GlaxoSmithKline Pharmaceuticals Limited
Annual Report 2022-23

Lead the next together

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Our confidence and capabilities are backed by nearly 100 years of stakeholder trust.

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Our ambition in the next few years will be to deliver double-digit top line growth and to positively impact the lives of millions of Indians.

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Build | Grow | Protect | Culture

How we will #LeadTheNextTogether

Forward-looking statements

In this report, we have included statements that anticipate our future performance based on past experience and reasonable assumptions. However, we want to emphasise that these statements are subject to change based on various factors such as changes in industry trends, market conditions, government regulations, laws, and other unforeseen circumstances. It is important to note that these forward-looking statements are not a guarantee of our future performance, as the underlying assumptions may change significantly over time. Therefore, we advise readers to exercise caution when relying on these statements and to consider them as indicative of potential outcomes rather than definitive predictions.

To view this report online, please scan the above QR code

Build

Deliver exceptional launches from our global pipeline to address changing and unmet healthcare needs, starting with the launch of Shingrix.

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Grow

Improve competitiveness by investing in focus brands and develop innovative offerings in the Specialty portfolio as a growth lever.

+ Page 18

Protect

Defend market share and continue to protect patients with our leadership in the self-pay vaccines segment and in dermatology.

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Culture

Your company's outstanding talent is committed to three culture pillars that are at the heart of our success. We are committed to building a workplace with a culture where we are all ambitious for patients, accountable for impact, and always do the right thing.

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GSK

We are ever more committed to deliver on our purpose, strategy and culture to positively impact the lives of millions of patients. Your company's portfolio in India continues to be broadly diversified across prevention and treatment therapy areas, to help millions of patients get #AheadTogether of disease as we #LeadTheNextTogether.

As we navigate the future, we will continue to uphold and grow our legacy in General Medicines, defend our leadership in the Vaccines self-pay market and Dermatology segment and develop innovative offerings in Specialty as a growth lever.

Your company has launched Shingrix in India, a vaccine for prevention of herpes zoster (HZ) and post-herpetic neuralgia (PHN) in adults who are 50 years of age or older. We will accelerate execution on these strategic choices by nurturing a culture that helps our talent pool develop capabilities and thrive.

About GSK in India

GlaxoSmithKline Pharmaceuticals Limited is a subsidiary of UK-based GSK plc, a global biopharma company, with a purpose to unite science, talent and technology to get ahead of disease together. GlaxoSmithKline Pharmaceuticals Limited has a storied legacy in India of nearly 100 years.

Purpose

Unite science, technology and talent to get ahead of disease together.

Strategy

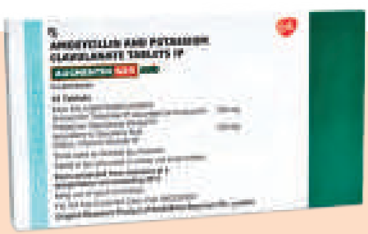
We aim to positively impact the health of 2.5 billion people by the end of 2030. Our bold ambitions for patients are reflected in commitments to help prevent and treat disease with our general medicines, specialty and vaccines to drive growth and a step-change in performance.

Culture

Culture at GSK is something we all own. It powers our purpose, drives delivery of our strategy and helps make GSK a place where people can thrive. Our culture of being ambitious for patients, accountable for impact and doing the right thing are the foundations for how, together, we will deliver for our people, patients and stakeholders.

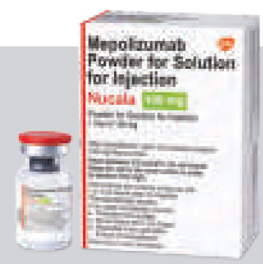
GSK India at a glance

Our business portfolio



General medicines

Vaccines



Specialty

#1
In vaccines self-pay market

#1
In anti-infectives and dermatology segments

4
No. of your company's brands in the top 50 of the Indian pharmaceuticals market (IPM)

~10,000+
Distinct towns and cities covered

Over 3,500
Workforce across our value chain

Over 200 million
Patients impacted in India, during the reporting year

Sources: IQVIA MAT March 2023 and internal data

Message from the Chairperson

#AmbitiousForPatients in India

"Our confidence and capabilities are backed by nearly 100 years of stakeholder trust.

Renu Sud Karnad
Chairperson

Dear shareholders,

I am pleased to present your company's annual report for the financial year (FY) 2022-23.

The Indian economy remained resilient during the year, despite challenges emanating from inflation, and advanced economies of the world demonstrating signs of a slowdown, with spill-over impact across developing economies. The domestic pharmaceutical industry saw encouraging performance and vaccine uptake continued to stabilise as most of your company's focus brands in general medicines and vaccines gained market share and the specialty portfolio continued to develop as a growth lever.

2022 marked the most significant corporate transformation for GSK plc, your company's global, parent entity, as it metamorphosed into a fully focused biopharma company with a purpose to get ahead of disease together and drive a step-change in growth and performance. As part of this change, GSK plc will prioritise R&D and commercial investment in vaccines, specialty and general medicines, positively impacting your company's prospects to launch products from the global pipeline.

Performance with purpose

Over 3,500 people work in our corporate and regional offices, our manufacturing facility in Nashik and 22 contract manufacturing organisations (CMOs), to positively impact the lives of over 200 million patients and protect people from disease with more than 6 million immunisation sessions during the year.

Your company is the no. 2 pharmaceutical multinational corporation in India and ranks among the top 5 in volumes within the industry. We continue to find innovative solutions and mitigate price control impact to improve access to our medicines and vaccines.

How we are #AmbitiousForPatients

Over the short to medium term, we will continue to strengthen our business by investing in focus brands to increase competitiveness, protect market share and deliver exceptional launches starting with Shingrix which heralds the creation of a new adult vaccine category in India. The mainstay of our portfolio continues to be General Medicines and paediatric vaccines which continue to protect millions of patients.

Making a difference

Through your company's corporate social responsibility (CSR) efforts, we continue to make a positive impact through our interventions. I am happy to report that we felicitated over 143 students in our flagship GSK Scholars programme, an initiative which began in FY 2021-22 to support financially constrained but meritorious students studying MBBS. We have been contributing albendazole tablets used during mass drug administration (MDA) to the World Health Organization. During the year, we provided 29 million tablets as part of this programme thereby continuing our efforts towards eliminating lymphatic filariasis (LF) in India. Your company is also pleased to initiate the smart class project, transforming the way students learn as we help convert classrooms in 25 government-run schools based in Nashik, Maharashtra, into smart-classes.

Recognition

Your company's time-honoured legacy has been built by uniting science, technology and talent to positively impact patients' lives. Several accolades have recognised your company's commitment to foster an inclusive workplace where talent can thrive, one of which was GSK India being certified as a 'Great Place to Work®'.

Your company's efforts have also been lauded in other domains as Augmentin - the #1 brand in the Indian pharmaceutical market (IPM) - was conferred the 1st runner-up award in the Brand of the Year category (Acute, above ₹ 2,000 crore) at the AWACS Marketing Excellence Awards 2022. Your company also won the CNBC-TV18 India Risk Management Award in the pharma sector.

Leading the next with our ambition for patients

Our confidence and capabilities are backed by nearly 100 years of stakeholder trust.

As your company continues its journey to #LeadTheNextTogether, our priority is to build on our core capabilities, strengthen stakeholder trust, further enrich the culture that we all own which drives the delivery of our strategy and help make GSK India a place where people can thrive and continue to do the right thing.

Before I conclude, I would like to thank your company's people for their contribution and express my gratitude towards all our stakeholders for their unwavering faith in our vision and purpose as we #LeadTheNextTogether towards the centenary year of our legacy in India in 2024, and beyond.

Renu Sud Karnad
Chairperson

GSK

Message from the Managing Director

Leading the next together for India

Our ambition in the next few years will be to deliver double-digit top line growth and to positively impact the lives of millions of Indians.

Bhushan Akshikar
Managing Director

Dear shareholders,

I am excited and humbled to take on the leadership role at this incredible organisation. It is a privilege for me to be sharing my thoughts with you at a momentous period in your company's illustrious journey.

Your company's portfolio in General Medicines contributes to over 80% of our business and we lead in several categories with some of the most iconic brands in the Indian pharmaceutical market (IPM). Your company continues to be the leading pharmaceutical company in the anti-infectives and dermatology segments in India. Your company is also contemporising its General Medicines portfolio with the launch of Calpol 650+ and Augmentin ES.

Your company continues to remain no. 1 in the self-pay vaccines market in India and our focus vaccine brands gained market share during the year. We launched a new campaign called 'Faisla Sahi, Zindagi Sahi' partnering with Kareena Kapoor Khan and medical practitioners to increase awareness amongst parents about the importance of children adhering to their vaccination card in consultation with their paediatrician.

With Nucala and Trelegy Ellipta, our goal is to build the specialty segment with its innovative offerings in the respiratory category as an additional growth lever.

What will also differentiate your company is the omnichannel approach as we connect with over 300,000 healthcare professionals (HCPs), covering 10,000 distinct towns and cities across India through a skilled field force and simultaneously improve the customer experience for our key stakeholders.

Our strategic focus

Your company plans to deliver exceptional launches with continued emphasis on focus brands and develop responsive go-to-market initiatives to adapt to evolving patient needs.

Your company's culture will continue to evolve where our people - who bring our strategies to life - develop, thrive and do the right thing to fulfill our ambition for patients.

Our portfolio, performance and how we will #LeadTheNextTogether

Your company's ambition for patients can be traced back to how we have been serving patients for decades with quality products. Our focus brands are growing ahead of the market with an evolution index (EI) greater than 100.

Augmentin is ranked the no. 1 brand and Calpol is the most prescribed brand in the IPM. Four of your company's brands – Augmentin, Calpol, T-Bact and Ceftum - rank among the top 50 brands in the IPM.

The paediatric vaccines self-pay market is gaining momentum and we continue to maintain leadership in the self-pay market in India. Five of your company's vaccines featured among the top 15 vaccines in the self-pay market.

During the year, some of your company's brands were added to the National List of Essential Medicines (NLEM). We have put in place plans to mitigate the impact through a robust volume and cost optimisation strategy.

#LeadTheNextTogether

We are committed to create a new adult vaccines category in India with the launch of Shingrix, our Shingles vaccine. This is the first non-live vaccine for the Herpes Zoster virus in India and the first in its category. As per clinical trials, it has shown an efficacy of 97% in patients aged 50 years and above and is approved in India for the prevention of Herpes Zoster (HZ) and post-herpetic neuralgia (PHN) in adults of 50 years and older. Shingrix has been a resounding success in other countries where GSK operates and has helped protect many patients against this painful disease.

Our ambition in the next few years will be to deliver double-digit top line growth and to positively impact the lives of millions of Indians. We aim to deliver new launches to drive growth, continue competitive performance with profitable growth in the base business and evolve a culture where our people develop, thrive and continue to always do the right thing.

100 years of GSK's legacy in India

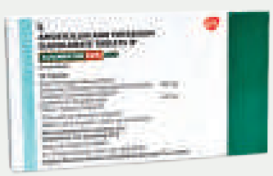
As GSK enters the centenary year of its legacy in 2024, we are ever more committed to deliver on our purpose to positively impact patients' lives, continue to build trust established over nearly 100 years and deliver value with the support of all our stakeholders as we #LeadTheNextTogether.

Bhushan Akshikar
Managing Director

Your company's focus brands

Your company's portfolio comprises general medicines, vaccines and specialty products.

General Medicines



Augmentin

- Augmentin (Amoxicillin-Clavulanic acid) is a broad spectrum prescription antibiotic used to treat various bacterial infections
- Ranked #1 in the segment*
- Setting standards for quality and innovation for over four decades

Calpol

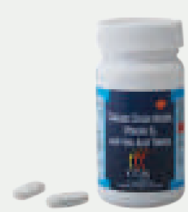
- Indicated for treatment of mild to moderate pain
- Calpol is the #1 prescribed brand in the Indian pharmaceutical market (IPM)*
- Ranked #1 in the segment*
- Calpol 650 is now Calpol 650+ with Optizorb formulation, a technology that helps in faster dissolution of the molecule.

Ceftum

- Ceftum (Cefuroxime) is a second generation cephalosporin antibiotic being used for over two decades to treat various bacterial infections
- Ranked #1 in the segment*

Eltroxin

- Serving patients with hypothyroidism since 1950
- Ranked #2 in the segment*



CCM

- Indicated for the treatment of calcium and vitamin D deficiency states, pregnant and lactating women and growing children
- Ranked #1 in the segment* (calcium oral solids segment)

**Source: IQVIA MAT March 2023*

General Medicines

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 #3 in the segment*

Betnovate

- Betnovate (Betamethasone valerate) is a potent topical corticosteroid used for specific type of skin conditions which require relief of inflammation
- India's #1 brand in topical corticosteroid category
- Serving patients since 1963

T-bact

- Indicated for topical use in specific types of bacterial skin infections
- #1 prescribed topical antibiotic with strong equity amongst healthcare professionals
- Holds market share of 78% in the category*

Physiogel

- Indicated for dry skin and dry skin associated with redness and itch
- Ranked #10 in the segment*
- Physiogel works for stronger, smoother and visibly healthier skin

Source: IQVIA MAT March 2023

GSK

Vaccines

Shingrix

- Shingrix is indicated for prevention of Herpes Zoster (Shingles) and post-herpetic neuralgia in adults 50 years of age or older
- First non-live, adjuvanted, recombinant vaccine for prevention of shingles
- It is approved in 50 countries and is a part of 24 national recommendations

Infanrix Hexa

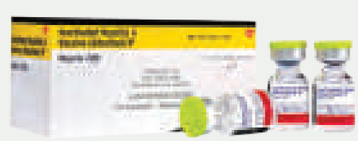
- Indicated for primary and booster vaccination of infants against diphtheria, tetanus, pertussis, hepatitis B, poliomyelitis and disease caused by *Haemophilus influenzae* type b.
- Powder and suspension for injection in intramuscular use
- Ranked #1 in the segment*
- Trusted among paediatricians
- Market leader in DTP Hexavalent vaccine category* with over two decades of global market presence
- Registered in over 90 countries

Synflorix

- Indicated for active immunisation of infants and children from 6 weeks up to 5 years of age against pneumococcal diseases and acute otitis media caused by Streptococcus pneumoniae and Non-Typeable Haemophilus influenzae (NTHi)
- Injectable suspension for intramuscular use
- Trusted for over 10 years in more than 130 countries
- More than 20 crore babies protected against pneumococcal diseases and acute otitis media (AOM) caused by S. Pneumoniae and NTHi

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 #1 in the segment*
- Boostrix is India's first and trusted Tdap vaccine



Havrix

- Indicated for active immunisation against disease caused by Hepatitis A virus (HAV) from 1+ year of age
- Injectable suspension for intramuscular use
- Ranked #1 in the segment by value*
- 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

**Source: IQVIA MAT March 2023*

Vaccines

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 #2 in the segment*
- World's first inactivated quadrivalent influenza vaccine (QIV) which is manufactured in Germany
- Over 36 crore doses sold worldwide

Varilrix

- Indicated for active immunisation against varicella of healthy subjects and susceptible healthy close contacts from the age of 12 months onwards.
- Powder and solvent for solution for injection to be given subcutaneously
- World's first varicella vaccine with robust and proven efficacy data
- Registered in over 90 countries, trusted worldwide

Specialty

Nucala

- First anti-IL5 drug in India
- Only biologic to be approved across 3 eosinophilic indications: Severe Eosinophilic Asthma (SEA), Eosinophilic Granulomatosis with Polyangiitis (EGPA) and HES (Hypereosinophilic Syndrome)
- Available as an auto-injector device for easy administration

Trelegy Ellipta

- First once-daily single-inhaler triple therapy (SITT) in India for the maintenance treatment of chronic obstructive pulmonary disease (COPD) patients
- Delivered in an easy-to-use Ellipta device
- The most prescribed SITT worldwide and has impacted more than 3.5 million patients since launch in 2017 until November 2021

**Source: IQVIA MAT March 2023*

#LeadThe NextTogether

Your company will continue to invest in focus brands in General Medicines and Vaccines to boost competitiveness as they are our portfolio's mainstays. We will also protect market share and drive profit optimisation in these performance brands. Your company is delivering exceptional launches, starting with Shingrix. In the specialty segment, we are developing a growth lever with innovative offerings.




Build

Deliver exceptional launches from our global pipeline to address changing and unmet healthcare needs, starting with the launch of Shingrix.

The global success of Shingrix is a significant addition to our adult immunisation portfolio in India, addressing an unmet preventive healthcare need.

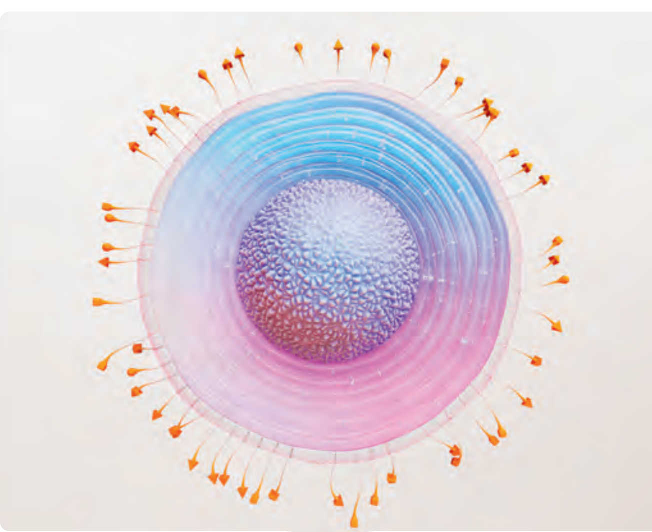
Shingles (or herpes-zoster) is a painful and agonising ailment that affects the elderly in particular. Shingles is caused by the reactivation of the varicella zoster virus (VZV), the same virus that causes chickenpox.

A study in Indian subjects showed that by the age of 50 years, over 90% had this virus in their bodies and were vulnerable to Shingles.

Clinical studies show that Shingrix, with a 97% confirmed efficacy, gives protection for over a decade, benefitting the growing elderly population in India.

Your company has set up a dedicated team to drive efforts in creating a new adult vaccination category in India with Shingrix. Over 200 people have been recruited across sales, marketing and support teams to offer the vaccine to a client base that is new to vaccination procedures, including physicians, dermatologists, and rheumatologists, among others.

Your company made Shingrix available in India to protect 260 million adults in India aged 50 years and above from Shingles and its complications.



Animated interpretation of Shingles

Pack shot of Shingrix

+ Read more about Shingrix on
Page 47 of the report

Grow

Improve competitiveness by investing in focus brands and develop innovative offerings in the Specialty portfolio as a growth lever.

Your company plans to #LeadTheNextTogether in our centenary year in 2024 and beyond, aiming to deliver double-digit growth to touch the lives of millions of Indians.

Your company's strategies have resulted in sustained growth of focus brands. Four of our general medicines brands – Augmentin, Calpol, T-Bact and Ceftum – rank amongst the top 50 brands in the IPM. Your company is contemporising its portfolio as Calpol, the #1 prescribed brand in the IPM, is now Calpol 650+. Augmentin ES has also been launched to fight rising antimicrobial resistance (AMR) in India.

Apart from driving growth through investment in focus brands, the launch of Shingrix, cost optimisation, and your company's innovative Specialty brands (Nucala and Trelegy Ellipta) are being developed to contribute to our performance.

During the reporting year, Nucala became the first and only biologic in India to help treat severe eosinophilic asthma (SEA), eosinophilic granulomatosis with polyangiitis (EGPA) and hypereosinophilic syndrome (HES).

Trelegy Ellipta, launched in 2022, continues to benefit patients diagnosed with chronic obstructive pulmonary disease (COPD) through the innovative Ellipta inhaler.

4

GSK India brands rank among the top 50 brands in IPM*

+ Read more about our focus brands on Refer to 'Your company's focus brands' in page 10 of the non-stat section.

* IQVIA MAT March 2023

Protect

Defend market share and continue to protect patients with our leadership in the self-pay vaccines segment and in dermatology.

Your company leads the self-pay paediatric vaccines market in India and has established a robust portfolio of adult vaccines in the country. Your company's focus vaccine brands have continued to maintain their leadership positions.

As vaccination plays a critical role, going beyond the health of individuals, our range of vaccines help protect people against diseases. Your company's vaccines have protected patients by enabling 6 million immunisation sessions during the reporting year.

