%		8.79%	6.90%		9.20%
Salary escalation rate	5.00% - 7.00%			5.00% - 7.00%		
Annual increase in health care premiums (p.a.)		5.00%			5.00%	

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(viii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in lakhs)

	Year ended March31, 2022		Year ended March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement) - Gratuity	-4.55%	4.92%	-4.26%	4.60%
Future salary growth (0.5% movement) - Gratuity	4.34%	-4.15%	3.96%	-3.80%
Discount rate (0.5% movement) - Post retirement medical benefit	-5.51%	6.10%	-5.66%	6.28%
Medical inflation rate (1% movement)	11.89%	-9.82%	12.25%	-10.08%
Life expectancy +/- 1 year	2.86%	-2.95%	2.90%	-2.98%

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When one variable is changed, it affects others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Expected contribution to post employment benefit plans for the year ended March 31, 2023 is ₹ 12,00.00 lakhs (March 31, 2022: ₹ 12,00.00 lakhs).

The weighted average duration of defined benefit obligation is 9.45 years (March 31, 2021: 8.85 years).

The expected maturity analysis of un-discounted Gratuity and Post employment medical benefits is as below:

(₹ in lakhs)

March 31, 2022	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Defined benefit obligations (Gratuity)	8,57.68	8,29.06	28,99.05	195,68.86	241,54.65
Post employment medical benefits	3,41.99	3,64.32	12,07.56	181,81.37	200,95.24
Total	**11,99.67**	**11,93.38**	**41,06.61**	**377,50.23**	**442,49.89**

(₹ in lakhs)

March 31, 2021	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Defined benefit obligations (Gratuity)	10,28.46	9,07.53	30,78.65	184,72.88	234,87.52
Post employment medical benefits	3,36.01	3,57.75	11,88.13	185,99.73	204,81.62
Total	**13,64.47**	**12,65.28**	**42,66.78**	**370,72.61**	**439,69.14**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 42 : CONTINGENT LIABILITIES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
A. Contingent Liabilities not provided for:		
(i) Cheques discounted with banks	3,57.28	10,51.84
(ii) In respect of claims made against the Company not acknowledged as debts by the Company		
(a) Sales tax matters	27,60.63	58,20.80
(b) Excise and custom matters	8,01.21	8,75.87
(c) Service tax matters	1,29.20	1,29.20
(d) Labour matters	61,83.56	61,45.39
(e) Other legal matters (Refer Note 44)	26,38.00	24,98.43
	125,12.60	**154,69.69**
(iii) Income-tax matters in respect of which appeals are pending		
Tax on matters in dispute	222,40.00	320,56.61
Notes:		
Future cash outflows in respect of (i) above are dependant on the return of cheques by banks.		
Future cash outflows in respect of (ii) above are determinable on receipt of decisions / judgements pending with various forums / authorities, hence it is not practicable for the Company to estimate the timing of cash outflow, if any.		
The Company does not expect any reimbursement in respect of above contingent liabilities.		
B. Commitments		
(i) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for (Refer Note (a) below)	14,19.28	7,45.59
(ii) Uncalled liability on partly paid shares:		
- in Hill Properties Limited (Refer Note (b) below)	0.04	0.04

Notes:

(a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for as at March 31, 2022 mainly comprises the miscellaneous capitalisations at site and as at March 31, 2021 includes investments in the capital assets at corporate office and sites.

(b) Future cash outflow is dependent on the call to be made by Hill Properties Limited.

NOTE 43 : PRICING MATTERS

The demand of ₹71,79.00 lakhs made by the Central Government on the Company in respect of Betamethasone bulk drugs and formulations made therefrom during the period May 1981 to August 1987 has been under litigation for a period spanning over 30 years. Pursuant to the special leave petition of the Central Government in the Supreme Court of India against the Delhi High Court's Judgment and Order dated October 19, 2001 which was held in favour of the Company, the Supreme Court has, vide its Judgement and Order dated March 31, 2011, upheld the demand. The Company had accrued a liability of ₹18,68.00 lakhs in earlier years and a further provision of ₹53,11.00 lakhs was accrued in 2011.

Based on legal advice, the Company has filed an application in the Supreme Court seeking, inter alia, clarifications on some aspects of the Judgement and directions for recomputation of the demand. Simultaneously, the Company without prejudice to and subject to the outcome of the application filed in the Supreme Court, has tendered as a further deposit, an amount of ₹ 63,60.00 lakhs, which together with the amount of ₹ 8,19.00 lakhs previously deposited with the Government, aggregates the demand of ₹ 71,79.00 lakhs made by the Government in November 1990. The Company filed a review petition in the Supreme Court which was rejected in March 2012.

In October 1996, the Government had claimed interest of ₹ 117,66.00 lakhs for the period May 12, 1981 to October 17, 1996, for which no provision was made in earlier years. The Government had vide letter dated May 4, 2011 called upon the Company to discharge the entire liability, including upto date interest calculated at 15% p.a., and had vide letter dated October 10, 2011, raised

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

a demand on the Company for the interest amount amounting to ₹ 247,44.00 lakhs. Without prejudice to the position that interest is not payable, the Company had recognized a provision of ₹ 247,44.00 lakhs in respect of the Government's claim for interest in 2011. The Company had filed a writ petition at Delhi High Court against the above demand which had been admitted. The Company also filed stay applications which were dismissed and the Company had filed a Special Leave Petition (SLP) before the Supreme Court for stay of the interest demand until final determination of the writ petition filed in the Delhi High Court. The Supreme Court on hearing the above SLP, passed an order on April 3, 2012. The said order stayed the Demand Notice dated October 10, 2011 during the pendency of the writ petition at the Delhi High Court subject to the Company depositing ₹ 136,82.00 lakhs in three equal installments within six month's time from the date of order. All three instalments have been deposited with the Government. The Supreme Court, vide its order dated October 5, 2012, directed the Delhi High Court to dispose of the writ petition as expeditiously as possible. The Company's counsel has been routinely appearing in the matter and urging the Delhi High Court to hear the matter expeditiously considering it as final hearing stage and has been pending for a long time. The counsel has also cited the significant sums involved; however, the Court is not inclined to take this matter out of turn. Next date of the matter is July 26, 2022.

NOTE 44 : MATTERS IN RESPECT OF ERSTWHILE BURROUGHS WELLCOME (INDIA) LIMITED (BWIL):

(i) The Government of India, Ministry of Chemicals and Fertilisers, New Delhi, passed a final order on July 21, 1993, directing erstwhile BWIL to pay an amount of ₹ 1,91.15 lakhs along with interest due thereon from the date of default into the Drugs Prices Equalisation Account (DPEA) in respect of a bulk drug procured by erstwhile BWIL during the period April 1981 to April 1983.

Erstwhile BWIL filed a writ petition in August 1993 which was admitted by the Bombay High Court. After hearing both the parties, the High Court granted an interim injunction restraining the Government of India from taking any action in furtherance of and/or implementation of the order dated July 21, 1993 or from in any manner seeking to compel erstwhile BWIL to deposit any amount into the DPEA, pending the hearing and final disposal of the petition on the condition that erstwhile BWIL furnishes a bank guarantee for ₹ 2,00.00 lakhs from a nationalised bank and undertakes to pay the amount demanded with interest at the rate of 20% per annum in case the petition fails.

Erstwhile BWIL had accordingly furnished the required bank guarantee. If calculated on the basis of correct data, taking into account set offs claimable for earlier years for which data has been provided by erstwhile BWIL, no amount will be payable by the Company and accordingly no provision in that respect is considered necessary. The Company's stand that the demand is not sustainable has been confirmed by an eminent counsel. The Government of India's application in the Supreme Court praying that the writ petition be transferred to the the Supreme Court from the Bombay High Court was not allowed and the Company's writ petition will now be heard by the Bombay High Court.

(ii) Erstwhile BWIL had made an application to the Government of India for approval under Section 198(4) of the Companies Act, 1956, in respect of payment to the Managing Director and three whole time Directors amounting to ₹ 10.93 lakhs for the year ended August 31, 1986, which was in accordance with the minimum remuneration provided in the agreements entered into with them prior to erstwhile BWIL becoming public, which required such Government of India's sanction. The approval is still awaited.

NOTE 45 : MATTERS IN RESPECT OF ERSTWHILE SMITHKLINE BEECHAM (INDIA) LIMITED:

(i) ₹ 1,44.44 lakhs received from Beckman Instruments International S.A. on account of disputed alleged additional commission has been included under non-current provisions and Income tax paid thereon aggregating ₹ 64.77 lakhs has been included under other non-current assets. The Company is contesting the matter with the concerned authorities.

(ii) Refund of surtax ₹ 96.81 lakhs, and interest thereon amounting to ₹ 48.52 lakhs, received during 1994, have not been adjusted against the provision for tax in the books of accounts and recognised as income respectively, since the Income tax department had filed a reference application against the income tax tribunal's order which was pending before the High Court of Karnataka. The Company has received an order dated April 18, 2007 from the High Court of Karnataka which is partially in the Company's favour. On the basis of the aforesaid order, Income Tax Appellate Tribunal (ITAT), Bangalore will pass an order giving directions. On receipt of the ITAT order, the Company will take appropriate steps in the matter.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 46 : DISCLOSURES AS REQUIRED BY MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE AS UNDER:

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
(a) The principal amount and the interest due thereon remaining unpaid to suppliers		
(i) Principal	7,19.19	4,64.80
(ii) Interest due thereon	55.21	62.14
	7,74.40	**5,26.94**
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the entire accounting year	28,95.80	31,87.11
(ii) Interest actually paid under Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(c) (i) Normal Interest accrued during the year, for all the delayed payments, as per the agreed terms	-	-
(ii) Normal Interest payable for the period of delay in making payment, as per the agreed terms	-	-
(d) (i) Total Interest accrued during the year		
(ii) Total Interest accrued during the year and remaining unpaid	-	0.84
The above information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.	-	0.84

NOTE 47 : TAX EXPENSE

(a) Amounts recognised in the Statement of Profit and Loss

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Current tax (for continuing and discontinued operations)		
Current tax on profits for the year	613,65.21	184,30.17
Current tax on account of earlier years	187,93.59	-
Total current tax expense	**801,58.80**	**184,30.17**
Deferred tax (for continuing and discontinued operations)		
In respect of current year	(10,49.39)	7,86.69
Adjustment to deferred tax attributable to change in income tax rate	-	-
Total Deferred tax (benefit) / expense	**(10,49.39)**	**7,86.69**
Total tax expense	**791,09.41**	**192,16.86**
Total tax expense attributable to :-		
from continuing operations	396,86.79	166,53.92
from discontinued operations	394,22.62	25,62.94
Total tax expense	**791,09.41**	**192,16.86**

(b) Amounts recognised in Other Comprehensive Income (OCI)

	Year ended March 31, 2022			Year ended March 31, 2021		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to the Statement of Profit and Loss						
Remeasurements of the defined benefit plans	(2,46.59)	62.06	(1,84.53)	(2,73.74)	68.90	(2,04.84)
	(2,46.59)	**62.06**	**(1,84.53)**	**(2,73.74)**	**68.90**	**(2,04.84)**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(c) Reconciliation of effective tax rate

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Profit before tax from continuing and discontinued operations	2481,61.99	549,73.62
Tax using the Company's domestic tax rate at 25.168% on Normal Profit	213,77.96	137,89.43
Tax using the Company's domestic tax rate in terms of Long Term Capital Gain at 22.88%	380,98.99	42.12
Total Tax	**594,76.95**	**138,31.55**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	3,15.61	2,59.98
Impairment of assets	36.25	52,60.11
Physician Samples disallowed and added back in the computation	3,46.82	-
Payment to Doctors (HCP Payment estimated Basis)	1,25.84	-
Actual utilisation of Vemgal related cost	-	(1,77.00)
Other items	14.35	42.22
Tax effect on account of earlier years:		
Current tax on account of earlier years (refer note (a) below)	187,93.59	-
Total tax Expense	**791,09.41**	**192,16.86**

Consequent to the reconciliation items shown above, the effective tax rate is 31.88% (Financial Year 2020-21: 34.96%)

a) Tax provision in respect of earlier years includes provisions (including interest) amounting to ₹ 202,00.00 lakhs towards possible disallowances of expenses incurred in prior years towards certain promotional spends which are under litigation with the authorities.

(d) Movement in deferred tax balances

(₹ in lakhs)

	Balance as at April 1, 2021	Recognised in the Statement of Profit and Loss	Recognised in OCI	Balance as at March 31, 2022
Deferred tax asset				
Provision for Employee Benefits	27,93.93	88.99	62.06	29,44.98
Voluntary retirement schemes	2,82.68	6,22.78	-	9,05.46
Allowance for doubtful debts	5,74.30	4.07	-	5,78.37
Interest on income tax refund not accounted but considered as taxable under the Income Tax Act,1961	16,30.54	-	-	16,30.54
Expenses allowable for tax purpose when paid	64,42.56	6,65.04	-	71,07.60
Total Deferred tax asset	**117,24.01**	**13,80.88**	**62.06**	**131,66.95**
Deferred tax liabilities				
Fiscal allowance on Property, Plant and Equipment and Other Intangible assets	(15,57.08)	(3,31.49)	-	(18,88.57)
Deferred tax asset (net)	**101,66.93**	**10,49.39**	**62.06**	**112,78.38**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

	Balance as at April 1, 2020	Recognised in the Statement of Profit and Loss	Recognised in OCI	Balance as at March 31, 2021
Deferred tax asset				
Provision for Employee Benefits	25,97.91	1,27.13	68.90	27,93.93
Voluntary retirement schemes	3,81.89	(99.21)	-	2,82.68
Allowance for doubtful debts	5,22.44	51.86	-	5,74.30
Interest on income tax refund not accounted but considered as taxable under the Income Tax Act,1961	16,30.54	-	-	16,30.54
Expenses allowable for tax purpose when paid	74,75.75	(10,33.19)	-	64,42.56
Total Deferred tax asset	**126,08.53**	**(9,53.41)**	**68.90**	**117,24.01**
Deferred tax liabilities				
Fiscal allowance on Property, Plant and Equipment and Other Intangible assets	(17,23.80)	1,66.72	-	(15,57.08)
Deferred tax asset (net)	**108,84.73**	**(7,86.69)**	**68.90**	**101,66.93**

(e) The details of income tax assets and income tax liabilities as at March 31, 2022 and March 31, 2021

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Current Tax Assets (Net)	192,87.56	341,52.93
Current Tax Liabilities (Net)	296,20.35	163,72.26
Net current income tax asset/(liability) at the end	**(103,32.79)**	**177,80.67**

The gross movement in the current tax asset/(liability) for the year ended March 31, 2022 and March 31, 2021 is as follows:

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Net current income tax asset/(liability) at the beginning	177,80.67	143,49.28
Income tax Paid	620,28.64	229,62.63
Refund received during the year	(99,83.36)	(11,01.07)
Current Income Tax Expense	(613,65.21)	(184,30.17)
Tax Adjustment of earlier years	(187,93.53)	-
Net current income tax asset/(liability) at the end	**(103,32.79)**	**177,80.67**

(f) Unused tax losses on which no deferred tax asset has been recognised

(₹ in lakhs)

Nature of Loss	Year ended March31, 2022		Year ended March 31, 2021	
	Base Amount	Expiry date	Base Amount	Expiry date
Capital Loss	894,42.25	FY 2029-30	-	-

NOTE 48 : LEASES

Future contractual charges on leases:

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

(₹ in lakhs)

0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	Above 5 years
11,89.98	5,16.96	2,34.32	66.39	-	-

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Right of use asset

(₹ in lakhs)

	Buildings
Balance as on April 1, 2021	31,26.43
Additions	1,06.74
Less: Depreciation	(14,75.69)
Balance as on March 31, 2022	**17,57.48**

Other financial lease liabilities

(₹ in lakhs)

	Buildings
Lease liabilities recognised as at April 1, 2021	**34,60.26**
Additions	1,02.75
Add: Interest accrued during the period	1,73.70
Less: Payments	(17,29.06)
Lease liabilities recognised as at March 31, 2022	**20,07.65**
Current lease liabilities	12,45.30
Non current lease liabilities	7,62.35

Borrowing rate - discounting rate used by the Company

The lessee's weighted average incremental borrowing rate applied to the lease liabilities was 4.23% to 7.59%

NOTE 49 : EARNINGS PER SHARE

		Year ended March 31, 2022	Year ended March 31, 2021
Profit after tax from continuing operations	₹ in lakhs	376,57.54	286,68.92
Profit after tax from discontinued operations	₹ in lakhs	1313,95.04	70,87.84
Profit after tax from continuing and discontinued operations	₹ in lakhs	**1690,52.58**	**357,56.76**
Weighted average number of shares	Nos.	16,94,06,034	16,94,06,034
Earnings per share before Exceptional items from continuing operations (Basic and Diluted) (Refer Note (a) below)	₹	21.48	27.13
Earnings per share after Exceptional items from continuing operations (Basic and Diluted)	₹	22.23	16.92
Earnings per share from discontinued operations (Basic and Diluted)	₹	77.56	4.18
Earnings per share before Exceptional items from continuing and discontinued operations (Basic and Diluted) (Refer Note (b) below)	₹	99.05	31.32
Earnings per share after Exceptional items from continuing and discontinued operations (Basic and Diluted)	₹	99.79	21.11
Face value per share	₹	10	10

(a) Earning per share before exceptional items from continuing operations is impacted by tax adjustment for earlier years. Excluding the impact of the same Earning per share for March 31, 2022 is ₹ 32.58.

(b) Earning per share is impacted by profit on Sale of Brands and other identified assets and tax adjustment for earlier years. Adjusting for these, the Earning per share from continuing and discontinued operations for March 31, 2022 is ₹ 35.68.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 50 : FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels presented below.

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost *		
Security Deposits	6,94.06	8,06.08
Margin money/ Deposit against bank guarantee	4,10.78	4,01.47
Loans to related parties	204,60.00	-
Trade receivables	205,23.89	215,60.46
Cash and cash equivalents	280,79.12	404,90.20
Bank balances other than Cash and cash equivalents	2198,32.07	752,77.48
Interest accrued on deposits with bank	7,62.86	7,50.06
Receivable from group companies	55,11.32	11,38.56
Advances recoverable	31.65	31.65
Total financial assets	**2963,05.75**	**1404,55.96**

*Excludes investments in subsidiary

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial assets at Fair value through profit and loss		
Current Investments	365,59.23	-
	365,59.23	**-**

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial liabilities at amortised cost		
Borrowings	-	2.40
Other financial lease liabilities	20,07.65	34,60.26
Security deposits received	2,04.46	2,04.46
Payable to employees	95,49.35	126,97.57
Unclaimed dividends	18,28.05	19,86.36
Trade payables	546,62.95	447,98.85
Creditors for capital goods	1,66.54	2,17.03
Rationalisation relating to a manufacturing site	1,30.28	1,30.28
Other Payables	16,76.35	21,56.59
Total financial liabilities	**702,25.63**	**656,53.80**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the Standalone Financial Statements.

(a) Financial instruments that are recognised and measured at fair value

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 : It includes financial instruments measured using quoted prices.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

(a) Fair value of financial assets measured at Fair value through Profit and loss

(₹ in lakhs)

Financial assets measured at Fair value	Fair value hierarchy	Fair value as at		Valuation technique(s) and key input(s)
		As at March 31, 2022	As at March 31, 2021	
Financial assets	Level -1			Net asset value published by Mutual Fund
Investments				
Mutual fund investments		365,59.23	-	
Total financial assets		**365,59.23**	**-**	

(b) Fair value of financial assets and liabilities measured at amortised cost*

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial assets		
Security Deposits		
Carrying value	6,94.06	8,06.08
Fair value	6,94.06	8,06.08
Margin money/ Deposit against bank guarantee		
Carrying value	4,10.78	4,01.47
Fair value	4,10.78	4,01.47
Loan to Related Parties		
Carrying value	204,60.00	-
Fair value	204,60.00	-

*Excludes investments in subsidiary

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial liabilities		
Borrowings		
Carrying value	-	2.40
Fair value	-	2.40
Other financial lease liabilities		
Carrying value	20,07.65	34,60.26
Fair value	20,07.65	34,60.26
Security deposits received		
Carrying value	2,04.46	2,04.46
Fair value	2,04.46	2,04.46

The impact of fair valuation of the above Financial assets and liabilities is considered to be insignificant and hence carrying value and the fair value is considered to be same.

The carrying amounts of Trade receivables, Cash and cash equivalents, Bank balances other than Cash and cash equivalents, Interest accrued on deposits with bank, Receivable from group companies, Advances recoverable, Payable to employees, Unclaimed Dividends, Trade payables, Creditors for capital goods, Rationalisation relating to a manufacturing site and Other Payables are considered to be the same as their fair values due to their short term nature.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Trade and other receivables

The Company's trade receivables are largely from sales made to wholesale customers and direct sales to hospitals with a smaller proportion of sales to Indian Government Institutions. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer, demographics of the customer and the default risk of the industry.

The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Exposures to customers outstanding at the end of each reporting period are reviewed to determine incurred and expected credit losses and the Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade receivables. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators have undergone change, it has not affected the customers of the Company substantially, hence the Company expects the historical trend of minimal credit losses to continue. The impairment loss as at March 31, 2022 relates to customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

In case of receivables from wholesale customers and hospitals, the Company has followed a provision approach consistent with expected credit loss approach as per IndAS 109.

Summary of the Company's ageing of outstanding from various customers and impairment for expected Credit Loss is as follows:

(₹ in lakhs)

As at March 31, 2022	Gross Carrying amount	Expected Credit Losses	Carrying amount of trade receivables (net of Expected Credit loss)
Not due	191,81.13	6.39	191,74.74
Past due 0-180 days	8,00.25	45.15	7,55.10
Past due 181-365 days	1,82.56	93.85	88.71
Past due 366-730 days	1,11.67	11.88	99.79
Past due 731-1095 days	4,69.21	2,51.44	2,17.77
Past due more than 3 years	18,02.31	16,14.53	1,87.78
Total	**225,47.13**	**20,23.24**	**205,23.89**

(₹ in lakhs)

As at March 31, 2021	Gross Carrying amount	Expected Credit Losses	Carrying amount of trade receivables (net of Expected Credit loss)
Not due	142,11.27	5.01	142,06.26
Past due 0-180 days	68,65.75	61.26	68,04.49
Past due 181-365 days	96.79	31.93	64.86
Past due 366-730 days	5,97.67	1,56.96	4,40.71
Past due 731-1095 days	1,95.43	1,51.29	44.14
Past due more than 3 years	16,00.62	16,00.62	-
Total	**235,67.53**	**20,07.07**	**215,60.46**

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding bank borrowings. The Company believes that the working capital is sufficient to meet its current requirements. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as Cash and Investment in short term deposits with banks and mutual funds. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

As of March 31, 2022, the Company had working capital of ₹ 1996,35.70 lakhs, including cash and cash equivalents of ₹ 280,79.12 lakhs, investments in term deposits (i.e., bank certificates of deposit having original maturities of more than 3 months but less than 12 months) of ₹ 2179,10.00 lakhs and Current investments of ₹ 365,59.23 lakhs.

As of March 31, 2021, the Company had working capital of ₹ 851,90.42 lakhs, including cash and cash equivalents of ₹ 404,90.20 lakhs and investments in term deposits (i.e., bank certificates of deposit having original maturities of more than 3 months but less than 12 months) of ₹ 732,00.00 lakhs.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakhs)

As at March 31, 2022	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables and other payables	661,85.47	661,85.47	650,85.79	10,01.52	98.16	-
Unclaimed dividends	18,28.05	18,28.05	18,28.05	-	-	-
Security deposits received	2,04.46	2,04.46	-	-	2,04.46	-

Refer note 48 for remaining contractual maturities of financial lease liabilities at the reporting date.

(₹ in lakhs)

As at March 31, 2021	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	2.40	2.40	2.40	-	-	-
Trade Payables and other payables	600,00.32	600,00.32	594,76.55	1,88.41	3,35.36	-
Unclaimed dividends	19,86.36	19,86.36	19,86.36	-	-	-
Security deposits received	2,04.46	2,04.46	-	-	2,04.46	-

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk and risk on its investments. However since the investments are in overnight and liquid funds the risk is negligible.

Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

The Company is exposed to currency risk on account of its receivables and payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company has exposure to GBP, USD, EUR and other currencies. The Company has not hedged this foreign currency exposure and strives to achieve asset liability offset of foreign currency exposure.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period is as follows:

(₹ in lakhs)

	As at March 31, 2022				As at March 31, 2021			
	GBP	USD	EUR	Others	GBP	USD	EUR	Others
Current Financial assets	45,84.20	-	3.27	-	4,45.84	-	4.31	-
Trade payables	(16,60.68)	(80,47.08)	(2,21.53)	-	(24,01.30)	(97,22.69)	(6,21.51)	(93.11)
Capital Creditors	-	(6.03)	(2.71)	-	-	(6.03)	-	-
Net statement of financial position exposure	**29,23.52**	**(80,53.11)**	**(2,20.97)**	**-**	**(19,55.46)**	**(97,28.72)**	**(6,17.20)**	**(93.11)**

Sensitivity analysis

A reasonably possible strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in ₹ Lakhs	Strengthening / Weakening %	(Profit) or loss		Equity	
		Strengthening	Weakening	Strengthening	Weakening
As at March 31, 2022					
GBP	5%	1,46.18	(1,46.18)	-	-
USD	5%	(4,02.66)	4,02.66	-	-
EUR	5%	(11.05)	11.05	-	-
Other currencies	5%	-	-	-	-

Effect in ₹ Lakhs	Strengthening / Weakening %	(Profit) or loss		Equity	
		Strengthening	Weakening	Strengthening	Weakening
As at March 31, 2021					
GBP	5%	(97.77)	97.77	-	-
USD	5%	(4,86.44)	4,86.44	-	-
EUR	5%	(30.86)	30.86	-	-
Other currencies	5%	(4.66)	4.66	-	-

(Note: The impact is indicated on the profit/loss before tax basis)

NOTE 51 : CAPITAL MANAGEMENT

(a) Risk Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company has adequate cash and bank balances and no interest bearing liabilities. The Company monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any interest bearing debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Company.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(b) Dividend distribution and proposed dividend

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
(i)	Equity shares		
	Final dividend for the year ended March 31, 2021 of ₹ 30 (March 31, 2020: ₹ 40) per fully paid share	508,21.81	677,62.41
(ii)	Dividends not recognised at the end of the reporting period		
	In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 90 per fully paid equity share (including special dividend of ₹ 60 per equity share) (March 31, 2021: ₹ 30 per fully paid equity share).	1524,73.88	508,24.63
	The proposed dividend for the year ended March 31, 2022 is subject to the approval of shareholders in the ensuing annual general meeting.		