Five of your company's paediatric vaccines ranked among the top 15 vaccines in the self-pay market. In addition, the stabilisation of the National Immunization Program (NIP) will help accelerate growth in the self-pay vaccine market.

Source: IQVIA MAT March 2023

Your company has maintained its position as the leader in the dermatology segment. Continued success in this segment has allowed us to further solidify our market position and deepen relationships with HCPs across different regions. As a result of these efforts, T-bact has now secured a place among the top 50 brands in the IPM with a market share of 78% in the category.

+ Read more about our vaccine campaigns and patient engagement initiatives on Page 46 of the report

+ Read more about our educational and diagnosis initiatives for dermatology on Page 54 of the report

Source: IQVIA

Culture

Your company's outstanding talent is committed to three culture pillars that are at the heart of our success. We are committed to building a workplace with a culture where we are all ambitious for patients, accountable for impact, and always do the right thing.

Integral to your company's ambition to **#LeadTheNextTogether** is to make GSK a place where teams thrive, people from diverse backgrounds feel included and valued in an environment which enables and supports each person to deliver at their best. Our outstanding talent helps us deliver on our ambition for patients, and achieve our purpose of getting ahead of disease together.

+ Read more about our culture pillars on Page 56 of the report

Your company's three culture pillars

Ambitious for patients

Focus on delivering what matters better and faster for patients. By prioritising our resources, your company can invest further in innovation to address changing and unmet healthcare needs while continuing to drive performance.

Accountable for impact

Your company and its talent takes ownership of its objectives and commitments, holding ourselves accountable for the results we achieve.

Do the right thing

Your company acts with care and integrity because people count on us. This includes creating a diverse, inclusive workplace where every voice is heard and each of us play an active role in creating a thriving environment to succeed.

Diversity, equity and inclusion (DE&I)

Our commitment to creating a more diverse and inclusive organisation remains steadfast. We strive to cultivate a culture where everyone is valued, included, and welcomed.

+ Read more about our DEI initiatives Page 58 of the report

Empowering communities

Your company's approach to corporate social responsibility (CSR) is to address specified national objectives, enhance access, and assist individuals in vulnerable communities.

Social impact

Sustainable societies are built on healthy communities. To elevate the lives of community members and ensure their holistic well-being, it is critical to adequately empower them to become self-sufficient. Your company focuses on need-based community initiatives to address specified national objectives and assist people from vulnerable communities.

Your company works with its partners to address specific national health priorities in line with select UN Sustainable Development Goals (SDGs). Your company contributes to nation-building through CSR programmes centred on healthcare and education.

We work towards supporting meritorious students from underserved backgrounds to pursue their education in Medicine. To redirect our efforts towards social benefit, we have also developed a mentoring programme in which designated volunteers from your company mentor students studying Medicine in government colleges. In addition, we are working towards eliminating lymphatic filariasis, contributing towards Swachh Bharat and Swachh Vidyalaya (school sanitation) initiatives and focusing on child nutrition under the National Urban Health Mission (NUHM).

9
CSR projects

6,424
Volunteering hours

21,527
Direct beneficiaries

29 million
Albendazole tablets distributed during the reporting year

+ Read more about our education and healthcare initiatives
Page 62 of the report

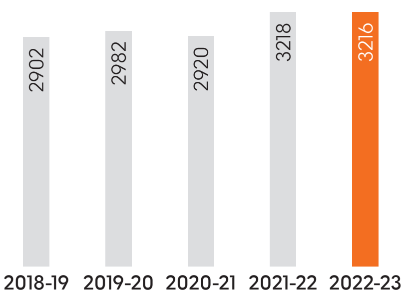
Source: internal data

Financial performance

Revenue from operations*

(₹ in crore)

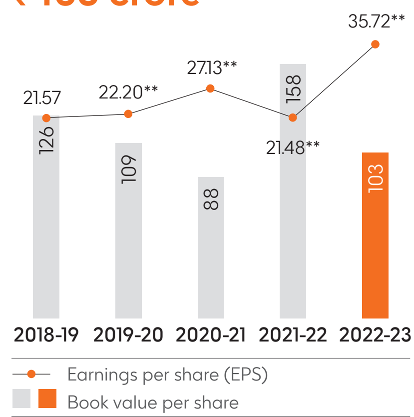
₹ 3216 crore



*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 (₹)

₹ 103 crore

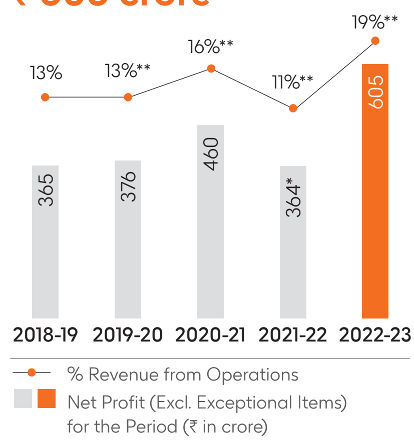


Earning per share reflects earning per share (excl. exceptional items) for continuing operations only. All prior years have been recasted to reflect the same.

**After considering exceptional items, Earnings per equity share for the period 2022-23 would be ₹ 35.70, 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

₹ 605 crore



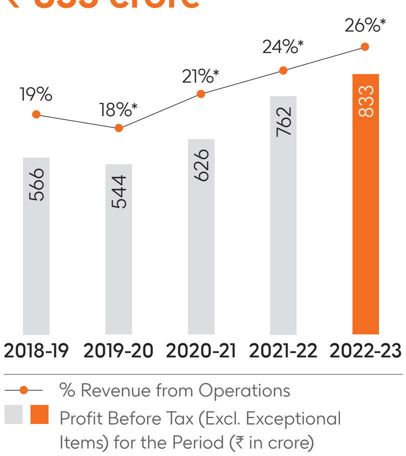
Net profit (excl. exceptional items) reflects Net profit (excl. exceptional items) for continuing operations only. All prior years have been recasted to reflect the same.

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

**After considering exceptional items, the net profit for the period 2022-23 would be 19%, 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

₹ 833 crore

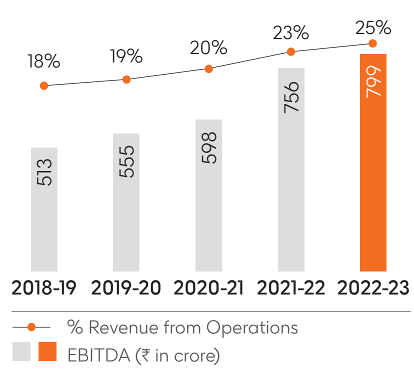


Profit before tax (excl. exceptional items) reflects profit before tax (excl. exceptional items) for continuing operations only. All prior years have been recasted to reflect the same.

*After considering exceptional items, the profit before tax % for the period 2022-23 would be 26%, 2021-22 would be 24% ,2020-21 would be 16% and 2019-20 would be 7% respectively.

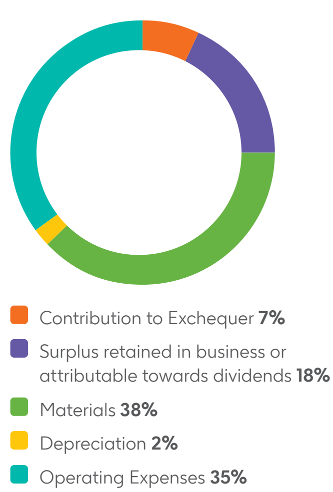
EBITDA and % to Revenue from Operations

₹ 799 crore



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

(₹ in lakhs)

	2022-23# (Refer Note 1)	2021-22# (Refer Note 1)	2020-21# (Refer Note 1)	2019-20#	2018-19#	2017-18#	2016-17#	2015-16#	15 Months Ended March 2015# (Refer Note 5)	2013
PROFIT AND LOSS ACCOUNT										
Revenue from Operations	**3216,34**	3217,51	2920,48	3224,68	3128,53	2895,88	2994,51	2826,21	3362,36	2619,37
Profit before exceptional items and tax	**833,36**	761,87	625,83	646,99	658,82	523,78	465,35	573,63	766,84	703,17
Exceptional items	**(97)**	11,58	(172,60)	(324,49)	4,89	17,80	45,73	2,31	(51,88)	26,15
Profit Before Tax	**832,39**	773,44	453,23	322,50	663,71	541,58	511,08	575,94	714,96	729,32
Profit for the Period	**604,71**	376,58	286,69	110,05	425,36	351,98	336,78	374,53	449,90	501,88
BALANCE SHEET										
Equity share capital	**169,41**	169,41	169,41	169,41	169,41	84,70	84,70	84,70	84,70	84,70
Other Equity	**1583,59**	2508,21	1327,71	1670,63	1973,01	1995,25	1943,51	2119,94	2382,38	1932,49
Borrowings	**-**	-	2	18	58	99	1,60	2,37	2,48	4,14
	1753,00	**2677,62**	**1497,14**	**1840,22**	**2143,00**	**2080,94**	**2029,81**	**2207,02**	**2469,57**	**2021,33**
Property, Plant and Equipment, Intangible Assets and CWIP	**349,21**	359,94	398,77	876,71	1432,63	1245,71	858,17	471,71	238,28	161,93
Investments including investment properties	**25,53**	25,68	25,82	25,97	26,17	49,43	52,99	53,63	53,80	57,67
Deferred tax assets (net)	**133,18**	112,78	101,67	108,85	60,48	103,05	91,31	100,81	94,83	92,11
Net Assets (Current and Non-Current)	**1245,08**	2179,22	970,88	828,69	623,72	682,75	1027,33	1580,87	2082,65	1709,62
	1753,00	**2677,62**	**1497,14**	**1840,22**	**2143,00**	**2080,94**	**2029,81**	**2207,02**	**2469,57**	**2021,33**
OTHER KEY DATA										
Equity Share of ₹ 10/- each										
Dividend	**32.00**	30.00	30.00	20.00	20.00	17.50	15.00	25.00	31.25	25.00
Special Additional Dividend	**-**	60.00	-	20.00	-	-	-	-	-	-
Total Dividend (Refer Note 2)	**32.00**	90.00	30.00	40.00	20.00	17.50	15.00	25.00	31.25	25.00
Earnings per equity share (Refer Note 2 and Note 3)	**35.88**	99.79	21.11	6.50	25.11	20.78	19.88	22.11	26.56	29.63
Book Value (Refer Note 2)	**103.48**	158.06	88.37	108.62	126.46	122.78	119.72	130.14	145.63	119.08
Number of employees	**3680**	**3840**	**4323**	**4364**	**4960**	**4620**	**4697**	**4611**	**4657**	**5034**

Period 15 Months Ended March 2015, Year 2015-16, 2016-17, 2017-18, 2018-19, 2019-20,2020-21,2021-22 and 2022-23 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 2022-23 and 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. Earning per equity share for continuing and discontinued operations, without considering exceptional items for the period 2022-23, 2021-22, 2020-21 and 2019-20 would be ₹ 35.90, ₹ 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.

GSK

Board of Directors

(As on 17.05.2023)

Chairperson

Ms. R. S. Karnad

Managing Director

B. Akshikar

(w.e.f. 01.12.2022)

Mr. S. Venkatesh

(up to 30.11.2022)

Directors

M. Anand

P. V. Bhide

J. Chandy

N. Kaviratne

(up to 26.07.2022)

Dr. (Ms.) S. Maheshwari

A. N. Roy

D. Sundaram

S. Williams

Company Secretary

A. Nadkarni

Audit Committee

D. Sundaram – Chairman

M. Anand

P. V. Bhide

Ms. R. S. Karnad

Risk Management Committee

D. Sundaram – Chairman

M. Anand

P. V. Bhide

Ms. R. S. Karnad

Nomination & Remuneration Committee

A. N. Roy - Chairman

Ms. R. S. Karnad

D. Sundaram

Corporate Social Responsibility Committee

Dr. (Ms.) S. Maheshwari – Chairperson

B. Akshikar

A. N. Roy

Stakeholders' Relationship Committee

Ms. R. S. Karnad - Chairperson

B. Akshikar

P. V. Bhide

Management Team

Managing Director

B. Akshikar

Whole-time Director &
Chief Financial Officer

J. Chandy

Executive Vice-Presidents

Ms. S. Choudhary

- Regulatory Affairs

R. D'Souza

- Communications & Government Affairs

Dr. (Ms.) R. Hegde

- Medical

S. Mukherjee

- Adult Vaccines

A. Pandey

- Legal

C. Sharma

- Human Resources

U. Singh

- General Medicines

Vice-Presidents

A. Kashyap

- Technology

R. Manchanda

- Customer Supply Chain

S. Mitra

- Specialty

A. Nadkarni

- Real Estate, Administration
& Company Secretary

S. Ramachandran

- Commercial Excellence

Ms. S. Sohal

- Ethics & Compliance

Registered Office

GSK House, Dr. Annie Besant Road,
Mumbai - 400 030
Tel.: 022 24959595 Fax: 022 24959494
Website: https://india-pharma.gsk.com/en-in/
Email: in.investorquery@gsk.com
CIN: L24239MH1924PLC001151

Factory

Ambad, Nashik

Share Department

GSK House, Dr. Annie Besant Road,
Mumbai - 400 030
Telephone: 022-24959434
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
Trilegal
Nishit Desai Associates
Cyril Amarchand Mangaldas (CAM)

Bankers

Deutsche Bank
Hongkong and Shanghai Banking
Corporation Limited

Registrars & Share Transfer Agents

KFin Technologies 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.: 1800-3094-001
Email: einward.ris@kfintech.com
Website: https://www.kfintech.com/

Notice

NOTICE IS HEREBY GIVEN THAT the Ninety-Eighth Annual General Meeting of GlaxoSmithKline Pharmaceuticals Limited will be held on **Wednesday, 26 July 2023 at 02.30 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 2023 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 2023.

3. To appoint a Director in place of Mr. Juby Chandy (DIN:09530618), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. 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 2023, 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. 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 & 28 December 2022 (collectively referred to as "MCA Circulars") permitted the holding of the 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 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 No. 4 of the Notice, is annexed hereto. The relevant details of the Director as mentioned under Item Nos. 3 above as required by Regulation 36(3) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 as required under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are given in 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 to 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, 30 June 2023 as the Record Date for determining entitlement of members to final dividend for the financial year ended 31 March 2023, if approved at the AGM.

6. If the Dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source 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, 30 June 2023;

- To all Members in respect of shares held in physical form as of the close of business hours on Friday, 30 June 2023.

7. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to KFin Technologies Limited, Registrars & Share Transfer Agents 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), mandates, nominations, 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-PoD-1/P/CIR/2023/37 dated 16 March 2023, 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 Registrars and Transfer Agents, KFin Technologies Limited in case the shares are held by them in physical quoting, their Folio Number 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 https://india-pharma.gsk.com/en-in/investors/shareholder-information/download-forms/

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 2016, which is unclaimed, has been 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
69th Dividend	2015-2016	29/July/2016	50	3 September 2023
70thDividend	2016-2017	26/July/2017	30	30 August 2024
71st Dividend	2017-2018	25/July/2018	35	29 August 2025
72nd Dividend	2018-2019	23/July/2019	20	27 August 2026
73rd Dividend	2019-2020	27/July/2020	40	1 September 2027
74th Dividend	2020-2021	27/July/2021	30	31 August 2028
75th Dividend	2021-2022	26/July/2022	90	31 August 2029

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, 13 May 2022, 28 December 2022 & 5 January 2023, Notice of the AGM along with the Annual Report 2022-23 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 2022-23 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.

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.ris@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. **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 Limited, 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-PoD-1/P/CIR/2023/37 dated 16 March 2023. 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 is 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 January 25, 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–2' along with the original cancelled cheque bearing the name of the Member to KFintech / 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, 30 June 2023, 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 – 500032, before Friday, 30 June 2023 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 email to in.investorquery@gsk.com by mentioning "Request for Inspection" in the subject 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 shareholder 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 https://ris.kfintech.com/form15/default.aspx by 11:59 p.m. IST on Friday, 30 June 2023. 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 einward.ris@kfintech.com. The aforesaid declarations and documents need to be submitted by the Members by 11:59 p.m. IST on Friday, 30 June 2023.

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 98 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 Saturday, 22 July 2023 and ends at 5.00 p.m. on Tuesday, 25 July 2023. 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 Wednesday, 19 July 2023 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., Wednesday, 19 July 2023. 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 as also 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 Chairperson 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 GlaxoSmithKline Pharmaceuticals Limited, 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 https://india-pharma.gsk.com/en-in/ 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 shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders 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 hold 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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they 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/myeasinew/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/myeasinew/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 Shareholders (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 Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders 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 Shareholders 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 shareholders other than Individual shareholders holding securities in demat mode and shareholders 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.

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 shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-voting, then you can user 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 shareholders 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 login for casting their 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 shareholders

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 Shareholders 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 shareholders 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 shareholder, 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 list 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 shareholder 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 shareholders 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 shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders 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 casted 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 – 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, 17 July 2023 (9:00 a.m. IST) to Friday, 21 July, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during 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, 17 May 2023

Registered Office:
GSK House, Dr. Annie Besant Road,
Worli, Mumbai 400 030.

Explanatory Statement pursuant to Section 102 of Companies Act, 2013

Item No. 4

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 2023. 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. 4 of the Notice for approval by the Members.

By Order of the Board of Directors

A. Nadkarni
Company Secretary
FCS 10460

Mumbai, 17 May 2023

Registered Office:
GSK House, Dr. Annie Besant Road,
Worli, Mumbai 400 030.

Directors' Report

The Directors of your Company are pleased to share their Report for the year ended 31 March 2023.

1. Financial Results for the year ended 31 March 2023

(₹ in crores)

Year	2022-23	2021-22
Continuing Operations:		
Revenue from operations	3216	3218
Other income	102	76
Total income	3318	3294
Profit before exceptional items and tax	833	762
Add / (Less): Exceptional items	(1)	12
Profit before tax	832	774
Less: Income tax expenses	(227)	(397)
Profit for the year from continuing operations	605	377
Discontinued Operations:		
Profit before tax from discontinued operations	4	1708
Less: Tax expense of discontinued operations	(1)	(394)
Profit from discontinued operations after tax	3	1314
Profit for the year	**608**	**1691**

2. Dividend

Your Directors' are pleased to recommend a dividend of ₹ 32 per equity share for the year. This dividend for the year ended 31 March 2023 is subject to the approval of Members at the Annual General Meeting on 26 July 2023 and will be paid on or after 27 July 2023. If approved by the Members at the Annual General Meeting, the dividend will absorb ₹ 542 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

As required by Regulation 34(2) of the Listing Regulations, a Management Discussion and Analysis Report given in **Annexure 'A'** forms part of this Report. The state of the affairs of the business along with the financial and operational developments has been discussed in detail in the Management Discussion and Analysis Report.

4. Directors

Mr. N. Kaviratne & Mr. S. Venkatesh ceased to be Independent Director & Managing Director with effect from 26 July 2022 & 30 November 2022 respectively. The Board places on record their appreciation of the valuable services rendered by Mr. N. Kaviratne & Mr. S. Venkatesh during their tenure and for their contribution to the deliberations of the Board. Mr. B. Akshikar was appointed as Managing Director from 1 December 2022 for period of four years and his appointment has 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. 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 and Mr. M. Anand for a first term of five years from 16 May 2022.

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 2023, Five Board & Seven 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: https://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: https://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 2023 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. Business Responsibility and Sustainability Reporting (BRSR) & Corporate Governance

A report on Business Responsibility and Sustainability Reporting (BRSR), describing the initiatives taken by your Company from an Environment, Social and Governance (ESG) responsibilities given in **Annexure 'B'**, forms a part of this 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 report on Corporate Governance, along with a certificate of compliance from the Auditors, given in **Annexure 'C'**, forms a part of this Report.

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 second term of five years at the 97 Annual General Meeting held on 27 July 2022 to hold office from the conclusion of the said Meeting till the conclusion of the 102 Annual General Meeting to be held in 2027 on a remuneration to be determined by the Board of Directors.

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 'E'** 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 2023-24. The Committee recommended ratification of remuneration for year 2022-23 to the Members of the Company at the ensuing Annual General Meeting.

11. 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.

12. 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.

13. 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 'F'** 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 'G'** 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.

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 for 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 cores during the year or ₹ 8.5 lakhs per month during any part of the year forms a part of this report and will be provided to any Shareholder 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 at the registered office of the Company during the business hours on working day of the Company up to date of Annual General Meeting and through electronic mode. The Members may write an email to in.investorquery@gsk.com by mentioning "Request for Inspection" in the subject of the email.