NOTE 52 : SEGMENT REPORTING

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Company has identified the Chief Operating Decision Maker as its Managing Director. The Chief Operating Decision Maker reviews performance of pharmaceutical business on an overall basis. As the Company has a single reportable segment, the segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. In compliance to the said standard, Entity-Wide disclosures are as under :

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Revenues from external customers attributed to the country of domicile and attributed to all foreign countries from which the company derives revenues		
Revenue from the Country of Domicile- India	3209,61.60	2905,84.28
Revenue from foreign countries	7,89.27	14,63.30
Total	**3217,50.87**	**2920,47.58**

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Details of non current asset		
Non Current asset from the Country of Domicile- India	598,96.15	787,51.29
Non Current asset from foreign countries	-	-
Total	**598,96.15**	**787,51.29**

Information about major customers

The Company did not have any external revenue from a particular customer which exceeded 10% of total revenue.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 53 : RELATED PARTY DISCLOSURES

Related party disclosures, as required by IND AS 24, "Related Party Disclosures", notified under Section 133 of the Companies Act, 2013 are given below:

1 Relationships (during the year):

(i) Shareholders (the GlaxoSmithKline (GSK) Group shareholding) in the Company :

Glaxo Group Limited, U.K.

GlaxoSmithKline Pte Limited, Singapore

Eskaylab Limited, U.K.

Burroughs Wellcome International Limited, U.K.

Holding Group / ultimate holding Group of the above shareholders

GlaxoSmithKline Plc, U.K. *

GlaxoSmithKline Finance Plc, U.K.*

Setfirst Ltd, U.K. *

SmithKline Beecham Limited, U.K.

Wellcome Limited, U.K.*

The Wellcome Foundation Limited, U.K.*

Wellcome Consumer Healthcare Limited, U.K.*

* no transactions during the year

(ii) Subsidiary of the Company :

Biddle Sawyer Limited, a wholly owned subsidiary of the Company

(iii) Other related parties in the GlaxoSmithKline (GSK) Group where common control exists and with whom the Group had transactions during the year:

GlaxoSmithKline Asia Private Limited, India

GlaxoSmithKline Biologicals S.A., Belgium

GlaxoSmithKline Pharmaceuticals S.A., Belgium*

GlaxoSmithKline Services Unlimited, U.K.

Glaxo Operations UK Limited, U.K.

GlaxoSmithKline Pharmaceutical Sdn Bhd, Malaysia*

GlaxoSmithKline Export Limited, U.K.

SmithKline Beecham Pharmaceuticals, U.S.A.*

GlaxoSmithKline Research & Development Ltd, U.K.

GlaxoSmithKline LLC, U.S.A.

GlaxoSmithKline Trading Services Limited, Ireland

GlaxoSmithKline South Africa (Pty) Ltd, South Africa*

GlaxoSmithkline Pharma India Pvt Ltd.

GSK India Global Services Private Limited

GlaxoSmithKline Pharmaceutical Ltd., Sri Lanka

US GMS Financial Services, U.S.A.*

GlaxoSmithKline (Thailand) Ltd.

GSK Consumer Healthcare (UK) Trading Limited

GSK Consumer Healthcare Pte Ltd., Singapore

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

PT Smithkline Beecham Pharmaceuticals Ltd., Indonesia

PT Glaxo Wellcome Indonesia

* no transactions during the year

(iv) Directors and members of GSK India Leadership Team :

Directors:	GSK India Leadership Team:
Mr. J. Chandy # (w.e.f. April 1, 2022)	Mr. A. Nadkarni
Ms. P. Thakur # (upto March 31, 2022)	Mr. R. D'souza
Mr. S. Venkatesh # (w.e.f. April 1, 2020)	Mr. S. Dheri
Mr. M. Dawson (w.e.f. Janaury 28, 2021)	Ms. S. Choudhary
Ms. S.Maheshwari (w.e.f. May 18, 2020)	Ms. P. Hingorani
Mr. N. Kaviratne	Dr. R. Hegde (w.e.f. September 02, 2021)
Mr. P. Bhide	Mr. R. Manchanda (w.e.f. May 18, 2021)
Ms. R. S. Karnad	Mr. S. Mitra (w.e.f. April 01, 2021)
Mr. A. N. Roy	Mr. B. Kotak (upto June 30, 2021)
Mr. D. Sundaram	Mr. A. Iyer (upto March 31, 2021)
Mr. S. Williams	Mr. S. Balasubramanian
Mr. R. Krishnaswamy # (upto January 27, 2021)	Mr. A. Kashyap (w.e.f May 28, 2020)
	Mr. A. Pandey (w.e.f February 01, 2022)
	Mr. B. Akshikar (w.e.f December 1, 2020)
	Mr. C. Sharma (w.e.f December 1, 2020)
	Mr. N. Hindia (w.e.f January 4, 2021 upto February 28, 2022)
	Ms. M. Priyam (upto August 31, 2020)
	Ms. D. Jakate (upto January 31, 2021)
	Ms. S. Zota (w.e.f March 23, 2020 upto December 31, 2020)
	Ms. S. Ghosh(w.e.f August 25, 2020 upto December 1, 2020)

Also member of GSK India Leadership Team

2 The following transactions were carried out with the related parties in the ordinary course of business:

(i) Dividend paid to parties referred to in item 1(i) above:

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Glaxo Group Limited, U.K.	164,62.04	219,49.38
GlaxoSmithKline Pte Limited, Singapore	128,53.09	171,37.45
Eskaylab Limited, U.K.	31,75.20	42,33.60
Burroughs Wellcome International Limited, U.K.	18,14.40	24,19.20

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(ii) Details relating to parties referred to in items 1(i), 1(ii) and 1 (iii) above:

(₹ in lakhs)

	Holding Group/ultimate holding Group 1(i)		Subsidiary of the company 1(ii)		Other companies in the GSK Group 1(iii)	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
1 Purchase of materials/traded goods	-	-	7,88.19	3,62.48	432,62.26	619,20.62
2 Sale of materials/sale of products (Refer Note 55)	-	-	-	-	65.19	63.17
3 Purchase of Vaccines business (Refer Note 57)	-	-	-	-	1,66.00	-
4 Purchase of license	-	-	-	-	8,99.82	-
5 Sale of brands and other identified assets (Refer Note 55)	-	-	-	-	1639,84.36	-
6 Expenses recharged to other companies	-	-	73.71	29.89	15,95.30	26,95.55
7 Expenses recharged by other companies	7.50	49.56	-	-	144,43.40	96,35.07
8 Manufacturing charges recovered	-	-	15,16.15	4,65.95	-	4,31.95
9 Clinical research and data management recoveries	-	-	-	-	6,20.36	9,36.45
10 Interest income on loan given	-	-	44.80	-	3,19.58	-
11 Loans given	-	-	14,60.00	-	190,00.00	-
12 Liabilities written back	-	-	-	-	-	77.24
13 Employee benefit liabilities transferred to a related party	-	-	-	-	-	19.86
14 Loan receivable from related party	-	-	14,60.00	-	190,00.00	-
15 Outstanding receivables at the period end	-	-	4,74.68	4,04.06	41,86.64	7,29.68
16 Outstanding payables at the period end	-	46.17	-	-	116,65.46	118,94.44
17 Cross charges recoverable at the period end	-	-	-	-	8,50.00	4.82

(iii) Disclosure in respect of material transactions with parties referred to in item 1 (i), 1(ii) and 1(iii) above:

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Purchase of materials/traded goods:		
	GlaxoSmithKline Asia Private Limited, India	-	1,80.74
	GlaxoSmithKline Biologicals S.A., Belgium	329,92.43	540,30.11
	Biddle Sawyer Limited	7,88.19	3,62.48
	GlaxoSmithKline Pharma India Pvt. Ltd.	15,53.70	10,51.03
	GlaxoSmithKline Export Limited, U.K.	87,16.13	66,58.74
(b)	Sale of materials/sale of products:		
	GlaxoSmithKline Trading Services Limited, Ireland	-	63.17
	GlaxoSmithKline Asia Private Limited, India (Refer Note 55)	65.19	-

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
(c)	Purchase of Vaccines business:		
	GlaxoSmithKline Asia Private Limited, India	1,66.00	-
(d)	Purchase of license:		
	GSK Consumer Healthcare Pte Ltd., Singapore	8,99.82	-
(e)	Sale of brands and other identified assets:		
	GlaxoSmithKline Asia Private Limited, India	1639,84.36	-
(f)	Expenses recharged to other companies:		
	GlaxoSmithKline Asia Private Limited, India	5.77	5,74.13
	GSK India Global Services Private Limited	6,57.22	2,89.03
	GSK Pharmaceuticals Pvt. Ltd. , Srilanka	64.78	36.73
	GlaxoSmithKline Pharmaceuticals S.A., Belgium	-	5.65
	GlaxoSmithKline Export Limited, U.K.	1,56.07	4,15.60
	GlaxoSmithKline Biologicals S.A., Belgium	-	1,60.00
	GlaxoSmithKline Research & Development Ltd, U.K.	1,01.65	10.34
	GlaxoSmithKline Services Unlimited, U.K.	2,08.42	4,59.07
	Glaxo Operations UK Limited, U.K.	1,05.51	4,59.91
	GlaxoSmithKline Trading Services Limited, Ireland	11.86	2,97.64
(g)	Expenses recharged by other companies:		
	GlaxoSmithKline Services Unlimited, U.K.	1,32.55	1,19.84
	SmithKline Beecham Pharmaceuticals, U.S.A.	-	97.50
	SmithKline Beecham Limited, U.K.	-	30.22
	GlaxoSmithKline Pte Limited, Singapore	7.50	49.56
	GlaxoSmithKline Asia Private Limited, India	142,05.55	93,87.51
(h)	Manufacturing charges recovered:		
	GlaxoSmithKline Asia Private Limited, India	-	4,31.95
	Biddle Sawyer Limited	15,16.15	4,65.95
(i)	Clinical research and data management recoveries:		
	GlaxoSmithKline Biologicals S.A., Belgium	5,27.01	7,84.03
	GlaxoSmithKline Research & Development Ltd, U.K.	93.35	1,00.44
(j)	Interest income on loan given:		
	Biddle Sawyer Limited	44.80	-
	GSK India Global Services Private Limited	3,19.58	-
(k)	Loans given:		
	Biddle Sawyer Limited	14,60.00	-
	GSK India Global Services Private Limited	190,00.00	-
(l)	Liabilities written back:		
	GlaxoSmithKline South Africa (Pty) Ltd., South Africa	-	77.24
(m)	Employee benefit liabilities transferred to a related party:		
	GlaxoSmithKline Asia Private Limited, India	-	19.86

(₹ in lakhs)

		As at March 31, 2022
(n)	Loan receivable from related party :	
	Biddle Sawyer Limited	14,60.00
	GSK India Global Services Private Limited	190,00.00

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

		As at March 31, 2022
(o)	Outstanding receivables at the period end :	
	GlaxoSmithKline Biologicals S.A., Belgium	41,38.04
	Biddle Sawyer Limited, India	4,74.68
	GlaxoSmithKline Research & Development Ltd., U.K.	1,78.50
	GlaxoSmithKline Services Unlimited, U.K.	81.07
	Glaxo Operations UK Limited, U.K.	1,05.51
	GSK India Global Services Private Limited	3,59.05

(₹ in lakhs)

		As at March 31, 2022
(p)	Outstanding payables at the period end :	
	GlaxoSmithKline Biologicals S.A., Belgium	68,78.71
	GlaxoSmithKline Export Limited, U.K.	16,12.21
	GlaxoSmithKline Services Unlimited, U.K.	92.98
	GlaxoSmithKline Asia Private Limited, India	30,03.53

(₹ in lakhs)

		As at March 31, 2022
(q)	Cross charges recoverable at the period end :	
	GlaxoSmithKline Biologicals S.A., Belgium	8,50.00

(₹ in lakhs)

		As at March 31, 2021
(r)	Outstanding receivables at the period end :	
	GlaxoSmithKline Biologicals S.A., Belgium	1,57.35
	Biddle Sawyer Limited, India	4,04.06
	GlaxoSmithKline Export Limited, U.K.	19.17
	GlaxoSmithKline Research & Development Ltd, U.K.	15.70
	GlaxoSmithKline Services Unlimited, U.K.	66.46
	Glaxo Operations UK Limited, U.K.	1,32.05
	GSK India Global Services Private Limited	2,83.84

(₹ in lakhs)

		As at March 31, 2021
(s)	Outstanding payables at the period end :	
	GlaxoSmithKline Pte Limited, Singapore	46.17
	GlaxoSmithKline Biologicals S.A., Belgium	75,78.57
	GlaxoSmithKline Export Limited, U.K.	23,27.92
	GlaxoSmithKline Pharma India Pvt. Ltd.	1,49.50
	GlaxoSmithKline Services Unlimited, U.K.	32.50
	GlaxoSmithKline Asia Private Limited, India	17,79.02
	SmithKline Beecham Limited, U.K.	26.68

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

		As at March 31, 2021
(t)	Cross charges recoverable at the period end :	
	GSK India Global Services Private Limited	4.82

(iv) Disclosure in respect of material transactions with persons referred to in item 1(iv) above:

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
1	Remuneration/commission/sitting fees	40,41.79	37,93.20
2	Payments under the long-term incentive plan	2,27.62	2,95.47

(v) Disclosure in respect of material transactions with persons referred to in item 1(iv) above:

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Remuneration/commission/sitting fees (Refer Note below):		
	Mr. S. Venkatesh	9,98.38	8,21.46
	Mr. A. Iyer	-	3,42.86
	Mr. R. Krishnaswamy	-	5,01.22
	Ms. P. Thakur	4,03.70	3,27.63
	Ms. M. Priyam	-	1,24.19
(b)	Payments made during the year under the long-term incentive plan (Refer Note below):		
	Ms. P. Thakur	85.82	27.89
	Mr. R. Krishnaswamy	-	53.24
	Mr. S. Dheri	39.64	26.48
	Mr. A. Iyer	-	89.16
	Mr. B. Kotak	-	43.36

Note: Amounts are not comparable as they pertain to part of the year and/ or are recorded on cash payment basis.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 54 : SHARE-BASED PAYMENT ARRANGEMENTS

Restricted Share Awards (RSAs)

Certain employees of the Company are entitled to receive cash settled stock based awards ('awards') pursuant to employee share schemes ('scheme') administered by GlaxoSmithKline Plc. ('Plc').

Under this plan, certain employees are granted cash settled RSAs at no cost, which entitle them to receive cash equivalent to the stock price of the Plc's shares listed at London stock exchange after two and a half to three year vesting period during which the employee has to remain in continuous employment with the Company. These RSA's do not give any voting rights or the right to accrue dividends.

The fair value of these awards is determined based on the closing share price on the day of grant, after deducting the expected future dividend yield of 3.8% (Previous Year 5%) over the duration of the award.

Reconciliation of RSAs

	Number of RSA
As at April 1, 2020	**168,276**
Granted	95,703
Exercised *	(61,387)
Cancelled**	(37,408)
As at March 31, 2021	**165,184**
Granted	67,243
Exercised *	(65,995)
Cancelled**	(42,564)
As at March 31, 2022	**123,868**

*The weighted average share price at the date of exercise of the awards exercised during the year ended March 31, 2022 was GBP 16.47 (March 31, 2021 GBP 12.88).

** Also includes for employees transferred.

Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in the Statement of Profit and Loss as part of employee benefit expense were as follows:

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Restricted Share Awards (RSAs)	6,54.48	12,85.06

Carrying amount of liability

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Carrying amount of liability included in long term incentive plan (Notes 22 and 28)	9,95.72	13,04.42

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

NOTE 55 : DISCLOSURE PURSUANT TO IND AS 105 “NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS”:

(i) Transfer of Iodex and Ostocalcium Brands :

The Board of Directors (‘Board’) of the Company at their meeting held on July 26, 2021 had approved the transfer of the trademarks pertaining to ‘Iodex’ and ‘Ostocalcium’ brands (“ Brands”) in India along with legal, economic, commercial and marketing rights of such brands and other identified assets to GlaxoSmithKline Asia Private Limited with respective values aggregating ₹ 1649,01.00 lakhs. The transaction was consummated and the consideration was received by the company during the year after the receipt of shareholders’ and regulatory approvals.

Consequently, the transfer has been disclosed as Discontinued Operations in accordance with Ind AS 105 “Non-Current Assets Held for Sale and Discontinued Operations”. The previous periods have been restated to give effect to the presentation requirements of Ind AS 105.

(ii) Financial performance related to discontinued operations:

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations	298,04.68	273,26.05
Total income	**298,04.68**	**273,26.05**
Expenses		
Cost of materials consumed	(1,05.73)	24.01
Purchases of stock-in-trade	54,75.02	57,02.26
Changes in inventories of finished goods, stock-in-trade and work-in-progress	3,28.23	(1,40.54)
Depreciation and amortisation expense	39.59	67.87
Other expenses	168,15.25	120,21.67
Total expenses	**225,52.36**	**176,75.27**
Profit before tax	**72,52.32**	**96,50.78**
Tax Expense :		
Current tax	19,98.87	25,62.94
Profit from discontinued operations after tax	**52,53.45**	**70,87.84**
Gain on Sale of brands and other identified assets before tax	**1635,65.34**	**-**
Tax on above	374,23.75	-
Gain on Sale of brands and other identified assets (net of tax)	**1261,41.59**	**-**

(iii) Cash flow disclosure with respect to discontinued operations:

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from operating activities	68,71.24	99,10.81
Cash flow from investing activities	1561,38.28	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

NOTE 56 : KEY FINANCIAL RATIOS

	Ratio	Numerator	Denominator	Mar-22	Mar-21	Variance	Reason for variance
1	Current Ratio	Current assets	Current Liabilities	2.19	1.51	45%	Mainly on account of cash received from sale of brands and other identified assets
2	Debt Equity Ratio	Debt	Shareholders Equity	1%	2%	-1%	
3	Debt Service Coverage Ratio	Net profit after tax plus interest cost minus non-operating income and non cash income	Interest & lease payments +Principal payments	21.57	23.71	-9%	
4	Return on Equity	Profit after tax	Shareholders Equity	22%	26%	-4%	
5	Inventory Turnover Ratio	Sale of Products	Average inventories	6.73	6.28	7%	
6	Trade Receivables Turnover Ratio	Sale of Products	Average trade receivables	16.58	20.04	-17%	Mainly on account of higher receivables subsequently realised.
7	Trade Payables Turnover Ratio	Cost of Goods Sold + Expenses	Average trade payales	4.18	4.69	-11%	
8	Net Capital Turnover Ratio	Sale of Products	Working Capital	1.75	4.70	-63%	Mainly on account of cash received from sale of brands and other identified assets
9	Net Profit Ratio	Profit after tax	Revenue from operations	12%	17%	-5%	Mainly on account of tax adjustments of earlier years
10	Return on Capital Employed	Profit before tax	Net Worth	43%	36%	8%	
11	Return on Investment	Gain on Investment	Total Investments	3%	5%	-1%	Due to reduction in fixed deposit rates.

Notes :

(i) Ratios are calculated including profits from discontinued operations but excludes the impact of sale of brands and identified assets and other exceptional items (Refer Note 40 and 55).

(ii) Return on Equity excluding impact of tax adjustments of prior years is 28.69%.

(iii) Net Profit ratio excluding impact of tax adjustments of prior yearsis 17.19%.

NOTE 57 :

Consequent to the approval of the shareholders, the Company on September 30, 2021, has acquired the assets and liabilities associated with the vaccine business of GlaxoSmithKline Asia Private Limited. The Company has accounted the acquisition in accordance with Appendix C to IND AS 103 being business combination of entities under common control. Accordingly, the financial information in respect of prior periods has been restated for the acquisition as if the business combination has occurred from the beginning of preceding periods.The Company has taken over the assets at amortised cost of ₹ 1,29.00 lakhs, liabilities taken over at ₹ 20,44.00 lakhs and the consideration paid amounts to ₹ 1,66.00 lakhs. The difference between the consideration paid and the net assets taken over on acquisition of ₹ 20,82.00 Lakhs has been transferred to Capital reserve.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

NOTE 58 : RELATIONSHIP WITH STRUCK OFF COMPANIES

Below struck off companies are equity shareholders of the Company as on the Balance Sheet date

Name of Struck off Company	Nature of transaction with struck off company
Gatisheel Finance Private Limited	Shares held by struck off company
Manilal Patel Private Limited	Shares held by struck off company
Haresh Extrusion Company Private Limited	Shares held by struck off company
K.S. Morarka and Sons Pvt. Ltd.	Shares held by struck off company
Sitaram Projects Private Limited	Shares held by struck off company
Siddha Papers Private Limited	Shares held by struck off company

Name of Struck off Company	Nature of transaction	Transaction during the year March 31, 2022	Balance outstanding as at March 31, 2022	Relationship with the struck off company
Lanxess India Private Limited	Trade Advance	-	1.19	Vendor
Vincon Infra Organisers Pvt. Ltd.	Capital Advance	-	2,83.17	Vendor

Name of Struck off Company	Nature of transaction	Transaction during the year March 31, 2021	Balance outstanding as at March 31, 2021	Relationship with the struck off company
Lanxess India Private Limited	Trade Advance	-	1.19	Vendor
Vincon Infra Organisers Pvt. Ltd.	Capital Advance	-	2,83.17	Vendor

NOTE 59 : ADDITIONAL INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iii) 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:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(iv) 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:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) 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).

NOTE 60 : EVENT OCCURRING AFTER BALANCE SHEET DATE

The Board of Directors has recommended a Dividend of ₹ 90 per equity share (including special dividend of ₹ 60 per equity share) of face value of ₹10 each for this year. (March 31, 2021: ₹30 per share) (Refer Note 51 (b)).

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

NOTE 61 :
The spread of COVID-19 is having an unprecedented impact on people and economy. This has impacted our operations and results for the year ended March 31, 2022. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, tangible assets, intangible assets and investments. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The impact assessment of COVID-19 is a continuing process given the uncertainities and the Company will continue to closely monitor the developments.

NOTE 62:
Previous year figures have been regrouped / reclassified wherever necessary.

NOTE 63: APPROVAL OF FINANCIAL STATEMENTS
The financial statements were approved for issue by the Board of Directors on May 16, 2022.

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
S. Venkatesh	Managing Director	DIN: 07263117
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 16, 2022

Form No. AOC.1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹ lakhs)

1.	Name of the subsidiary:	Biddle Sawyer Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period:	Same Reporting period as of Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:	NA
4.	Share capital:	96.00
5.	Reserves & surplus:	8,87.51
6.	Total assets:	53,95.58
7.	Total Liabilities:	44,12.07
8.	Investments:	Nil
9.	Turnover:	80,82.46
10.	Profit before taxation:	5,60.48
11.	Provision for taxation:	1,41.13
12.	Profit after taxation:	4,19.35
13.	Proposed Dividend:	Nil
14.	% of shareholding:	100%

Notes: The following information shall be furnished at the end of the statement: Not Applicable

1.	Names of subsidiaries which are yet to commence operations	NA
2.	Names of subsidiaries which have been liquidated or sold during the year.	NA

PART "B": ASSOCIATES AND JOINT VENTURES

Not Applicable

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)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NA

   (a) Name(s) of the related party and nature of relationship

   (b) Nature of contracts/arrangements/transactions

   (c) Duration of the contracts/arrangements/transactions

   (d) Salient terms of the contracts or arrangements or transactions including the value, if any

   (e) Justification for entering into such contracts or arrangements or transactions

   (f) Date of approval by the Board

   (g) Amount paid as advances, if any

   (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangements or transactions at arm's length basis

   (a) Name(s) of the related party and nature of relationship – GlaxoSmithKline Asia Private Limited, a Promoter Group Company.

   (b) Nature of contracts/arrangements/transactions – Transfer of trademarks pertaining to Iodex and Ostocalcium Brands and other identified assets.

   (c) Duration of the contracts/arrangements/transactions – Transaction concluded during the year.

   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Total transaction value of ₹ 1649,01.00 lakhs.

   (e) Date(s) of approval by the Board, if any: 26 July 2021

   (f) Amount paid as advances, if any: NA

On behalf of the Board of Directors

Ms. R. S. Karnad
Chairperson

Mumbai, 16 May, 2022

BIDDLE SAWYER LIMITED

DIRECTORS' REPORT TO THE MEMBERS

The Directors have pleasure in submitting their 76 Report for the year ended 31 March 2022.

1. FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from Operations	80,82.46	12,56.22
Profit before Tax	5,60.48	76.22
Provision for Tax	31.88	-
Deferred Tax Charge/ (credit)	1,09.25	18.24
Net Profit for the year	4,19.35	57.98
Opening (loss)/ Surplus brought forward	(5,40.76)	(5,98.74)
Closing (loss)/ Surplus carried forward	(1,21.41)	(5,40.76)

State of Company Affairs

During the year under review, your Company has generated total revenue from operations of ₹ 80,82.46 lakhs as against ₹12,56.22 lakhs during the previous year ended 31 March 2021. The net profit for the year ₹ 4,19.35 lakhs, as compared to profit of ₹ 57.98 lakhs during the previous year ended 31 March 2021.

DIVIDEND

The Directors do not recommend any dividend for the year ended 31 March 2022.

AUDITORS AND AUDITOR'S REPORT

Members are requested to re-appoint M/s. Cornelius and Davar, Chartered Accountants, as the Auditors of the Company for the ensuing year and fix their remuneration.

The notes on financial statements referred to in the Auditors Report are self-explanatory and do not call for any further comments and explanations. The Auditor's Report does not contain any qualification, reservation or adverse remark.

DIRECTORS' AND KEY MANAGERIAL PERSONNEL

During the year under review, Ms. Puja Thakur resigned as Director of the Company with effect from 31 March 2022. Mr. Juby Chandy was appointed as Additional Director from 1 April 2022 till conclusion of Annual General Meeting.

In terms of the provisions of the Companies Act, 2013, Mr. S. Venkatesh retires from the Board of Directors of the Company by rotation and being, eligible, has offered himself for re-appointment at the ensuing Annual General Meeting.

The Notice convening the forthcoming Annual General Meeting includes the proposal for reappointment of aforesaid Director.

None of the Directors are disqualified for appointment / re-appointment under Section 164 of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

a) in the preparation of the annual accounts for the financial year ended 31 March 2022 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) the Directors had selected such accounting policies and applied them consistently and 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 on 31 March 2022 and of the profit or loss of the Company for that period;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts for the financial year ended 31 March 2022 on a going concern basis;

e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

OTHER MANDATORY DISCLOSURES

- The Board of Directors met 6 (Six) times during the financial year 2021-22.
- As on 31 March 2022, the Company did not have any Subsidiary / Joint Venture / Associate Company

- The Company has not granted any loans, provided guarantees or made investments pursuant to the provisions of Section 186 of the Companies Act, 2013, during the financial year 2021-22.

- There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this Report.

- Your Company has not accepted any deposits from the public during the year under review.

- There were no materially significant related party transactions made with the Promoters, Directors or Key Managerial Personnel which may have a potential conflict of Interest of the Company at large.

- No details as required under the provisions of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given, as there are no employees drawing remuneration in excess of the prescribed limits.

- There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

- The Company is 100 % subsidiary of GlaxoSmithKline Pharmaceuticals Limited ("Parent Company") and all policies including Vigil Mechanism, Risk Management Policy and Internal Financial Control have been adopted on lines of parent Company.

- The Company does not have any manufacturing plant or office so Conservation of Energy & Technology Absorption is not applicable. The foreign exchange earnings for the year ended 31 March 2022 was 74,00.45 lakhs and foreign exchange outgo for the year ended 31 March 2022 was nil lakhs. The foreign exchange earnings for the period ended 31 March 2021 was 9,32.79 lakhs and foreign exchange outgo for the year ended 31 March 2021 was nil lakhs.

ACKNOWLEDGEMENT

The Directors expressed their appreciation for the support received from all other stakeholders, customers, suppliers, business partners and the government.

For and on behalf of the Board of Directors

S. Venkatesh
Chairman

Mumbai, 9 May 2022

BIDDLE SAWYER LIMITED
INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIDDLE SAWYER LIMITED

Report on the Audit of the Ind AS financial statements

Opinion

We have audited the accompanying Ind AS financial statements of **BIDDLE SAWYER LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing ("SA"s) 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 Ind AS 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 Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our 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 Responsibilities for the Ind AS Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements for the year ended March 31, 2022 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS 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 financial 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 system 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.

- 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 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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 Ind AS 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 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 purposes of our audit;

    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, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account;

    d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;

    e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and

g) 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 on its financial position in its Ind AS financial statements – Refer Note 16 to the Ind AS financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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 to or in any other persons or entities, 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, other than as disclosed in the notes to the accounts, no funds have been received by the company from any persons or entities, 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; and

   c. Based on the audit procedures performed that have 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) contain any material mis-statement.

   v. No dividend was declared or paid during the year by the company.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Cornelius & Davar**
Chartered Accountants
(Firm's Registration No. 101963W)

Rustom D. Davar
Partner
(Membership No. F-10620)
UDIN: 22010620AIQVGD8202

Place: Mumbai
Date: May 9, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BIDDLE SAWYER LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub- section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **BIDDLE SAWYER LIMITED** (the "Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). 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 its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Cornelius & Davar
Chartered Accountants
(Firm's Registration No. 101963W)

Rustom D. Davar
Partner
(Membership No. F-10620)
UDIN: 22010620AIQVGD8202

Place: Mumbai
Date: May 9, 2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BIDDLE SAWYER LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification;

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in investment property are held in the name of the company.

(d) The Company has not revalued any of its fixed assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) As explained to us, the inventories have been physically verified by the management during the year. No material discrepancies were noticed on such physical verification;

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under Clause 3(ii)(b) of the Order is not applicable.

(iii) According to the information and explanations given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLP) or any other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of Clause 3(iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the said Order are not applicable to the Company;

(iv) In our opinion and according to the information and explanation given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon;

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013. Therefore, the provisions of paragraph 3(v) of the said Order are not applicable to the Company;

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 and amended Companies (Cost Records and Audit) Amendment Rules, 2016 as prescribed by the Central Government under sub-section (1) of

Independent Auditor's Report

Section 148 of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess and any other material statutory dues applicable to it with the appropriate authorities;

According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess and any other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable;

(b) According to the records of the Company, the statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of any disputes are as follows:

Name of the statute	Nature of dues	Amount (₹ in '000)	Period to which the amount relates	Forum where dispute is pending
West Bengal Value Added Tax	Sales Tax	19,96.00	Assessment Year: 2009-2010	Jt. Commissioner

(viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to the books of accounts and records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon.

(b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) The Company has taken term loan during the year and were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds were raised on short-term basis and hence reporting under Clause 3(ix)(d) of the Order is not applicable.

(e) On an overall examination of 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 the subsidiaries, associates or joint ventures.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of Initial Public Offer or Further Public Offer including debt instruments and term loans during the year. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures (fully, partially or optional convertible) and hence reporting under Clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or any fraud on the Company has been noticed or reported during the course of our audit.

(b) 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 upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

(xii) In our opinion, and to the best of our information and according to the explanations given to us, the Company is not a Nidhi company. Accordingly, Clause 3(xii)(a), (xii)(b) and (xii)(c) of the Order are not applicable;

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards (Ind AS) 24;

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with the directors. Accordingly, paragraph 3 (xv) of the Order is not applicable;

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, Clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no Core Investment Company (CIC) within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) 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 statement and 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 indicating that the 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 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 to the best of our information and according to the explanations given to us, the provisions specified under section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, Clause 3(xx)(a) and (b) of the Order is not applicable.

For Cornelius & Davar
Chartered Accountants
(Firm's Registration No. 101963W)

Rustom D. Davar
Partner
(Membership No. F-10620)
UDIN: 22010620AIQVGD8202

Place: Mumbai
Date: May 9, 2022

BIDDLE SAWYER LIMITED

Balance Sheet as at March 31, 2022

(₹ in lakhs)

	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Investment properties	2	2.08	2.08
Financial assets			
(i) Loans	3	-	-
(ii) Other financial assets		1.45	1.45
Current tax assets (net)		4,72.84	4,97.08
Deferred tax assets (net)	25	36.43	1,45.68
Other non-current assets	4	7,32.38	4,28.70
		12,45.18	**10,74.99**
Current assets			
Inventories	5	21,98.22	23,35.96
Financial Assets			
(i) Cash and cash equivalents	6	5,39.59	28.72
(ii) Other financial assets	7	12,97.17	10,45.50
Other current assets	8	1,15.42	1,15.40
		41,50.40	**35,25.58**
TOTAL ASSETS		**53,95.58**	**46,00.57**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9 & 17	96.00	96.00
Other Equity	10	8,87.51	4,68.16
Total equity		**9,83.51**	**5,64.16**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	11	14,60.00	-
(ii) Other financial liabilities	12	1.35	1.35
Provisions	13	1,25.33	1,25.33
		15,86.68	**126.68**
Current liabilities			
Financial liabilities			
(i) Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		18.32	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		27,91.52	22,07.94
Other current liabilities	15	15.55	17,01.79
		28,25.39	**39,09.73**
TOTAL EQUITY AND LIABILITIES		**53,95.58**	**46,00.57**

As per our report of even date attached

For and on behalf of the Board

For **CORNELIUS & DAVAR**
CHARTERED ACCOUNTANTS
(Firm's Registration No.101963W)

S. Venkatesh
Director
DIN: 07263117

J. Chandy
Director
DIN: 09530618

RUSTOM D. DAVAR
(PARTNER)
Membership No. F10620

R. Mota
Company Secretary
ACS 38473

Place : Mumbai
Date: May 9, 2022
UDIN: 22010620AIQVGD8202

Place : Mumbai
Date: May 9, 2022

BIDDLE SAWYER LIMITED

Statement of profit and loss for the year ended March 31, 2022

(₹ in lakhs)

	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from Operations	18	80,82.46	12,56.22
Other Income	19	0.79	39.49
Total income		**80,83.25**	**12,95.71**
Expenses			
Cost of materials consumed	20	58,70.57	19,38.60
Changes in inventories of work-in-progress, stock-in-trade and finished goods	21	1,74.71	(11,89.80)
Finance costs	22	45.43	-
Other expenses	23	14,32.06	4,70.69
Total expenses		**75,22.77**	**12,19.49**
Profit/(loss) before exceptional and items and tax		5,60.48	76.22
Exceptional items		-	-
Profit/(loss) before tax		**5,60.48**	**76.22**
Income tax expenses			
Current tax	25	31.88	-
Deferred tax	25	1,09.25	18.24
Profit / (loss) for the period		**4,19.35**	**57.98**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability (asset)		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
		-	**-**
Total Comprehensive Income / (loss) for the period		**4,19.35**	**57.98**
Profit /(loss) attributable to:			
Owners of the Company		4,19.35	57.98
Total comprehensive income / (loss) attributable to:			
Owners of the Company		4,19.35	57.98
Earnings per equity share	24	43.68	6.04
Basic and diluted earnings per share			

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For and on behalf of the Board

For **CORNELIUS & DAVAR**
CHARTERED ACCOUNTANTS
(Firm's Registration No.101963W)

S. Venkatesh
Director
DIN: 07263117

J. Chandy
Director
DIN: 09530618

RUSTOM D. DAVAR
(PARTNER)
Membership No. F10620

R. Mota
Company Secretary
ACS 38473

Place : Mumbai
Date: May 9, 2022
UDIN: 22010620AIQVGD8202

Place : Mumbai
Date: May 9, 2022

BIDDLE SAWYER LIMITED

Cash Flow Statement for the year ended March 31, 2022

₹ in Lakhs

		Year Ended March 31, 2022	Year Ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(Loss) before income tax and exceptional items		5,60.48	76.22
Adjustments for :			
Provision for doubtful loans and advances		-	-
Provisions written back		(0.67)	-
Interest income classified as investing cash flows		(0.11)	(38.71)
Finance cost		45.43	-
Change in operating assets and liabilities			
(Increase)/Decrease in Inventories		1,37.74	(23,35.96)
(Increase) / Decrease in other assets		(5,55.30)	(12,79.31)
Increase /(Decrease) in Trade payables		6,02.57	18,85.37
(Decrease) / Increase in Other liabilities		(16,86.86)	1.28
Cash generated from operations		**(8,96.72)**	**(16,91.11)**
Income taxes paid (net of refunds)		(7.64)	(4.34)
Cash flow before exceptional items		**(9,04.36)**	**(16,95.45)**
Net cash outflow from operating activities	A	**(9,04.36)**	**(16,95.45)**
B. CASH FLOW FROM INVESTING ACTIVITIES			
(Purchase) / sale of bank deposits with maturity period more than 3 months but less than 12 months		-	(73,00.00)
Redemption in bank deposits with maturity period more than 3 months but less than 12 months		-	83,01.45
Interest received		0.03	44.36
Net cash inflow from investing activities	B	**0.03**	**10,45.81**
c. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		14,60.00	-
Repayments of borrowings			-
Interest paid		(44.80)	-
Dividend paid		-	-
Tax on Dividend		-	-
Net cash used in financing activities	C	**14,15.20**	**-**
Net increase / (decrease) in cash and cash equivalents	(A + B + C)	**5,10.87**	**(6,49.64)**
Cash and cash equivalents as at 1st April, 2021 (opening balance)		28.72	6,78.36
Cash and cash equivalents as at 30st March, 2022 (closing balance)		5,39.59	28.72
Net increase / (decrease) in cash and cash equivalents		**5,10.87**	**(6,49.64)**
NOTES:			
Cash and cash equivalents include:			
Balances with banks		5,39.59	28.72
Total cash and cash equivalents		**5,39.59**	**28.72**

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

As per our report of even date attached

For **CORNELIUS & DAVAR**
CHARTERED ACCOUNTANTS
(Firm's Registration No.101963W)

RUSTOM D. DAVAR
(PARTNER)
Membership No. F10620

Place : Mumbai
Date: May 9, 2022
UDIN: 22010620AIQVGD8202

For and on behalf of the Board

S. Venkatesh
Director
DIN: 07263117

J. Chandy
Director
DIN: 09530618

R. Mota
Company Secretary
ACS 38473

Place : Mumbai
Date: May 9, 2022

BIDDLE SAWYER LIMITED

Statement of Changes in Equity

(a) Equity share capital

(₹ in lakhs)

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	960,000	96.00	960,000	96.00
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	**960,000**	**96.00**	**960,000**	**96.00**

(b) Other equity

(₹ in lakhs)

	Reserves and Surplus			Items of Other comprehensive income	Total Other Equity
	Capital reserve	General reserve	Retained Earnings	Remeasurements of the net defined benefit plans	
Balance at 1 April 2021	**2.91**	**1,006.01**	**(540.76)**	**-**	**4,68.16**
Total Comprehensive income					
Profit/(loss) for the year	-	-	419.35	-	419.35
Other Comprehensive Income for the year	-	-	-	-	-
Transactions with owners of the company					
Dividend on Equity Shares	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Balance at the end of the reporting period March 31, 2022	**2.91**	**10,06.01**	**(1,21.41)**	**-**	**8,87.51**
Balance at April 1, 2020	**2.91**	**1,006.01**	**(5,98.74)**	**-**	**4,10.18**
Total Comprehensive income					
Profit/(loss) for the year	-	-	57.98	-	57.98
Other Comprehensive Income for the year	-	-	-	-	-
Transactions with owners of the company					
Dividend on Equity Shares	-	-	-	-	-
Dividend Distribution Tax	**-**	**-**	**-**	**-**	**-**
Balance at the end of the reporting period March 31, 2021	**2.91**	**10,06.01**	**(5,40.76)**	**-**	**4,68.16**

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For CORNELIUS & DAVAR
CHARTERED ACCOUNTANTS
(Firm's Registration No.101963W)

RUSTOM D. DAVAR
(PARTNER)
Membership No. F10620

Place : Mumbai
Date: May 9, 2022
UDIN: 22010620AIQVGD8202

For and on behalf of the Board

S. Venkatesh
Director
DIN: 07263117

J. Chandy
Director
DIN: 09530618

R. Mota
Company Secretary
ACS 38473

Place : Mumbai
Date: May 9, 2022

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

1 SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Accounting

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). The policies set out below have been consistently applied during the years presented.

The financial statements are presented in INR in Lakhs and all values are rounded to the nearest thousands (INR 000), except when otherwise indicated

b) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is provided on the straight-line method over the estimated useful lives of the assets as per the rates prescribed under

Schedule II to the Companies Act, 2013 or re-assessed useful life based on technical evaluation as under:

Factory Buildings	30 years
Other Buildings	60 years
Plant and Equipment	10 years
Personal Computers and Laptops	3 to 5 years
Other Computer Equipment	4 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	5 years

Depreciation is provided pro-rata for the number of months availability for use. Depreciation on sale / disposal of assets is provided pro-rata up to the end of the month of sale / disposal.

An asset purchased where the actual cost does not exceed ₹ 5,000 is depreciated at the rate of 100%.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognised as income or expense in the statement of profit and loss.

Advances given towards acquisition of Property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advance under Other non current assets.

c) Investments and other financial assets

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 Company's business model for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or 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.

d) Inventories

Inventories are valued at lower of cost and net realisable value. Cost is determined on first-in first-out basis. The cost of work-in-progress (other than those lying at third party manufacturing sites which is valued at material cost) and finished goods comprises of raw materials, direct labour, other direct costs and related production overheads, but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

e) Revenue Recognition

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the company is recognizing revenue as and when it satisfies the performance obligation by transferring promised goods or services to a customer and customer obtains control of the same.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2022

- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest Income

Interest income is recorded using the Effective Interest Rate (EIR). Interest income is included in other income in the statement of profit and loss.

f) Foreign Currency transactions

Items included in the Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Standalone Financial Statements are presented in Indian rupee (INR), which is Company's functional and presentation currency. Items included in the Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Standalone Financial Statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses/ other income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

g) Research and Development

Capital expenditure on Research and Development is treated in the same way as expenditure on Fixed Assets. The revenue expenditure on Research and Development is written off in the year in which it is incurred.

h) Provision for Retirement Benefits

The Company has its own Gratuity Fund recognised by the Income Tax authorities and the fund is administered through Trustees. The Superannuation fund benefits is administered by a trust formed for this purpose through the Group Schemes of the Life Insurance Corporation of India, and the liability towards Superannuation is provided according to the rules of the Fund.

i) Taxes on Income

Income tax expense represents the sum of the current tax and deferred tax.

Current tax charge is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of Profit and Loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

presented in the Balance Sheet, if and only when the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

i) Provision and contingent liabilities

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised as an interest expense.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

j) Other Accounting Policies

These are consistent with the generally accepted accounting principles.

2 INVESTMENT PROPERTY

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Gross carrying amount		
Opening gross carrying amount/ Deemed cost	2.08	2.08
Additions (Improvements)	-	-
Deduction	-	-
Closing gross carrying amount	2.08	2.08
Accumulated Depreciation		
Opening Accumulated Depreciation	-	-
Depreciation charge	-	-
Closing Accumulated Depreciation	-	-
Net carrying amount	**2.08**	**2.08**

Estimation of fair value

The Company has a land site that have been considered as Investment Property as it is not currently operational at present. In view of management, the fair market value of the land site is not reliably measurable as there are very few recent transactions of comparable composition of these properties in the market. Further, the fair market value will be subject to numerous municipal deductions dependent upon the current use and intended use of the property. Consequently, it is not possible to ascertain and disclose the range of fair market value. The estimated Ready Reckoner at year end, based on latest published data and current stated use, totals Rs 24,75.15 Lakhs for current year (Rs 24,75.15 Lakhs for previous year). Ready Reckoner rates are the prices of the residential property, land or commercial property for a given area that is published and regulated by the respective State Governments as a guide towards payment of stamp duty at the time of transaction. The Ready Reckoner is regarded as a gross value and does not represent the underlying fair market value to the company.

NOTE 3 :
NON CURRENT FINANCIAL ASSETS - LOANS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Advances recoverable	26.55	26.55
Less: Provision for bad and doubtful loans and advances	(26.55)	(26.55)
	-	-

NON CURRENT FINANCIAL ASSETS - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Sundry Deposits	15.72	16.37
Less: Provision for bad and doubtful loans and advances	(15.72)	(16.37)
Term deposit with maturity period of more than twelve months	1.45	1.45
	1.45	**1.45**

NOTE 4 : OTHER NON-CURRENT ASSETS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Balance with Government Authorities	7,32.38	4,28.70
	7,32.38	**4,28.70**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2022

NOTE 5 : INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Raw materials		
Packing materials	11,65.15	11,35.26
Work-in-progress	17.98	10.90
Finished goods	14.76	23.98
Stock-in-trade	10,00.33	11,65.82
	21,98.22	**23,35.96**

NOTE 6 : CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Current account Balances with Banks	5,39.59	28.72
	5,39.59	**28.72**

NOTE 7 : CURRENT FINANCIAL ASSETS - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Interest accured on investments/ deposits	0.85	0.77
Current account balances with group companies	12,96.32	10,44.72
	12,97.17	**10,45.50**

NOTE 8 : OTHER CURRENT ASSETS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Balance with Government Authorities	0.09	0.08
Sundry advances	1,15.33	1,15.33
	1,15.42	**1,15.40**

NOTE 9 : SHARE CAPITAL

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Equity share capital	96.00	96.00
	96.00	**96.00**

NOTE 10 : OTHER EQUITY

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
General reserve	1,006.01	1,006.01
Capital reserve	2.91	2.91
Retained earnings	(121.41)	(5,40.76)
	8,87.51	**4,68.16**

NOTE 11 : NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Loans from related parties	14,60.00	-
	14,60.00	**-**

NOTE 12 : NON CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Security deposits received	0.63	0.63
Other non-current financial liabilities	0.72	0.72
	1.35	**1.35**

NOTE 13 : NON-CURRENT PROVISIONS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Drugs Prices Equalisation Account (refer note 16 (ii))	71.24	71.24
Provision for pricing of formulation	54.09	54.09
	1,25.33	**1,25.33**

NOTE 14 : TRADE AND OTHER PAYABLES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Due to Micro, Small and Medium Enterprises	18.32	-
Trade and other payables	27,91.52	22,07.94
	28,09.84	**22,07.94**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

Trade Receivables Ageing :-

(₹ in lakhs)

	Outstanding as at March 31, 2022						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME		18.32		-	-	-	18.32
(ii) Others	8,19.69	13,96.02	5,75.81	-	-	-	2,791.52
(iii) Disputed dues - MSME							
(iv) Disputed dues - Others							

(₹ in lakhs)

	Outstanding as at March 31, 2021						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME			-	-	-	-	-
(ii) Others	9,37.93	6,84.59	5,85.42	-	-	-	22,07.94
(iii) Disputed dues - MSME							
(iv) Disputed dues - Others							

NOTE 15 : OTHER CURRENT LIABILITIES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Other liabilities	12.92	17,00.00
Statutory dues	2.63	1.79
	15.55	**17,01.79**

NOTE 16 (I) CONTINGENT LIABILITIES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Claims against the Company not acknowledged as debts	98.58	2,57.03
Income-tax matters	-	0.22
Sales tax matters	19.96	19.96
Guarantee given by the Company to the Customs Authorities	2,00.00	2,00.00
Based on the data obtained by Government, it had directed the Company to pay a tentative amount along with interest due thereon into the Drugs Prices Equilisation Account (DPEA) under Drugs (Price Control) Order 1979, in respect of Bulk Drug Amoxicillin Trihydrate, on account of alleged unintended benefit enjoyed by the Company. The Company had filed its reply contending that no amount is payable into DPEA.	49.29	49.29

NOTE 16 (II) DRUGS PRICES EQUALISATION ACCOUNT

The Company received a letter dated 20th/24th August, 1998 from the Central Government demanding an amount of ₹ 4,40.80 comprising ₹ 1,42.74 in respect of prices relating to Salbutamol formulations during the period April, 1979 to December, 1983 with interest thereon amounting to ₹ 2,98.06 upto 31st July, 1998. The Company had been legally advised that the demand of ₹ 1,42.74 is not sustainable and it, therefore follows that the interest demand also cannot be sustained. The total demand has been challenged by the Company in a Writ Petition filed in the Bombay High Court. The Bombay High Court has granted an interim stay of the demand, subject to the Company depositing 50% of the principal amount. Accordingly, the Company has deposited an amount of ₹ 71.50 with the Government on 3rd May, 1999. This is a normal interim order passed by the High court in such matters and does not in any way reflect upon the merits or otherwise of the case. The amount will be refunded if the Company succeeds at the final hearing of the matter. The Government's application in the Supreme Court praying that this writ petition be transferred to the Supreme Court from the Bombay High Court was not allowed and the Company's writ petition will now be heard by the Bombay High Court.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2022

NOTE 17 : SHARE CAPITAL

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Authorised		
1,500,000 (Previous year : 1,500,000) Equity Shares of ₹10 each	1,50.00	1,50.00
ISSUED, SUBSCRIBED & PAID-UP:		
960,000 (Previous year : 960,000) Equity Shares of ₹10 each fully		
paid up	96.00	96.00
(of the above 750,000 ordinary shares have been allotted as fully		
paid-up Bonus shares by capitalisation of General Reserve)		
TOTAL	**96.00**	**96.00**
a) Shares held by holding company		
Equity Shares of ₹ 10 each		
960,000 (Previous year : 960,000) held by GlaxoSmithKline		
Pharmaceuticals Limited, the Holding Company	**96.00**	**96.00**

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
b) Reconciliation of the number of shares				
Balance at the beginning of the year	960,000	96.00	960,000	96.00
Issued during the year	-	-	-	-
Balance at the end of the year	**960,000**	**96.00**	**960,000**	**96.00**

c) Rights, preferences and restrictions attached to equity shares:

The company has only one class of equity shares having a par value of Rs 10/- per share. Each share holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shareholders holding more than 5% shares in the company:

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
	Number of Shares	Number of Shares
GlaxoSmithKline Pharmaceuticals Limited, the Holding Company	**960000 {100%}**	**960000 {100%}**