14. 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 Director

Ms. R. S. Karnad
Chairperson

Mumbai, 17 May 2023

Annexure 'A' to Directors' Report

Management discussion and analysis

Indian economic review

The Indian economy demonstrated resilient growth in FY 2022-23, registering GDP growth of 7%.[1] The country's recovery from the pandemic was relatively quick compared to other developing economies, and growth in the coming year will be supported by robust domestic demand and a pickup in capital investment. The Economic Survey projects a baseline GDP growth of 6.5% in real terms in FY 2023-24.

6.5%
Expected growth in FY 2023-24

Industry review

Indian pharmaceutical sector

The Indian pharma industry has grown at a compounded annual growth rate of (CAGR) of ~11% in the domestic market over the last two decades.[2] The industry is presently valued at USD 49 billion[3] and is the world's third largest by volume. In terms of value, the Indian pharma sector ranks 14th.[4] In the last few years, the sector is working to fulfill the country's healthcare demands while also expanding its global footprint.

The year 2023 holds a positive outlook for India's pharmaceutical industry and with the growing consensus among businesses over providing new innovative therapies to patients, the Indian pharmaceutical market is estimated to touch USD 130 billion in value by the end of 2030[5] and become the leading provider of medicines to the world.

9.43%
CAGR growth in nine years

USD 49 billion
Current value

3rd
Largest in the world by volume

USD 130 billion
By 2030

Indian pharma sector highlights in 2022

Pain acute grew by **10%**

Antivirals recorded **-59%** owing to high base in 2021

Anti-infectives grew by **5%**

Vaccine market declined by **18%**

Vitamins/ minerals/ nutrients (VMN) and Dermatology recorded consistent growth

Source: IQVIA Indian Pharmaceutical Market Annual Report – 2022

1 National Statistics Office (NSO)
2 https://www.ey.com/en_in/health/how-the-indian-pharmaceutical-industry-may-transform-post-pandemic
3 https://www.india.com/business/49-billion-and-3rd-largest-in-the-world-indian-pharma-industry-likely-to-grow-to-130-billion-by-2030-5633319/
4 https://pharmaceuticals.gov.in/sites/default/files/english%20Annual%20Report%202020-21.pdf
5 EY FICCI report, https://www.investindia.gov.in/team-india-blogs/budget-2023-boosting-pharmaceutical-sector#:~:text=According%20to%20the%20EY%20FICCI,new%2C%20innovative%20medicines%20to%20patients.

Key trends in the Indian pharma industry

Changing government and regulatory landscape	– Policy tightening and quicker regulatory approvals are increasing competitiveness – Focus on quality assurance and control is becoming more critical with increasing vigilance from regulators – The government has updated the National List of Essential Medicines (NLEM) and is emphasising on drugs that are seeing high usage; this is largely impacting brands that command premium price
Shifting industry dynamics	– Increasing investments in India by global players – Focus on value addition rather than pricing – Shift from a competitive to collaborative mindset
Emergence of new go-to-market (GTM) models	– The ability to manage various channels and consumers is becoming particularly crucial as pharmaceutical organisations evolve along the lines of fast moving consumer goods (FMCG)/ consumer players – Patient empowerment and the growing collaboration between physicians and pharmacists
Digital: backbone of transformation	– To remain competitive, companies need to demonstrate agility in responding to the changing relationship dynamics triggered by new digital players, and invest in data and analytics capabilities

Company overview

With a legacy of nearly 100 years in India, GlaxoSmithKline Pharmaceuticals Limited is a subsidiary of UK-based GSK plc, a global biopharma company with a purpose to unite science, technology and talent to get ahead of disease together.

Your company has a broad portfolio of established medicines with commercial leadership in anti-infectives, pain, dermatology and vitamins. Your company leads in the vaccines self-pay market, the dermatology segment in India and your company's Specialty medicines are innovative solutions in the respiratory therapy area.

Your company is headquartered in Mumbai and it has six branch offices, a manufacturing facility at Nashik in Maharashtra, 22 contract manufacturing organisations (CMOs) with regional and sales hubs across India.

Business performance

Your company's portfolio includes General Medicines, Vaccines and Specialty medicines that help prevent and treat disease. Your company's three business verticals comprise various brands with some of them featuring amongst the top brands in the Indian Pharmaceuticals Market (IPM), as per IQVIA.

1. General medicines

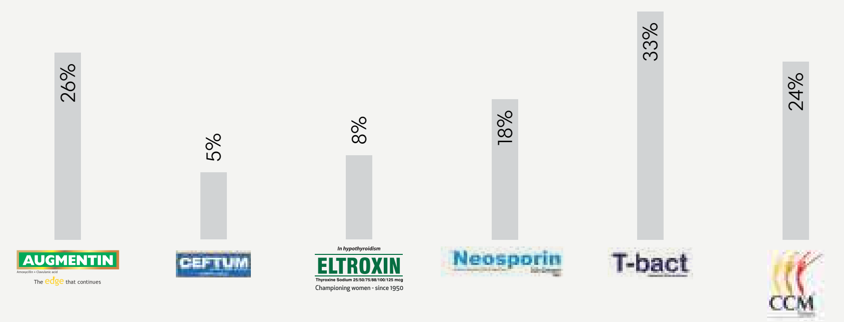
Strong growth and leadership driven by focus brands

Your company's continued emphasis on execution ensured consistent growth of your company's focus brands which are growing ahead of the IPM with an evolution index (EI) greater than 100.

Augmentin recognised as the 1st runner-up in the Brand of the Year - Acute, above ₹ 2,000 crore category - at the AWACS Marketing Excellence Awards 2022.

Four of your company's General Medicines brands – Augmentin, Calpol, T-Bact and Ceftum – rank amongst the top 50 brands in the IPM, as per IQVIA. Most of your company's other key brands in General Medicines continued to outperform their respective categories and gained market share in 2022.

Growth in FY 2022-23 of some of your company's focus General Medicines brands



Source: IQVIA MAT March 2023

Your company continues to rank #1 in the dermatology segment in India. Your company's market share allowed the dermatology team to further consolidate its market position by deepening connect with HCPs across geographies. T-bact is one of the top 50 brands in the IPM.

Your company is contemporising its General Medicines brands. Calpol 650, the #1 paracetamol brand in the IPM, is now Calpol 650+ which features 'Optizorb Formulation', a technology that helps in faster dissolution of the molecule.

Augmentin ES has also been launched during the reporting year. It is an antibiotic which is targeted to penicillin-resistant S. Pneumonia (PRSP) and helps fight anti-microbial resistance (AMR).

Embracing digital channels for engagement

Digital-first approach

Adoption of omnichannel approach to reach more HCPs to positively impact patients that rely on your company's medicines

1/3rd

Of total HCP interactions in 2022 for general medicines were conducted through digital channels

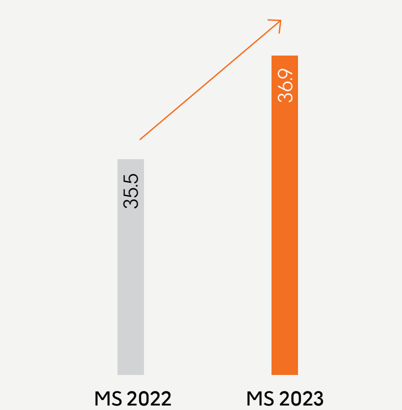
2. Vaccines

a) Paediatric vaccination

During the reporting year, your company's focus vaccine brands gained market share as well as maintained their leadership positions. Five of your company's vaccines featured amongst the top 15 vaccines in the self-pay market (IQVIA MAT March 2023).

The vaccines self-pay market has been impacted due to expanded offerings in the National Immunization Program (NIP) and a general slowdown in uptake of vaccines. However, the NIP has now stabilised and your company expects the self-pay market to recover. The supply of some key vaccines is expected to increase which will help us to accelerate growth in the self-pay market.

Non-NIP vaccine brands gained market share



Strategic imperatives to ensure your company's vaccines can protect more people:

1. Improve your company's reach to more paediatricians and key accounts
2. Improve vaccination awareness
3. Be innovative and relevant to the external environment

Your company's strategic approach for paediatric vaccination

- Build content on **'Health ka passport'** to reach and engage more parents (including ~5 mn new patients)

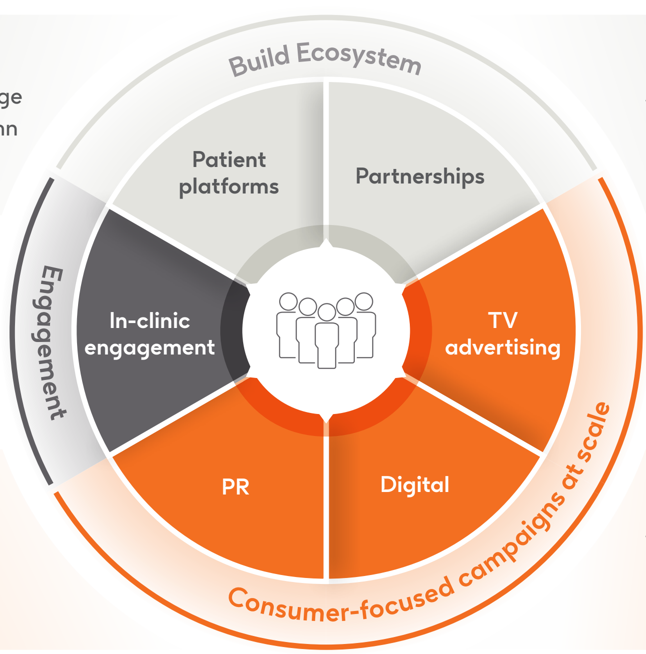
- 'Always-on' parenting platform

- Integrated Customer Relationship Management (CRM) platform
- 'In-clinic' awareness campaigns

- Reaching consumers through advertisements on vernacular platforms

- Media outreach for disease awareness

- Digital marketing and search engine optimisation (SEO)



Consumer campaigns have played an instrumental role in building and shaping the vaccination market. In FY 2022-23, your company ran four major consumer campaigns addressing various concerns and misconceptions regarding vaccination.

A.

6-in-1 campaign

During the first few weeks of life, a child needs to undergo multiple vaccinations. MS Dhoni, the former captain of the Indian national cricket team, featured in your company's 6-in-1 vaccination campaign to increase awareness of combination vaccination, which addresses the need for multiple vaccination sessions, thereby leading to "Less injections, less pain" – in consultation with their paediatrician. The tagline 'Injections kam aur dard bhi kam' encapsulates the key message of the campaign.

200 Mn* Impressions

70%* Increase in awareness of 6-in-1 vaccination

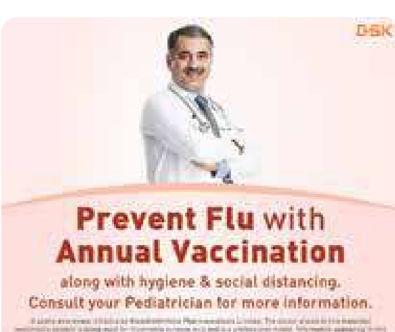
B.

Annual flu vaccination campaign

The campaign focuses on seasonality and making annual flu vaccination a habit for high-risk people when seasons change.

Campaign was active in

10,000* Clinics



C.

MyVaccinationHub.in

Your company runs 'MyVaccinationHub.in', a website that provides verified vaccination information in 12 Indian languages, as well as a digital vaccination tracker where parents can keep track of their child's vaccination record and receive timely vaccination reminders for any upcoming and/or missed vaccinations.

Scan this QR Code to watch the full video

* internal data

D. Faisla Sahi, Zindagi Sahi campaign

GSK and Kareena Kapoor Khan collaborated to increase awareness about the importance of adhering to the vaccination card/immunisation schedule of children, as advised by their paediatrician.

E. Vaxikart

The pioneering initiative VaxiKart, an online vaccine ordering app, enables HCPs to place orders, manage inventories and avail offers and special benefits from their preferred distributor from across the country.

VaxiKart

9,000*
HCPs onboarded on VaxiKart

65,000+*
Orders placed

F. Driving growth with key accounts

Your company's 'Key Accounts' initiative employs a model that involves all stakeholders, including procurement and healthcare providers. This channel employs a focused approach that includes the use of different Key Account Management (KAM) instruments such as turnover discounts, rate contracts and engaging HCPs as well as institutions to increase disease awareness.

5%*
Increase in market share with key accounts

38%*
Growth in the business

* internal data

b) Adult vaccination

Your company is a leader in the self-pay paediatric vaccines market and also has a robust adult vaccine portfolio in the country, which it aims to expand with the creation of a new category.

Your company currently markets the flu vaccine, Fluarix Tetra, for the elderly and pregnant women, and, Boostrix, a DTP booster vaccine, recommended for expecting mothers.

Your company is committed to creating a new adult vaccine category in India with the launch of Shingrix, a vaccine for prevention of herpes zoster (HZ) and post-herpetic neuralgia (PHN), in adults 50 years of age or older.

Shingrix - A world protected from Shingles

>90%
of adults aged 50 years old and above are infected with the virus that causes Shingles

1 in 3
Globally estimated lifetime risk of Shingles due to VZV reactivation

PHN
Most common complication impacting quality of life

Post-Herpetic Neuralgia (PHN)

To focus efforts on helping to protect more patients against this painful disease, a dedicated adult vaccines team has been established. Over 200 people have been recruited across the sales, marketing, and support functions to offer the vaccine to a client base that is new to vaccination procedures, including physicians, dermatologists, and rheumatologists, among others.

While the adult vaccination team will lead the launch, for the first time, the whole organisation will assist this effort by distributing Shingrix to every client.

The key areas of focus will be:

- Support HCPs through knowledge transfer
- Raise consumer consciousness through disease awareness campaigns
- Create non-traditional channels to access vaccination

3. Specialty

Making a difference for patients with severe eosinophilic asthma, HES, EGPA and COPD in India

Severe Eosinophilic Asthma

Your company launched Nucala in 2019 for severe eosinophilic asthma which is a rare type of asthma and usually diagnosed in adults. Given the rarity and complexity of the disease, Nucala has been able to make a positive difference in the lives of these patients by helping to reduce exacerbations and hospitalisation.

Nucala auto-injector

Your company also launched an auto-injector version of Nucala in 2020 which is a user-friendly device to self-administer Nucala at home, as advised by the physician. This device improves treatment compliance and adherence because patients can now self-administer Nucala at home without having to visit a hospital or nursing home.

As your company continues to make a positive impact in the quality of life of these patients, it has also forayed into two new indications from 2022 such as Eosinophilic Granulomatosis with Polyangiitis (EGPA) and Hypereosinophilic Syndrome (HES).

1,000+*
Patients benefitted since the launch of Nucala

35%*
Growth in revenue from Nucala

50%*
Increase in number of trade patients

* internal data

Trelegy is currently the most prescribed Single Inhaler Triple Therapy (SITT) worldwide and has positively impacted lives of several chronic obstructive pulmonary disease (COPD) patients in various countries. This 'once daily' single inhaler triple therapy for COPD was launched in India in 2022.

In India, your company is making a meaningful difference for patients suffering from COPD, who are accustomed to using multiple inhalers, with Trelegy Ellipta's unique, simple and patient friendly device mechanism in the world of inhalers.

How an Ellipta inhaler is operated

Over 30%*

Penetration of doctors' lists

* internal data

Opportunities and challenges for your company

Opportunities

Adult vaccination

While interest in adult or adolescent vaccination has never been high in India despite the fairly successful Universal Immunization Program (UIP), COVID-19 vaccination drives started conversations on adult vaccination and have given it an impetus.

With increased life expectancy and a growing segment of the elderly population in India, healthy aging is emerging as a larger area of focus. A key intervention for healthy aging continues to be preventive health led by vaccination strategies. Adult vaccination is in a nascent stage in India with a large potential for growth. For instance, the virus that causes Shingles affects over 90% of adults aged 50 years and above.

Challenges

Price control impact

Unfavorable regulations on product prices may impact revenues and profit margins, as your company operates in a price regulated market. Your company periodically assesses its product portfolio to make it more diversified, with focus on high volume growth products and operational efficiencies to control costs.

Once every five years, the National List of Essential Medicines (NLEM) is declared. In late 2022, the NLEM included your company's brands Ceftum and T-Bact in this price ceiling list. Your company's initiatives to mitigate the price impact on these key brands is to increase volumes, drive cost optimisation and leverage the launch of Shingrix to not only create a new category in India for adult vaccines but also make it a significant growth lever for your company.

Molecules of some of your company's vaccines, such as that of Synflorix or Rotarix, have been included in the NIP. However, these NIP vaccines are now getting stabilised as the self-pay vaccines market begins to regain momentum. The overall growth of your company's existing vaccines portfolio is being driven by other vaccines such as Infanrix Hexa, Boostrix and Menveo.

Supply chain disruptions

Ongoing geopolitical crises have led to supply chain disruptions and rising cost of raw materials. Given the reliance on import of active pharmaceutical ingredients (APIs), Indian pharmaceutical companies are susceptible to supply shocks and input material price increases. Your company is also prone to these near-term risks.

4. Supply chain and manufacturing excellence

Your company's world-class **manufacturing facility in Nashik**, along with its contract manufacturing organisations (CMOs), have helped your company provide patients with high-quality pharmaceutical products.

Nashik site

Achieved 'Platinum' status in Employee Health and well-being index

Chemical safety maturity improvement by 10%

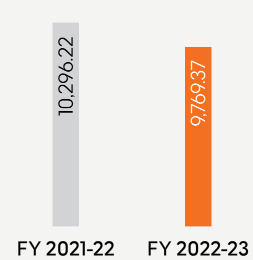
Source: GSK Employee Health & Well-being Dashboard Compliance Score - 2022

Nashik manufacturing site

Your company has set its environment sustainability target of net zero impact by 2030. Your company's CMOs have started gearing up to deliver on your company's sustainability commitments. In 2022, your company's manufacturing facility in Nashik site has made progress in its commitments towards energy conservation, recycling of waste water and overall reduction in carbon dioxide (CO_2) emissions.

Energy emission

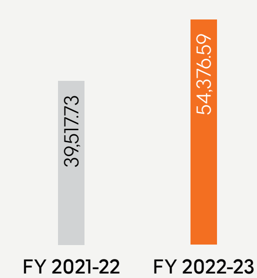
(CO_2 equivalent in metric tonnes - MT*)



*Includes Scope 1 and Scope 2 greenhouse gas (GHG) emissions

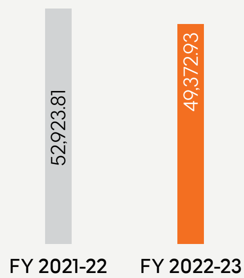
Total fuel consumption

(in Giga Joule - GJ)



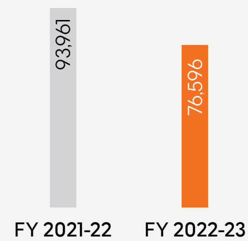
Electricity consumption

(in Giga Joule - GJ)



Water consumption

(Kilo litres - KL)



4.6 million+

Safe man-hours without reportable illnesses

2.3 million+

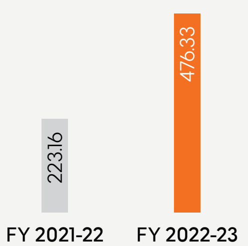
Safe man-hours without reportable injuries

Increase in production capabilities, particularly for products such as Calpol, Augmentin liquids, CCM, T-Bact and the localisation of Ceftum will help drive the growth trajectory upwards for your company.

Your company continued to maintain COVID-appropriate behaviours across its manufacturing setup, driving quality assurance measures, health and safety precautions while maintaining high standards of good manufacturing practices (GMP) compliance. As a result, your company ensured no loss of production, zero reportable incidences and high service delivery.

Waste generated*

(in metric tonnes - MT)



*Data on other non-hazardous waste generated at the Nashik manufacturing plant has been made publicly available from FY 2022-23

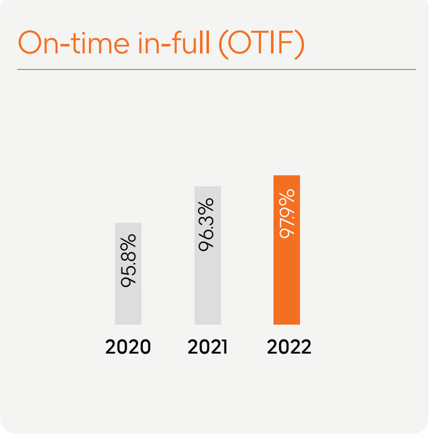
Your company continued to de-risk manufacturing capabilities of existing CMOs and develop alternate product sources in vicinity of demand nodes and devise business continuity plans including re-aligning resources to execute them.