NOTE 18 : REVENUE FROM OPERATIONS

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
A. Sale of products (gross)		
Sale of products	80,66.00	12,56.22
	80,66.00	**12,56.22**
B. Other operating revenue		
Others		
	16.46	-
	16.46	**-**
Total Revenue from operations	**80,82.46**	**12,56.22**

NOTE 19 : OTHER INCOME

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income	0.11	38.71
Provisions written back (net)	0.67	-
Miscellaneous Income	0.01	0.78
	0.79	**39.49**

NOTE 20 : COST OF MATERIALS CONSUMED

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Cost of materials consumed	**58,70.57**	**19,38.60**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2022

NOTE 21 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Opening stock		
Work-in-progress	23.98	-
Finished goods	11,65.82	-
Traded goods	-	-
Less: Closing stock		
Work-in-progress	14.76	23.98
Finished goods	10,00.33	11,65.82
Traded goods	-	-
	1,74.71	**(11,89.80)**

NOTE 22 : FINANCE COSTS

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest cost on financial liabilities measured at amortized cost	45.43	-
	45.43	**-**

NOTE 23 : OTHER EXPENSES

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Manufacturing charges	13,03.40	3,94.87
Rates and taxes	9.55	4.51
Statutory audit fees	5.59	3.45
In other capacity in respect of :		
Tax audit fees	1.05	0.70
Reimbursement of expenses	-	0.30
Reimbursement of expenses to GlaxoSmithKline Pharmaceuticals Limited	61.46	25.33
Repairs and Maintenance	-	2.63
Tax and consulting fees	17.31	5.53
Security guard services	24.76	24.43
Third party warehousing	4.57	5.58
Miscellaneous expenses	4.37	3.36
Provision for bad and doubtful loans and advances	-	-
	14,32.06	**4,70.69**

NOTE 24 : EARNINGS PER SHARE

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Earnings per share		
Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The numbers used in calculating basic and diluted earnings per equity share are as stated below:		
Profit /(loss) after taxation (₹ Lakhs)	4,19.35	57.98
Weighted average number of shares (Nos)	960,000	960,000
Earnings per share (Basic and Diluted) - ₹	43.68	6.04
Face value per share - ₹	10.00	10.00

NOTE 25 : TAX EXPENSE

(a) Amounts recognised in profit and loss

(₹ in lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	31.88	-
Deferred tax		
Decrease (increase) in deferred tax assets	109.25	18.24
(Decrease) increase in deferred tax liabilities	-	-
Adjustment to deferred tax attributable to change in Income Tax rates	-	-
Deferred tax expense	109.25	18.24
Tax expense for the year	**141.13**	**18.24**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2022

(b) Reconciliation of effective tax rate

(₹ in lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit /(loss) before tax	560.48	76.22
Tax using the Company's domestic tax rate at 25.168% (Previous Year: 25.168%)	141.06	19.18
Tax effect of:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Other items	0.07	(0.94)
Due to change in income tax rate from 26% to 25.168%	-	-
	141.13	**18.24**

The Company's weighted average tax rates for the years ended March 31, 2022 and 2021 were 25.168%. Income tax expense was ₹ 31.88 for the years ended March 31, 2022 and nil for March 31, 2021

(c) Movement in deferred tax balances

(₹ in lakhs)

March 31, 2022	Net balance April 1, 2021	Recognised in profit or loss	Recognised in OCI	Net Deferred tax asset / (liability)
Deferred tax asset				
Expenses allowable for tax purpose when paid	132.24	(109.25)	-	22.99
Provision for pricing matters	13.43	-	-	13.43
Tax assets (Liabilities)	**145.68**	**(109.25)**	**-**	**36.43**

(₹ in lakhs)

March 31, 2021	Net balance April 1, 2020	Recognised in profit or loss	Recognised in OCI	Net Deferred tax asset / (liability)
Deferred tax asset				
Expenses allowable for tax purpose when paid	150.48	(18.24)	-	1,32.24
Provision for pricing matters	13.43	-	-	13.43
Tax assets (Liabilities)	**163.91**	**(18.24)**	**-**	**145.68**

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets.

The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

NOTE 26 : FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels presented below.

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost		
Cash and cash equivalents	5,39.59	28.72
Other bank balance	1.45	1.45
Total financial assets	**5,41.04**	**30.17**
Financial liabilities at amortised cost		
Security deposits received	0.63	0.63
Other non-current financial liabilities	0.72	0.72
Trade payables	28,09.84	22,07.94
Total financial liabilities	**28,11.19**	**22,09.29**

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the Standalone Financial Statements.

Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial assets		
Financial liabilities		
Security deposits received		
Carrying value	0.63	0.63
Fair value	0.63	0.63
Other non-current liabilities		
Carrying value	0.72	0.72
Fair value	0.72	0.72

The amount of fair value of the above Financial assets and liabilities is considered to be insignificant in value and hence carrying value and the fair value is considered to be same.

The carrying amounts of Cash and cash equivalents, other bank balance, Trade receivables, Trade payables are

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

considered to be the same as their fair values due to their short term nature.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Liquidity risk
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee of the Holding company oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding bank borrowings. The Company believes that the working capital is sufficient to meet its current requirements. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as Cash and Investment in short term deposits with banks. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

As of March 31, 2022, the Company had working capital of ₹ 13,24.99 Lakhs, including cash and cash equivalents of ₹ 5,39.59 Lakhs, investments in term deposits (i.e., bank certificates of deposit having original maturities of more than 3 months and less twelve months) of ₹ nil Lakhs. As of March 31, 2021, the Company had working capital of ₹ -3,84.14 Lakhs, including cash and cash equivalents of ₹ 28.72 Lakhs, investments in term deposits (i.e., bank certificates of deposit having original maturities of more than 3 months and less twelve months) of ₹ nil Lakhs.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakhs)

As at March 31, 2022	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade Payables and other payables	28,09.84	28,09.84	28,09.84	-	-	-
Security deposits	0.63	0.63	-	-	-	-
Other non-current liabilities	0.72	0.72	-	-	-	-

Refer note 48 for remaining contractual maturities of financial lease liabilities at the reporting date.

(₹ in lakhs)

As at March 31, 2021	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade Payables and other payables	22,07.94	22,07.94	22,07.94	-	-	-
Security deposits	0.63	0.63	-	-	0.63	-
Other non-current liabilities	0.72	0.72	-	-	0.72	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk.

Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

The Company is exposed to currency risk on account of its receivables and payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company does not have any foreign currency exposure as at the balance sheet date.

27 CAPITAL MANAGEMENT

(a) Risk Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company has adequate cash and bank balances and has interest bearing liabilities. The company monitors its capital by a careful scrutiny of the cash and bank balances, a regular assessment of any debt requirements and the maintenance of debt equity ratio and debt service coverage ratio etc.(Refer Note 31)

28 SEGMENT REPORTING

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Company has identified the Chief Operating Decision Maker as its Director. The Chief Operating Decision Maker reviews performance of pharmaceutical business on an overall basis. As the Company has a single reportable segment, the segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. In compliance to the said standard, Entity-Wide disclosures are as under :

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Revenues from external customers attributed to the country of domicile and attributed to all foreign countries from which the company derives revenues		
Revenue from the Country of Domicile- India	6,82.01	3,23.43
Revenue from foreign countries	74,00.45	9,32.79
Total	**80,82.46**	**12,56.22**

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Details of non current asset		
Non Current asset from the Country of Domicile- India	7,72.34	5,77.90
Non Current asset from foreign countries	-	-
Total	**7,72.34**	**5,77.90**

29 RELATED PARTY DISCLOSURES

1 Related parties with whom there were transactions during the year are listed below:

Holding Company:

- The company is a wholly owned subsidiary of GlaxoSmithKline Pharmaceuticals Limited.

Other related parties in the GlaxoSmithKline (GSK) Group where common control exists

- GSK Export Limited
- GSK Asia Private Limited
- Stiefel India Private Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

2 The following transactions were carried out with the related parties at normal commercial terms in the ordinary course of business.

	Holding Company	
	Year Ended March 31, 2022	Year Ended March 31, 2021
	GlaxoSmithKline Pharmaceuticals Limited	
1. Payment of common costs	61.46	25.33
2. Sale of products	6,65.55	3,23.43
3. Payment of Manufacturing charges	13,03.40	3,94.87
4. Interest on loan taken	44.80	-
5. Borrowings	14,60.00	-
6. Outstanding receivable / (Payable) by the Company (net)*	(4,18.28)	(3,94.16)

	Other related parties in the GlaxoSmithKline (GSK) Group where common control exists		
	Year Ended March 31, 2021 **	Year Ended March 31, 2022	Year Ended March 31, 2021
	GSK Asia Private Limited	GSK Export Limited	
1. Purchase of raw materials	10,52.62	-	
2. Sale of products	-	74,00.45	9,32.79
3. Outstanding receivable / (Payable) by the Company (net)*	-	12,96.32	10,44.72

* Transactions with the above parties are accounted in the respective current accounts.

** No transactions for the year ended March 31, 2022

NOTE 30 : DISCLOSURES AS REQUIRED BY MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE AS UNDER:

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
(a) The principal amount and the interest due thereon remaining unpaid to suppliers		
(i) Principal	17.69	-
(ii) Interest due thereon	0.63	-
	18.32	**-**
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the entire accounting year	1,23.43	-
(ii) Interest actually paid under Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(c) (i) Normal Interest accrued during the year, for all the delayed payments, as per the agreed terms	-	-
(ii) Normal Interest payable for the period of delay in making payment, as per the agreed terms	-	-
(d) (i) Total Interest accrued during the year	0.63	-
(ii) Total Interest accrued during the year and remaining unpaid	0.63	-

The above information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2022

NOTE 31 : KEY FINANCIAL RATIOS

	Ratio	Numerator	Denominator	Mar-22	Mar-21	Variance	Reason for variance
1	Current Ratio	Current assets	Current Liabilities	1.47	0.90	63%	Due to improvement in working capital on account of repayment of dues to employees in other current liabilities.
2	Return on Equity	Profit after tax	Shareholders Equity	42.64%	10.28%	315%	Operational activities commenced in November'2020 with increase in demand, production and sales resulting in increase in profits.
3	Inventory Turnover Ratio	Sale of Products	Average inventories	3.56	1.08	231%	Operational activities commenced in November'2020 with increase in demand, production and sales resulting in improved ratios.
4	Trade Payables Turnover Ratio	Cost of Goods Sold + Expenses	Average trade payales	2.91	1.90	53%	Operational activities commenced in November'2020 with increase in demand, production and sales resulting in improved ratios.
5	Net Capital Turnover Ratio	Sale of Products	Working Capital	6.09	-3.27	286%	Operational activities commenced in November'2020 with increase in demand, production and sales resulting in improved ratios.
6	Net Profit Ratio	Profit after tax	Revenue from operations	5.19%	4.62%	12%	Operational activities commenced in November'2020 with increase in demand, production and sales resulting in increase in profits.
7	Return on Capital Employed	Profit before interest and tax	Net Worth	24.77%	13.51%	83%	Operational activities commenced in November'2020 with increase in demand, production and sales resulting in increase in profits.
8	Debt Equity Ratio	Debt	Total Equity	1.48	-	100%	Loan from Parent company taken in current year
9	Debt service coverage ratio	Net profit before tax plus interest cost minus non-operating income and non cash income	Interest+ Outstanding Loans	0.40	-	100%	Loan from Parent company taken in current year

The Trade receivable Turnover ratio is not applicable to the company as all of the trade receivables are Group Companies which are disclosed under other current financial assets.

The Return on Investment ratio is also not applicable to the company

32 In view to make financial statements comparable, previous period's figures have been regrouped wherever necessary.

As per our report of even date attached

For **CORNELIUS & DAVAR**
CHARTERED ACCOUNTANTS
(Firm's Registration No.101963W)

RUSTOM D. DAVAR
(PARTNER)
Membership No. F10620

Place : Mumbai
Date: May 9, 2022
UDIN: 22010620AIQVGD8202

For and on behalf of the Board

S. Venkatesh
Director
DIN: 07263117

J. Chandy
Director
DIN: 09530618

R. Mota
Company Secretary
ACS 38473

Place : Mumbai
Date: May 9, 2022

Independent Auditor's Report

To The Members of GlaxoSmithKline Pharmaceuticals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **GLAXOSMITHKLINE PHARMACEUTICALS LIMITED** ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, and 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 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, and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary referred to in the Other Matters section below, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Information Technology (IT) systems which impact financial reporting** The IT systems of the Parent form a critical component of the Group's financial reporting activities and impact all account balances. IT controls, in the context of our scope for the financial audit, primarily relate to access security and change control. The purpose of such controls is to prevent inappropriate changes being made to IT systems in relation to application functionality, transactional processing and direct changes to underlying data.	**Principal audit procedures performed with the assistance of our IT specialists:** ▪ We identified the IT risks for each IT system based on our understanding of the flows of transactions and the IT environment. ▪ We determined whether each general IT control, individually or in combination with other controls, is appropriately designed to address the associated IT risk. ▪ We tested the design, implementation and operating effectiveness of the relevant general IT controls. ▪ We tested the mitigating manual controls for the IT control deficiencies noted around privilege access for certain scoped-in IT systems and the associated infrastructure.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders Information in Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- 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, compare with the financial statements of the subsidiary audited by the other auditor, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from their financial statements audited by the other auditor.

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 Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is 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 financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, 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 the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 Parent has adequate internal financial controls system 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.

- 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 entity within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent 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

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of ₹ 5935.58 lakhs as at March 31, 2022, total revenues of ₹ 8083.25 lakhs and net cash inflows amounting to ₹ 510.87 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by the other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditor on the separate financial statements of the subsidiary, referred to in the Other Matters section above 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 purposes 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 report of the other auditor.

    c) The Consolidated Balance Sheet, 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 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 the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Company and the report of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

g) With respect 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 explanations given to us and based on the auditor's report of the subsidiary company incorporated in India, the remuneration paid by the Parent and the subsidiary to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii) The Group has long term contracts as of March 31, 2022 for which there were no material foreseeable losses. The Group did not have any derivative contracts as at March 31, 2022.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiary which is a company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the note 59(iii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or the subsidiary to or in any other person(s) or entity(ies), including foreign entities ("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 Parent or the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiary which is a company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the note 59 (iv) to the consolidated financial statements, no funds have been received by the Parent or the subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or the subsidiary 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 has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditor of the subsidiary which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors 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) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 61 to the financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditor of the company included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the auditor of the subsidiary in the CARO report of the said company included in the consolidated financial statements.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930AJAKVD7252)

Date: May 16, 2022
Place: Mumbai

Annexure "A" To The Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of **GlaxoSmithKline Pharmaceuticals Limited** (hereinafter referred to as "Parent") and its subsidiary company, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 its business, including adherence to the respective 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary company which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 and the audit evidence obtained by the other auditor of the subsidiary company, which is a company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary company, which is a company incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 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 auditor referred to in the Other Matters paragraph below, the Parent and its subsidiary company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on "the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 22046930AJAKVD7252)

Date: May 16, 2022
Place: Mumbai

Consolidated Balance Sheet

as at March 31, 2022

(₹ in lakhs)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	277,37.03	310,93.21
Right of use assets	48	17,57.48	31,26.43
Capital work-in-progress	3	30,50.21	13,21.43
Investment property	4	1,20.57	1,34.95
Intangible assets	5	34,49.74	43,36.40
Financial assets			
(i) Loans	6	190,00.00	-
(ii) Other financial assets	7	11,06.29	12,09.00
Current tax assets (net)	47	197,60.40	346,50.01
Deferred tax assets (net)	47	113,14.81	103,12.61
Other non-current assets	8	52,28.02	50,16.72
		925,24.55	**912,00.76**
Current assets			
Inventories	9	534,69.54	546,69.81
Financial assets			
(i) Current Investments	10	365,59.23	-
(ii) Trade receivables	11	205,23.89	215,60.46
(iii) Cash and cash equivalents	12	286,18.71	405,18.92
(iv) Bank balances other than (iii) above	13	2198,32.07	752,77.48
(v) Other financial assets	14	71,84.72	25,71.60
Other current assets	15	46,03.84	76,53.87
		3707,92.00	**2022,52.14**
Assets classified as held for sale	16	11.23	180,11.84
		3708,03.23	**2202,63.98**
TOTAL ASSETS		**4633,27.78**	**3114,64.74**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	17	169,40.60	169,40.60
Other equity	18	2493,54.98	1308,85.39
Total equity		**2662,95.58**	**1478,25.99**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	19 & 48	7,62.35	20,24.99
(ii) Other financial liabilities	20	2,05.81	2,05.81
Provisions	21 & 28	262,21.16	259,49.88
		271,89.32	**281,80.68**
Current liabilities			
Financial liabilities			
(i) Borrowings	22	-	2.40
(ii) Lease liabilities	23 & 48	12,45.30	14,35.27
(iii) Trade payables	24		
Total outstanding dues of micro enterprises and small enterprises		7,92.72	5,26.94
Total outstanding dues of creditors other than micro enterprises and small enterprises		562,62.15	460,86.05
(iv) Other financial liabilities	25	133,50.57	171,87.83
Other current liabilities	26	357,73.91	263,85.05
Provisions	27 & 28	327,97.88	274,62.27
Current tax liabilities (net)	47	296,20.35	163,72.26
		1698,42.88	**1354,58.07**
Total liabilities		**1970,32.20**	**1636,38.75**
TOTAL EQUITY AND LIABILITIES		**4633,27.78**	**3114,64.74**

The accompanying notes 1 to 64 are an integral part of the Consolidated Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930

Mumbai, May 16, 2022

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
S. Venkatesh	Managing Director	DIN: 07263117
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 16, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in lakhs)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Continuing operations			
Income			
Revenue from operations	29	3278,02.92	2925,60.17
Other income	30	75,77.56	110,58.27
Total income		**3353,80.48**	**3036,18.44**
Expenses			
Cost of materials consumed	31	611,17.68	471,78.46
Purchases of stock-in-trade	31	729,44.10	823,09.06
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	15,57.31	(38,02.18)
Employee benefits expense	33	610,23.13	616,16.01
Finance costs	34	1,99.61	3,53.14
Depreciation and amortization expense	35	68,18.60	78,60.49
Other expenses	36	549,72.90	454,44.72
Total expenses		**2586,33.33**	**2409,59.70**
Profit before exceptional items and tax		**767,47.15**	**626,58.74**
Exceptional items (net)	39	11,57.66	(172,59.69)
Profit before tax		**779,04.81**	**453,99.05**
Tax expense:	47		
Current tax		219,74.47	158,67.23
Deferred tax		(9,40.14)	8,04.93
Tax adjustment of earlier years		187,93.59	-
		398,27.92	**166,72.16**
Profit for the year from continuing operations		**380,76.89**	**287,26.89**
Discontinued Operations	55		
Profit before tax from discontinued operations		1708,17.66	96,50.78
Tax expense of discontinued operations		394,22.62	25,62.94
Profit from discontinued operations (after tax)		**1313,95.04**	**70,87.84**
Profit for the year		**1694,71.93**	**358,14.73**
Other comprehensive (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans	47	(2,46.59)	(2,73.74)
Income tax relating to items that will not be reclassified to profit or loss	47	62.06	68.90
		(1,84.53)	**(2,04.84)**
Total comprehensive income for the year		**1692,87.40**	**356,09.89**
Profit for the year attributable to owners of the Group		**1694,71.93**	**358,14.73**
Other comprehensive (loss) attributable to owners of the Group		**(1,84.53)**	**(2,04.84)**
Total comprehensive income for the year attributable to owners of the Group		**1692,87.40**	**356,09.89**
Earnings per equity share	49		
Earnings per equity share from continuing operations			
Basic and diluted earnings per share before exceptional item		21.73	27.17
Basic and diluted earnings per share after exceptional item		22.48	16.96
Earnings per equity share from discontinued operations			
Basic and diluted earnings per share		77.56	4.18
Earnings per equity share from continuing operations & discontinued operations			
Basic and diluted earnings per share before exceptional item		99.29	31.35
Basic and diluted earnings per share after exceptional item		100.04	21.14

The accompanying notes 1 to 64 are an integral part of the Consolidated Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930

Mumbai, May 16, 2022

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
S. Venkatesh	Managing Director	DIN: 07263117
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 16, 2022

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before exceptional items and tax from :			
Continuing operations		767,47.15	626,58.74
Disontinued operations		1708,17.66	96,50.78
		2475,64.81	**723,09.52**
Adjustments for :			
Gain on sale of brands and other identified assets (discontinued operations)		(1635,65.34)	-
(Gain) / Loss on disposal of property, plant and equipment (net)		(32.37)	5.88
Interest income		(71,24.02)	(110,57.49)
Finance costs		1,99.61	3,53.14
Depreciation and amortisation expense		68,18.60	78,60.49
Allowance for doubtful debts and advances		16.17	2,06.05
Provision written back		(0.67)	-
Depreciation expense related to discontinued operations		39.59	67.87
Operating Profit before working capital changes		**839,16.38**	**697,45.46**
Change in operating assets and liabilities			
Decrease/ (Increase) in inventories		12,00.27	(46,79.30)
Decrease/ (Increase) in trade receivables		10,20.40	(99,93.42)
(Increase) in other assets		(16,23.49)	(11,72.06)
Increase in trade payables		102,37.49	107,40.97
Increase in provisions		71,28.11	27,08.09
(Decrease)/ Increase in other liabilities		(59,75.60)	69,70.28
Cash generated from operations		**959,03.56**	**743,20.02**
Income taxes (paid) (net of refunds)		(120,50.90)	(146,96.18)
Cash inflow from operating activities before exceptional items		**838,52.66**	**596,23.84**
Exceptional items:			
Payment of associated costs on sale of Vemgal Plant		(4,42.88)	(7,03.09)
Payment of redundancy cost		(31,63.26)	(11,30.59)
Income taxes on exceptional items		8,28.26	0.93
Net cash generated from operating activities	A	**810,74.78**	**577,91.09**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire property, plant and equipment and other intangible assets		(34,64.10)	(44,22.66)
Proceeds from sale of property, plant and equipment		1,17.72	67.20
Margin money deposits (placed) / matured		(12.21)	14.33
Investment in bank deposits (having original maturity more than 3 months but less than 12 months)		(2704,10.00)	(3378,23.00)
Redemption / maturity of bank deposits (having original maturity more than 3 months but less than 12 months)		1257,00.00	3603,24.45
Current Investments		(365,27.51)	-
Loan given to related parties		(190,00.00)	-
Net proceeds from sale of brands and other identified assets (Discontinued Operations)		1265,60.61	-

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
Indirect taxes payables on sale of brands and other identified assets (discontinued operations)		295,77.67	-
Interest received		43,95.88	55,00.34
Cash (outflow) / inflow from investing activities before exceptional items		**(430,61.94)**	**236,60.66**
Exceptional items:			
Proceeds from sale of Investment property		32,34.24	1,84.09
Advance received towards disposal of Vemgal assets		-	180,00.00
Income taxes on Exceptional items		(7,23.06)	(42.12)
Net cash (outflow) / inflow from investing activities	**B**	**(405,50.76)**	**418,02.63**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		(2.40)	(15.30)
Interest paid, other than on lease liabilities		(25.28)	(34.99)
Interest paid on lease liabilities		(1,73.70)	(3,18.15)
Principal payment of lease liabilities		(15,59.35)	(14,83.08)
Dividend paid to shareholders		(506,63.50)	(677,04.43)
Net cash outflow from financing activities	**C**	**(524,24.23)**	**(695,55.95)**
Net (decrease)/ increase in cash and cash equivalents	**(A + B + C)**	**(119,00.21)**	**300,37.77**
Cash and cash equivalents at the beginning of the year		405,18.92	104,81.15
Cash and cash equivalents at the end of the year		286,18.71	405,18.92
Net (decrease)/ increase in cash and cash equivalents		**(119,00.21)**	**300,37.77**
NOTES:			
Cash and cash equivalents include:			
Balances with banks			
Current accounts		56,12.71	206,11.92
Term deposits with original maturity period of less than three months		230,06.00	199,07.00
Total		**286,18.71**	**405,18.92**

The above Consolidated Cash Flow Statement has been prepared under the “Indirect Method” as set out in Ind AS - 7 ‘Statement of Cash Flows’

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930

Mumbai, May 16, 2022

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
S. Venkatesh	Managing Director	DIN: 07263117
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 16, 2022

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

(A) EQUITY SHARE CAPITAL

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the reporting period	169,40.60	169,40.60
Changes in equity share capital during the year	-	-
Balance at the end of the reporting period	**169,40.60**	**169,40.60**

(B) OTHER EQUITY

(₹ in lakhs)

	Reserves and Surplus				Items of Other comprehensive income	Total Other Equity
	Capital reserve (i) (Refer Note 57)	General reserve (ii)	Retained earnings (iii)	Capital redemption reserve (iv)	Remeasurements of the net defined benefit plans	
Balance as at April 1, 2021	**(19,11.01)**	**778,50.29**	**556,04.13**	**2,62.00**	**(9,20.02)**	**1308,85.39**
Total comprehensive income						
Profit for the year	-	-	1694,71.93	-	-	1694,71.93
Other comprehensive loss for the year	-	-	-	-	(1,84.53)	(1,84.53)
Add: Acquisition of brand rights	4.00					4.00
Transactions with owners of the Group						
Dividend on equity shares (₹ 30 per share)	-	-	(508,21.81)	-	-	(508,21.81)
Balance as at March 31, 2022	**(19,07.01)**	**778,50.29**	**1742,54.25**	**2,62.00**	**(11,04.55)**	**2493,54.98**

(₹ in lakhs)

	Reserves and Surplus				Items of Other comprehensive income	Total Other Equity
	Capital reserve (i) (Refer Note 57)	General reserve (ii)	Retained earnings (iii)	Capital redemption reserve (iv)	Remeasurements of the net defined benefit plans	
Balance as at April 1, 2020	**1,70.97**	**778,50.29**	**875,51.81**	**2,62.00**	**(7,15.18)**	**1651,19.89**
Less: Utilisation of Capital Reserve toward acquisition of vaccines business (Restated as per IndAS 103)	(20,81.98)	-	-	-	-	(20,81.98)
Restated balance as at April 1, 2020	**(19,11.01)**	**778,50.29**	**875,51.81**	**2,62.00**	**(7,15.18)**	**1630,37.91**
Total comprehensive income						
Profit for the year	-	-	358,14.73	-	-	358,14.73
Other comprehensive loss for the year	-	-	-	-	(2,04.84)	(2,04.84)
Transactions with owners of the Group						
Dividend on equity shares (₹40 per share including special dividend of ₹20 per share)	-	-	(677,62.41)	-	-	(677,62.41)
Balance as at March 31, 2021	**(19,11.01)**	**778,50.29**	**556,04.13**	**2,62.00**	**(9,20.02)**	**1308,85.39**

(i) Capital reserve includes Central Government subsidy and capital profit on reissue of shares forfeited of erstwhile Burroughs Wellcome (India) Limited and is not available for distribution as adjusted for the difference between the net consideration paid and net assets acquired from GlaxoSmithKline Asia Private Limited (Refer Note 57).