Over 600 KW

Installed solar photovoltaic system

Warehousing and logistics

Your company's distribution network continues to evolve and helps us to consolidate the warehousing network to reach strategic locations while ensuring high levels of customer service, maintaining and improving supply chain resilience.



Your company is driving its **Go-Digital** agenda and has made significant progress in implementing automation and digitisation initiatives, helping rationalise its operating model and costs. This has also helped your company's processes become more transparent, ensured better compliance while allowing us to continue serving the needs of patients who rely on the quality medicines that we manufacture.

5. Finance and accounts

During FY 2022-23, your company's profit margins and EBITDA recorded a healthy growth even though the revenue from continuing operations remained flat at ₹ 3216 crores impacted by a declining self-pay vaccines market.

Profit before tax (PBT) from continuing operations before exceptional items at ₹ 833 crores recorded a growth of 9%. EBITDA margins 24.9% improved by 1.4% from the previous fiscal. Profit after tax (PAT) from continuing operations before exceptional items has increased by 66% due to tax charges considered in the previous fiscal pertaining to potential litigations from prior periods. Adjusting for these tax charges, the PAT from continuing operations before exceptional items improved by 10%. During the reporting year, the General Medicines portfolio grew by 5% led by anti-infectives and dermatology therapies even though we were impacted by price revisions under National List of Essential Medicines (NLEM), 2022 announced in Q4 2022-23. Augmentin is the no. 1 brand in the IPM. Your company continued to maintain market leadership in the therapy areas in which it operates.

Your company's cash flow from operations remained robust throughout the year and was consistent with the solid fundamental business performance. Your company's efforts continued on improving working capital efficiencies and accelerating cash conversion. There are no loans or guarantees given, securities provided, and investments covered under Section 186 of the Companies Act, 2013. As of March 31, 2023, there was no outstanding amount owed to depositors for unclaimed deposits. Further, there are no significant or material orders issued by regulators, courts, or tribunals that have an impact on the going concern status of your company and its future operations. Your company's financial position, as of the date of this report, has not been materially altered by recent events or obligations.

Profitability Ratios	Formula	31-Mar-23	31-Mar-22
Operating Profit Margin (%)	Profit from Operations/Sale of Products	23.04%	21.79%
Net Profit Margin (%)*	Profit after Tax (excl. exceptional)/ Revenue from operations	18.79%	11.85%
Return on Net Worth*	Profit after Tax (excl. exceptional)/ Shareholders equity	34.69%	21.71%
EBITDA %	EBITDA/Revenue from operations	24.82%	23.57%
Return on Capital Employed*	Profit before Tax (excl. Exceptional)/Net Worth	47.77%	43.49%
Efficiency Ratios			
Current Ratio	Current assets/ current liabilities	1.87	2.19
Inventory turnover ratio	Sale of products/ Average inventories	6.74	6.73
Debtors turnover ratio	Sale of products/ Average trade receivables	16.11	16.58

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 39 and 54 of the Standalone Financial Statements)

*Ratios for the previous year ended March 31, 2022 was impacted by tax adjustment of prior years (~188 cr). Excluding the impact of same Net profit margin (%) comes out to be 17.19%, Return on Net Worth would be 28.69% and Return on Capital Employed would be 39.61%.

6. Regulatory affairs

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

Marketing authorisation was successfully obtained for label expansion of Mepolizumab Solution for Injection (Nucala) to include two additional indications:

Eosinophilic granulomatosis with polyangitis (EGPA)

Hypereosinophilic syndrome (HES) in adults

In addition, all the required regulatory approvals for the import and sale of your company's Herpes Zoster vaccine (Shingrix) had been secured.

The following Global Clinical Trial Applications were submitted and approved by CDSCO during the year:

A multi-country phase I/II study with your company's S.aureus candidate vaccine in adults with a recent S. aureus skin and soft tissue infection (SSTI) [STAPH AUREUS BIOCONJ-001 STG]

A multi-country phase II study with Belantamab Mafodotin in participants with Relapsed or Refractory Multiple Myeloma (DREAMM-14)

Overall, 11 studies are being conducted/ planned for initiation in India by your company in India.

These filings and approvals will enable timely access to new and innovative therapeutic options for patients in India.

GSK

7. Medical affairs

1. Anti-microbial resistance (AMR)

Your company is undertaking initiatives to address the issue of AMR in India. Through local, regional, and national meetings and major congress presentations, as well as industry-wide stakeholder discussions on combatting AMR, it has been at the forefront of advancing the appropriate communication of the science behind its medicines.

Over 1,000 one-on-one discussions with experts, including infectious diseases (ID), chest physicians, paediatrics, and ear, nose, and throat (ENT) specialists to bridge the current gaps in addressing AMR through HCP education and patient awareness campaigns.

Your company successfully led Advanced Surgical Conclave for ENTs (ASCENT) for disseminating high science to ENTs on advancements in surgery and perioperative infection management. Your company also continues to advance research by generating information on the safety and efficacy of its medications in Phase IV clinical studies, which has resulted in multiple successful papers on the proper use of antibiotics and addressing AMR.

Your company's continued efforts to make real-world antibiotic susceptibility data for community-acquired illnesses in India available to the HCP community would assist them in making proper antibiotic choices in the management of diverse diseases.

Over 170 internal medical-led scientific presentations to ~25,000 HCPs

2. Dermatology

In Dermatology, the medical team continued to focus its efforts on promoting medical education initiatives in the areas of rational topical steroid antibiotic usage, correct diagnosis and management of common skin disorders, and other critical areas.

Bridging Insights from Dermatology Group of Experts (BRIDGE), one of your company's flagship medical affairs-led programmes, attempts to improve patient outcomes through expert talks on difficult patient cases. A multidisciplinary event for the top 500 dermatological professionals from ten locations was a huge success. In 2022, the Medical team launched 'Dermatosis Case Study (DCS) Clinics,' which were created particularly to involve major dermatological specialists working in leading medical schools and dermatology postgraduate students. In 2022, the team held 250+ DCS clinics, involving 600+ institutional dermatologists in highly scientific case-based discussions on difficult skin disorders.

Another successful initiative, 'eCLINICS: PG ki Pathshala', a learning platform to support post-graduate curriculum of young dermatologists, continues to strengthen your company's connect with young dermatologists by not only aiding practical viva exam preparation but also generating numerous clinical pearls from renowned dermatology academicians across India for PG students.

The Medical team also introduced 'Dermalogue', a one-of-a-kind medical education effort aiming to collect professionals' thoughts on the most recent breakthroughs in clinical and cosmetic dermatology, with an emphasis on updates relevant to the Indian context. This project involved over 1,000 dermatologists and was well received by dermatological professionals.

500+ scientific presentations delivered to 22,000+ HCPs

3. Hypothyroidism

In the domain of hypothyroidism therapy, your company's Medical team held four Cross Specialty Experts Symposium (CREST) meetings on 'Thyroid Dysfunction in Women', which are healthcare organisation (HCO) collaboration sessions employing the knowledge of 24 professors (mix of obstetrician-gynaecologists (OB-GYN) and endocrinologists) and training over 400 HCPs on hypothyroidism.

~400

HCPs trained on hypothyroidism

7. Medical affairs

4. Vaccines

Continuing the journey as a trusted scientific partner, your company's Medical Affairs team delivered speaker sessions in 216 meetings, which as a key scientific dissemination tool, enabled your company to engage more than 8,000 HCPs. Robust data-driven scientific interactions facilitated 1,041 one-on-one dialogues to impart right clinical practice wisdom. The team also supported various consumer awareness campaigns such as MyVaccinationHub.in, the 6 in 1 vaccination campaign, Hepatitis & Flu campaigns. The team was also critical in rolling out internal capability building initiatives. The Medical team partnered with external experts to drive scientific publications to continue to strengthen your company's scientific advocacy in the field of paediatric vaccination.

As a scientific leader driving innovation in adult immunisation in India, the Adult Vaccines Medical team represented to the regulatory authorities and played a critical role in obtaining a Marketing Authorisation for Shingrix parallel to running Phase III clinical trials to fulfill the unmet medical need for Indian patients with potential risk to develop Herpes Zoster (HZ). Also, as the risk of influenza is greater in people aged more than 65 years, with a patient-centric approach, your company successfully obtained regulatory extension for the use of Fluarix Tetra in 65+ age group with phase IV clinical trial commitment. The team is working with external experts to develop scientific advocacy for Shingles prevention through several medical education activities in congresses, collaborations with healthcare organisations as well as publications.

Your company's Medical Affairs team trained over 150 vaccine sales colleagues, comprising vaccine specialists, business leads and customer managers. Your company's Shingrix team is now well-equipped with appropriate knowledge to now disseminate science to HCPs.

In 2023, your company is planning to increase awareness around Shingles and its prevention by collaborating with several HCPs and healthcare organisations through various scientific initiatives. These include medical education programmes and symposia, participation at national congresses and even clinical research collaborations. Several patient- and consumer-facing initiatives such as disease education and awareness are also being planned.

5. Specialty

In 2022, your company launched Trelegy (SITT with FF/UMEC/VIL) for COPD patients in India. In addition, your company also obtained regulatory approval for the additional rare indications of HES (Hypereosinophilic Syndrome) and EGPA (Eosinophilic granulomatosis with polyangiitis) for Nucala (Mepolizumab). This increased access for eligible patients to Mepolizumab further strengthens your company's presence in the eosinophilic diseases spectrum in India.

India is a part of the multi-country real world evidence study on Mepolizumab in severe eosinophilic asthma. Your company also initiated the Nucala auto-injector post-marketing surveillance study in Indian patients which will improve pulmonologists' confidence with respect to the safety of newer biologics and ensure the eligible Indian patients get the right treatment at the right time.

In Specialty, your company has delivered over 100 scientific presentations through your company's virtual and physical standalone scientific promotional meetings (SPMs), national and regional webinars and focused group discussions, involving more than 800 specialists across the country both as speakers and attendees.

Your company has also made presentations at the National Pulmonology Conference (NAPCON) to ensure its data is reaching the HCPs and well-informed treatment decisions can be made. In severe asthma, your company continues its support to patients through patient support and access programmes. The INSIPRA clinics have supported the screening and diagnosis of ~10,000 patients of asthma. To date, over 200 severe asthma patients have benefitted from the home administration of Mepolizumab.

GSK

8. Human resources

Embedding culture

Your company makes sustained efforts to retain, develop and accelerate diverse talent.

Your company's exceptional talent, aided by a culture of recognition, inclusion and empowerment, drives business growth.

Your company's culture pillars are:

- Ambitious for patients
- Accountable for impact
- Doing the right thing

Your company's commitment to people has been validated and recognised by prestigious industry bodies and organisations. Such external recognitions include:

Certified 'Great Place to Work®' in in 2022-23 by the Great Place to Work® Institute.

Recognition as one of the top 3 companies in the Pharmaceutical and Healthcare sector by Business Today magazine.

First Runner-up at the ASSOCHAM (Associated Chambers of Commerce and Industry of India) 3rd Diversity and Inclusion Excellence Awards - 2022 in the Best Employer for Women category.

Recognition as one of 'Top 40 India's Best Workplaces in Health & Wellness 2022' by the Great Place to Work® Institute.

Recognition as one of 'India's Most Attractive Employers 2022' by Universum

Ranked one of the '2022 Best Places to Work' by the Human Rights Campaign Foundation

Sukanya Choudhury, Executive Vice President - Regulatory Affairs, GlaxoSmithKline Pharmaceuticals Limited, conferred the HBA (Healthcare Businesswomen's Association) Luminary award for 2023

Developing talent and leadership

Talent reviews & succession planning

Your company's talent management approach helps develop talent for your company in India and GSK, globally.

Self-learning culture

Your company promotes the culture of self-paced learning by providing innovative, engaging learning tools and platforms such as Keep Growing Campus, LinkedIn Learning, Get Abstract, Harvard Leading Edge, etc.

Lakshya

In-house flagship development programme that prepares your company's medical representatives (MRs) for the role of First Line Leader (FLL).

Building managerial capability

In 2022, your company introduced the Be More - Manager Capability Building programme which enables managers on 4 key aspects: powerful conversations; building healthy employee relations (ER) environment; rewards as a lever for motivating teams; and, leading diverse teams.

Catalyst

In-house flagship development programme to develop first line leaders (FLLs) for the role of second line leaders (SLLs).

Future Leaders Programme

Your company's flagship early talent initiative helps talented recruits from prestigious universities flourish by offering them opportunities in diverse roles across your company's business divisions.

Leadership development

Your company's leadership development programmes include: Emerging Market Trailblazers Programme; Emerging Markets Talent Forum for Leadership Team (LT) Successors; First Line Leaders (FLL) programme; Emerging Markets Talent Forum for General Manager (GM) Successors; Accelerating differences programme to promote inclusion; Leading leaders programme for senior managers

Fostering a healthy work environment

GSK culture survey	To understand how your company's people are feeling about its culture. The annual survey is followed up by quarterly pulse surveys to understand the progress of the feedback received
Manager One80 survey	To provide managers with developmental insights through seeking structured real-time feedback from the team members
Employee communication platforms	Let's Talk, livestreamed townhall sessions with leaders, employee listening sessions, national and regional meets are a few platforms to ensure ongoing communication
Evolved Speak Up culture	Your company's people can use the 'Speak Up' platform to report misbehaviour, violations of the law, the GSK Code and other concerns
Healthy industrial relations environment	Your company continually engages with unions to achieve a win-win outcome for its people and the business

91%
Engagement rate in GSK Culture Survey

4.2 out of 5
Average One80 Manager survey score
(higher than global GSK average)

Diversity, equity and inclusion (DEI)

To improve the health outcomes of patients and their families, your company is committed to being a diverse, equitable, and inclusive organisation that attracts and retains outstanding talent.

The Women's Leadership Initiative (WLI) and Spectrum are your company's Employee Resource Groups (ERGs) that work towards building a more inclusive organisation.

Women's Leadership Initiative (WLI)

Focuses on attracting, accelerating and retaining women at GSK

Spectrum

Focuses on building awareness around the LGBTQIA+ community and sensitises your company's people to help create a safe and inclusive environment for our LGBTQIA+ colleagues.

Three tenets of diversity, equity and inclusion (DEI): Culture, Capability and Career

Your company's three tenets for diversity, equity, and inclusion are to strengthen its inclusive culture, build the right capabilities to be allies of various groups, and assist their career advancement.

Culture	Capability	Career
Stronger Together Inclusion awards were introduced in 2022 to recognise and foster a culture of inclusion.	Your company rolled out a capability module called 'Leading Diverse Teams' to enable managers and leaders to foster a culture of inclusion.	Under-represented employee segments are emphasised in our talent management process to build a diverse organisation.

Driving holistic employee well-being

Your company has implemented numerous new initiatives and revised current practices, policies, and procedures for the overall well-being of people and their families, such as:

Child care

- New policy allows to opt for a day care facility that suits employee needs
- Available to all women employees and single parents

Parental leave

- Provides 26 weeks of maternity leave
- Provides 18 weeks of paternity leave
- Leave can also be availed for adoption and surrogacy

Sabbatical leave

- Provides for leave of up to 12 months
- Guarantees job security
- Can be availed for medical treatment, higher education, self-development, or as a primary caregiver for a family member with chronic illness

Care of family member leave (COFML)

- Four calendar weeks of COFML (paid leave of absence) in one calendar year
- To take care of an immediate family member having serious health conditions

'Performance with choice'

Your company's office-based employees are provided flexibility to choose working from home or office basis their unique needs.

Partnership for prevention (P4P)

- Provides up to 40 preventive healthcare services
- Includes child and adult immunisations, communicable diseases, cardiovascular health and diabetes, cancer screening, HIV screening and other treatments.

Employee assistance programme

- 24/7 telecounselling services provided
- Provides resources to navigate family planning, pregnancy, parenting, financial planning, career planning and workplace issues

Collaboration with Practo

Employees can schedule virtual consultations with doctors across 23 specialties including psychologists, in real time.

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 three sexual harassment complaints which have been closed. Your Company launched a renewed e-learning module to further increase awareness around prevention of sexual harassment.

9. Environment, Health, Safety and Sustainability (EHSS)

Your company has maintained its focus on enhancing driver safety standards including accident reporting along with inculcation of life saving rules among its people through different mediums, so that it becomes a way of working. During the year under review, prior to entering the field, all new recruits were trained on defensive driving techniques.

611

New recruits trained in defensive training techniques in FY 2022-23

EHS at Nashik manufacturing site

The site has a safety culture embedded through 12 Life Saving Rules.

The site is driving the sustainability initiatives in a focused and structured approach to meet your company's long term sustainability targets of 2030. In 2022, the site has delivered significant results.

9.6%

Energy consumption reduced

11.6%

Water usage reduced

4%

Waste reduced (hazardous)

Your company's India Pharma Supply Chain (PSC)

Your company collects post-consumer plastic waste from Indian markets and recycles and recovers it in an environmentally sound manner every year as a part of your company's Extended Producer Responsibility (EPR) obligation. In FY 2022-23, your company collected and disposed of 1365.91 MT of plastic waste.

1,365.91

MT of plastic waste collected and recycled and recovered

10. Selling Excellence

Vision

Your company aims to enhance commercial execution and builds capabilities of the field force.

Your company's Selling Excellence initiatives have been recognised as GSK India was conferred the Best Sales Onboarding Programme in the 2nd Annual Sales L&D Summit & Awards 2022 by Transformance Business Media.

Key Selling Excellence initiatives:

1. **Re-designing Sales Rep Onboarding Journey (6 months)**

   To accelerate transition and integration of new hires in your company's culture to make them best-in-class and highly productive within their confirmation period.

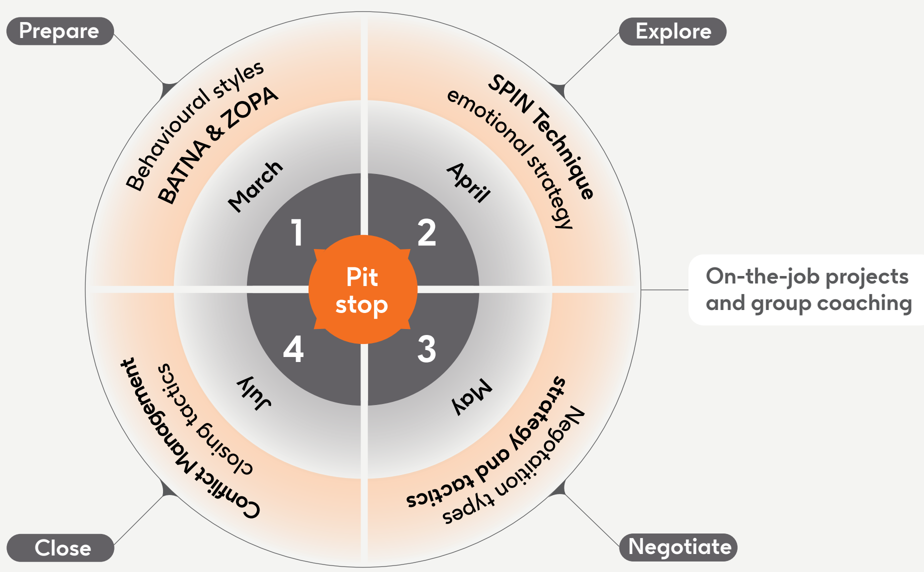
2. **Negotiation Academy:**

   – This initiative was recognised by GSK's Emerging Markets regional cluster as a best practice in skill-building

   – Tailored to vaccines business

106 Participants

25 Workshops



BATNA - Best Alternative To a Negotiated Agreement, ZOPA - Zone of Possible Agreement, SPIN - Situation Problem Implication Need-payoff

3. **New brand launch readiness:** Capability-building of the Shingrix team through robust training and experiential learning for better preparedness as your company aims to create a new category in adult vaccination.

4. **Omnichannel Capability Programme:**

   Strengthening the coaching capabilities of first line sales leaders (FLSLs) for better execution by medical representatives.

5. **Bite sized eLearning content to enable self-paced learning**

23 brands	**5** process
146 voiceover videos	**30+ hrs.** of eLearning content

GSK

The pay offs

Well versed with your company's ways of working

Transition from a learner to self-driven 'OmniRep', poised to strengthen your company's image in the marketplace

Higher in-clinic effectiveness

Higher job satisfaction

Reduced attrition rate

11. Corporate social responsibility (CSR)

Being a responsible corporate citizen, your company contributes to nation-building through CSR programmes centred on healthcare and education.