(ii) General reserve represents the transfer of profits from retained earnings.

(iii) Retained earnings represents the cumulative profits of the Group which can be utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Capital redemption reserve is on account of buy back of equity shares and it is not available for distribution.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Rupen K. Bhatt
Partner
Membership No. 046930

Mumbai, May 16, 2022

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
S. Venkatesh	Managing Director	DIN: 07263117
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 16, 2022

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL INFORMATION

GlaxoSmithKline Pharmaceuticals Limited ('the Group') is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on the BSE Ltd. (Bombay Stock Exchange) and the National Stock Exchange of India Ltd. (NSE). The registered office of the company is located at Dr. Annie Besant Road, Worli, Mumbai 400 030.

The Group is engaged interalia, in the business of manufacturing, distributing and trading in pharmaceuticals.

The subsidiary considered in these Consolidated Financial Statements is:

Name of the Company	Country of Incorporation	% voting power held as at March 31, 2022	% voting power held as at March 31, 2021
Biddle Sawyer Limited (BSL)	India	100.00	100.00

B. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act") (as amended from time to time).

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value;
- assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- defined benefit plans - plan assets measured at fair value; and
- share-based payments.

The financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except where otherwise indicated.

b) Principles of consolidation

The Consolidated Financial Statement have been prepared on the following basis:

- The Group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the group.
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- The excess of cost to the Company of its investment in the subsidiary is recognised in the financial statements as goodwill, which has been amortised over a period of ten years.
- If the difference of the aggregate of the consideration transferred, the amount recognised for noncontrolling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed is a deficit then the said deficit is recognized as a capital reserve.

c) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods is recognised when the goods have been passed on to the buyer as per contractual terms, at which time all the following conditions are satisfied:

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

- the Group is recognizing revenue as and when it satisfies the performance obligation by transferring promised goods or services to a customer and customer obtains control of the same.;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Income from clinical research and data management services is recognised in the accounting period in which the services are rendered based on terms of the agreement.

Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability.

Trade Receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (h) Financial instruments.

Dividends

Dividend is recognised when the Group's right to receive the payment is established, it is probable that economic benefit associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

Interest Income

Interest income is recorded using the Effective Interest Rate (EIR). Interest income is included in other income in the statement of profit and loss.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

d) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation is provided on the straight-line method over the estimated useful lives of the assets as per the rates prescribed under Schedule II to the Companies Act, 2013 or re-assessed useful life based on technical evaluation as under:

▪ Factory Buildings	30 to 50 years
▪ Other Buildings	60 years
▪ Plant and Equipment	10 to 15 years
▪ Personal Computers and Laptops	3 to 5 years
▪ Other Computer Equipment	4 years
▪ Furniture and Fixtures	10 years
▪ Office Equipment	5 years
▪ Vehicles	5 years

Depreciation is provided pro-rata for the number of months available for use. Depreciation on sale / disposal of assets is provided pro-rata up to the end of the month of sale / disposal.

An asset purchased where the actual cost does not exceed ₹ 5,000 is depreciated at the rate of 100%.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

Leasehold building, leasehold land and leasehold improvements are amortised over the period of the lease.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognised as income or expense in the statement of profit and loss.

Cost of items of property, plant and equipment not ready for intended use as on the balance sheet date is disclosed as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital advance under Other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Intangible assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognised as income or expense in the statement of profit and loss.

Cost of items of intangible assets not ready for intended use as on the balance sheet date are disclosed as intangible assets under development.

Amortisation method and periods

Amortisation is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Software expenditure have been amortised over a period from 8 to 10 years. Distribution rights are amortised over the agreement / contract period.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

f) Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

g) Leases

The Group recognises right of use assets under lease arrangements in which it is the lessee. Rights to use assets owned by third parties under lease agreements are capitalised at the inception of the lease and recognised on the balance sheet. The corresponding liability to the lessor is recognised as a lease obligation. The carrying amount is subsequently increased to reflect interest on the lease liability and reduced by lease payments made. For calculating the discounted lease liability, the lessee's incremental borrowing rate is used. The incremental borrowing rate is calculated at the rate of interest at which the Group would have been able to borrow for a similar term and with a similar security the funds necessary to obtain a similar asset in a similar market.

Finance costs are charged to the income statement so as to produce a constant periodic rate of charge

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

on the remaining balance of the obligations for each accounting period.

Variable rents are not part of the lease liability and the right of use asset. These payments are charged to the income statement as incurred. If modifications or reassessments occur, the lease liability and right of use asset are re-measured. Right of use assets are depreciated over the shorter of the useful life of the asset or the lease term.

h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

(i) 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 Group's business model for managing 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 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.

(ii) 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 statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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 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 assets cash flow represents 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 revenue 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 profit and loss and recognised in other expenses/ income. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: 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 expenses/ income in the period in which it arises. Interest income from these financial assets is included in other income.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

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 and loss. Dividends from such investments are recognised in the 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 statement are recognised in other income/ expense 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.

(iii) 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 debt instruments. 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.

(iv) Derecognition 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.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liability or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities subsequently measured at amortised cost

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

Financial liabilities that are not held-for-trading and are not designated as at fair value through profit or loss are measured at amortised cost at the end of the subsequent accounting period. The carrying amount of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance costs" line item.

The effective interest method is a method of calculating the amortised cost of a financial

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount in initial recognition.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

i) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

j) Inventories

Inventories are valued at lower of cost and net realisable value. Cost is determined on weighted average cost basis. The cost of work-in-progress (other than those lying at third party manufacturing sites which is valued at material cost) and finished goods comprises of raw materials, direct labour, other direct costs and related production overheads, but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

k) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, short-term balances (with an original maturity of three months or less from date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

l) Foreign currency transactions

Items included in the Consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The Consolidated Financial Statements are presented in Indian Rupee (INR), which is Group’s functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses/ income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in the statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

m) Taxes

Income tax expense represents the sum of the current tax and deferred tax.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

Current tax charge is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit and loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Group's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when the Group currently has a legally enforceable right to set-off the current income tax assets and liabilities.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

n) Employee benefits

(a) Short Term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid 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.

(b) Post-Employment Benefits

(i) Defined Contribution Plans

The Group's defined contribution plans are superannuation and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Group has no further obligation beyond making the contributions. The Group's contributions to these plans are charged to the statement of profit and loss as incurred.

(ii) Defined Benefits Plans

"Liability for defined benefit plans is provided on the basis of valuations, as at the balance sheet date, carried out by an independent actuary."

<u>Gratuity and Post-Retirement Medical</u>

The actuarial valuation method used for measuring the liability for gratuity and post-retirement medical is projected unit credit method. Actuarial gains and losses are recognised in the statement of other comprehensive income in the period of occurrence of such gains and losses. The obligations for gratuity and post-retirement medical are measured as the present value of estimated future cashflows discounted at rates reflecting the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations. The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors. The expected rate of return of plan assets is the Group's expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations. Plan assets are measured at fair value as at the balance sheet date.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

Provident Fund

Provident fund contributions are made to a Trust administered by the Group. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The actuarial valuation method, carried out by an independent actuary, used for measuring the liability for provident fund is projected accrued benefit method. This approach determines the present value of the interest rate guarantee under three interest rate scenarios: base case scenario, rising interest rate scenario and falling interest rate scenario. The defined benefit obligation of the interest rate guarantee is set equal to the average of the present values determined under these scenarios in respect of accumulated provident fund contributions as at the valuation date.

c) Other Long Term Benefit Plans

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

(d) The expenditure on voluntary retirement schemes is charged to the statement of profit and loss in the year in which it is incurred.

(e) Share Based Payment Arrangements

In terms of a long-term incentive plan, the eligible members of the senior management are entitled to receive cash settled awards at the end of a three year 'restricted period', provided they remain in continuous employment with the Group for the aforesaid period. The value of such incentive is based on the price of shares of GlaxoSmithKline Plc, U.K.

The fair value of the amount payable to employees in respect of long term incentive plan, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the shares of GlaxoSmithKline Plc, U.K. Any changes in the liability are recognised in the statement of profit and loss.

o) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Based on technical evaluation the following is the best estimate of period over which investment property is depreciated on a straight-line basis.

Asset	Management estimate of useful life
Factory Building	30 Years
Freehold Land	-

Any gain or loss on disposal of an investment property is recognised in statement of profit and loss.

p) Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to the owners of 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 profit for the period attributable to the owners of the Group and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

q) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

r) Exceptional items

When items of income or expense are of such nature, size or incidence that their disclosure is necessary to explain the performance of the Group for the year, the Group makes a disclosure of the nature and amount of such items separately under the head “Exceptional items”.

s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Managing Director of the Group has been identified as CODM and he is responsible for allocating the resources, assess the financial performance and position of the Group and makes strategic decisions.

The Group has identified one reportable segment “Pharmaceuticals” based on the information reviewed by the CODM. Refer note 52 for segment information presented.

t) Provision and contingent liabilities

A provision is recognised if as a result of a past event, the Group has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The increase in the provision due to passage of time is recognised as an interest expense.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

u) Discontinued operations and non-current assets held for sale

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a major line of business. Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

v) Business Combination

Common control business combination is accounted using the pooling of interest method where the Company is transferee. Assets and liabilities of the combining entities are reflected at their carrying amounts and no new asset or liability is recognised. Identity of reserves of the transferor company is preserved by reflecting them in the same form in the Company’s financial statements in which they appeared in the financial statement of the transferor company. The excess between the amount of consideration paid over the share capital of the transferor company is recognised as a negative amount and the same is disclosed as capital reserve on business combination.

The financial information in the financial statements in respect of prior periods is restated from the beginning of the preceding period in the financial statements if the business combination date is prior to that date. However, if business combination date is after that date, the financial information in the financial statements is restated from the date of business combination.

Standards issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable to the Company from April 1, 2022.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 2 : CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of Consolidated Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

a Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

b Estimation of useful life

Useful lives of tangible assets and intangible assets are based on the estimate by the management. The useful lives as estimated are same as prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimate, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Group assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalised.

The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

c Provisions and contingent liabilities

The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

d Impairment of assets

The Group reviews the carrying amounts of its property, plant and equipment, Capital work in progress and intangible assets, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Further details on the Group's accounting policies on this are set out in the accounting policy above. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires Group to estimate the Fair value less cost of disposal.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(₹ in lakhs)

	Gross Carrying Value				Accumulated Depreciation					Net Carrying Value
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	Charge for the Year	On Disposals	Impairment (Refer Note 3(b) below)	As at March 31, 2022	As at March 31, 2022
Freehold land	2.00	-	-	2.00	-	-	-	-	-	2.00
Leasehold land	2,22.93	-	0.05	2,22.88	50.04	-	-	-	50.04	1,72.84
Freehold buildings	26,05.30	67.52	38.31	26,34.51	3,17.25	60.09	3.33	-	3,74.01	22,60.50
Leasehold buildings	76,14.95	1,58.63	-	77,73.58	15,36.92	3,07.25	-	-	18,44.17	59,29.41
Plant and equipment (Refer Note 3(a) below)	316,53.27	10,45.01	6,82.76	320,15.52	139,18.23	30,98.42	4,14.59	1,44.02	167,46.08	152,69.44
Furniture and fixtures	43,52.45	30.31	18.78	43,63.98	12,26.82	4,21.99	13.22	-	16,35.59	27,28.39
Vehicles	14,88.32	3,10.57	4,80.50	13,18.39	7,34.31	2,52.02	3,60.90	-	6,25.43	6,92.96
Office equipment	16,55.08	26.09	9.50	16,71.67	7,17.52	2,81.39	8.73	-	9,90.18	6,81.49
Total	**495,94.30**	**16,38.13**	**12,29.90**	**500,02.53**	**185,01.09**	**44,21.16**	**8,00.77**	**1,44.02**	**222,65.50**	**277,37.03**

(₹ in lakhs)

	Gross Carrying Value						Accumulated Depreciation							Net Carrying Value
	As at April 1, 2020	Additions	Disposals	Restatement as per IND AS 103 (Refer Note 3(c) below)	Assets held for sale (Refer Note 3(b) below	As at March 31, 2021	As at April 1, 2020	Charge for the Year	On Disposals	Impairment (Refer Note 3(b) below)	Restatement as per IND AS 103 (Refer Note 3(c) below)	On Assets held for sale (Refer Note 3(b) below)	As at March 31, 2021	As at March 31, 2021
Freehold land	2.00	-	-	-	-	2.00	-	-	-	-	-	-	-	2.00
Leasehold land	55,99.13	-	-	1,78.70	55,54.90	2,22.93	21,98.55	17.82	-	-	50.04	22,16.37	50.04	1,72.89
Freehold buildings	26,05.30	-	-	-	-	26,05.30	2,49.53	67.72	-	-	-	-	3,17.25	22,88.05
Leasehold buildings	415,19.49	1,54.39	-	-	340,58.93	76,14.95	196,92.59	5,15.18	-	-	-	186,70.85	15,36.92	60,78.03
Plant and equipment (Refer Note 3(a) below)	749,84.71	21,90.29	5,73.98	-	449,47.75	316,53.27	384,61.50	38,01.89	5,68.10	54,45.00	-	332,22.06	139,18.23	177,35.04
Furniture and fixtures	46,98.04	20,98.51	9.97	-	24,34.13	43,52.45	32,09.00	4,59.88	7.93	-	-	24,34.13	12,26.82	31,25.63
Vehicles	14,21.66	4,06.29	3,03.18	-	36.45	14,88.32	7,47.11	2,48.92	2,50.81	-	-	10.91	7,34.31	7,54.01
Office equipment	10,24.72	7,61.14	4.90	-	1,25.88	16,55.08	5,33.82	3,14.23	4.65	-	-	1,25.88	7,17.52	9,37.56
Total	**1318,55.05**	**56,10.62**	**8,92.03**	**1,78.70**	**871,58.04**	**495,94.30**	**650,92.10**	**54,25.64**	**8,31.49**	**54,45.00**	**50.04**	**566,80.20**	**185,01.09**	**310,93.21**

Notes:

Note 3 (a):

Plant and equipment includes computers.

Note 3 (b):

Impairment charge for the year ended March 31, 2022 is on account of additional impairment taken for old Eltroxin facility at Nashik

Following the decision to initiate a global voluntary recall (pharmacy/retail level) of ranitidine products including Zinetac in India by the Ultimate Holding Group, the Group had undertakten comprehensive strategic review of the impact of this recall on all related assets in India including its manufacturing site at Vemgal. After considering all the strategic options available, during the previous year ended March 31, 2021 the Group decided to proceed with the sale of the assets at Vemgal site and classifed these assets as held for sale after considering additional impairment of ₹54,45.00 lakhs.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

Note 3 (c):

Consequent to the approval of the shareholders, the Parent company on September 30, 2021, has acquired the assets and liabilities associated with the vaccine business of GlaxoSmithKline Asia Private Limited. The Group has accounted the acquisition in accordance with Appendix C to IND AS 103 being business combination of entities under common control. Accordingly, the financial information in respect of prior periods has been restated for the acquisition as if the business combination has occurred from the beginning of preceding periods.

Capital work-in-progress:

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Opening Balance	13,21.43	120,12.15
Additions	35,35.92	20,95.67
Less:		
Capitalisation	(18,07.14)	(57,62.89)
Asset held for sale (Refer Note 3(b) above)	-	(70,23.50)
Closing Balance	**30,50.21**	**13,21.43**

(₹ in lakhs)

	As at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	19,21.09	9,46.59	1,23.82	58.71	30,50.21

	As at March 31, 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	7,11.42	5,00.33	99.74	9.94	13,21.43

Project is overdue or has exceeded its cost compared to its original plan

(₹ in lakhs)

	As at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	12,11.72	-	58.71	-	12,70.43

(₹ in lakhs)

	As at March 31, 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	5,76.17	2,44.03	36.07	-	8,56.27

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 4 : INVESTMENT PROPERTY

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Gross carrying amount		
Opening gross carrying amount	2,26.41	2,26.41
Additions	-	-
Closing gross carrying amount	2,26.41	2,26.41
Accumulated Depreciation		
Opening Accumulated Depreciation	91.46	77.08
Depreciation	14.38	14.38
Closing Accumulated Depreciation	1,05.84	91.46
Net carrying amount	**1,20.57**	**1,34.95**

(i) Amounts recognised in the Statement of Profit and Loss for investment property

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation	(14.38)	(14.38)

(ii) Estimation of fair value

The Group has three properties (March 31, 2021: three properties) that have been considered as Investment Properties. These comprise of three vacant land sites (March 31, 2021: three vacant land sites) that are not in operational use at present.

In the view of the management, the fair market value of the land sites is not reliably measurable as there are very few recent transactions of comparable composition of these properties in the market. Further, the fair market value will be subject to numerous municipal deductions dependent upon the current use and intended use of the property. Based on the above, it is not possible to ascertain and disclose the range of fair market value. The estimated Ready Reckoner value at year end, based on latest published data and on current stated use, totals ₹250,70.88 lakhs (March 31, 2021: ₹250,70.88 lakhs). Ready Reckoner rates are the prices of residential property, land or commercial property for a given area that is published and regulated by the respective State Governments as a guide towards payment of stamp duty at the time of transaction. The Ready Reckoner Value is regarded as a gross value and does not represent the underlying fair market value of the properties. The Group will further detail the fair value of its investment properties upon entering a committed agreement with a third party, unless an alternative reliable estimate of the fair value is attainable.

NOTE 5 : INTANGIBLE ASSETS

(₹ in lakhs)

	Gross Carrying Value				Accumulated Amortisation				Net Carrying Value
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	Charge for the year	On Disposals	As at March 31, 2022	As at March 31, 2022
Intangible Assets									
Computer Software	73,44.29	60.30	-	74,04.59	30,07.89	9,46.96	-	39,54.85	34,49.74
Trademarks	-	4.00	(4.00)	-	-	-	-	-	-
Total	**73,44.29**	**64.30**	**(4.00)**	**74,04.59**	**30,07.89**	**9,46.96**	**-**	**39,54.85**	**34,49.74**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

	Gross Carrying Value					Accumulated Amortisation					Net Carrying Value
	As at April 1, 2020	Additions	Disposals	Assets held for Sale (Refer Note 3(b) above)	As at March 31, 2021	As at April 1, 2020	Charge for the year	On Disposals	On Assets held for Sale (Refer Note 3(b) above)	As at March 31, 2021	As at March 31, 2021
Intangible Assets											
Computer Software	94,46.48	2,77.24	-	23,79.43	73,44.29	44,83.97	9,03.35	-	23,79.43	30,07.89	43,36.40
Total	**94,46.48**	**2,77.24**	**-**	**23,79.43**	**73,44.29**	**44,83.97**	**9,03.35**	**-**	**23,79.43**	**30,07.89**	**43,36.40**

NOTE 6 : NON-CURRENT FINANCIAL ASSETS - LOANS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Unsecured considered doubtful	26.55	26.55
Less: Allowance for doubtful deposits	(26.55)	(26.55)
Loans to related parties - Unsecured considered good	190,00.00	-
	190,00.00	**-**

NOTE 7 : NON-CURRENT FINANCIAL ASSETS - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Margin money / Deposit against bank guarantee	4,10.78	4,01.47
Security Deposits - Unsecured considered good	6,94.06	8,06.08
Security Deposits - Unsecured considered doubtful	2,57.06	2,57.71
Less: Allowance for doubtful deposits	(2,57.06)	(2,57.71)
Term deposit with maturity period of more than twelve months	1.45	1.45
	11,06.29	**12,09.00**

NOTE 8 : OTHER NON-CURRENT ASSETS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Capital advances	3,13.23	2,87.24
Less : Allowance for doubtful advances	(2,83.17)	(2,83.17)
	30.06	**4.07**
Balances with Government Authorities	19,16.60	15,86.97
Sundry Deposits	31,48.18	31,23.66
Others	1,33.18	3,02.02
	52,28.02	**50,16.72**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 9 : INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Raw materials and Packing materials (includes in-transit as on March 31, 2022: ₹ Nil lakhs; March 31, 2021 ₹ 9,06.49 lakhs)	107,10.87	100,34.63
Work-in-progress	87.62	1,30.12
Finished goods	150,55.55	127,87.81
Stock-in-trade (includes in-transit as on March 31, 2022: ₹ 9,30.83 lakhs; March 31, 2021 ₹ 17,11.20 lakhs)	272,27.35	313,38.13
Stores and spares	3,88.15	3,79.12
	534,69.54	**546,69.81**

NOTE 10 : CURRENT INVESTMENTS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Quoted		
Investments measured at Fair value through profit and loss		
Investment in Mutual Funds	365,59.23	-
	365,59.23	**-**

NOTE 11 : TRADE RECEIVABLES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered good	205,23.89	215,60.46
Receivables which have significant increase in Credit Risk (Refer Note 50 C)	20,23.24	20,07.07
Less : Allowance for doubtful receivables	(20,23.24)	(20,07.07)
	205,23.89	**215,60.46**

During the year ended March 31, 2022 the Group has created additional allowance for doubtful debts of ₹16.17 lakhs (net) (Previous Year: ₹2,06.05 lakhs (net)).

Trade Receivables Ageing :-

(₹ in lakhs)

		Outstanding as at March 31, 2022						
		Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed trade receivables - considered good	191,74.74	7,55.10	88.71	99.79	2,17.77	1,87.78	205,23.89
(ii)	Undisputed trade receivables - which have significant increase in credit risk	6.39	45.15	50.62	1.20	2,17.68	13,14.59	16,35.63
(iii)	Disputed trade receivables - which have significant increase in credit risk	-	-	43.23	10.68	33.76	2,99.94	3,87.61
	Less : Allowance for doubtful receivables							(20,23.24)
	Total							**205,23.89**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

	Outstanding as at March 31, 2021						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	142,06.26	68,04.49	64.86	4,40.71	44.14	-	215,60.46
(ii) Undisputed trade receivables - which have significant increase in credit risk	5.01	61.26	29.77	1,23.21	97.92	13,54.05	16,71.22
(iii) Disputed trade receivables - which have significant increase in credit risk	-	-	2.16	33.75	53.37	2,46.57	3,35.85
Less : Allowance for doubtful receivables							(20,07.07)
Total							**215,60.46**

NOTE 12 : CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Balances with Banks:		
Current account	56,12.71	206,11.92
Term deposits with original maturity period of less than three months	230,06.00	199,07.00
	286,18.71	**405,18.92**

NOTE 13 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Earmarked Balances:		
Unclaimed dividend accounts	18,28.05	19,86.36
Term deposits with original maturity period of more than three months but less than twelve months	2179,10.00	732,00.00
Margin money	94.02	91.12
	2198,32.07	**752,77.48**

NOTE 14 : CURRENT FINANCIAL ASSETS - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
(Unsecured considered good)		
Receivable from group companies	63,89.36	17,89.12
Interest accrued on deposits with banks	7,63.71	7,50.83
Advances recoverable	31.65	31.65
	71,84.72	**25,71.60**

NOTE 15 : OTHER CURRENT ASSETS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Balances with Government Authorities	9,72.50	46,34.50
Advance to Creditors	18,35.40	9,82.18
Prepayments and Prepaid Expenses	13,92.58	14,64.90
Others	4,03.36	5,72.29
	46,03.84	**76,53.87**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 16 : ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Freehold Land and Building	9.60	9.60
Plant and Machinery (Refer Note (a) below)	1.63	1.63
Assets at Vemgal location (Refer Note (b) below)	-	180,00.61
	11.23	**180,11.84**

Notes:-

(a) The amount includes Plant and Machinery from Mysore and Bangalore site held for sale.

(b) Assets at Vemgal location held for sale during the previous year ended March 31, 2021 consequent to the binding sale agreement entered into by the Group .The Group has received all relevant statutory and other approvals during the year and transaction has been concluded in December 2021.