GSK Scholars – Enabling future healthcare professionals (your company's flagship CSR initiative)

Objective: To help India's skill-building strategy and to enhance science, technology, engineering and mathematics (STEM) education in the country.

Offering: This scholarship provides students with up to ₹ 1 lakh each year for four-and-a-half years to defray academic expenditures related to their MBBS programme.

259
Beneficiaries

15
States covered

GSK Scholars programme named the 'CSR project of the year' by UBS Forums

Trust in science initiative

Objective: To fulfill the demand supply gap of highly qualified and experienced biostatisticians and bioinformatics specialists.

Offering: Your company has partnered with the Regional Centre for Biotechnology to launch the 'Trust in Science' programme in India. The initiative will assist 12 PhD candidates for about seven years.

Partnering India to eliminate lymphatic filariasis (LF)

Objective: Eliminate Lymphatic Filariasis as a public health issue from the country.

Offering: Contributing albendazole tablets used during mass drug administration (MDA) to the World Health Organization (WHO) until LF is completely eliminated in India.

29 million
Albendazole tablets contributed in FY 2022-23

Healthy school environment - The right of every child

Objective: To continue providing health, nutrition, and water, sanitation and hygiene (WASH) support to children attending Municipal schools in Nashik, Maharashtra.

Offering: The initiative is being carried out in 20 Nashik Municipal Corporation Schools (NMC) in partnership with the Nashik Municipal Corporation's Education Department.

10,756
Beneficiaries

Upgrading classrooms to smart classes

Objective: To transform the way students learn by upgrading classrooms into smart-classes.

Offering: As part of this programme, 25 smart-classes have been created benefitting children in Nashik Municipal Corporation (NMC) and Nashik's Zilla Parishad schools.

3,263
Beneficiaries

Mother and child care

Objective: To enhance the health and nutrition status of children, mothers, and adolescents by developing resilient communities with active participation of system and community stakeholders to reduce public health risks in Mumbai's vulnerable communities.

Offerings: This intervention project has worked directly with ~2,716 married women in the reproductive age group (MWRA), 1,964 children aged 0-5 years and 334 adolescents in the 10-19 years age group leading to improved access of public healthcare services, better awareness on maternal and child health topics.

5,404
Beneficiaries

4,741
Households impacted

Home away from home

Objective: To provide holistic care for families coping with their child's cancer treatment.

Offerings: This initiative strives to bridge the gap between world-class, cost-effective cancer treatment centres and the comprehensive support required to effectively complete cancer treatment through the supported centres.

420
Beneficiaries

Regional projects

Save Lives

Objective: To empower the community by focusing on mother and child health concerns.

Offering: Improving access to health services for building resilient communities in Nayabasti, West Bengal.

1,030
Households impacted

875
Beneficiaries

Mainstreaming out-of-school children

Objective: To mainstream children who are school dropouts by enhancing their grade level competencies.

Offerings: The targeted beneficiaries will be mainstreamed into traditional educational channels, in this case, government schools, at the end of the yearly intervention period to continue their education.

400
Beneficiaries

Over 85%
Beneficiaries exhibited improvement in learning levels

Holistic care for the vulnerable

Objective: To empower underprivileged and disadvantaged girl children and to demonstrate that, given equal chance, every girl, regardless of her familial circumstances, has the capacity to thrive.

Offerings: Providing free residential formal school education, co-curricular activities, and vocational training.

150
Beneficiaries

100%
Of the boarders are engaged

Be a Change-maker (Orange day – employee volunteering programme)

Objective: To redirect your company's people's efforts towards social benefit and try to build communities as 'Change-makers'.

Offering: Your company volunteers across India for various charitable causes. In addition, it has developed a mentoring programme in which your company's people who are volunteers mentor students studying medicine at government colleges. These students are part of the GSK Scholars programme, which connects employee involvement with the CSR initiative.

6,424 hours
Of volunteering

Your company's CSR policy can be accessed on your company's 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 'D' to the Directors' Report of this Annual Report.

12. Risk management

The importance of risk management is critical in the administration of a healthcare organisation. As your company works to provide solutions to millions of patients worldwide, risk management extends beyond assuring business success, investor confidence, and regulatory compliance. A negative impact on the company might result in disruptions in patient care, which would have a direct influence on the quality and sustenance of human life.

Your company takes immense pride in your company's culture, including the maturity of its risk management processes. Your company's 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 fostering the 'tone from the top' and an acceptable risk culture, in addition to providing effective monitoring of internal controls and risk management systems. The risk management process is monitored by the RMCB on a regular basis (minimum bi-monthly 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 that detail each risk, its primary cause, and the existing controls and monitoring in place. Mitigation actions along with owners and timelines are agreed upon. All significant risks are discussed at the bi-monthly RMCB and then subsequently, at the Risk Management Committee of the Board at least twice a year.

Your company's ability to manage any crisis, including black-swan occurrences such as the pandemic, is ensured by internal risk management mechanisms that operate in real time. The maturity of the process has changed the approach from risk mitigation to risk-resilience. This has enabled quick business decisions linked with your company's risk appetite and culture, ensuring that its brands remain accessible to patients and customers even during the most challenging times.

At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of your company, GlaxoSmithKline Pharmaceuticals Limited.

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 processes encourage everyone to report concerns about potential unethical, unlawful, or inappropriate behaviour and safeguard those who do so from reprisal or harassment.

An independent third party manages these reporting lines and calls are logged through their central system to ensure the integrity of the programme. Your company endeavours to treat compliance queries and concerns confidentially, even if the person reporting a concern identifies himself/herself. Your company also has a comprehensive and extensively communicated policy for preventing, punishing, and discouraging sexual harassment. The 'Speak Up' channels can be accessed on your company's website (https://gsk.com/speakup).

In addition, your company has a whistle-blower policy in place to enable employees/external stakeholders to approach local/group management or the Audit Committee Chair in the event of any grievance or concern. (accindrx.audicomitteechairmangskindiarx@gsk.com).

The GSK Code can be accessed on GSK's global website (https://www.gsk.com/en-gb/company/codes-standards-and-reports/).

Legal

Your company's legal function plays a critical role in assuring that all its business activities are carried out not only in accordance with the law but also in alignment with your company's culture.

The Legal function renders critical advice to the Board of Directors and senior executives of your company to ensure operations meet the highest standards of corporate governance and they are privy to sound, prompt, and timely legal advice to effectively discharge their duties in the overall interest of all stakeholders.

During the reporting year, your company's Legal team provided its support and expertise for several initiatives across the organisation, including support in business operations, commercial initiatives, supply chain and new launches such as Shingrix.

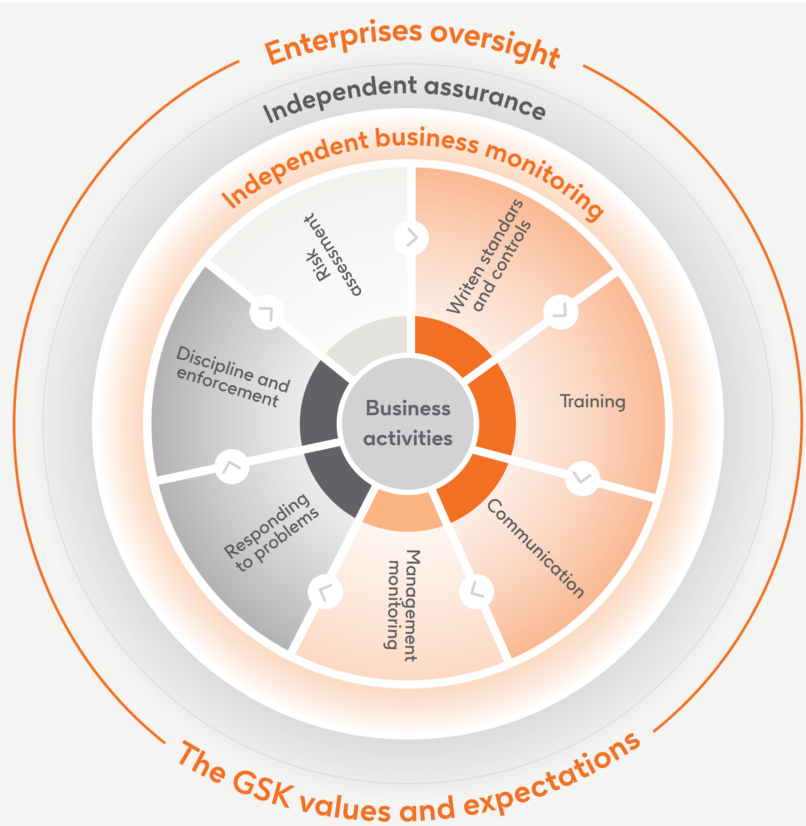
Your company was conferred the CNBC TV18 India Risk Management Award in the Pharma sector

Internal control framework

Your company conducts its business with integrity and high standards of ethical behaviour, in compliance with the laws and regulations that govern the business. Your company's 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, your company has implemented an Internal Financial Control (IFC) framework. It continues the 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 your company's corporate values through a detailed Third Party Risk Management (TPRM) process.



Annexure 'B' to the Directors' Report

Business Responsibility and Sustainability Report

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	GSK House, Dr Annie Besant Road, 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 2022-23
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 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the Business Responsibility and Sustainability Report	**Name:** Mr. Ajay Nadkarni **Designation:** Company Secretary **Telephone no.:** +91 22 2495 9595 **Email ID:** in.investorquery@gsk.com
13.	Reporting boundary	Standalone basis

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):**

Sr. 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
	Six 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'), Hospitals and Government Institutions to whom your company sells its products.

Employees

Details as on end of Financial Year of Total Workforce:

Particulars	Total	Male	Female
Permanent Employees	1,693	1,450	243
Permanent Workers	1,987	1,809	178

Differently Abled Employees:

Particulars	Total	Male	Female
Permanent Employees	3	2	1
Permanent Workers[1]	0	-	-

Participation/Inclusion/Representation of Women:

Particulars	Total	Number	Percentage
Board of Directors	2	0	-
Key Management Personnel	13	3	23%

Voluntary[2] Turnover Rate

Employees	FY 2022-23	FY 2021-22	FY 2020-21
Male	14%	18%	8%
Female	17%	24%	15%
Total	**15%**	**19%**	**9%**

Workers	FY 2022-23	FY 2021-22	FY 2020-21
Male	17%	12%	3%
Female	42%	31%	11%
Total	**19%**	**14%**	**4%**

Holding, Subsidiary and Associate Companies (including joint ventures)

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

Sr. 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

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 expenditure for the reporting year is INR 1,347 lakhs.

(i) Turnover: INR 3,21,634.34 lakhs

(ii) Net worth: INR 1,75,299.93 lakhs

The detailed report on the CSR programmes undertaken during the year has been provided in Annexure 'D' to the Director's Report.

Healthy and empowered communities are the foundation of a sustainable society. Your company's CSR approach places a strong focus on bridging the gap in access and affordability to basic services for underprivileged and disadvantaged communities in India. Core

[1] All unionized workers are classified as permanent workers

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

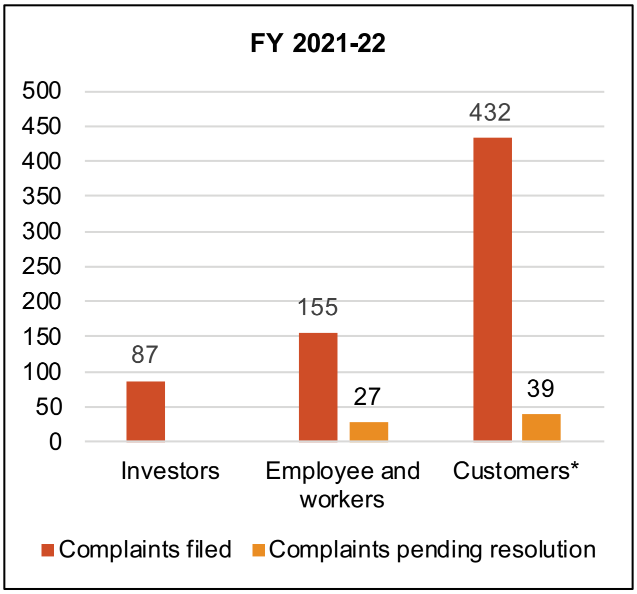
focus areas of your company's CSR activities include quality education and accessible healthcare and nutrition. Our aim is to provide ample and equitable opportunities of growth and development for our communities, further contributing to the creation of a sustainable society. For FY 2022-23, our CSR activities have created long-term positive impact for marginalized communities across India, touching 21,527 lives.

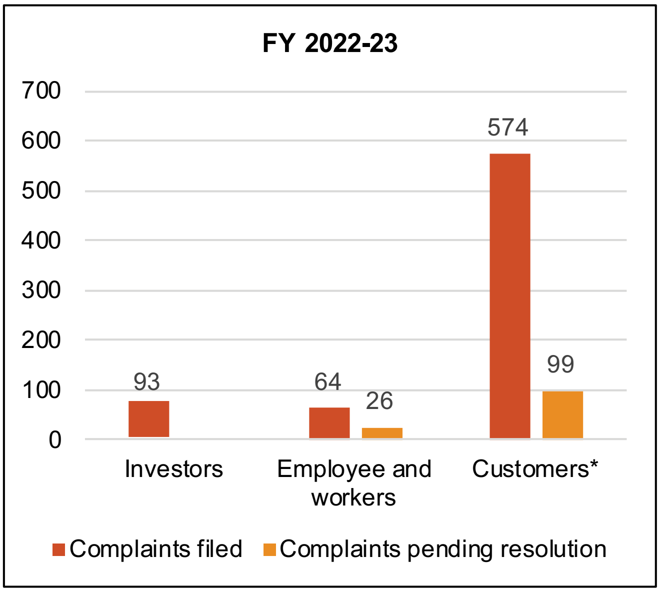
Transparency and Disclosure Compliances

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

Complaints filed for FY 2022-23 and FY 2021-22 have been provided in the graphs below. All resolved complaints were closed within stipulated timelines. Your company remains focused on resolving all pending complaints in a timely manner.

*(*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

Material issues identified below are those that pose the most significant risks and opportunities to our business, and upon which your company has the most significant impact. These ESG issues play a critical role in decision making and devising of your company's strategy for long-term value creation for all stakeholders.

Material Issues	Risk / Opportunity	Rationale for Identifying as Risk	Management Approach	Implications of the Risk or Opportunity (Negative/Positive)
Financial Controls and Reporting	Risk	Non-compliance with existing or new financial or new ESG reporting, and disclosure requirements, laws and regulations could materially and adversely affect our financial results and reputation.	Your company maintains a control environment designed to identify material errors in financial reporting. Further, your company follows a standardised global financial reporting operating model, subjected to necessary audit procedures.	Negative

Material Issues	Risk / Opportunity	Rationale for Identifying as Risk	Management Approach	Implications of the Risk or Opportunity (Negative/Positive)
Commercial Practices	Risk	Failure to engage in activities that are consistent with the letter and spirit of the law, or the Group's requirements relating to commercial practices could materially and adversely affect our ability to deliver our strategy and long-term priorities. It may also result in ineffective treatment of patients, regulatory/legal action, financial repercussions, and reputational harm.	Your company's business unit risk management and compliance boards oversee commercial activities and their monitoring programmes. All promotional materials and activities must be reviewed and approved according to our policies and standards and conducted in accordance with local laws and regulations. All employees are also trained on relevant information.	Negative
Prevention of Bribery & Corruption	Risk	Failure to comply with laws and regulations on anti-corruption and bribery (ABAC) may lead to criminal and civil liability, severe reputational damages and financial damages such as penalties and fines.	Your company has an enterprise-wise ABAC programme, designed to maintain alignment with applicable regulations and laws. This programme is underpinned by our global ABAC policy and other standards and controls. We provide mandatory ABAC training at least annually to employees and relevant third parties.	Negative
Data Ethics and Privacy	Risk	Increases in the volume of data processed and advances in technology have resulted in a greater focus on data governance and the ethical use of personal information, over and above compliance with data privacy laws. Non-compliance with data privacy laws could lead to harm to individuals and GSK. It could also damage trust between GSK and individuals, communities, business partners and government authorities.	Your company has a global data privacy policy and a global risk management structure comprising of the global Head of Digital, Privacy and Cyber Security with accountability for designing and implementing the control framework.	Negative

Material Issues	Risk / Opportunity	Rationale for Identifying as Risk	Management Approach	Implications of the Risk or Opportunity (Negative/Positive)
Environment, Health, and Safety (EHS)	Risk	Failure to manage EHS risks could lead to significant harm to people, the environment and the communities in which we operate, fines, inability to meet stakeholder expectations and regulatory requirements, litigation or regulatory action, and damage to the company's reputation, which could materially and adversely affect our financial results	Your company has an effective control framework 'in-place' and 'in-use' to manage EHS risks and impacts. Function leaders ensure that the EHS control framework is implemented effectively in their respective business area. Every employee and qualified contractor acting on behalf of GSK is personally responsible for ensuring that they follow all applicable local standard operating procedures. Our risk-based, proactive approach is articulated in our global EHS policy and detailed in our global EHS standards, against which we audit all our operations to ensure compliance.	Negative
Supply Continuity	Risk	Disruption to our supply chain can lead to product shortages and product recalls, regulatory intervention, reputational harm and lost sales revenue.	Supply chain organisation closely monitors and reviews the inventory status and delivery of our products. Your company also has Crisis management and business continuity plans in place across supply chains, which include authorised response and recovery strategies, key areas of responsibility and clear communication routes.	Negative
Product Quality and Patient Safety	Risk	Failure to maintain high standards of quality in products has an adverse impact on patient health, launch delays, product shortage and recalls. The company may also face severe regulatory, financial and reputational consequences due to compromised patient and safety and low-quality products. In order to cater to our patients in an effective and safe manner and enhance our business performance, strict adherence to high quality standards is a critical priority.	We understand that we have a responsibility to provide our consumers with manufactured products that positively impact health outcomes for the society. Your company's quality management systems have been formalised in line with Good Manufacturing Practices (GMP) regulations and other good practices/procedures for ensuring product quality. Our Quality and Pharmacovigilance teams proactively tracks regulatory and non-regulatory complaints and grievances and works towards redressing them in an effective manner.	Negative

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	P2	P3	P4	P5	P6	P7	P8	P9
	Ethics and transparency	Product responsibility	Human resources	Responsiveness to stakeholders	Human rights	Protect & restore environment	Public policy advocacy	Inclusive growth	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)[3]	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
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. Do the enlisted policies extend to your value chain partners?	Y	Y	Y	Y	Y	Y	Y	Y	Y

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

5. Specific commitments, goals and targets set by the entity with defined timelines, if any, and performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.

a. Nashik Plant

Key Indicators	2022[4] - Target	2022[5] - Results	2021[6] - Target	2021[7] - Results
Energy Reduction	4%	9.6%	3%	0.73%
Water reduction	5%	11.6%	6%	7%
Waste reduction (hazardous)	1%	4%	5%	4.2%
Health & Wellbeing - Gold certification score	81	81	76	79

b. Corporate Office

Key Indicators and Targets Set	FY 2022-23 Performance
Your company has set internal targets for improving the mental well-being of employees	• In order to sensitise managers towards mental well-being of their teams, your company has provided learning opportunities for all managers. • Your company has undertaken mental wellbeing support programmes through mindfulness sessions, support for stress management, selfcare webinars, etc.
Your company intends to improve the physical and nutritional well-being for more than 30% of its workforce.	• Achieved Gold Status on Asia Health and Wellbeing leadership dashboard. • Your company has field 596 participants in the Global Step Challenge – an initiative to improve nutrition and wellbeing of all employees and workers.

3 The GSK Code of Conduct covers all NGRBC Principles and their core elements as approved by the Board of Directors. Standalone policies are available on the company intranet
4 Calendar Year
5 Calendar Year
6 Calendar Year
7 Calendar Year

Key Indicators and Targets Set	FY 2022-23 Performance
Your company has set global safety improvement targets by way of standardized operating procedures contained in the Life Saving Rules (LSR)	• Face to face sessions have been conducted in January 2023 on driver safety and life-saving rules during your company's annual sales meet. • Field colleagues were trained on "Sharing the Road- 2 Wheelers" to help prevent the accidents.

c. Other Commitments

Key Indicators and Targets Set	FY 2022-23 Performance
The company is committed to reducing the environmental footprint from the production of antibiotics at the Nashik and third-party manufacturers' sites by controlling the release of antibiotics into the environment within the science-driven, risk-based discharge limits.	• Your company is a signatory to the AMR (antimicrobial resistance) Industry Alliance's Antibiotic Manufacturing Framework. The focus of this private sector coalitions is to provide sustainable solutions to curb AMR and wastewater discharge limits. • AMR analysis of wastewater has also been undertaken at Nashik site of 6 antibiotics. This has enabled discontinuation of treating contaminated wastewater through Effluent Treatment Plants.
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 undertaken an assessment of the sites water consumption and discharge practice and then identify water consumption reduction opportunities. Efforts have also been made 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.	• In line with the Extended Producer Responsibility (EPR) obligation, your company collects back post-consumer plastic waste from the Indian markets and recycles and recovers it in an environmentally responsible manner. For FY 2022-23, 1,365.91 MT as per EPR has been collected and recovered by your company.
Your company has committed to reduce carbon emissions by 3% in 2023 from actual carbon emissions (10451.27 MT) in 2022.	• Nashik site carbon emissions for 2023 are 9,498.59 metric tonnes, enabling a reduction of 5.1% from the preceding year. This has been achieved via efforts to source chilled water from the central utility directly to the production block and enhanced usage of solar power and biomass fuel in boilers.

Your company also has Quality KPIs and Improvement Plans for each financial year, and performance against the same is strictly tracked and monitored through a robust governance mechanism.

6. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

Our purpose is to unite science, technology and talent to get ahead of disease together. Your company is strongly committed to being a truly sustainable and responsible business and continues to make focused efforts in that direction. As the world emerges from the aftermath of the COVID-19 pandemic, we remain focused on building a resilient product portfolio, aligned with manufacturing competencies and Healthcare Professional engagement is enhanced by adoption of digitalization and emerging technologies. Your company also places strong focus on protecting the environment in and around our operations and contributing to social development. There is strong recognition of the role we must play as a responsible corporate citizen and our duty to drive and deliver long term value creation for all our stakeholders.

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 four priorities – Innovation, Performance, Trust and Culture– 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. The three core pillars of our culture are – "Ambitious for patients", "Accountable for impact" and "Doing the right thing".

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

Name: Mr. Bhushan Akshikar
Designation: Managing Director
Director Identification Number (DIN): 09112346

8. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability issues? If yes, provide details

Yes, your company's Risk Management committee has been provided with the mandate of overseeing all issues with respect to sustainability and Environment, Social and Governance (ESG) issues.

9. Details of Review of NGRBCs by your company:

Performance against policies and follow up action	Performance against policies and ensuring alignment with statutory requirements is governed by internal mechanisms covered under these policies. Any non-compliances are flagged as per the centralized system for appropriate action. For FY 2022-23, your company recorded two instances on non-compliance. Details of the same are available under Principle 1.
Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	

10. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? If yes, provide name of the agency.

No, your company has not undertaken an independent assessment / evaluation of its policies by an external agency. Periodic internal audits are undertaken to ensure the effective working of all policies and strict alignment with internal protocols and guidelines.

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).

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

Integrity, accountability, and transparency forms the foundation of the manner and mode in which your company conducts business. The GSK Code of Conduct ('Code') is the guiding framework for ethical business conduct, and strict alignment is maintained with the values and expectations set forth within the Code. In addition, our external interactions to enhance the understanding and appropriate use of GSK medicines and vaccines for the benefit of individual patients and populations are governed by the Code of Practice for Promotional and Non-promotional External Interactions.

Your company is also committed to high standards of quality of our products to impact human health positively. The Pharmacovigilance and Quality teams maintain strict vigilance of all processes to ensure safe and high-quality products. 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

Our business strategies are patient-centric, and we strive to foster a respectful and safe environment for all our employees and society at large. We also ensure strict alignment with applicable local laws, regulations, industry codes and requirements to deliver the best products and services to our stakeholders.

Essential Indicators

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

   Your company undertakes training for your workforce on Information Security, Privacy, Anti-Bribery and Corruption, Inclusion & Diversity, and Conflicts of Interest. Your company also undertook a driver safety awareness session for all field employees during the FY 2022-23 annual sales meet.

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	4	- Creating an inclusive workplace - Diversity and Inclusion - Anti-bribery and corruption (ABAC) - Protecting GSK everyday - Protecting GSK values, data privacy and information risk - Competition Law - 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.	100%
Employees other than Board of Directors 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 were provided with 6 types of training.	100%

2. **Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/judicial institutions in the financial year.**

Monetary Category	NGRBC Principle	Name of Regulatory/ Enforcement Agencies/ Judicial Institutions	Amount (in INR)	Brief of the Case	Has an Appeal been Preferred?
Penalty/ Fine	P2	District Consumer Dispute Redressal Commission, Nagapattinum	50,000	Consumer complaint regarding the mass immunization campaign for Hepatitis B	No[8]
Compounding Fee	P3	Shindewadi Court, Dadar	9,000	Three separate criminal matters were instituted against GSK by the BMC on the grounds that mosquitoes were found breeding at three different places at the GSK Worli premises.	No

For FY 2022-23, there were no instances of imprisonment or punishment.

3. **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 formalized robust policies and processes to respond to the threat of bribery and corruption. These include a comprehensive Anti-Bribery and Corruption (ABAC) 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. Specific categories of employees and high ABAC risk third parties also undergo mandatory training on ABAC periodically.

Your company has also devised an Anti-Bribery and Anti-Corruption Program. The program includes the ABAC Written Standards, developed to aid internal and external parties in understanding the risk of corruption and identify people's responsibilities to proactively address any potential or actual corruption.

4. **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 instances of disciplinary action against Directors/KMPs/employees/workers for FY 2022-23 and FY 2021-22.

5. **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. No complaints with regard to conflict of interest were received in FY 2022-23.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year.**

- All third-party partners are provided with training on anti-bribery and corruption, based on the level of risk (medium or high) and type of service to be provided, identified through the third-party risk assessment (TPRA) questionnaire. Online training via TRACE is the preferred option for providing ABAC training. On completion of training, the ABAC.tracetraining@gsk.com shares certificates and provides any other follow up required. Business owners remain accountable to ensure that their third-party partner is trained.
- Critical third-party contract manufacturers undergo periodic awareness and sensitisation programs on "Water Kaizen" (brainstorming on various water saving initiatives) and antimicrobial resistance (e.g., permissible discharge limits).
- 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 is provided to all third-party manufacturers.
- Third-party contract manufactures have also been provided with training on Life Saving Rules, Machinery Safety and Industrial Hygiene.

[8] The matter is still in court and a ruling has not been provided yet

2. **Processes in place to avoid/ manage conflict of interests involving members of the Board.**

The measures to avoiding/managing conflict of interests involving members of the Board are enshrined 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. Further, the Code of Conduct is signed and a "No conflict of interest" declaration is obtained from the Board of Directors annually.

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

Quality, safety and consistent supply of your company's products is a critical priority. Focused efforts are undertaken to provide effective solutions to all our patients and consumers. Robust quality management processes are strictly adhered to for the lifecycle of all our products across all stages of the supply chain.

Our patient centric approach forms the foundation of our approach to sourcing, manufacturing and marketing of all products. Several targeted measures have been instituted to detect, evaluate, and communicate benefits, risks, and potential safety concerns about our products. Your company's Quality Management System and processes have been formalised in line with Good Manufacturing Practice (GMP) regulations and other good practice procedures for ensuring Product Quality. Strict compliance with this enables your company to provide customers with high quality and safe products.

Further, through a warehousing and distribution network comprising 22 CMOs, 23 Carrying and Forward Agents (CFAs), 2 central warehouses and over 5,300 stockists, your company is successfully able to provide timely superior patient service and satisfaction. Focused automation and digitalisation initiatives also support our mission to deliver excellence to our entire consumer base.

Since inception, your company has focused on driving and delivering positive and improved patient outcomes. All our products are developed with a focus on our patients and their wellbeing. Our product Trelegy Ellipta, India's first single inhaler therapy (SITT) in a once-daily regime for chronic obstructive pulmonary disease (COPD) patients, exemplifying our ambition to provide greater access to world class medicine for all our patients. Similarly, our Nucala auto-injector formulation enables patients to self-administer Nucala without the need for hospital visits. The auto-injector provided ensures ease of compliance and access during emergency situations.

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.**

Your company spent 11.5% of its total capex expenditure in technologies for improved environmental and social impact of products and processes for FY 2022-23.

Initiative	% Of Investment
Addition of HEPA filter to Ointment and Tablet DCU for a reduction in emissions	3.35%
Installation of Briquette Boiler and Bag house to enhance the transition to biomass as an alternate fuel, enabling a reduction in emissions and operating costs as compared to use of High-Speed Diesel	4.37%
Replacement of old DG set with a new one with a capacity of 1250 KVA for noise reduction	2.04%
Transition to High-Speed Diesel from FO leading to a 90% decrease in SO2 emissions	0.58%
Chiller Sequencing, electric motor for air handling units, water savings initiatives, LED Lights	1.21%

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/ No). If yes, what percentage of inputs were sourced sustainably?**

Your company is committed to adopting sustainable practices across the lifecycle of our products, including sourcing. Our approach to sustainable sourcing is guided by the Global Sustainable Sourcing Standard, containing a framework of environmental, social and ethical supply chain requirements to be met by 2030.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Your company's approach to waste management prioritises reduction of waste and increasing the number of materials recovered through circular routes such as reuse or recycling. Guided by robust internal controls and processes and applicable laws and regulations, processes to safely reclaim our products for reuse, recycling and disposal at the end of life are strictly adhered to across your company's operations.

All plastic waste including packaging is treated in line with Extended Producer Responsibility (EPR) obligations. Furthering your company's commitment to environmental sustainability, 1,365.91 MT of plastic waste was collected and safely recovered in FY 2022-23. Hazardous waste, e-waste and other waste is handled at the end of life in line with Rules of the Central Pollution Control Board and other applicable local laws and regulations.

We have also developed detailed Standard Operating Procedures (SOPs) for the handling of stock returns and destruction of products for Central Warehouses and CFAs. This includes all rejected, recalled, returned, expired, quarantined, counterfeit and falsified stock. These SOPs provide mandatory requirements for the effective management of product or stock destruction to minimize risks to patients or consumers and accurate stock reconciliation. All Central Warehouse personnel and CFAs are required to undertake training on these SOPs to ensure strict compliance.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same Extended Producer Responsibility (EPR) is applicable to the entity's activities.**

Disposal of all waste is undertaken in line with the EPR obligations put forth by the Central Pollution Control Board (CPCB). Waste generated across our operations is segregated and handed over to government-approved vendors for recycling and incineration as appropriate. In FY 2022-23, your company has safely collected and recovered of 1,365.91 MT of plastic waste as per EPR.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products?**

Your company has not undertaken any Lifecycle Perspective / Assessments for any of its products for FY 2022-23.

2. **Percentage of recycled or reused input material to total material (by value) used in production.**

Not Applicable. Your company manufactures lifesaving formulations. Therefore, as required by Good Manufacturing Practices (GMP), your company does not use recycled or reused input material.

3. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.**

Detailed SOPs and robust processes have been developed and implemented to take back all products that have expired or have suffered breakages. All products that have expired or are near expiry returned by the dealers/distributors to your company's distribution warehouse/ CFAs. On collection, products are sent to authorised waste management agencies for incineration. Certificates of disposal are also obtained for quality control purposes.

	FY 2022-23		FY 2021-22	
	Recycled (MT)	Safely disposed (MT)	Recycled (MT)	Safely disposed (MT)
Plastics (including packaging)	912.49	453.42	-	1,652.75
E-waste	0.74	-	0.320	-
Hazardous waste	0.60	158.43	-	906.35*

(*Note: Includes product returns)

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Our people form the bedrock of our commercial success and reputational growth. Your company's employees are recognised as assets and priority is given to creating a conducive working environment for them to flourish. As a modern employer, our efforts are focused on fostering a culture that prioritises the well-being of all our employees. This approach to employee management strengthens and nurtures our workforce, while also enabling your company to attract and retain highly skilled professionals, creating value for all our stakeholders.

Diversity, Equity and Inclusion (DEI)

Your company is an equal opportunity employer and is committed to creating a diverse and inclusive culture for all employees and workers to achieve their true potential. Our aim is to provide a working environment wherein our entire workforce feels valued and respected. The India Leadership Team (ILT) has formalised a roadmap in 2022 to focus on Women and the LGBTQ+ community.

Your company has set up two Employee Resource Groups (ERGs) – **Women's Leadership Initiative and Spectrum** – to provide for an enabling and safe environment that advocates for a diverse and inclusive workforce. These ERGs act as communication platforms for our workforce to provide their feedback on our processes and policies and report any concerns for timely redressal. Periodic updates are provided by the ERGs to the leadership team and collaborative discussions are undertaken for strategy development and addressing of any roadblocks effectively.

In 2022, your company introduced the Stronger Together Inclusion Awards, to recognize employees who have championed our inclusive culture, encouraging others to follow suit. Your company has also amended policies to support our diverse workforce, such as our Parichay Employee Referral Policy, Child Care Policy, Sabbatical Policy, and Parental Leave Policy, to incentivize diversity referrals, cater to the needs of mothers and single parents, and provide parental leave to all employees who are primary or secondary care givers, irrespective of their gender. Your company has also initiated Care of Family Member Leave for employees to take up to four weeks of leave for care of an immediate family member. Further, all employees also undergo awareness sessions on diversity and inclusion to create a safe and dignified working environment for all.

Employee Engagement and Well Being

Creating a transparent culture that values and focuses on two-way communication is a critical priority. Your company undertakes GSK Culture survey, Manager One80 survey and Listening sessions to encourage open and honest conversations. Additionally, Let's talk sessions with leaders, quarterly townhall and coffee sessions encourage expression, deliberation, and ideation in an open forum. Your company's office-based workforce is also supported with Performance with Choice to explore how they can work in a way that supports individual and collective performance and personal wellbeing.

Learning and Development:

Fostering the right capabilities and providing for ample opportunities of learning and development is central to your company's approach to talent management. Focused programmes are undertaken to enhance the capabilities of our workforce and provide them with necessary skills for career development. Your workforce continues to benefit from our in-built flagship leadership development programmes, Lakshya and Catalyst. In FY 2022-23, 140 employees have benefited through these programmes. Your company also implements Future Leader Programme, a flagship early talent initiative, to recruit skilled talent from prestigious institutions by offering them diverse and rewarding roles across business divisions.

Your company also offers global capability programmes such as First Line Leader to catalyse and upskill your first line sales leaders. Other global and regional leadership development programs include Emerging Markets Talent forum, Accelerating Differences, Emerging Markets Trailblazers Programme for Leadership Development.

On the go learning is also provided to all employees on a variety of subject areas under Business Skills, Leadership Skills and Technical Skills through a virtual university campus, called the Key Growing Campus. In addition to this, employees can also access learning modules from external partners, such as LinkedIn Learning, Harvard Leading Edge, Get Abstract, Globe Smart, Henry Stewart Talks, Education First and Career Innovation.

Vigil Mechanism

Your company is committed to providing for a safe and healthy working environment for its entire workforce. Focused efforts are undertaken to foster an open culture, characterised by integrity and accountability. Our people are encouraged and trained to act in an ethical and honest manner and openly speak up against any malpractices that they identify.

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. Your company also strongly advocates for anti-retaliation. Robust internal mechanisms, as detailed in our Safeguarding people who report unethical or illegal conduct policy, provide for protection of the identity of a complainant and prevention of any retaliation against them.

Awards

Your company has received these recognitions in FY 2022-23::

- Certified **as Great Place to Work®**
- **Top 40 India's Best Workplaces in Health and Wellness 2022** by Great Place to Work® Institute
- **First Runner up** at the ASSOCHAM' (Associated Chambers of Commerce and Industry of India) 3rd Diversity and Inclusion Excellence Awards – 2022 in the Best Employer for Women category
- **'India's Most Attractive Employers 2022'** by Universum
- Ranked one of the **'2022 Best Place to Work'** by the Human Rights Campaign Foundation
- Received **Best Sales Onboarding / Induction Program Award** at the 2nd Annual Sales L&D Summit and Awards 2022

Essential Indicators

1. Details of measures for the well-being of employees and workers.

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) and life term insurance.

Your company has also supported your entire workforce health check-up camps, dietician consultations, mindfulness sessions for enhanced mental wellbeing, smoking cessation programme and COVID-19 vaccination drives in FY 2022-23.

2. Details of retirement benefits.

Benefits	FY 2022-23			FY 2021-22		
	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%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	1%	0%	Y	2%	0%	Y

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

Yes, your company is an Equal Opportunity and Affirmative Action Employer. We are committed to fostering a diverse and inclusive workforce and providing for equal opportunities of growth and development as enshrined in our Code. Our endeavour remains to create a merit-based organisation and prevent any possible discrimination.

GSK

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

	Permanent Employees		Permanent Workers	
Gender	**Return to Work Rate**	**Retention Rate**	**Return to Work Rate**	**Retention Rate**
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

6. **Is there a mechanism available to receive and redress grievances for employees and workers?**

We encourage our entire workforce to share any grievances with their managers, Legal, Human Resource and Ethics and Compliance representatives. We also provide for an anonymous grievance redressal channel through our Speak Up platform for anyone inside or outside GSK to report any misconduct, violation of law or breach of our Code. All complaints are registered and tracked through your company's Incident Management System, i-Sight. We also have a zero-tolerance approach for retaliation against individuals who report concerns in good faith.

Your company has also formalised four zonal committees who convene monthly along with trade union members to identify, acknowledge, address and redress grievances. Additionally, all complaints with respect to incidences of sexual harassment are addressed by the Internal Committee in a sensitive and timely manner.

7. **Membership of employees and workers in association(s) or Unions recognized by the listed entity.**

Your company recognises the right to freedom of association and collective bargaining of all Medical Business Associates (MBAs) and workmen. We engage with several unions representing MBAs of Pharmaceutical Marketing at sales locations (Delhi, Kolkata, Mumbai, Chennai) and the union representing workmen at the Nashik plant.

Category	**Total Employees/Workers (A)**	**No. of Employees / Workers who are part of association(s) or Union (B)**	**% (B / A)**
Male	1,809	1,809	100%
Female	178	178	100%
Total Permanent Workers	**1,987**	**1,987**	**100%**

8. **Details of training given to employees and workers.**

Health and safety: All management and non-management staff at the Nashik plant have been provided with 12 types of health and safety trainings in FY 2022-23 and FY 2021-22. The list of trainings includes first aid training, safety induction and refresher, role/function based specific training, firefighting training, stop for safety sessions, Life Saving Rules, significant incident fatality training, emergency preparedness, incident investigation, risk assessment, diet, health, heat wave, seasonal flu, etc.

100% of non-permanent staff were provided with 6 types of training for FY 2022-23 and FY 2021-22. Your company's field force has also been provided with focused training on the Life Saving Rule programme and driver safety.

Skill upgradation: : Your company has developed several in-house competencies and leadership training programs such as Lakshya and Catalyst and also provides for a virtual learning space to enhance employee capabilities in an effective manner. Further, in order to strengthen the culture of inclusion, your company has introduced unconscious biases trainings for all employees and leading diverse teams training for people managers in FY 2022-23.

Skill Upgradation	FY 2022-23			FY 2021-22		
	Total (A)	**Number (B)**	**Percentage (B/A)**	**Total (A)**	**Number (A)**	**Percentage (B/A)**
			Employees			
Male	1,450	697	48%	1,573	699	44%
Female	243	190	78%	243	121	50%
Total	**1,693**	**887**	**52%**	**1,816**	**820**	**45%**

Skill Upgradation	FY 2022-23			FY 2021-22		
	Total (A)	Number (B)	Percentage (B/A)	Total (A)	Number (A)	Percentage (B/A)
			Workers			
Male	1,809	380	21%	1,846	387	21%
Female	178	98	55%	178	52	29%
Total	**1,987**	**478**	**24%**	**2,024**	**439**	**22%**

9. Details of performance and career development reviews of employees and worker.

All your company's employees are expected to prepare individual development plans and formalise performance and development goals to align their career objectives to GSK's IPTc (Innovation, Performance, Trust, Culture) priorities. At the end of a performance cycle (January to December), each employee is reviewed on their performance for the year, mapped to expectations set at the start of the cycle. Based on the review, rewards like increments are accordingly determined. For Calendar Year 2023, 99% employees completed their development goals.