NOTE 17 : EQUITY SHARE CAPITAL

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Authorised		
18,00,00,000 (March 31, 2021: 18,00,00,000) equity shares of ₹10 each	180,00.00	180,00.00
Issued		
16,94,15,420 (March 31, 2021: 16,94,15,420) equity shares of ₹10 each	169,41.54	169,41.54
Subscribed and Paid-Up		
16,94,06,034* (March 31, 2021: 16,94,06,034) equity shares of ₹10 each, fully paid up	169,40.60	169,40.60
	169,40.60	**169,40.60**

* excludes 9,386 (March 31, 2021: 9,386) equity shares of ₹10 each of the Group (3,352 equity shares of ₹ 10 each of erstwhile Burroughs Wellcome (India) Limited) held in abeyance.

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
a) Reconciliation of the number of shares				
Balance at the beginning of the year	16,94,06,034	169,40.60	16,94,06,034	169,40.60
Balance at the end of the year	16,94,06,034	169,40.60	16,94,06,034	169,40.60

b) Rights, preferences and restrictions attached to equity shares:

The Group has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

c) Shares held by promoters of Group

Sr. No.	Promoter's Name	FY 2021-22		% change during the year
		No. of Shares	% of total shares	
(i)	Glaxo Group Limited, U.K.	6,09,70,500	35.99%	-
(ii)	Eskaylab Limited, U.K.	1,17,60,000	6.94%	-
(iii)	Burroughs Wellcome International Limited	67,20,000	3.97%	-
(iv)	GlaxoSmithKline Pte Limited, Singapore	4,76,04,024	28.10%	-

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

d) Shares held by subsidiaries of ultimate holding Group in aggregate

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	₹ in lakhs	Number of Shares	₹ in lakhs
Equity shares of ₹10 each (representing 75.00% of total shareholding)	12,70,54,524	127,05.46	12,70,54,524	127,05.46

e) Details of equity shares held by shareholders holding more than 5% shares of the aggregate shares in the Group:

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% Shareholding	Number of Shares	% Shareholding
Glaxo Group Limited, U.K.	6,09,70,500	35.99%	6,09,70,500	35.99%
GlaxoSmithKline Pte Limited, Singapore	4,76,04,024	28.10%	4,76,04,024	28.10%
Eskaylab Limited, U.K.	1,17,60,000	6.94%	1,17,60,000	6.94%
Life Insurance Corporation of India	76,95,698	4.54%	80,91,878	4.78%

NOTE 18 : OTHER EQUITY

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve	2,62.00	2,62.00
General reserve	778,50.29	778,50.29
Capital reserve (Refer Note 57)	(19,07.01)	(19,11.01)
Retained earnings (Including Other Comprehensive Income)	1731,49.70	546,84.11
	2493,54.98	**1308,85.39**

NOTE 19 : NON-CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Refer Note 48)	7,62.35	20,24.99
	7,62.35	**20,24.99**

NOTE 20 : NON-CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Security deposits received (Unsecured)	2,05.09	2,05.09
Other non-current financial liabilities	0.72	0.72
	2,05.81	**2,05.81**

NOTE 21 : NON-CURRENT PROVISIONS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
For Pricing matters (Refer Note 28 ,42 and 44)	123,96.15	123,96.15
For employee benefits (Refer Note 40)	-	-
Gratuity	17,68.11	16,98.96
Leave encashment and compensated absences	36,74.38	34,94.48
Post retirement medical and other benefits	61,78.92	62,85.22

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
For long term incentive plan (Refer Note 28 and 54)	4,14.14	2,85.61
For divestment / restructuring (Refer Note 28)	1,92.96	1,92.96
For others (Refer Note 28)	15,96.50	15,96.50
	262,21.16	**259,49.88**

NOTE 22 : CURRENT BORROWINGS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Current Maturity of Interest free deferred sales tax incentive	-	2.40
	-	**2.40**

Terms of repayment

Interest free deferred sales tax incentive as at March 31, 2022 of ₹ Nil lakhs (March 31, 2021: ₹ 2.40 lakhs) availed under the 1993 Sales Tax Deferment Scheme.

NOTE 23 : CURRENT FINANCIAL LIABILITIES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Lease liabilities (Refer Note 48)	12,45.30	14,35.27
	12,45.30	**14,35.27**

NOTE 24 : TRADE PAYABLES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (Refer Note 46)	7,92.72	5,26.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	562,62.15	460,86.05
	570,54.87	**466,12.99**

Trade Payables Ageing :-

(₹ in lakhs)

	Outstanding as at March 31, 2022						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	7,02.61	81.12	0.06	3.42	5.51	7,92.72
(ii) Others	190,10.12	263,83.16	97,78.18	10,01.46	89.23	-	562,62.15

(₹ in lakhs)

	Outstanding as at March 31, 2021						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	3,87.78	1,25.38	6.53	0.20	7.05	5,26.94
(ii) Others	142,94.23	197,82.46	114,99.36	1,81.88	1,73.85	1,54.27	460,86.05

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

NOTE 25 : CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Unclaimed dividends *	18,28.05	19,86.36
Salaries, wages, bonus and employee benefits payable	95,49.35	126,97.57
Creditors for capital goods	1,66.54	2,17.03
Rationalisation relating to a manufacturing site	1,30.28	1,30.28
Other Payables	16,76.35	21,56.59
	133,50.57	**171,87.83**

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

NOTE 26 : OTHER CURRENT LIABILITIES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Statutory dues including provident fund and tax deducted at source (Refer Note (a) below)	353,26.25	61,94.09
Advance from Customers	4,34.74	4,90.96
Advance received towards disposal of Vemgal Assets (Refer Note (b) below)	-	180,00.00
Other liabilities	12.92	17,00.00
	357,73.91	**263,85.05**

Note:-

a) Statutory dues includes ₹295,77.67 lakhs payable towards indirect tax liability on sale of brands and other identified assets.

b) During the previous year, the Group had received money as advance towards disposal of Vemgal Assets consequent to the signing of a binding agreement to sell. Actual transfer was concluded in the current year after obtaining all relevant statutory and other approvals / consents / permissions as required by law (Refer Note 16).

NOTE 27 : CURRENT PROVISIONS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
For employee benefits (Refer Note 40)		
Leave encashment and compensated absences	4,16.75	4,11.44
Post retirement medical and other benefits	3,41.99	3,36.01
For long term incentive plan (Refer Note 28 and 54)	5,81.58	10,18.81
For expected sales returns (Refer Note 28)	91,83.75	72,87.28
For others (Refer Note 28)	222,73.81	184,08.73
	327,97.88	**274,62.27**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

NOTE 28 : MOVEMENT IN PROVISIONS

(₹ in lakhs)

	Pricing matters Refer note (i)	Long term Incentive Plan Refer note (ii)	Divestment / Restructuring Refer note (i)	Expected Sales Returns Refer note (iii)	Associated cost to Impairment and cost to sell	Severance pay	Provision for Zinetac (Other costs) Refer note (iv)	Others Refer note (v)
Balance as at April 1, 2021	**123,96.15**	**13,04.42**	**1,92.96**	**72,87.28**	**16,41.00**	**19,38.39**	**7,05.00**	**157,20.84**
Add: Provision during the year	-	6,54.48	-	42,13.10	-	-	-	85,70.00
Less: Amounts utilised/reversed during the year	-	9,63.18	-	23,16.63	11,41.00	15,72.05	46.47	19,45.40
Balance as at March 31, 2022	**123,96.15**	**9,95.72**	**1,92.96**	**91,83.75**	**5,00.00**	**3,66.34**	**6,58.53**	**223,45.44**
Balance as at April 1, 2020	**123,96.15**	**10,06.07**	**1,92.96**	**52,33.04**	**64,10.87**	**31,51.74**	**18,91.00**	**116,11.96**
Add: Provision during the year	-	12,85.06	-	75,54.27	-	-	-	29,23.00
Add: Restated as per IND AS 103 (Refer Note 57)	-	-	-	-	-	-	-	20,44.65
Less: Amounts utilised/reversed during the year	-	9,86.71	-	55,00.03	47,69.87	12,13.35	11,86.00	8,58.77
Balance as at March 31, 2021	**123,96.15**	**13,04.42**	**1,92.96**	**72,87.28**	**16,41.00**	**19,38.39**	**7,05.00**	**157,20.84**

Notes:

(i) Pricing matters and Divestment/ Restructuring: Provision for pricing matters and Divestment/ Restructuring made for probable liabilities/ claims arising out of pending dispute, litigations/ commercial transactions with statutory authorities/ third parties. The outflow with regard to the said matters depends on the exhaustion of remedies available to the Group under the law and hence the Group is not able to reasonably ascertain the timing of the outflow. Also refer notes 42 and 44.

(ii) Long term incentive plan: Refer note 54.

(iii) Expected sales returns: This represents provision made for expected sales returns. Revenue is adjusted for the expected value of returns.

(iv) Provision for Zinetac (Other costs) : This represents provision for incidental costs and other related costs for the Zinetac inventory pending to be destroyed.

(v) Consists mainly of provisions in respect of indirect tax matters.

NOTE 29 : REVENUE FROM OPERATIONS

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
A.	**Sale of products**		
	Sale of products	3264,08.12	2895,74.53
		3264,08.12	**2895,74.53**
B.	**Other operating revenue**		
	Service income	12,70.67	20,42.25
	Manufacturing charges recovery	-	3,66.06
	Others	1,24.13	5,77.33
		13,94.80	**29,85.64**
Total Revenue from operations (A + B)		**3278,02.92**	**2925,60.17**
C.	**Revenue from contracts with customers disaggregated based on geography (Refer Note 52)**		
	Revenue from the Country of Domicile- India	3196,13.20	2910,96.87
	Revenue from foreign countries	81,89.72	14,63.30
		3278,02.92	**2925,60.17**
D.	**Reconciliation of gross revenue with revenue from contracts with customers**		
	Gross revenue	3584,38.56	3094,87.94
	Less:		
	Trade discounts, volume rebates, etc.	320,30.44	199,13.41
Net revenue recognised from contracts with customers		**3264,08.12**	**2895,74.53**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 30 : OTHER INCOME

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on:		
Deposits with banks	41,08.67	39,00.37
Income Tax Refund	26,83.54	71,28.52
Loans	3,31.81	16.04
Others	50.49	12.56
Gain on disposal of Property, Plant and Equipment (net)	32.37	-
Provision written back	0.67	-
Others	3,70.01	0.78
	75,77.56	**110,58.27**

NOTE 31 : COST OF MATERIALS CONSUMED

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Cost of materials consumed	611,17.68	471,78.46
	611,17.68	**471,78.46**
Purchase of stock in trade	729,44.10	823,09.06
	729,44.10	**823,09.06**

NOTE 32 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Opening stock		
Finished goods*	119,89.36	85,80.35
Stock-in-trade	313,38.13	280,02.46
Work-in-progress	1,30.12	30,72.62
	434,57.61	**396,55.43**
Less: Closing stock		
Finished goods*	145,85.33	119,89.36
Stock-in-trade	272,27.35	313,38.13
Work-in-progress	87.62	1,30.12
	419,00.30	**434,57.61**
	15,57.31	**(38,02.18)**

* Finished goods inventory has been adjusted to give effect of discontinued operations (Refer Note 55).

NOTE 33 : EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	559,17.25	563,60.56
Contributions to : Provident and pension funds (Refer Note 40)	23,14.96	24,51.01
Gratuity funds (Refer Note 40)	8,53.87	8,93.70
Staff welfare expense	19,37.05	19,10.74
	610,23.13	**616,16.01**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 34 : FINANCE COSTS

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
On Security deposits	25.91	34.99
Interest in respect of financial lease liability	1,73.70	3,18.15
	1,99.61	**3,53.14**

NOTE 35 : DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
On Property, Plant and Equipment* (Refer Note 3)	43,81.57	53,57.77
On Investment Properties (Refer Note 4)	14.38	14.38
On Other Intangible assets (Refer Note 5)	9,46.96	9,03.35
On Right to use Assets (Building) (Refer Note 48)	14,75.69	15,84.99
	68,18.60	**78,60.49**

* Depreciation has been adjusted to give effect for discontinued operations. (Refer Note 55).

NOTE 36 : OTHER EXPENSES

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Sales promotion	128,32.65	67,37.17
Stock point commission	20,94.98	19,87.26
Freight	50,94.92	37,48.93
Travelling	54,58.91	46,88.44
Loss on disposal of Property, Plant and Equipment (net)	-	5.88
Exchange loss (net)	5,13.56	-
Manufacturing charges	93,46.30	81,96.22
Repairs:		
Buildings	9,25.39	11,80.57
Plant and Machinery	12,76.75	13,71.55
	22,02.14	**25,52.12**
Consumption of stores and spares	4,65.55	3,10.36
Power, fuel and water	27,83.23	26,07.72
Rent	1,81.29	2,09.72
Rates and taxes	27,66.87	37,88.89
Printing, postage and telephones	11,52.82	9,27.57
Sales training, briefing and conference	4,46.62	91.92
Insurance	5,35.41	5,43.99
Remuneration to auditors :		
Statutory audit fees	1,12.00	1,00.00
In other capacity in respect of :	-	-
Tax audit fees	7.00	7.00
Other services	2.50	2.50
Reimbursement of expenses	-	1.24
	1,21.50	**1,10.74**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Cost audit fees	5.70	5.92
Corporate social responsibility (Refer Note 38)	5,25.50	7,09.56
Commission to non whole-time Directors	95.00	1,43.06
Directors' sitting fees	47.50	49.00
Legal and professional fees	35,96.56	11,72.13
Miscellaneous	47,05.89	68,58.12
	549,72.90	**454,44.72**

NOTE 37 : The recurring expenditure on research and development charged off to statement of profit and loss amounts to ₹ 1,82.85 lakhs (Previous Year: ₹ 1,80.72 lakhs).

NOTE 38 : EXPENSES TOWARDS CSR BY THE PARENT COMPANY

Expense towards activities relating to Corporate Social Responsibility in compliance with section 135 of the Companies Act, 2013 is as under:

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
a)	Amount required to be spent by the Parent Company during the year*	12,53.68	10,86.04
b)	Amount of expenditure incurred (net of inter-company elimination)	5,88.18	7,63.86
c)	Nature of CSR activities	Partnering India to eliminate lymphatic filariasis (LF) ; GSK Scholars – Enabling future healthcare professionals; Healthy School Environment - The right of every child.	Partnering India to eliminate lymphatic filariasis (LF) ; GSK Scholars – Enabling future healthcare professionals; Healthy School Environment - The right of every child.
d)	Details of related party transactions	6,65.55	3,23.43
e)	Where the provision is made with respect to a liability incurred by entering into a contractual obligation , the movement in provision	NA	NA
	*The above includes allocation of ₹ 62.68 lakhs (Previous Year ₹ 54.30 lakhs) towards Corporate Social Responsibility which are shown under Employee Benefits Expenses in note 33.		

NOTE 39 : EXCEPTIONAL ITEMS

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Profit on sale of property	31,40.01	1,84.09
Impairment of Assets (Refer Note (b) below)	-	(209,00.00)
Associated cost to Impairment (Refer Note (c) below)	1,70.10	-
Provision for product recall (Refer Note (a) below)	-	34,80.26
Impairment of Nashik Assets	(1,44.02)	-
Redundancy Costs (Refer Note (d) below)	(20,08.43)	(24.04)
	11,57.66	**(172,59.69)**

Notes:

a) The Ultimate Holding Company had been contacted by regulatory authorities in 2019 regarding the detection of genotoxic nitrosamine NDMA in ranitidine products. Based on the information received and correspondence with regulatory authorities, the Ultimate Holding Company had made the decision to suspend the release, distribution and supply of all dose forms of ranitidine hydrochloride products to all markets, including India, as a precautionary action.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

Consequently, the Parent Company had in prior years recognised provisions relating to estimates of loss on account of sales returns, stocks withdrawn and inventories held including incidental costs thereto and other related costs. During the previous year there has been reversal of these provisions of ₹34,80.26 Lakhs.

b) Following the decision to initiate a global voluntary recall (pharmacy/retail level) by the Ultimate Holding Company of ranitidine products including Zinetac in India , the Parent Company initiated a comprehensive strategic review of the impact of this recall on all related assets in India including the manufacturing site at Vemgal. After considering all the strategic options available, the Parent Company decided to proceed with the sale of the site and had classified the corresponding assets as held for sale for the previous year ended March 31, 2021. During the previous year the Parent Company entered into a binding agreement for the sale of these assets subject to necessary regulatory approvals. Consequently, the Parent Company had recognized an impairment of ₹ 249,45.00 lakhs to reflect the estimated realizable value of the assets and reversal of associated costs ₹ 19,22.00 lakhs and reversal of cost to sell of ₹ 21,23.00 lakhs. The sale of the site has been concluded in the current year after all necessary approvals in December 2021.

c) Post-transaction closing adjustments consequent to disposal of Asset held for sale at Vemgal.

d) Restructuring cost of manufacturing and commercial organisation.

NOTE 40 : EMPLOYEE BENEFIT OBLIGATIONS

The Group obtained actuarial reports as required by IND AS 19 (Employee Benefits) based on which disclosures have been made in the financial statement for the year ended March 31, 2022. The disclosures as required by the IND AS 19 are as below.

(i) Defined Contribution Plan

The Group's defined contribution plans are superannuation and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The obligation of the Group is limited to the amount contributed and it has no further contractual or constructive obligation.

(₹ in lakhs)

Charge to the Statement of Profit and Loss based on contributions:	Year ended March 31, 2022	Year ended March 31, 2021
Superannuation	2,54.18	3,26.02
National Pension Scheme	2,10.70	1,94.63
Employees' pension scheme	5,47.56	5,72.71

(ii) Defined Benefit Plan

Gratuity

The Group makes annual contributions to an income tax approved irrevocable trust gratuity fund to finance the plan liability, a funded defined benefit plan for qualifying employees. The scheme provides for payment as under:

i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service: As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

Post - Retirement medical benefit

The Group earmarks liability towards unfunded Post - Retirement medical benefit and provides for payment to vested employees. The benefits under the plan are in form of a medical benefit paid to employees post their employment with the Group.

Provident Fund

The liability of the Group on the exempt Provident Fund managed by the trustees is restricted to the interest shortfall if any.

Leave Encashment and compensated absences

The scheme is a non-contributory defined benefit arrangement providing benefits expressed in terms of a multiple of final monthly salary. The liability for leave encashment and compensated absences as at year end is ₹ 40,91.13 lakhs. (March 31, 2021: ₹ 39,05.92 lakhs).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

Based on the actuarial valuations obtained, the following table sets out the status of the gratuity plan, post retirement medical benefits and provident fund and the amounts recognised in the Group's Consolidated Financial Statements as at balance sheet date:

(₹ in lakhs)

		Year ended March 31, 2022			Year ended March 31, 2021		
		Gratuity	Post retirement medical and other benefits	Provident Fund	Gratuity	Post retirement medical and other benefits	Provident Fund
		(Funded plan)	(Non-funded plan)	(Funded plans)	(Funded plan)	(Non-funded plan)	(Funded plans)
(i)	**Change in Defined Benefit Obligation**						
	Opening defined benefit obligation	108,55.24	66,21.23	616,75.48	99,85.25	63,63.71	579,20.62
	Amount recognised in Statement of profit and loss/Capitalised						
	Current service cost	7,78.04	68.95	13,06.47	7,32.30	63.74	13,69.22
	Past service cost	-	-	-	-	-	-
	Interest cost	7,13.53	4,40.35	42,03.58	6,61.71	4,25.30	39,35.09
		14,91.57	**5,09.30**	**55,10.05**	**13,94.01**	**4,89.04**	**53,04.31**
	Amount recognised in other comprehensive income						
	Actuarial loss / (gain) arising from:						
	Financial assumptions	(51.10)	(1,13.87)	5,04.93	1,39.03	38.80	-
	Demographic assumptions	-	-	-	21.64	(4.87)	-
	Experience adjustment	5,13.53	(1,54.82)	(2,87.17)	53.66	76.68	7,62.92
		4,62.43	**(2,68.69)**	**2,17.76**	**2,14.33**	**1,10.61**	**7,62.92**
	Contributions by employee	-	-	39,22.56	-	-	35,59.71
	Liabilities assumed on acquisition/(settled on divestiture)	-	-	(9,53.87)	19.86	-	(5,32.60)
	Benefits paid	(23,77.38)	(3,40.93)	(57,82.83)	(7,58.21)	(3,42.13)	(53,39.48)
	Closing defined benefit obligation	**104,31.86**	**65,20.91**	**645,89.15**	**108,55.24**	**66,21.23**	**616,75.48**
(ii)	**Change in Fair Value of Assets**						
	Opening fair value of plan assets	91,56.28	-	616,75.48	75,62.98	-	579,20.62
	Amount recognised in the Statement of Profit and Loss/Capitalised	-	-	-	-	-	-
	Expected return on plan assets	6,37.70	-	42,03.58	5,00.31	-	39,35.09
	Amount recognised in other comprehensive income						
	Actuarial gain / (loss)	(52.85)	-	(2,87.17)	51.20	-	7,62.92
	Contributions by employer	13,00.00	-	13,06.47	18,00.00	-	13,69.22
	Contributions by employee	-	-	39,22.56	-	-	35,59.71
	Assets Acquired on acquisition/(settled on divestiture)	-	-	(9,53.87)	-	-	(5,32.60)
	Benefits paid	(23,77.38)	-	(57,82.83)	(7,58.21)	-	(53,39.48)
	Closing fair value of plan assets	**86,63.75**	**-**	**640,84.22**	**91,56.28**	**-**	**616,75.48**
	Actual return on Plan Assets	5,84.85	-	39,16.41	5,51.51	-	46,98.01
(iii)	**Amount recognised in the Statement of Profit and Loss**						
	Service Cost:						
	Current service cost	7,78.04	68.95	13,06.47	7,32.30	63.74	13,69.22
	Past service cost	-	-	-	-	-	-
	Net interest expense	75.83	4,40.35	-	1,61.40	4,25.30	-
	Less : Capitalised	-	-	(3.95)	-	-	-

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

		Year ended March 31, 2022			Year ended March 31, 2021		
		Gratuity	Post retirement medical and other benefits	Provident Fund	Gratuity	Post retirement medical and other benefits	Provident Fund
		(Funded plan)	(Non-funded plan)	(Funded plans)	(Funded plan)	(Non-funded plan)	(Funded plans)
	Less : Employee Cost adjusted against provision for Vemgal	-	-	-	-	-	(11.57)
	Components of defined benefit costs recognised in the Statement of Profit and Loss	**8,53.87**	**5,09.30**	**13,02.52**	**8,93.70**	**4,89.04**	**13,57.65**
(iv)	**Amount recognised in Other Comprehensive Income**						
	Remeasurement on the net defined benefit liability:						
	Return on plan assets (excluding amounts included in net interest expense)	(52.85)	-	(2,87.17)	51.20	-	7,62.92
	Actuarial gain / (loss) arising from changes in demographic assumptions	-	-	-	(21.64)	4.87	-
	Actuarial gain / (loss) arising from changes in financial assumptions	51.10	1,13.87	-	(1,39.03)	(38.80)	-
	Actuarial gain / (loss) arising from changes in experience adjustments	(5,13.53)	1,54.82	2,87.17	(53.66)	(76.68)	(7,62.92)
	Components of defined benefit costs recognised in Other Comprehensive Income	**(5,15.28)**	**2,68.69**	**-**	**(1,63.13)**	**(1,10.61)**	**-**
(v)	**Amount recognised in the Balance Sheet**						
	Present value of obligations as at year end	104,31.86	65,20.91	645,89.15	108,55.24	66,21.23	616,75.48
	Fair value of plan assets as at year end	86,63.75	-	645,89.15	91,56.28	-	616,75.48
	Net (asset) / liability recognised as at year end	**17,68.11**	**65,20.91**	**-**	**16,98.96**	**66,21.23**	**-**
(vi)	**The major categories of plan assets are as follows:**						
	Government of India Securities	3%		50%	3%		49%
	Other debt instruments	0%		31%	1%		34%
	Special Deposit Scheme	8%		8%	8%		9%
	Insurer managed funds	88%		0%	87%		0%
	Equity instruments	0%		6%	0%		0%
	Others	1%		5%	1%		8%
(vii)	**Principal actuarial assumptions used**						
	Discount rate (p.a.)	7.05%	7.05%	7.05%	6.90%	6.90%	6.90%
	Expected rate of return on plan assets (p.a.)	7.05%		8.79%	6.90%		9.20%
	Salary escalation rate	5.00% - 7.00%			5.00% - 7.00%		
	Annual increase in health care premiums (p.a.)		5.00%			5.00%	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(viii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Year ended March 31, 2022		Year ended March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement) - Gratuity	-4.55%	4.92%	-4.26%	4.60%
Future salary growth (0.5% movement) - Gratuity	4.34%	-4.15%	3.96%	-3.80%
Discount rate (0.5% movement) - Post retirement medical benefit	-5.51%	6.10%	-5.66%	6.28%
Medical inflation rate (1% movement)	11.89%	-9.82%	12.25%	-10.08%
Life expectancy +/- 1 year	2.86%	-2.95%	2.90%	-2.98%

The above sensitivity analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When one variable is changed, it affects others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

Expected contribution to post employment benefit plans for the year ended March 31, 2023 is ₹ 12,00.00 lakhs (March 31, 2022: ₹ 12,00.00 lakhs).

The weighted average duration of defined benefit obligation is 9.45 years (March 31, 2021: 8.85 years).

The expected maturity analysis of un-discounted Gratuity and Post employment medical benefits is as below:

(₹ in lakhs)

March 31, 2022	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Defined benefit obligations (Gratuity)	8,57.68	8,29.06	28,99.05	195,68.86	241,54.65
Post employment medical benefits	3,41.99	3,64.32	12,07.56	181,81.37	200,95.24
Total	**11,99.67**	**11,93.38**	**41,06.61**	**377,50.23**	**442,49.89**

(₹ in lakhs)

March 31, 2021	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Defined benefit obligations (Gratuity)	10,28.46	9,07.53	30,78.65	184,72.88	234,87.52
Post employment medical benefits	3,36.01	3,57.75	11,88.13	185,99.73	204,81.62
Total	**13,64.47**	**12,65.28**	**42,66.78**	**370,72.61**	**439,69.14**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 41 : CONTINGENT LIABILITIES

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
A. Contingent Liabilities not provided for:		
(i) Cheques discounted with banks	3,57.28	10,51.84
(ii) In respect of claims made against the Group not acknowledged as debts by the Group		
(a) Sales tax matters	27,80.59	58,40.76
(b) Excise and custom matters	8,01.21	8,75.87
(c) Service tax matters	1,29.20	1,29.20
(d) Labour matters	62,82.14	64,02.42
(e) Other legal matters (Refer Note 43)	26,87.29	25,47.72
	126,80.43	**157,95.97**
(iii) Income-tax matters in respect of which appeals are pending		
Tax on matters in dispute	222,40.00	320,56.83
(iv) Gurantee given to the Custom Authorities	2,00.00	2,00.00
Notes:		
Future cash outflows in respect of (i) above are dependant on the return of cheques by banks.		
Future cash outflows in respect of (ii) above are determinable on receipt of decisions / judgements pending with various forums / authorities, hence it is not practicable for the Group to estimate the timing of cash outflow, if any.		
The Group does not expect any reimbursement in respect of above contingent liabilities.		
B. Commitments		
(i) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	14,19.28	7,45.59
(Refer Note (a) below)		
(ii) Uncalled liability on partly paid shares:		
- in Hill Properties Limited (Refer Note (b) below)	0.04	0.04

Notes:

(a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for as at March 31, 2022 mainly comprises the miscellaneous capitalisations at site and as at March 31, 2021 includes investments in the capital assets at corporate office and sites.

(b) Future cash outflow is dependent on the call to be made by Hill Properties Limited.

NOTE 42 : PRICING MATTERS

The demand of ₹ 71,79.00 lakhs made by the Central Government on the Parent Company in respect of Betamethasone bulk drugs and formulations made therefrom during the period May 1981 to August 1987 has been under litigation for a period spanning over 30 years. Pursuant to the special leave petition of the Central Government in the Supreme Court of India against the Delhi High Court's Judgment and Order dated October 19, 2001 which was held in favour of the Group, the Supreme Court has, vide its Judgement and Order dated March 31, 2011, upheld the demand. The Parent Company had accrued a liability of ₹118,68.00 lakhs in earlier years and a further provision of ₹ 53,11.00 lakhs was accrued in 2011.

Based on legal advice, the Parent Comapny has filed an application in the Supreme Court seeking, inter alia, clarifications on some aspects of the Judgement and directions for recomputation of the demand. Simultaneously, the Parent Company without prejudice to and subject to the outcome of the application filed in the Supreme Court, has tendered as a further deposit, an amount of ₹ 63,60.00 lakhs, which together with the amount of ₹ 8,19.00 lakhs previously deposited with the Government, aggregates the demand of ₹ 71,79.00 lakhs made by the Government in November 1990. The Parent Company filed a review petition in the Supreme Court which was rejected in March 2012.

In October 1996, the Government had claimed interest of ₹ 1117,66.00 lakhs for the period May 12, 1981 to October 17, 1996, for which no provision was made in earlier years. The Government had vide letter dated May 4, 2011 called upon the Parent Company to discharge the entire liability, including upto date interest calculated at 15% p.a., and had vide letter dated October 10, 2011, raised a demand on the Parent Company for the interest amount amounting to ₹ 247,44.00 lakhs. Without prejudice to the position

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

that interest is not payable, the Parent Company had recognized a provision of ₹ 247,44.00 lakhs in respect of the Government's claim for interest in 2011. The Parent Company had filed a writ petition at Delhi High Court against the above demand which had been admitted. The Parent Company also filed stay applications which were dismissed and the Parent Company had filed a Special Leave Petition (SLP) before the Supreme Court for stay of the interest demand until final determination of the writ petition filed in the Delhi High Court. The Supreme Court on hearing the above SLP, passed an order on April 3, 2012. The said order stayed the Demand Notice dated October 10, 2011 during the pendency of the writ petition at the Delhi High Court subject to the Parent Company depositing ₹ 136,82.00 lakhs in three equal installments within six month's time from the date of order. All three instalments have been deposited with the Government. The Supreme Court, vide its order dated October 5, 2012, directed the Delhi High Court to dispose of the writ petition as expeditiously as possible. The Parent Company's counsel has been routinely appearing in the matter and urging the Delhi High Court to hear the matter expeditiously considering it as final hearing stage and has been pending for a long time. The counsel has also cited the significant sums involved; however, the Court is not inclined to take this matter out of turn. Next hearing date is July 26, 2022.

NOTE 43 : MATTERS IN RESPECT OF ERSTWHILE BURROUGHS WELLCOME (INDIA) LIMITED (BWIL):

(i) The Government of India, Ministry of Chemicals and Fertilisers, New Delhi, passed a final order on July 21, 1993, directing erstwhile BWIL to pay an amount of ₹ 1,91.15 lakhs along with interest due thereon from the date of default into the Drugs Prices Equalisation Account (DPEA) in respect of a bulk drug procured by erstwhile BWIL during the period April 1981 to April 1983.

Erstwhile BWIL filed a writ petition in August 1993 which was admitted by the Bombay High Court. After hearing both the parties, the High Court granted an interim injunction restraining the Government of India from taking any action in furtherance of and/or implementation of the order dated July 21, 1993 or from in any manner seeking to compel erstwhile BWIL to deposit any amount into the DPEA, pending the hearing and final disposal of the petition on the condition that erstwhile BWIL furnishes a bank guarantee for ₹ 2,00.00 lakhs from a nationalised bank and undertakes to pay the amount demanded with interest at the rate of 20% per annum in case the petition fails.

Erstwhile BWIL had accordingly furnished the required bank guarantee. If calculated on the basis of correct data, taking into account set offs claimable for earlier years for which data has been provided by erstwhile BWIL, no amount will be payable by Company and accordingly no provision in that respect is considered necessary. The Company's stand that the demand is not sustainable has been confirmed by an eminent counsel. The Government of India's application in the Supreme Court praying that the writ petition be transferred to the the Supreme Court from the Bombay High Court was not allowed and the Company's writ petition will now be heard by the Bombay High Court.

(ii) Erstwhile BWIL had made an application to the Government of India for approval under Section 198(4) of the Companies Act, 1956, in respect of payment to the Managing Director and three whole time Directors amounting to ₹ 10.93 lakhs for the year ended August 31, 1986, which was in accordance with the minimum remuneration provided in the agreements entered into with them prior to erstwhile BWIL becoming public, which required such Government of India's sanction. The approval is still awaited.

NOTE 44 : DRUGS PRICE EQUALIZATION-BIDDLE SAWYER

Biddle Sawyer Limited (BSL) received a letter dated 20th/24th August, 1998 from the Central Government demanding an amount of ₹ 4,40.80 lakhs comprising ₹ 1,42.74 lakhs in respect of prices relating to Salbutamol formulations during the period April, 1979 to December, 1983 with interest thereon amounting to ₹ 2,98.06 lakhs upto 31st July, 1998. BSL had been legally advised that the demand of ₹, 1,42.74 lakhs is not sustainable and it, therefore follows that the interest demand also cannot be sustained. The total demand has been challenged by the BSL in a Writ Petition filed in the Bombay High Court. The Bombay High Court has granted an interim stay of the demand, subject to the BSL depositing 50% of the principal amount. Accordingly, the BSL has deposited an amount of ₹ 71.50 lakhs with the Government on 3rd May, 1999. This is a normal interim order passed by the High court in such matters and does not in any way reflect upon the merits or otherwise of the case. The amount will be refunded if BSL succeeds at the final hearing of the matter. The Government's application in the Supreme Court praying that this writ petition be transferred to the Supreme Court from the Bombay High Court was not allowed and the BSL's writ petition will now be heard by the Bombay High Court.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 45 : MATTERS IN RESPECT OF ERSTWHILE SMITHKLINE BEECHAM (INDIA) LIMITED:

(i) ₹ 1,44.44 lakhs received from Beckman Instruments International S.A. on account of disputed alleged additional commission has been included under non-current provisions and Income tax paid thereon aggregating ₹ 64.77 lakhs has been included under other non-current assets. The Company is contesting the matter with the concerned authorities.

(ii) Refund of surtax ₹ 96.81 lakhs, and interest thereon amounting to ₹ 48.52 lakhs, received during 1994, have not been adjusted against the provision for tax in the books of accounts and recognised as income respectively, since the Income tax department had filed a reference application against the income tax tribunal's order which was pending before the High Court of Karnataka. The Company has received an order dated April 18, 2007 from the High Court of Karnataka which is partially in the Company favour. On the basis of the aforesaid order, Income Tax Appellate Tribunal (ITAT), Bangalore will pass an order giving directions. On receipt of the ITAT order, the Company will take appropriate steps in the matter.

NOTE 46 : DISCLOSURES AS REQUIRED BY MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE AS UNDER:

(₹ in lakhs)

			As at March 31, 2022	As at March 31, 2021
(a)	The principal amount and the interest due thereon remaining unpaid to suppliers			
	(i)	Principal	7,36.88	4,64.80
	(ii)	Interest due thereon	55.84	62.14
			7,92.72	**5,26.94**
(b)	(i)	The delayed payments of principal amount paid beyond the appointed date during the entire accounting year	30,19.22	31,87.11
	(ii)	Interest actually paid under Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(c)	(i)	Normal Interest accrued during the year, for all the delayed payments, as per the agreed terms	-	-
	(ii)	Normal Interest payable for the period of delay in making payment, as per the agreed terms	-	-
(d)	(i)	Total Interest accrued during the year	-	0.84
	(ii)	Total Interest accrued during the year and remaining unpaid	-	0.84
The above information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.				

NOTE 47 : TAX EXPENSE

(a) Amounts recognised in the Statement of Profit and Loss

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Current tax (for continuing and discontinued operations)		
Current tax on profits for the year	613,97.09	184,30.17
Current tax on account of earlier years	187,93.59	-
Total current tax expense	**801,90.68**	**184,30.17**
Deferred tax (for continuing and discontinued operations)		
In respect of current year	(9,40.14)	8,04.93
Adjustment to deferred tax attributable to change in income tax rate	-	-
Total Deferred tax (benefit) / expense	**(9,40.14)**	**8,04.93**
Total tax expense	**792,50.54**	**192,35.10**
Total tax expense attributable to :-		
from continuing operations	398,27.92	166,72.16
from discontinued operations	394,22.62	25,62.94
Total tax expense	**792,50.54**	**192,35.10**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(b) Amounts recognised in Other Comprehensive Income (OCI)

(₹ in lakhs)

	Year ended March 31, 2022			Year ended March 31, 2021		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to the Statement of Profit and Loss						
Remeasurements of the defined benefit plans	(2,46.59)	62.06	(1,84.53)	(2,73.74)	68.90	(2,04.84)
	(2,46.59)	**62.06**	**(1,84.53)**	**(2,73.74)**	**68.90**	**(2,04.84)**

(c) Reconciliation of effective tax rate

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Profit before tax from continuing and discontinued operations	**2487,22.47**	**550,49.83**
Tax using the Group's domestic tax rate at 25.168% on Normal Profit	215,19.02	138,08.61
Tax using the Group's domestic tax rate in terms of Long Term Capital Gain at 22.88%	380,98.99	42.12
Total Tax	**596,18.01**	**138,50.73**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	3,15.61	2,59.98
Impairment of assets	36.25	52,60.11
Physician Samples disallowed and added back in the computation	3,46.82	-
Payment to Doctors (HCP Payment estimated Basis)	1,25.84	-
Actual utilisation of Vemgal related cost	-	(1,77.00)
Other items	14.42	41.28
Tax effect on account of earlier years:		
Current tax on account of earlier years (refer note (a) below)	187,93.59	-
Total tax Expense	**792,50.54**	**192,35.10**

Consequent to the reconciliation items shown above, the effective tax rate is 31.88% (Financial Year 2020-21: 34.96%).

a) Tax provision in respect of earlier years includes provisions (including interest) amounting to ₹ 202,00.00 lakhs towards possible disallowances of expenses incurred in prior years towards certain promotional spends which are under litigation with the authorities.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(d) Movement in deferred tax balances

(₹ in lakhs)

	Balance as at April 1, 2021	Recognised in the Statement of Profit and Loss	Recognised in OCI	Balance as at March 31, 2022
Deferred tax asset				
Provision for Employee Benefits	27,93.94	88.99	62.06	29,44.99
Voluntary retirement schemes	2,82.68	6,22.78	-	9,05.46
Allowance for doubtful debts	5,74.30	4.07	-	5,78.37
Interest on income tax refund not accounted but considered as taxable under the Income Tax Act,1961	16,30.54	-	-	16,30.54
Expenses allowable for tax purpose when paid	65,88.23	5,55.79	-	71,44.02
Total Deferred tax asset	**118,69.69**	**12,71.63**	**62.06**	**132,03.38**
Deferred tax liabilities				
Fiscal allowance on Property, Plant and Equipment and Other Intangible assets	(15,57.08)	(3,31.49)	-	(18,88.57)
Deferred tax asset (net)	**103,12.61**	**9,40.14**	**62.06**	**113,14.81**

(₹ in lakhs)

	Balance as at April 1, 2020	Recognised in the Statement of Profit and Loss	Recognised in OCI	Balance as at March 31, 2021
Deferred tax asset				
Provision for Employee Benefits	25,97.91	1,27.13	68.90	27,93.94
Voluntary retirement schemes	3,81.89	(99.21)	-	2,82.68
Allowance for doubtful debts	5,22.44	51.86	-	5,74.30
Interest on income tax refund not accounted but considered as taxable under the Income Tax Act,1961	16,30.54	-	-	16,30.54
Expenses allowable for tax purpose when paid	76,39.66	(10,51.43)	-	65,88.23
Total Deferred tax asset	**127,72.44**	**(9,71.65)**	**68.90**	**118,69.69**
Deferred tax liabilities				
Fiscal allowance on Property, Plant and Equipment and Other Intangible assets	(17,23.80)	1,66.72	-	(15,57.08)
Deferred tax asset (net)	**110,48.64**	**(8,04.93)**	**68.90**	**103,12.61**

(e) The details of Income Tax assets and income tax liabilities as at March 31, 2022 and March 31, 2021

(₹ in lakhs)

	As at	
	March 31, 2022	March 31, 2021
Current Tax Assets (Net)	197,60.40	346,50.01
Current Tax Liabilities (Net)	296,20.35	163,72.26
Net current income tax asset/(liability) at the end	**(98,59.95)**	**182,77.75**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

The gross movement in the current tax asset/(liability) for the year ended March 31, 2022 and March 31, 2021 is as follows:

(₹ in lakhs)

	As at	
	March 31, 2022	**March 31, 2021**
Net current income tax asset/(liability) at the beginning	182,77.75	148,42.03
Income tax Paid	620,36.28	229,66.96
Refund received during the year	(99,83.36)	(11,01.07)
Current Income Tax Expense	(613,97.09)	(184,30.17)
Tax Adjustment of earlier years	(187,93.53)	-
Net current income tax asset/(liability) at the end	**(98,59.95)**	**182,77.75**

(f) Unused tax losses on which no deferred tax asset has been recognised

(₹ in lakhs)

Nature of Loss	As at March 31, 2022		As at March 31, 2021	
	Base Amount	Expiry date	Base Amount	Expiry date
Capital Loss	894,42.25	FY 2029-30	-	-

NOTE 48 : LEASES

Future contractual charges on leases:

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

(₹ in lakhs)

0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	Above 5 years
11,89.98	5,16.96	2,34.32	66.39	-	-

Right of use asset

(₹ in lakhs)

	Buildings
Balance as on April 1, 2021	31,26.43
Additions	1,06.74
Less: Depreciation	(14,75.69)
Balance as on March 31, 2022	**17,57.48**

Other financial lease liabilities

(₹ in lakhs)

	Buildings
Lease liabilities recognised as at April 1, 2021	**34,60.26**
Additions	1,02.75
Add: Interest accrued during the period	1,73.70
Less: Payments	(17,29.06)
Lease liabilities recognised as at March 31, 2022	**20,07.65**
Current lease liabilities	12,45.30
Non current lease liabilities	7,62.35

Borrowing rate - discounting rate used by the Group

The lessee's weighted average incremental borrowing rate applied to the lease liabilities was 4.23% to 7.59%.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 49 : EARNINGS PER SHARE

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
Profit after tax from continuing operations	₹ in lakhs	380,76.89	287,26.89
Profit after tax from discontinued operations	₹ in lakhs	1313,95.04	70,87.84
Profit after tax from continuing and discontinued operations	₹ in lakhs	**1694,71.93**	**358,14.73**
Weighted average number of shares	Nos.	16,94,06,034	16,94,06,034
Earnings per share before Exceptional items from continuing operations (Basic and Diluted) (Refer Note (a) below)	₹	21.73	27.17
Earnings per share after Exceptional items from continuing operations (Basic and Diluted)	₹	22.48	16.96
Earnings per share from discontinued operations (Basic and Diluted)	₹	77.56	4.18
Earnings per share before Exceptional items from continuing and discontinued operations (Basic and Diluted) (Refer Note (b) below)	₹	99.29	31.35
Earnings per share after Exceptional items from continuing and discontinued operations (Basic and Diluted)	₹	100.04	21.14
Face value per share	₹	10	10

(a) Earning per share before exceptional items from continuing operations is impacted by tax adjustment for earlier years. Excluding the impact of the same Earning per share for March 31, 2022 is ₹ 32.83.

(b) Earning per share is impacted by profit on Sale of Brands and other identified assets and tax adjustment for earlier years. Adjusting for these impacts, the Earning per Share from continuing and discontinued operations for March 31, 2022 is ₹35.93.

NOTE 50 : FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels presented below.

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost		
Security Deposits	6,94.06	8,06.08
Margin money/ Deposit against bank guarantee	4,10.78	4,01.47
Term deposit with maturity period of more than twelve months	1.45	1.45
Loans to related parties	190,00.00	-
Trade receivables	205,23.89	215,60.46
Cash and cash equivalents	286,18.71	405,18.92
Bank balances other than Cash and cash equivalents	2198,32.07	752,77.48
Interest accrued on deposits with bank	7,63.71	7,50.83
Receivable from group companies	63,89.36	17,89.12
Advances recoverable	31.65	31.65
Total financial assets	**2962,65.68**	**1411,37.46**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial assets at Fair value through profit and loss		
Current Investments	365,59.23	-
	365,59.23	**-**
Financial liabilities at amortised cost		
Borrowings	-	2.40
Other financial lease liabilities	20,07.65	34,60.26
Security deposits received	2,05.81	2,05.81
Payable to employees	95,49.35	126,97.57
Unclaimed dividends	18,28.05	19,86.36
Trade payables	570,54.87	466,12.99
Creditors for capital goods	1,66.54	2,17.03
Rationalisation relating to a manufacturing site	1,30.28	1,30.28
Other Payables	16,76.35	21,56.59
Total financial liabilities	**726,18.90**	**674,69.29**

B. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the Consolidated Financial Statements.

(a) Financial instruments that are recognised and measured at fair value

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 : It includes financial instruments measured using quoted prices.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

(a) Fair value of financial assets measured at Fair value through Profit and loss

(₹ in lakhs)

Financial assets measured at Fair value	Fair value hierarchy	Fair value as at		Valuation technique(s) and key input(s)
		As at March 31, 2022	As at March 31, 2021	
Financial assets				
Investments				
Mutual fund investments	Level -1	365,59.23	-	Net asset value published by Mutual Fund
Total financial assets		**365,59.23**	**-**	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(b) Fair value of financial assets and liabilities measured at amortised cost

(₹ in lakhs)

	As at March 31, 2022	As at March 31, 2021
Financial assets		
Security Deposits		
Carrying value	6,94.06	8,06.08
Fair value	6,94.06	8,06.08
Margin money/ Deposit against bank guarantee		
Carrying value	4,10.78	4,01.47
Fair value	4,10.78	4,01.47
Term Deposits more than twelve months		
Carrying value	1.45	1.45
Fair value	1.45	1.45
Loan to Related Parties		
Carrying value	190,00.00	-
Fair value	190,00.00	-
Financial liabilities		
Borrowings		
Carrying value	-	2.40
Fair value	-	2.40
Other financial lease liabilities		
Carrying value	20,07.65	34,60.26
Fair value	20,07.65	34,60.26
Security deposits received		
Carrying value	2,05.81	2,05.81
Fair value	2,05.81	2,05.81

The impact of fair valuation of the above Financial assets and liabilities is considered to be insignificant and hence carrying value and the fair value is considered to be same.

The carrying amounts of Trade receivables, Cash and cash equivalents, Bank balances other than Cash and cash equivalents, Interest accrued on deposits with bank, Receivable from group companies, Advances recoverable, Payable to employees, Unclaimed Dividends, Trade payables, Creditors for capital goods, Rationalisation relating to a manufacturing site and Other Payables are considered to be the same as their fair values due to their short term nature.

C. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

GlaxoSmithKline's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Trade and other receivables

The Group's trade receivables are largely from sales made to wholesale customers and direct sales to hospitals with a smaller proportion of sales to Indian Government Institutions. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer, demographics of the customer and the default risk of the industry.

The Group manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Exposures to customers outstanding at the end of each reporting period are reviewed to determine incurred and expected credit losses and the Group establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade receivables. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators have undergone change, it has not affected the customers of the Group substantially, hence the Group expects the historical trend of minimal credit losses to continue. The impairment loss as at March 31, 2022 relates to customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

In case of receivables from wholesale customers and hospitals, the Group has followed a provision approach consistent with expected credit loss approach as per IndAS 109.

Summary of the Group's ageing of outstanding from various customers and impairment for expected Credit Loss is as follows:

(₹ in lakhs)

As at March 31, 2022	Gross Carrying amount	Expected Credit Losses	Carrying amount of trade receivables (net of Expected Credit loss)
Not due	191,81.13	6.39	191,74.74
Past due 0-180 days	8,00.25	45.15	7,55.10
Past due 181-365 days	1,82.56	93.85	88.71
Past due 366-730 days	1,11.67	11.88	99.79
Past due 731-1095 days	4,69.21	2,51.44	2,17.77
Past due more than 3 years	18,02.31	16,14.53	1,87.78
Total	**225,47.13**	**20,23.24**	**205,23.89**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(₹ in lakhs)

As at March 31, 2021	Gross Carrying amount	Expected Credit Losses	Carrying amount of trade receivables (net of Expected Credit loss)
Not due	142,11.27	5.01	142,06.26
Past due 0-180 days	68,65.75	61.26	68,04.49
Past due 181-365 days	96.79	31.93	64.86
Past due 366-730 days	5,97.67	1,56.96	4,40.71
Past due 731-1095 days	1,95.43	1,51.29	44.14
Past due more than 3 years	16,00.62	16,00.62	-
Total	**235,67.53**	**20,07.07**	**215,60.46**

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group has no outstanding bank borrowings. The Group believes that the working capital is sufficient to meet its current requirements. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, are retained as Cash and Investment in short term deposits with banks and mutual funds. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

As of March 31, 2022, the Group had working capital of ₹ 2009,60.35 lakhs, including cash and cash equivalents of ₹ 286,18.71 lakhs, investments in term deposits (i.e., bank certificates of deposit having original maturities of more than 3 months but less than 12 months) of ₹ 2179,10.00 lakhs and Current investments of ₹ 365,59.23 lakhs.

As of March 31, 2021, the Group had working capital of ₹ 84805.91 lakhs, including cash and cash equivalents of ₹ 405,18.92 lakhs and investments in term deposits (i.e., bank certificates of deposit having original maturities of more than 3 months but less than 12 months) of ₹ 732,00.00 lakhs.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakhs)

As at March 31, 2022	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables and other payables	685,77.39	685,77.39	674,77.71	10,01.52	98.16	-
Unclaimed dividends	18,28.05	18,28.05	18,28.05	-	-	-
Security deposits received	2,05.81	2,05.81	-	-	2,05.81	-

Refer note 48 for remaining contractual maturities of financial lease liabilities at the reporting date

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(₹ in lakhs)

As at March 31, 2021	Carrying amount	Contractual cash flows				
		Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings	2.40	2.40	2.40	-	-	-
Trade Payables and other payables	618,14.46	618,14.46	612,90.68	1,88.41	3,35.37	-
Unclaimed dividends	19,86.36	19,86.36	19,86.36	-	-	-
Security deposits received	2,05.81	2,05.81	-	-	2,05.81	-

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables. The Group is exposed to market risk primarily related to foreign exchange rate risk and risk on its investments. However since the investments are in overnight and liquid funds the risk is negligible.

Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

The Group is exposed to currency risk on account of its receivables and payables in foreign currency. The functional currency of the Group is Indian Rupee. The Group has exposure to GBP, USD, EUR and other currencies. The Group has not hedged this foreign currency exposure and strives to achieve asset liability offset of foreign currency exposure.