Further, through your company's Manager One80 survey, all managers are provided with an opportunity to gather honest feedback and identify areas of improvement. We also implement Global Employee Recognition to recognise employees championing GSK's priorities and objectives.

10. Health and safety management system.

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, your company has a health and safety management system in place. Our EHS management system covers all employees and the locations we operate in. We are committed to providing a safe working environment for our entire workforce and make focused efforts to identify and mitigate any potential or actual risks. We also undertake adequate training and awareness sessions to foster and strengthen a culture of safety.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Your company has made significant investments in world class facilities and infrastructure to reduce the threat of work-related hazards on site. Additionally, our Life Saving Rules (LSR) programme, a companywide EHS programme, ensures that our entire workforce is aware of and follows most critical safety rules. Under the LSR safety campaigns, impact communication on LSR is provided to create awareness on the importance of the same. Further, periodic meetings and awareness initiatives are implemented to identify potential risks and provide information on mechanisms to report the same.

Detailed SOPs in line with EHS Standard 2.01 Risk Assessment and Management have been developed for your company's operations at the Nashik Site. Your company has also 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. For FY 2022-23, all field force employees were provided with driver safety training. Your company also provides training to employees on factory safety.

Further, policies and processes have also been implemented to undertake safety assessments of key third party suppliers at the time of onboarding and at periodic intervals thereafter.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Robust internal controls and processes have been formalised to report work-related hazards on site. Your company implements Zero Action Promotion (ZAP) at the Nashik Site for reporting and tracking workplace hazards.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

- Employees are covered by medical insurance for occupational as well as non-occupational healthcare services. Furthering our commitment to diversity and inclusion, gender reassignment surgery is also included within the list of covered services.

We also enable our employees to increase their medical coverage and include their parents by offering negotiated premiums.

- In addition to the medical insurance programme, our continued efforts through the preventive healthcare programme, Partnership for Prevention (P4P), creates significant positive impact for all our permanent employees and their dependents. This program provides 40 preventive healthcare services at minimal or no cost. Benefits include preventive screening for cancer and diabetes, paediatric consultation, adult and child immunization programs, prenatal care programs and support for tobacco cessation.
- Your company also provides Group Life Insurance and Accidental Life Insurance to all employees.
- Your company also has an Employee Assistance Program to support the mental well-being of employees and their immediate family members. This programme connects all employees with a 24*7 professional counsellor in an accessible, voluntary and confidential manner. We also undertake training to sensitize all employee to mental health and the importance of creating a conducive environment.

11. Details of safety-related incidents.

Nashik Plant

- **No** work-related injury reported in current year and one work related injury for the previous year
- **No** fatalities or high consequence work-related injury or ill-health fatalities reported in current year or previous year.

Corporate Office

- **One** work related injury reported in current year.
- **No** fatalities or high consequence work-related injury or ill-health fatalities reported in current year.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Your company has adopted a preventive approach to provide for a safe and healthy workplace. Our endeavour remains to provide for a workplace that is safe and devoid of any harm. Regular awareness activities are carried out on our Life Saving Rules and key risks, such as operating machinery or driving. We also undertake 'Energy for Performance' and 'Personal Resilience' training programmes to foster employee health, wellbeing, and resilience. Regular consultations are also conducted with the employees to improve their experience at work.

13. Number of complaints on the following made by employees and workers.

For your company's corporate office, five complaints were filed during FY 2022-23 on matters relating to working health & safety on near miss incidents and observations. All complaints were satisfactorily resolved by your company. For FY 2021-22, one complaint was registered on health and safety/working conditions at the corporate office. For Nashik site, no such complaints were filed in FY 2022-23 and FY 2021-22.

14. Details on Assessments for the year.

Health and safety practices	Periodic internal assessments are undertaken at all offices and plants on health and safety practices. Strict compliance is maintained with all applicable laws and regulations.
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.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Since your company is compliant, there was no corrective action suggested by an auditing or inspecting authority for FY 2022-23.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death?

Yes, Group Life Insurance coverage and Accidental Life Insurance coverage is extended to your employees.

2. Provide details on the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by value chain partners.

Payment of statutory dues is included as a contractual requirement with all value chain partners. Non-payment of statutory dues leads to termination of the agreement.

3. Provide the number of employees/ workers having suffered high consequence work-related injury/ fatalities who have been rehabilitated and placed in suitable employment, or whose family members have been placed in suitable employment.

No high consequence work-related injury/fatalities were reported for FY 2022-23.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Transition Assistance is provided for employees whose employment is terminated due to job redundancies.

5. Details on assessment of value chain partners.

All the value chain partners are subject to third party risk assessment (TPRA) on induction and at least once in every three-years/as required by business owners. Findings from this assessment helps your company to identify any potential or actual risks associated in dealing with such vendors on various parameters like environment, health & safety, labour rights, Privacy, crisis & continuity management, ABAC, etc. Basis this, mitigation actions are agreed upon with identified vendors and implemented. Further, background checks are also conducted for timely identification of any red flags associated in dealing with such vendors.

Your company also undertakes a quarterly review of any health and safety incidents if any, for key CMOs. Additionally, other programs relating to antimicrobial resistance, process safety management, and chemical exposure are undertaken. An internal committee for all matters relating to health and safety has been established at all key CMOs comprising of site management and workers.

In FY 2022-23, seven of your company's CMOs have undergone an assessment on health and safety and working conditions.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Since your company is compliant, there was no corrective action suggested by an auditing or inspecting authority for FY 2022-23.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Our endeavour is to create long-term value creation for all our stakeholders. Your company has been able to build trust with a broad range of stakeholders through a continued focus on quality of product delivery and ethical business conduct. We have developed robust processes for stakeholder engagement to help us in timely identification of stakeholder expectations, conflicts and concerns.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Any individual or group of individuals or institution/s that enhances the value of your Company's business chain is identified as a critical stakeholder. This inter alia includes Employees, Suppliers, Investors, Consumers, Health Care Professionals (HCPs), regulators and community members and organizations. Your Company strives to maintain a strong relationship with all stakeholders and uphold our commitment to fulfil their expectations and requirements.

2. **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)/ Healthcare Organisations HCOs	Face to face, Emails, Webcasts, Social media pages, Doctor networking platforms, SMSs, Instant messaging platforms, Congress exhibits, etc.	Regular	• Keep the HCP/HCO 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/HCOs to discuss and deliberate on latest data, clinical challenges, multidisciplinary expert discussions, new published data intending to help improve treatment outcomes for our patients • Disseminate responsible sales and marketing practices including alignment with local laws and applicable industry codes
Investors	Annual General Meeting, Analysts' Meet, Detailed Company information made available online	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 and market GSK's products in India • Grant and maintenance of licences to 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	• Enhancing access to medicines • Achievement of the UN Sustainable Development Goals and World Health Organization (WHO) targets for specific disease areas • Promoting healthcare and education

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
Suppliers	5 step Procurement Processes – Supplier Market Research, RFPs, Bidding, Supplier Relationship management, and contract management	Regularly	• Business growth and financial stability • Sustainable procurement practices • Achievement of global sustainability goals and targets
Employees	Internal communications, Employee Resource Groups Manager/ employee evaluations and surveys.	Regularly	• Business outlook and performance • Career opportunities and personal development • Inclusive and diverse work environment

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Consultation with stakeholders and the Board on economic, environmental and social topics has been delegated to your company's India Leadership Team (ILT). Regular communication is maintained between ILT members and the Board and your company's stakeholders. The ILT oversees consideration and approval of all operational matters including but not limited to, safety, health and environment policies, product development programmes, decisions with respect to quality of your company's products, services and the environment. The ILT convenes at least monthly, and more frequently if required. Minutes of each meeting are presented to the Board of Directors.

2. Has stakeholder consultation been used to support the identification and management of environment and social topics? If so, provide details of instances as to how the inputs received from stakeholders?

Gathering insights and feedback from our stakeholders is central to our business success and financial and reputational growth. Our GSK Culture Survey, administered in full or dipstick, has been designed to identify employee opinions and concerns with respect to our efforts to provide a conducive working environment. Insights gathered through this survey enable us to take timely action to meet the expectations of our employees and enable them to achieve their true potential. We also leverage our ERGs to understand levels of satisfaction amongst our employees and identify any improvement areas with respect to our policies and processes in a timely manner.

We have also developed a five-step procurement process to engage with our value chain partners on critical aspects of sustainable procurement activities. Regular engagement with the community and NGOs is also focused on to garner insights on improved ways in which your company can create positive social impact.

3. Details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Engagement with vulnerable and marginalised stakeholder groups is undertaken through your company's Corporate Social Responsibility (CSR) activities. Our CSR approach has been designed to encourage empowerment of vulnerable communities and provide them with ample opportunities of growth and development. Core focus areas of our CSR activities include education, nutrition and healthcare.

In order to gauge the impact, your company also undertakes impact assessments of projects. For FY 2022-23, your company has conducted an impact assessment of the Lymphatic Filariasis (LF) Elimination Programme. Assessment findings demonstrate that the need for drug administration has been eliminated in 40% endemic districts and 19% endemic districts have cleared pre-transmission assessment survey and are making focussed progress on achievement of the same.

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Principle 5: Businesses should respect and promote human 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 have adopted a strict **zero tolerance approach** towards violence, harassment, unreasonable, offensive or threatening behaviour of any kind.

Our Code of Conduct outlines the responsibilities of each individual within your company towards the protection of human rights. 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.

Your company conducts 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.

All permanent employees, workers and other outsourced labour at your company are consistently paid wages which are more than the minimum wage.

3. Details of remuneration/ salary/ wages.

Category	Male		Female	
	Number	Median Remuneration/ Salary/ Wages	Number	Median Remuneration/ Salary/ Wages
Board of Directors (BoD)	2	4,40,75,193	0	-
Key Managerial Personnel (KMP)	12[9]	1,81,21,327	3	1,41,60,559
Employees other than BoD and KMP	1,438	14,88,095	240	17,00,876
Workers	1,809	10,22,883	178	829,932

4. Do you have a focal point (individual/ committee) responsible for addressing Human Rights impacts or issues caused or contributed to by the business?

Yes. Your company's India Leadership Team is the focal point responsible for addressing all Human Rights impacts or issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Any concerns of misconduct, potential unethical and illegal actions, sexual harassment or violation of any Human Rights can be reported by all stakeholders through your company's 'Speak Up' Platform. This platform, managed by independent third-party personnel, provides for a safe and confidential channel to report and redress any grievances with respect to Human Rights. The Speak Up platform can be accessed at http://www.gsk.com/speakup on your company's website. Further, your company has also formalised a Whistleblower policy for the reporting of any potential or actual breach of our Code of Conduct.

6. Number of Complaints on the following made by employees and workers.

Child Labour Forced Labour Wages	• No complaints relating to child labour, forced labour, wages in current financial year or previous financial year.
Sexual harassment	• 3 sexual harassment complaints filed for FY 2022-23, which were resolved within the prescribed timeline. • 2 sexual harassment complaints filed for FY 2021-22, which were closed within the given timeline.
Discrimination at workplace	• 2 complaints have been filed for FY 2022-23, which were closed within the given timeline. • No cases for FY 2021-22.

9 This includes the 2 Board of Directors as well

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Enshrined in your company's policy on safeguarding people who report unethical or illegal conduct, retaliation against anyone who reports concerns is strictly prohibited. Any employee who threatens or engages in retaliation or harassment of someone who has reported, or is considering reporting a concern in good faith, is faced with appropriate disciplinary action, in compliance with local labour laws.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Standard contractual clauses 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 is included in all business agreements and contracts.

9. Details on Assessments of the year.

Matters	Details
Child labour, Forced/involuntary labour, Sexual harassment, Discrimination at workplace, Labour	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.

10. 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 an auditing or inspecting authority for FY 2022-23.

Leadership Indicators

1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/ complaints.

Your company has formalised a Grievance Committee to serve as an employee listening tool. A trade union member had raised a grievance of non-inclusion of unionised workforce in the company's life insurance policy. This was immediately brought to the attention of leadership team and effective 1st January 2023; your company has introduced the Term Life Insurance policy. This policy provides insurance coverage of INR 15 lakhs for natural/accidental death for your entire field workforce. This has been introduced in lieu of the prior practice of employee contribution of fixed amount to the deceased employee's family.

2. Details of the scope and coverage of any Human Rights due diligence conducted.

As part of your company's onboarding process for all third-party vendors, suppliers and contract manufacturers, assessment is undertaken on Human Rights aspects. All 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.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, your company's corporate office in Worli, Mumbai is accessible to differently abled visitors.

4. Details on assessment of value chain partners.

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. Periodic audits are also undertaken to ensure compliance is maintained with contractual requirements. For FY 2022-23, seven of your company's contract manufacturers have been assessed.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of Question 4 above.

Since your company is compliant, there was no corrective action suggested by an auditing or inspecting authority for FY 2022-23.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Sustainability is kept at the forefront of the mode and manner in which we conduct business. Focused efforts are regularly made to ensure that our operations do not have an adverse impact on the environment in and around our operations. We have also successfully integrated the Environment, Health and Safety (EHS) strategy across our value chain. This has enabled us to comply with necessary applicable environmental laws and mandates during manufacturing and commercial activities.

We continue to make focused efforts for the achievement of the global targets of a net-zero impact on carbon and a net positive impact on nature by 2030. We continue to explore ways in which we can contribute to a greater positive impact on the environment. For instance, vaccines are transported regularly and stored in coolers with the Clearing House Agents and CFAs and stockists, instead of passive modes such as thermocol boxes and coolants. This has enabled a continued reduction in your company's carbon footprint.

The non-financial performance data with respect to energy, water, waste and air emissions reported herein under Principle 6 has been subjected to an independent third-party limited assurance for FY 2022-23. The scope of the assurance does not include reporting for FY 2021-22.

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity.**

(Note: below data under (A), (B), (C) is for Nashik and Corporate Office)

Parameter	Unit	FY 2022-23	FY 2021-22
Total electricity consumption (A)	GJ	54,025.42	56,456.06
Total fuel consumption (B)	GJ	54,415.77	39,543.13
Total energy consumption (A+B+C)	GJ	1,08,441.19	95,999.19
Energy Intensity per rupee of turnover in INR		**3.26**	**2.91**

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?**

Your company 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.**

Your company continues to make focused efforts for water conservation. These include increased usage of Effluent Treatment Plant (ETP) treated water in cooling towers and process improvements for optimum water usage and reduced wastage. Such initiatives have enabled increased water savings.

(Note: below data for water withdrawal is for Nashik and Corporate Office)

Parameter	FY 2022-23	FY 2021-22
Water Withdrawal by Source (in kilolitres)		
Third party water (Municipal water supplies) (by Nashik plant and Corporate Office)	87,108	1,03,718
Total volume of water withdrawal	87,108	1,03,718
Total volume of water consumption	79,750	1,03,718
Water intensity per rupee of turnover in INR	**2.40**	**3.07**

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

No, your company has not implemented a mechanism for Zero Liquid Discharge. Treated water is used for purposes such as gardening, cooling towers, etc. Focused efforts are underway to enhance the capability of effluent treatment plants so that the treated water can be 100% used for operations internally by FY 2024.

5. Provide details of air emissions (other than GHG emissions) by the entity.

a. For Nashik plant, 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	Unit	FY 2022-23	FY 2021-22
NOx	mg/ m^3	13.85	28.16
SOx	mg/ m^3	6.3	18.16
Particulate matter (PM)	mg/ m^3	15.17	58.94 (PM 10) 36.67 (PM 2.5)
Volatile organic compounds (VOC)	mg/ m^3	BLQ	BLQ
Hazardous air pollutants (HAP)	mg/ m^3	BLQ	BLQ

b. For Corporate Office

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	g/Kw-hr	0.56	0.43
SOx	g/Kw-hr	0.39	0.19
Particulate matter (PM)	g/Kw-hr	0.11	0.10
Carbon Monoxide[10]	g/Kw-hr	0.28	-

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity.

(Note: below data for greenhouse gas emissions is for Nashik and Corporate Office)

Parameter	Unit	FY 2022-23	FY 2021-22
Scope 1[11]	Metric tonnes of CO2 equivalent	486.95	286.21
Scope 2	Metric tonnes of CO2 equivalent	10,202.75	10,708.44
Total GHG emissions	Metric tonnes of CO2 equivalent	10,689.71	10,994.65
Total Scope 1 and Scope 2 emissions per rupee of turnover in INR		**3.22**	**3.33**

7. Does the entity have any project related to reducing Greenhouse Gas emissions? If Yes, then provide details.

Yes, your company has undertaken two active projects related to reducing greenhouse gas emissions. These include a 100KW Solar Panel for electricity generation and use of high-speed diesel ('HSD') fired boiler to meet the Maharashtra Pollution Control Board (MPCB) requirements.

8. Provide details related to waste management by the entity.

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:

- For FY 2022-23, 1,365.91 MT Plastic waste collected and recycled and recovered as per EPR obligation
- FY 2021-22, 1,652.75 MT Plastic Waste collected and recycled and recovered as per EPR obligation

10 Carbon Monoxide emissions have been made publicly available from FY 2022-23

11 Your company will include emissions from refrigerants and owned vehicles in Scope 1 emissions from FY 2024

a. For Nashik Plant

Parameter	FY 2022-23	FY 2021-22	Nature of Disposal
Total Waste Generated (in Metric Tonnes)			
Plastic	32.85 [12]	-	Recycled through government authorised vendors
E-waste	0.74	0.56	Reprocessing through government authorised vendors
Bio-medical waste	1.53	2.21	Incinerated as per regulations
Battery waste	1.16	1.39	Safe Disposal through government authorised vendors
Other Hazardous waste (includes used oil, chemical sludge, off specification products and process residues)	158.5	219.00	Incinerated as per regulations
Other Non-Hazardous Waste (includes wood, paper, glass and other organic waste)	281.5[13]	-	Recycled through government authorized recyclers
Total	**476.33**	**223.16**	

b. For Corporate Office

Parameter	FY 2022-23	FY 2021-22	Nature of Disposal
Total Waste Generated (in Metric Tonnes)			
E-waste	0	0	-
Battery waste	0	0	-
Non-Hazardous Waste			
Dry Waste	7	-	Recycled through government authorized recyclers
Wet Waste	22	-	
Gardening Waste	11	-	
Total	**40**	**2.59** [14]	

9. 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. On collection, the waste is segregated and handed over to authorised waste handlers for recycling and incineration, as appropriate. Several waste management practices have also been deployed at our Nashik site to reduce waste from ointments and tablets. Further, a GPS approach is also used wherein the weight of hazardous waste is measured and extracted for waste reduction.

Your company continues to focus on reducing the use of single-use plastic. The Kaizen program at the Nashik site offers employees a platform to discuss and discover innovative solutions to further enhance this commitment.

10. 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.

None of your company's operations are located in and around ecologically sensitive areas. Further, all 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.

12 Plastic waste generated at the site has been reported separately for FY 2022-23. The same will be included in EPR in subsequent financial years

13 Data on other non-hazardous waste generated at the Nashik Plant has been made publicly available from FY 2022-23

14 Your company has started tracking non-hazardous waste generation at the corporate office in a systematic manner from FY 2022-23

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Your company has not undertaken any environmental impact assessment of projects in FY 2022-23. As per the notification of the Ministry of Environment, Forests and Climate Change in India (MOEFCC), an Environmental Impact Assessment (EIA) 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 pharmaceutical plant in Nashik does not cause adverse impacts on the regional environment and biodiversity. We ensure that strict compliance is maintained with all applicable laws and regulations across our operations.

12. **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.**

Yes, your company is complaint with all applicable environmental laws/regulations/guidelines in India, monitored through a centralised system. Your company has had no major non-compliances for FY 2022-23.

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources.**

Your company continues to increase your renewable energy footprint through the use of solar power and biomass. For FY 2022-23, approximately 46% of your company's energy consumption was from renewable sources, compared to 39% in FY 2021-22.