Exposure to currency risk

The Group's exposure to foreign currency risk at the end of the reporting period is as follows:

(₹ in lakhs)

	As at March 31, 2022				As at March 31, 2021			
	GBP	USD	EUR	Others	GBP	USD	EUR	Others
Current Financial assets	58,80.52	-	3.27	-	4,45.84	-	4.31	-
Trade payables	(16,60.68)	(80,47.08)	(2,21.53)	-	(24,01.30)	(97,22.69)	(6,21.51)	(93.11)
Capital Creditors	-	(6.03)	(2.71)	-	-	(6.03)	-	-
Net statement of financial position exposure	**42,19.84**	**(80,53.11)**	**(2,20.97)**	**-**	**(19,55.46)**	**(97,28.72)**	**(6,17.20)**	**(93.11)**

Sensitivity analysis

A reasonably possible strengthening / weakening of the respective foreign currencies with respect to functional currency of Group would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

Effect in ₹ Lakhs	Strengthening / Weakening %	(Profit) or loss		Equity	
		Strengthening	Weakening	Strengthening	Weakening
As at March 31, 2022					
GBP	5%	2,10.99	(2,10.99)	-	-
USD	5%	(4,02.66)	4,02.66	-	-
EUR	5%	(11.05)	11.05	-	-
Other currencies	5%	-	-	-	-

Effect in ₹ Lakhs	Strengthening / Weakening %	(Profit) or loss		Equity	
		Strengthening	Weakening	Strengthening	Weakening
As at March 31, 2021					
GBP	5%	(97.77)	97.77	-	-
USD	5%	(4,86.44)	4,86.44	-	-
EUR	5%	(30.86)	30.86	-	-
Other currencies	5%	(4.66)	4.66	-	-

(Note: The impact is indicated on the profit/loss before tax basis)

NOTE 51 : CAPITAL MANAGEMENT

(a) Risk Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group has adequate cash and bank balances and no interest bearing liabilities.The Group monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any interest bearing debt, the maintenance of debt equity ratio etc. may not be of any relevance to the Group.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

(b) Dividend distribution and proposed dividend

(₹ in lakhs)

		As at March 31, 2022	As at March 31, 2021
(i)	Equity shares		
	Final dividend for the year ended March 31, 2021 of ₹ 30 (March 31, 2020: ₹ 40) per fully paid share	508,21.81	677,62.41
(ii)	Dividends not recognised at the end of the reporting period		
	In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 90 per fully paid equity share (including special dividend of ₹ 60 per equity share)(March 31, 2021: ₹ 30 per fully paid equity share). The proposed dividend for the year ended March 31, 2022 is subject to the approval of shareholders in the ensuing annual general meeting.	152,473.88	508,24.63

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 52 : SEGMENT REPORTING

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Group has identified the Chief Operating Decision Maker as its Managing Director. The Chief Operating Decision Maker reviews performance of pharmaceutical business on an overall basis. As the Group has a single reportable segment, the segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. In compliance to the said standard, Entity-Wide disclosures are as under :

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Revenues from external customers attributed to the country of domicile and attributed to all foreign countries from which the Group derives revenues		
Revenue from the Country of Domicile- India	3196,13.20	2910,96.87
Revenue from foreign countries	81,89.72	14,63.30
Total	**3278,02.92**	**2925,60.17**

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Details of non current asset		
Non Current asset from the Country of Domicile- India	611,03.45	796,79.15
Non Current asset from foreign countries	-	-
Total	**611,03.45**	**796,79.15**

Information about major customers

The Group did not have any external revenue from a particular customer which exceeded 10% of total revenue.

NOTE 53 : RELATED PARTY DISCLOSURES

Related party disclosures, as required by IND AS 24, "Related Party Disclosures", notified under Section 133 of the Companies Act, 2013 are given below:

1 Relationships (during the year):

(i) Shareholders (the GlaxoSmithKline (GSK) Group shareholding) in the Group :

Glaxo Group Limited, U.K.

GlaxoSmithKline Pte Limited, Singapore

Eskaylab Limited, U.K.

Burroughs Wellcome International Limited, U.K.

Holding Group / ultimate holding Group of the above shareholders

GlaxoSmithKline Plc, U.K. *

GlaxoSmithKline Finance Plc, U.K.*

Setfirst Ltd, U.K. *

SmithKline Beecham Limited, U.K.

Wellcome Limited, U.K.*

The Wellcome Foundation Limited, U.K.*

Wellcome Consumer Healthcare Limited, U.K.*

* no transactions during the year

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(ii) Other related parties in the GlaxoSmithKline (GSK) Group where common control exists and with whom the Group had transactions during the year:

GlaxoSmithKline Asia Private Limited, India

GlaxoSmithKline Biologicals S.A., Belgium

GlaxoSmithKline Pharmaceuticals S.A., Belgium*

GlaxoSmithKline Services Unlimited, U.K.

Glaxo Operations UK Limited, U.K.

GlaxoSmithKline Pharmaceutical Sdn Bhd, Malaysia*

GlaxoSmithKline Export Limited, U.K.

SmithKline Beecham Pharmaceuticals , U.S.A.*

GlaxoSmithKline Research & Development Ltd, U.K.

GlaxoSmithKline LLC, U.S.A.

GlaxoSmithKline Trading Services Limited, Ireland

GlaxoSmithKline South Africa (Pty) Ltd. South Africa*

GlaxoSmithkline Pharma India Pvt Ltd.

GSK India Global Services Private Limited

GlaxoSmithKline Pharmaceutical Ltd., Sri Lanka

US GMS Financial Services, U.S.A.*

GlaxoSmithKline (Thailand) Ltd.

GSK Consumer Healthcare (UK) Trading Limited

GSK Consumer Healthcare Pte Ltd., Singapore

PT Smithkline Beecham Pharmaceuticals Ltd., Indonesia

PT Glaxo Wellcome Indonesia

* no transactions during the year

(iii) Directors and members of GSK India Leadership Team :

Directors:	GSK India Leadership Team:
Mr. J. Chandy # (w.e.f. April 1, 2022)	Mr. A. Nadkarni
Ms. P. Thakur # (upto March 31, 2022)	Mr. R. D'souza
Mr. S. Venkatesh # (w.e.f. April 1, 2020)	Mr. S. Dheri
Mr. M. Dawson (w.e.f. Janaury 28, 2021)	Ms. S. Choudhary
Ms. S. Maheshwari (w.e.f. May 18, 2020)	Ms. P. Hingorani
Mr. N. Kaviratne	Dr. R. Hegde (w.e.f. September 02, 2021)
Mr. P. Bhide	Mr. R. Manchanda (w.e.f. May 18, 2021)
Ms. R. S. Karnad	Mr. S. Mitra (w.e.f. April 01, 2021)
Mr. A. N. Roy	Mr. B. Kotak (upto June 30, 2021)
Mr. D. Sundaram	Mr. A. Iyer (upto March 31, 2021)
Mr. S. Williams	Mr. S. Balasubramanian

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

Directors:	GSK India Leadership Team:
Mr. R. Krishnaswamy # (upto January 27, 2021)	Mr. A. Kashyap (w.e.f May 28, 2020)
	Mr. A. Pandey (w.e.f February 01, 2022)
	Mr. B. Akshikar (w.e.f December 1, 2020)
	Mr. C. Sharma (w.e.f December 1, 2020)
	Mr. N. Hindia (w.e.f January 4, 2021 upto February 28, 2022)
	Ms. M. Priyam (upto August 31, 2020)
	Ms. D. Jakate (upto January 31, 2021)
	Ms. S. Zota (w.e.f March 23, 2020 upto December 31, 2020)
	Ms. S. Ghosh(w.e.f August 25, 2020 upto December 1, 2020)

Also member of GSK India Leadership Team

2 The following transactions were carried out with the related parties in the ordinary course of business:

(i) Dividend paid to parties referred to in item 1(i) above:

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Glaxo Group Limited, U.K.	164,62.04	219,49.38
GlaxoSmithKline Pte Limited, Singapore	128,53.09	171,37.45
Eskaylab Limited, U.K.	31,75.20	42,33.60
Burroughs Wellcome International Limited, U.K.	18,14.40	24,19.20

(ii) Details relating to parties referred to in items 1(i) and 1(ii) above:

(₹ in lakhs)

		Holding Group/ultimate holding Group 1(i)		Other companies in the GSK Group 1(ii)	
		Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
1	Purchase of materials/traded goods	-	-	432,62.26	629,73.24
2	Sale of materials/sale of products (Refer Note 55)	-	-	74,65.64	9,95.96
3	Purchase of Vaccines business (Refer Note 57)	-	-	1,66.00	-
4	Purchase of license	-	-	8,99.82	-
5	Sale of brands and other identified assets (Refer Note 55)	-	-	1639,84.36	-
6	Expenses recharged to other companies	-	-	15,95.30	17,62.76
7	Expenses recharged by other companies	7.50	49.56	144,43.40	96,35.07
8	Manufacturing charges recovered	-	-	-	4,31.95
9	Clinical research and data management recoveries	-	-	6,20.36	9,36.45
10	Interest income on loan given	-	-	3,19.58	-
11	Loans given	-	-	190,00.00	-
12	Liabilities written back	-	-	-	77.24
13	Employee benefit liabilities transferred to a related party	-	-	-	19.86
14	Loan receivable from related party	-	-	190,00.00	-
15	Outstanding receivables at the period end	-	-	54,82.96	17,74.40
16	Outstanding payables at the period end	-	46.17	116,65.46	118,94.44
17	Cross charges recoverable at the period end	-	-	8,50.00	4.82

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(iii) Disclosure in respect of material transactions with parties referred to in item 1(i) and 1(ii) above:

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Purchase of materials/traded goods:		
	GlaxoSmithKline Asia Private Limited, India	-	12,33.36
	GlaxoSmithKline Biologicals S.A., Belgium	329,92.43	540,30.11
	GlaxoSmithkline Pharma India Pvt. Ltd.	15,53.70	10,51.03
	GlaxoSmithKline Export Limited, U.K.	87,16.13	66,58.74
(b)	Sale of materials/sale of products:		
	GlaxoSmithKline Trading Services Limited, Ireland	-	63.17
	GlaxoSmithKline Asia Private Limited, India (Refer Note 55)	65.19	-
	GlaxoSmithKline Export Limited, U.K.	74,00.45	9,32.79
(c)	Purchase of Vaccines business:		
	GlaxoSmithKline Asia Private Limited, India	1,66.00	-
(d)	Purchase of license:		
	GSK Consumer Healthcare Pte Ltd., Singapore	8,99.82	-
(e)	Sale of brands and other identified assets:		
	GlaxoSmithKline Asia Private Limited, India	1639,84.36	-
(f)	Expenses recharged to other companies:		
	GlaxoSmithKline Asia Private Limited, India	5.77	5,74.13
	GSK India Global Services Private Limited	6,57.22	2,89.03
	GSK Pharmaceuticals Pvt. Ltd. , Srilanka	64.78	36.73
	GlaxoSmithKline Pharmaceuticals S.A., Belgium	-	5.65
	GlaxoSmithKline Export Limited, U.K.	1,56.07	4,15.60
	GlaxoSmithKline Biologicals S.A., Belgium	-	1,60.00
	GlaxoSmithKline Research & Development Ltd, U.K.	1,01.65	10.34
	GlaxoSmithKline Services Unlimited, U.K.	2,08.42	4,59.07
	Glaxo Operations UK Limited, U.K.	1,05.51	4,59.91
	GlaxoSmithKline Trading Services Limited, Ireland	11.86	2,97.64
(g)	Expenses recharged by other companies:		
	GlaxoSmithKline Services Unlimited, U.K.	1,32.55	1,19.84
	SmithKline Beecham Pharmaceuticals, U.S.A.	-	97.50
	SmithKline Beecham Limited, U.K.	-	30.22
	GlaxoSmithKline Pte Limited, Singapore	7.50	49.56
	GlaxoSmithKline Asia Private Limited, India	142,05.55	93,87.51
(h)	Manufacturing charges recovered:		
	GlaxoSmithKline Asia Private Limited, India	-	4,31.95
(i)	Clinical research and data management recoveries:		
	GlaxoSmithKline Biologicals S.A., Belgium	5,27.01	7,84.03
	GlaxoSmithKline Research & Development Ltd, U.K.	93.35	1,00.44
(j)	Interest income on loan given:		
	GSK India Global Services Private Limited	3,19.58	-
(k)	Loans given:		
	GSK India Global Services Private Limited	190,00.00	-
(l)	Liabilities written back:		
	GlaxoSmithKline South Africa (Pty) Ltd., South Africa	-	77.24
(m)	Employee benefit liabilities transferred to a related party:		
	GlaxoSmithKline Asia Private Limited, India	-	19.86

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(₹ in lakhs)

		As at March 31, 2022
(n)	Loan receivable from related party:	
	GSK India Global Services Private Limited	190,00.00

(₹ in lakhs)

		As at March 31, 2022
(o)	Outstanding receivables at the period end :	
	GlaxoSmithKline Biologicals S.A., Belgium	32,88.04
	GlaxoSmithKline Research & Development Ltd., U.K.	1,78.50
	GlaxoSmithKline Services Unlimited, U.K.	81.07
	Glaxo Operations UK Limited, U.K.	1,05.51
	GlaxoSmithKline Export Limited, U.K.	12,96.32
	GSK India Global Services Private Limited	3,59.05

(₹ in lakhs)

		As at March 31, 2022
(p)	Outstanding payables at the period end :	
	GlaxoSmithKline Biologicals S.A., Belgium	68,78.71
	GlaxoSmithKline Export Limited, U.K.	16,12.21
	GlaxoSmithKline Services Unlimited, U.K.	92.98
	GlaxoSmithKline Asia Private Limited, India	30,03.53

(₹ in lakhs)

		As at March 31, 2022
(q)	Cross charges recoverable at the period end :	
	GlaxoSmithKline Biologicals S.A., Belgium	8,50.00

(₹ in lakhs)

		As at March 31, 2021
(r)	Outstanding receivables at the period end :	
	GlaxoSmithKline Biologicals S.A., Belgium	1,57.35
	GlaxoSmithKline Export Limited, U.K.	10,63.89
	GlaxoSmithKline Research & Development Ltd, U.K.	15.70
	GlaxoSmithKline Services Unlimited, U.K.	66.46
	Glaxo Operations UK Limited, U.K.	1,32.05
	GSK India Global Services Private Limited	2,83.84

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(₹ in lakhs)

		As at March 31, 2021
(s)	Outstanding payables at the period end :	
	GlaxoSmithKline Pte Limited, Singapore	46.17
	GlaxoSmithKline Biologicals S.A., Belgium	75,78.57
	GlaxoSmithKline Export Limited, U.K.	23,27.92
	GlaxoSmithkline Pharma India Pvt Ltd.	1,49.50
	GlaxoSmithKline Services Unlimited, U.K.	32.50
	GlaxoSmithKline Asia Private Limited, India	17,79.02
	SmithKline Beecham Limited, U.K.	26.68

(₹ in lakhs)

		As at March 31, 2021
(t)	Cross charges recoverable at the period end :	
	GSK India Global Services Private Limited	4.82

(iv) Details relating to persons referred to in item 1(iii) above:

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
1	Remuneration/commission/sitting fees	40,41.79	37,93.20
2	Payments under the long-term incentive plan	2,27.62	2,95.47

(v) Disclosure in respect of material transactions with persons referred to in item 1(iii) above:

(₹ in lakhs)

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	Remuneration/commission/sitting fees (Refer Note below):		
	Mr. S. Venkatesh	9,98.38	8,21.46
	Mr. A. Iyer	-	3,42.86
	Mr. R. Krishnaswamy	-	5,01.22
	Ms. P. Thakur	4,03.70	3,27.63
	Ms. M. Priyam	-	1,24.19
(b)	Payments made during the year under the long-term incentive plan (Refer Note below):		
	Ms. P. Thakur	85.82	27.89
	Mr. R. Krishnaswamy	-	53.24
	Mr. S. Dheri	39.64	26.48
	Mr. A. Iyer	-	89.16
	Mr. B. Kotak	-	43.36

Note: Amounts are not comparable as they pertain to part of the year and/ or are recorded on cash payment basis.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

NOTE 54 : SHARE-BASED PAYMENT ARRANGEMENTS

Restricted Share Awards (RSAs)

Certain employees of the Group are entitled to receive cash settled stock based awards ('awards') pursuant to employee share schemes ('scheme') administered by GlaxoSmithKline Plc. ('Plc').

Under this plan, certain employees are granted cash settled RSAs at no cost, which entitle them to receive cash equivalent to the stock price of the Plc's shares listed at London stock exchange after two and a half to three year vesting period during which the employee has to remain in continuous employment with the Group. These RSA's do not give any voting rights or the right to accrue dividends.

The fair value of these awards is determined based on the closing share price on the day of grant, after deducting the expected future dividend yield of 3.8% (Previous Year 5%) over the duration of the award.

Reconciliation of RSAs

	Number of RSA
As at April 1, 2020	**168,276**
Granted	95,703
Exercised *	(61,387)
Cancelled**	(37,408)
As at March 31, 2021	**165,184**
Granted	67,243
Exercised *	(65,995)
Cancelled**	(42,564)
As at March 31, 2022	**123,868**

*The weighted average share price at the date of exercise of the awards exercised during the year ended March 31, 2022 was GBP 16.47 (March 31, 2021 GBP 12.88).

** Also includes for employees transferred.

Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in the Statement of Profit and Loss as part of employee benefit expense were as follows:

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Restricted Share Awards (RSAs)	6,54.48	12,85.06

Carrying amount of liability

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Carrying amount of liability included in long term incentive plan (Notes 21 and 27)	9,95.72	13,04.42

NOTE 55 : DISCLOSURE PURSUANT TO IND AS 105 "NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS":

(i) Transfer of Iodex and Ostocalcium Brands :

The Board of Directors ('Board') of the Parent Company at their meeting held on July 26, 2021 had approved the transfer of the trademarks pertaining to 'Iodex' and 'Ostocalcium' brands (" Brands") in India along with legal, economic, commercial and marketing rights of such brands and other identified assets to GlaxoSmithKline Asia Private Limited with respective values aggregating ₹ 1649,01.00 lakhs. The transaction was consummated and the consideration was received by the Parent Company during the year after the receipt of shareholders' and regulatory approvals.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

Consequently, the transfer has been disclosed as Discontinued Operations in accordance with Ind AS 105 "Non-Current Assets Held for Sale and Discontinued Operations". The previous periods have been restated to give effect to the presentation requirements of Ind AS 105.

(ii) Financial performance related to discontinued operations:

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations	298,04.68	273,26.05
Total income	**298,04.68**	**273,26.05**
Expenses		
Cost of materials consumed	(1,05.73)	24.01
Purchases of stock-in-trade	54,75.02	57,02.26
Changes in inventories of finished goods, stock-in-trade and work-in-progress	3,28.23	(1,40.54)
Depreciation and amortisation expense	39.59	67.87
Other expenses	168,15.25	120,21.67
Total expenses	**225,52.36**	**176,75.27**
Profit before tax	**72,52.32**	**96,50.78**
Tax Expense :		
Current tax	19,98.87	25,62.94
Profit from discontinued operations after tax	**52,53.45**	**70,87.84**
Gain on Sale of brands and other identified assets before tax	**1635,65.34**	**-**
Tax on above	374,23.75	-
Gain on Sale of brands and other identified assets (net of tax)	**1261,41.59**	**-**

(iii) Cash flow disclosure with respect to discontinued operations:

(₹ in lakhs)

	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from operating activities	68,71.24	99,10.81
Cash flow from investing activities	1561,38.28	-

NOTE 56 : KEY FINANCIAL RATIOS

	Ratio	Numerator	Denominator	Mar-22	Mar-21	Variance	Reason for variance
1	Current Ratio	Current assets	Current Liabilities	2.18	1.49	46%	Mainly on account of cash received from sale of brands and other identified assets
2	Debt Equity Ratio	Debt	Shareholders Equity	1%	2%	-1%	
3	Debt Service Coverage Ratio	Net profit after tax plus interest cost minus non-operating income and non cash income	Interest & lease payments +Principal payments	21.81	23.72	-8%	
4	Return on Equity	Profit after tax	Shareholders Equity	22%	27%	-5%	
5	Inventory Turnover Ratio	Sale of Products	Average inventories	6.59	6.16	7%	
6	Trade Receivables Turnover Ratio	Sale of Products	Average trade receivables	16.93	20.10	-16%	Mainly on account of higher receivables subsequently realised.
7	Trade Payables Turnover Ratio	Cost of Goods Sold + Expenses	Average trade payales	4.11	4.59	-10%	

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

	Ratio	Numerator	Denominator	Mar-22	Mar-21	Variance	Reason for variance
8	Net Capital Turnover Ratio	Sale of Products	Working Capital	1.77	4.75	-63%	Mainly on account of cash received from sale of brands and other identified assets
9	Net Profit Ratio	Profit after tax	Revenue from operations	12%	17%	-5%	Mainly on account of tax adjustments of earlier years
10	Return on Capital Employed	Profit before tax	Net Worth	44%	36%	8%	
11	Return on Investment	Gain on Investment	Total Investments	3%	5%	-1%	Due to reduction in fixed deposit rates

Notes :

(i) Ratios are calculated including profits from Discontinued operations but excludes the impact sale of brands and other identified assets and other exceptional items. (Refer Note 39 and 55).

(ii) Return on Equity excluding impact of tax adjustments of prior years is 29.09%.

(iii) Net Profit ratio excluding impact of tax adjustments of prior yearsis 17.02%.

NOTE 57 :

Consequent to the approval of the shareholders, the Parent on September 30, 2021, has acquired the assets and liabilities associated with the vaccine business of GlaxoSmithKline Asia Private Limited. The Parent Company has accounted the acquisition in accordance with Appendix C to IND AS 103 being business combination of entities under common control. Accordingly, the financial information in respect of prior periods has been restated for the acquisition as if the business combination has occurred from the beginning of preceding periods.The Parent Company has taken over the assets at amortised cost of ₹ 1,29.00 lakhs, liabilities taken over at ₹ 20,44.00 lakhs and the consideration paid amounts to ₹ 1,66.00 lakhs. The difference between the consideration paid and the net assets taken over on acquisition of ₹ 20,82.00 Lakhs has been transferred to Capital reserve.

NOTE 58 : RELATIONSHIP WITH STRUCK OFF COMPANIES

Below struck off companies are equity shareholders of the Company as on the Balance Sheet date

Name of Struck off Company	Nature of transaction with struck off company
Gatisheel Finance Private Limited	Shares held by struck off company
Manilal Patel Private Limited	Shares held by struck off company
Haresh Extrusion Company Private Limited	Shares held by struck off company
K.S. Morarka and Sons Pvt. Ltd.	Shares held by struck off company
Sitaram Projects Private Limited	Shares held by struck off company
Siddha Papers Private Limited	Shares held by struck off company

Name of Struck off Company	Nature of transaction	Transaction during the year March 31, 2022	Balance outstanding as at March 31, 2022	Relationship with the struck off company
Lanxess India Private Limited	Trade Advance	-	1.19	Vendor
Vincon Infra Organisers Pvt. Ltd.	Capital Advance	-	2,83.17	Vendor

Name of Struck off Company	Nature of transaction	Transaction during the year March 31, 2021	Balance outstanding as at March 31, 2021	Relationship with the struck off company
Lanxess India Private Limited	Trade Advance	-	1.19	Vendor
Vincon Infra Organisers Pvt. Ltd.	Capital Advance	-	2,83.17	Vendor

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

NOTE 59 : ADDITIONAL INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iii) 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:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(iv) 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:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) 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).

NOTE 60 : Additional information as required by Paragraph 2 of the general instructions for the Preparation of Consolidated Financial Statements under Division II of Schedule III to the Companies Act, 2013

(₹ in lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities *		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	As at March 31, 2022	As at March 31, 2022	Year ended March 31, 2022"	Year ended March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022	Year ended March 31, 2022"	Year ended March 31, 2022
Parent								
GlaxoSmithKline Pharmaceuticals Limited	98.93%	2634,33.78	99.31%	1683,08.47	100.00%	(1,84.53)	99.31%	1681,23.94
Subsidiary								
Indian								
Biddle Sawyer Limited	1.07%	28,61.80	0.69%	11,63.46	0.00%	-	0.69%	11,63.46
Total	**100.00%**	**2662,95.58**	**100.00%**	**1694,71.93**	**100.00%**	**(1,84.53)**	**100.00%**	**1692,87.40**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

	As at March 31, 2021	As at March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2021	Year ended March 31, 2021
Parent								
GlaxoSmithKline Pharmaceuticals Limited	99.35%	1468,68.02	99.57%	356,59.98	100.00%	(2,04.84)	99.57%	354,55.14
Subsidiary								
Indian								
Biddle Sawyer Limited	0.65%	9,57.97	0.43%	1,54.75	0.00%	-	0.43%	1,54.75
Total	**100.00%**	**1478,25.99**	**100.00%**	**358,14.73**	**100.00%**	**(2,04.84)**	**100.00%**	**356,09.89**

NOTE 61 : EVENT OCCURRING AFTER BALANCE SHEET DATE

The Board of Directors has recommended a Dividend of ₹ 90 per equity share (including special dividend of ₹ 60 per equity share) of face value of ₹10 each for this year. (March 31, 2021: ₹ 30 per share) (Refer Note 51 (b)).

NOTE 62:

The spread of Covid-19 is having an unprecedented impact on people and economy. This has impacted our operations and results for the year ended March 31, 2022. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, tangible assets, intangible assets and investments. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information. The impact assessment of Covid-19 is a continuing process given the uncertainities and the Group will continue to closely monitor the developments.

NOTE 63:

Previous year figures have been regrouped / reclassified wherever necessary.

NOTE 64: APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the Board of Directors on May 16, 2022.

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
S. Venkatesh	Managing Director	DIN: 07263117
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 16, 2022

GlaxoSmithKline Pharmaceuticals Limited
GSK House, Dr. Annie Besant Road, Mumbai - 400 030.
Tel: 022-2495 9595
www.gsk-india.com

/Concept, content and design at AICL (hello@aicl.in) www.sapprints.com