Parameter	Unit	FY 2022-23	FY 2021-22
Renewable Sources			
Total electricity consumption (A)	GJ	2,293.57	2,160.18
Total fuel consumption (B)	GJ	47,492.3	35,473.84
Total energy consumption (A+B)	**GJ**	**49,785.87**	**37,634.02**
Non-Renewable sources			
Total electricity consumption (C)	GJ	51,731.85	54,295.88
Total fuel consumption (D)	GJ	6,923.47	4,069.29
Total energy consumption (C+D)	**GJ**	**58,655.32**	**58,365.17**

2. **Provide the following details related to water discharged**

Parameter	FY 2022-23
Water discharge (in kilolitres) by destination and level of treatment	
Third party water (Municipal water supplies) (by Corporate Office)	
No Treatment	7,358.4[15]
Total water discharged	**7,358.4**

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres).**

   a. **Name of the area: Ambad, Nashik**

   b. **Nature of operations: Manufacturing**

Parameter	FY 2022-23	FY 2021-22
Total water withdrawal (third party water – municipal water supplies)	76,596	93,961
Total water consumption	76,596[16]	93,961[17]
Water intensity per rupee of turnover in INR	**2.30**	**2.85**

15 Water discharge data from the corporate office has been made publicly available from FY 2022-23
16 46,239 KL of water is used for site gardening and recycled water use applications such as cooling towers in FY 2022-23
17 43,805 KL of water is used for site gardening and recycled water use applications such as cooling towers in FY 2021-22

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4. **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.

5. **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.**

Sr. No.	Initiative Undertaken for Calendar Year	Outcome of the initiative
1.	Continuous Improvement Framework (CIF) for reduction in hazardous waste in ointments	26 Metric Tonnes reduced
2.	Increased usage of ETP treated water	3,600 KL/Year and 4,800 KL/Year ETP treated water used in Utility 1 and Utility 2 cooling towers respectively at Nashik Site
3.	Simplification of periodic cleaning process at Creams & Ointment facility for optimum usage of water	Savings of 1,000 KL/Year
4.	Automation for hot water temperature measurement to avoid wastage of water	Savings of 250 KL/Year

6. **Does the entity have a business continuity and disaster management plan?**

   A global business continuity and disaster management assessment is carried out for all functions once in 3 years. Based on the findings, disaster management plans are formulated based on the priority and materiality assessed.

7. **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. We have obtained all necessary permissions 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. Value chain partners are assessed at the time of onboarding and periodically for compliance with these issues.

8. **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. For FY 2022-23, seven of our contract manufacturers were assessed on environmental impacts. Continued assessment on 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 are also undertaken of our key CMOs.

   Further, in accordance with AMR Industry Alliance Common Manufacturing Framework, your company makes focused efforts to prevent an adverse environmental footprint from the production of antibiotics at the Nashik and third-party contract manufacturers' sites by controlling the release of antibiotics into the environment within the science-driven risk-based discharge limits.

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 undertake active engagement with different industrial, trade and government bodies 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.**

Sr. 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.	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3.	India Business Councils of US (USIBC), US-India Strategic Partnership Forum (USISPF) and UK (UKIBC)	Global
4.	European Federation of Pharmaceutical Industries and Associations (EFPIA) India Regulatory network	National, Global
5.	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.**

   Your company has not received any order from regulatory authorities on issues related to anti-competitive conduct for FY 2022-23.

Leadership Indicators

1. **Details of public policy positions advocated by the entity.**

   Your company is not involved in matters directly relating to public policy advocacy. However, our 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 Regulatory network, FICCI, USIBC, USISPF and UKIBC.

Principle 8: Businesses should promote inclusive growth and equitable development

We strongly recognise the role we must play to create positive social impact for society at large. Recognising the need for access to quality and affordable healthcare and education, our CSR programmes have been designed to create ample opportunities of empowerment for all our communities. Such activities enable us to realise our purpose and create long-term positive social impact.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Your company's plant and operations do not fall under the purview or warrant the need for a Social Impact Assessment (SIA).

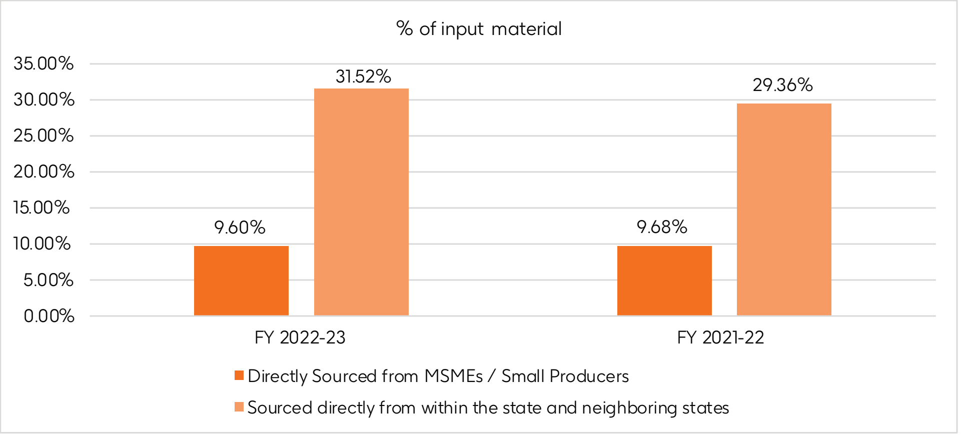
2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

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.

Engagement with local communities is extensively undertaken through your company's CSR activities. An annual review of CSR action plans and activities is undertaken by the CSR Committee to provide for alignment with local community needs and requirements. Robust mechanisms to maximise outcomes and assess the impact of the CSR projects have also been formalised.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.



Leadership Indicators

1. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

Under the ambit of your company's GSK Scholars programme, the following aspirational districts have been covered for FY 2022-23:

Sr. No.	State	District	Amount Spent (INR)
1.	Andhra Pradesh	Vizianagaram	1,00,000
		YSR (Kadapa)	6,89,783
2.	Assam	Goalpara	1,00,000
3.	Jharkhand	Palamu	1,00,000
4.	Karnataka	Bijapur	16,33,050
5.		Gadag	98,650
6.		Raichu	10,00,000

Sr. No.	State	District	Amount Spent (INR)
7.	Maharashtra	Aurangabad	62,820
8.	Rajasthan	Karauli	1,00,000
9.	Tamil Nadu	Ramanathapuram	73,220
10.	Telangana	Khammam	88,547

2. Do you have a preferential procurement policy for vulnerable/ marginalized suppliers?

No, your company does not have a preferential procurement policy for vulnerable/marginalised suppliers. However, as enshrined in our Code of Conduct, we are committed to working with suppliers who bring value to our business and demonstrates alignment with our internal standards. Further, we also ensure to follow inclusion and diversity in our supply chain by undertaking fair and non-discriminatory practices across our supply chain. Hence, where appropriate, we make focused efforts to onboard and engage with small businesses and/or diverse owned businesses.

3. Details of beneficiaries of CSR Projects.

Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalised groups
1.	Albendazole contribution for supporting mass drug administration under lymphatic filariasis programme	29 million albendazole tablets were contributed	100% of beneficiaries indicated under our CSR will fall under the vulnerable and marginalised group.
2.	Addressing child nutrition through a holistic approach	4,741 households and 5,404 beneficiaries	
3.	Providing health, nutrition, and water, sanitation and hygiene (WASH) support to children attending municipal schools	10,756	
4.	Awareness building on ante-and postnatal care	1,030 households with 875 beneficiaries	
5.	Holistic care for vulnerable underserved girls	150	
6.	Mainstreaming children who are school dropouts by enhancing their grade level competencies	400	
7.	GSK Scholars – Enabling future healthcare professionals	259	
8.	Providing Home away from home	420	
9.	Upgrading classrooms into smart classes	3,263	

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Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Clearly defined by our 'Code of Practice for Promotional and Non-promotional External Interactions' policy, our approach to promotion of our products is patient centric. We are committed to conforming with high levels of ethical, medical, and scientific standards.

Our endeavour remains to keep our customers' needs first and provide them with safe and high-quality products. We strictly comply with internal protocols and Good Manufacturing Practices (GMP) regulations for manufacturing of our products. Aligned to statutory requirements, packaging of all our products provides necessary information about the product and any additional information that is consistent with scientific evidence. Child resistance packaging has also been included in select products of your company.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We endeavour to identifying and managing product quality complaints, Human Safety Information (HSI) and Adverse Events (AE) to help safeguard consumers who take its products or take part in GSK clinical trials. Complaints or feedback concerning possible side-effects of our products can be registered via our website - GSK/Contact/SideEffects. Consumers may also register complaints through your company's toll-free number 1800-2222-03, made available on product packs or raised directly via telephone (+91-22-24959595). We are committed to protecting our patients and regularly report to relevant authorities on any concern with respect to our products.

To provide for a conducive environment within our operation, employees are also encouraged to report any concern to your 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. Employees also have a responsibility to report product quality complaints to the Quality function through a centralised 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.

Category	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. Number of consumer complaints

Category	FY 2022-23		FY 2021-22	
	Received During the Year	Pending Resolution at the End of the Year	Received During the Year	Pending Resolution at the End of the Year
Data Privacy	Nil	Nil	Nil	Nil
Cyber Security	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil
Delivery of Essential Services	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues.

For FY 2022-23, your company has had one voluntary recall and no forced recalls. In our reporting for FY 2021-22, data provided was on a consolidated basis since FY 2018. On a standalone basis for FY 2021-22, we had one instance of voluntary recall and two instances of forced recall.

Your company initiates voluntary recalls basis any inconsistencies as tracked by the ongoing monitoring of product quality standards and labelling as defined in GSK's Quality Management System and Good Manufacturing Practice (GMP) regulations in India.

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.

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.

Your company has a global policy on cyber security which can be accessed by employees on your company's intranet. Further, your company has outlined 9 privacy principles to follow while dealing with Personal Information (PI) at stages of data collection, storage, use, etc. Appropriate trainings are also available for all employees to maintain the authenticity of all data. Moreover, an ongoing communication strategy has been adopted to build awareness around management of privacy principles.

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.

Since your company is compliant, there was no corrective action suggested by an auditing or inspecting authority for FY 2022-23.

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. We also undertake safe and responsible usage awareness sessions with Health Care professionals (HCPs) via webinars and conferences. Over 80+ million touch points were established through 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 programmes on antimicrobial resistance (AMR) training for pharmacists in partnership with the Commonwealth Association of Pharmacists and IPA (approximately 50000 pharmacists were trained on AMR and responsible dispensing of antibiotics)

- Your Company has also conducted specific campaign called "K.Y.A – Know your antibiotics"; during World Antibiotic Awareness Week in November 2022 to disseminate information about appropriate antibiotic prescribing generating more than 2 million touchpoints

3. Describe the mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.

Your company has established robust internal communication mechanisms for timely updates to be provided to CFAs for communication to stockists with respect to any product recalls and/or disruption to services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

All information as required by the Drugs and Cosmetics Act & Rules is made available on your company's 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, child safety features on some products, information pamphlets for imported products and correct handling for use of some products.

5. Details on data breaches.

Your company monitors and resolves all incidences of data breaches through an internal mechanism, the i-Sight tool. For FY 2022-23, nine complaints on data privacy breaches were received and have been resolved as on end of year.

Independent Assurance Statement

Introduction

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by GlaxoSmithKline Pharmaceuticals Ltd. GSK (Corporate Identity Number L24239MH1924PLC001151, hereafter referred to as 'GSK' or 'the Company') to undertake an independent assurance of the disclosures (essential and leadership indicators) under Principle 6 of BRSR report for FY 2022-23 in its printed format ('the Report') for the financial year ending 31st March 2023. The disclosures have been prepared by GSK in reference to BRSR reporting guidelines (Annexure II). The intended user of this assurance statement is the Management of GSK ('the Management'). Our assurance engagement was planned and carried out during March 2023 - May 2023.

Responsibilities of the Management of GSK and of the Assurance Provider

The Management of the Company has the sole responsibility for the preparation of the BRSR Report for FY 2022-23 and are responsible for all information disclosed under principle 6 of the Report as well as the processes for collecting, analyzing and reporting the information. GSK is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on sustainability performance in other reporting formats.

In performing this assurance work as per agreed scope of work, DNV's responsibility is to the Management of the Company. Our assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith and are free from misstatements, omissions or errors.

Scope, Boundary and Limitations

The reporting scope encompasses disclosures under Principle 6 (essential indicators 1,3,5,6,8 and leadership Indicators 1,2,3) of the BRSR report for FY 2022-23. Boundary covers the performance of GSK operations in India that fall under the direct operational control of the Company's Legal structure. The sites and locations covered under the scope of assurance are as below:

A) Corporate office – Mumbai

B) GSK Manufacturing facility – Nashik

GSK has branch offices also (as mentioned below), however, for the current reporting period, these branch offices have not been covered in BRSR report disclosures:

a. GlaxoSmithKline Pharmaceuticals Ltd, New Delhi

b. GlaxoSmithKline Pharmaceuticals Ltd, Hazrat Ganj, Lucknow

c. GlaxoSmithKline Pharmaceuticals Ltd, Kolkata

d. GlaxoSmithKline Pharmaceuticals Ltd., Secunderabad

e. GlaxoSmithKline Pharmaceuticals Ltd., Patna

f. GlaxoSmithKline Pharmaceuticals Ltd., Chennai

We performed a limited level of assurance based on our assurance methodology VeriSustain™[1]. The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions. We did not engage with any external stakeholders as part of this assurance engagement.

During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement. The reported data on economic performance, any expenditure towards Corporate Social Responsibility (CSR) activities, and other financial data are beyond the scope of work under the current engagement, and that the financial statements issued by the Company are audited by statutory financial auditors under a separate audit process. We were not involved in the review of any financial information within the BRSR Report.

Basis of our Opinion

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of GSK. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

- Reviewed the disclosures under principle 6 (essential indicators 1,3,5,6,8 and leadership Indicators 1,2,3) and the raw data for these disclosures.
- Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environment topics disclosed in the principle 6 of the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
- DNV audit team conducted on-site audits for corporate office and manufacturing facility at Nashik. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.

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

- Reviewed the process of reporting
- Verification of the data consolidation of reported performance disclosures in context to the Principle of Completeness.

Opinion

On the basis of the assessment undertaken, nothing has come to our attention to suggest that the disclosures do not properly adhere to the reporting requirements as per BRSR reporting guidelines (Annexure II). Principle 6 indicator-wise data reporting status verified by DNV audit team is as presented below:

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential indicators:

1) Details of total energy consumption (in joules or multiples) and energy intensity:

Parameter	Unit	FY 2022-23
Total electricity consumption (A)	GJ	54,025.42
Total fuel consumption (B)	GJ	54,415.77
Energy consumption through other sources (C)	GJ	0
Total energy consumption (A+B+C)	GJ	108,441.19

Energy intensity per rupee of turnover (Total energy consumption/ turnover in INR)	3.26[2]

3) Details of disclosures related to water

Parameter	FY 2022-23
Water Withdrawal by Source (in kilolitres)	
(i) Surface water	0
(ii) Groundwater	0
(iii) Third party water (Municipal Water)	87,108
(iv) Seawater / desalinated water	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv)	87,108
Total volume of water consumption (in kilolitres)	79,750
Water intensity per rupee of turnover (Water consumed/ turnover in INR)	2.4[3]
Water intensity (optional) – the relevant metric may be selected by the entity	-

Water consumption:

For Nashik site: Water consumption has been considered equivalent to water withdrawal for Nashik plant.

For corporate office: Water consumption is 30% of water withdrawal based on sewage charges in their water bills.

5) Details of air emissions (other than GHG emissions)

For Nashik Plant:

Parameter	Unit	FY 2022-23
NOx	mg/Nm^3	13.85
Sox	mg/Nm^3	6.3
Particulate matter (PM)	mg/Nm^3	15.17
Volatile organic compounds (VOC)	mg/Nm^3	BLQ
Hazardous air pollutants (HAP)	mg/Nm^3	BLQ
Persistent organic pollutants (POP)	-	-

BLQ=Below Limit of Quantitation

For Corporate Office:

Parameter	Unit	FY 2022-23
NOx	g/Kw-hr	0.56
Sox	g/Kw-hr	0.39
Particulate matter (PM)	g/Kw-hr	0.11
Carbon Monoxide (CO)	g/Kw-hr	0.28
Volatile organic compounds (VOC)	-	-
Hazardous air pollutants (HAP)	-	-
Persistent organic pollutants (POP)	-	-

6) Details of greenhouse gases emissions (scope 1 and scope 2 emissions) and its intensity

For the current reporting period (FY 2022-23):

- Scope 1 emissions are reported from fossil fuel consumption (HSD) for DG sets. GSK has company owned vehicles and refrigerants usage; however, due to lack of data, the same have not been considered for the current reporting period. Emission factor for HSD (0.2532) has been sourced from GSK Global guidelines factor set, 2022.
- Scope 2 emissions are reported from purchased electricity from grid. The emission factor for electricity (0.71) is taken from the CEA emission factors, Version

[2] Turnover and energy intensity calculation is a financial data and thus not in DNV's scope of work.
[3] Turnover and water intensity calculation is a financial data and thus not in DNV's scope of work.

18.0 (CDM - CO_2 Baseline Database - Central Electricity Authority (cea.nic.in)), weighted Average Emission Rate Incl. RES for 2021-22.

Parameter	Unit	FY 2022-23[4]
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	486.95
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	10,202.75
Total Scope 1 and Scope 2 emissions per rupee of turnover	tonnes of CO_2 equivalent/ turnover in INR	3.22[5]

8) Details of waste management

For Nashik Plant,

Parameter	FY 2022-23	Comments
Total Waste generated (in metric tonnes)		
Plastic waste (non-hazardous) (A)	32.85	Recycled through government authorized recyclers
E-waste (B)	0.74	Reprocessing through government authorised vendors
Bio-medical waste (C)	1.53	Incinerated as per regulations
Construction and demolition waste (D)	0	-
Battery waste (E)	1.16	Safe Disposal through government authorised vendors
Radioactive waste (F)	0	-
Other Hazardous waste (Includes used oil, chemical sludge, off specification products and process residues) (G)	158.5	Incinerated as per regulations
Other Non-hazardous waste generated (Includes wood, paper, glass, dry waste and other organic waste) (H)	281.5	Recycled through government authorized recyclers
Total (A+B + C + D + E + F + G + H)	**476.28**	
Category of waste		-
(i) Recycled	314.35	-
(ii) Re-used	0	-
(iii) Reprocessing	0.74	-
Total	**315.09**	

Parameter	FY 2022-23	Comments
Category of waste		-
(i) Incineration	160.03	-
(ii) Incineration/Landfilling/ Other	1.16	-
Total	**161.19**	

For Corporate Office,

Parameter	FY 2022-23	Comments
Total Waste generated (in metric tonnes)		
E-waste (A)	0	
Battery waste (B)	0	
Dry Waste (C)	7	Recycled through government authorized recyclers
Wet Waste (D)	22	
Gardening Waste (E)	11	
Total (A + B + C + D + E)	40	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	40	-
(ii) Re-used	0	-
(iii) Other recovery operations	0	-
Total	40	-
Category of waste		
(i) Incineration	0	
(ii) Landfilling	0	-
(iii) Other disposal operations	0	-
Total	**0**	-

Leadership Indicators:

1) Break-up of total energy consumed (in joules or multiples) from renewable and non-renewable sources:

From Renewable sources

Parameter	Unit	FY 2022-23
Total electricity consumption (A)	GJ	2,293.57
Total fuel consumption (B)	GJ	47,492.3
Energy consumption through other sources (C)	GJ	0
Total energy consumption (A+B+C)	GJ	49,785.87
From Non Renewable sources		
Total electricity consumption (D)	GJ	51,731.85
Total fuel consumption (E)	GJ	6,923.47
Energy consumption through other sources(F)	GJ	0
Total energy consumption (D+E+F)	GJ	58,655.32

[4] For current reporting period, separate break-up of emissions has not been provided. This is in line with BRSR reporting guidelines (Annexure II)

[5] Turnover and related calculation is a financial data and thus not in DNV's scope of work.

2) Details related to water discharged:

For Corporate Office:

Parameter	Unit	FY 2022-23
(i) To Surface water	Kilolitres	0
No treatment		-
With treatment – please specify level of treatment		-
(ii) To Groundwater	Kilolitres	0
No treatment		-
With treatment – please specify level of treatment		-
(iii) To Seawater	Kilolitres	0
No treatment		-
With treatment – please specify level of treatment		-
(iv) Sent to third-parties (Municipality)	Kilolitres	7,358.4
No treatment	-	No treatment
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres) (i+ii+iii+iv)	Kilolitres	7,358.4

For Nashik Plant: 46239 Kilolitres of treated water is used by Nashik Plant as cooling towers make- up and for site gardening in FY 2022-23.

3) Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

a. Name of the area: Ambad, Nashik

b. Nature of operations: Manufacturing

Water withdrawal:

Parameter	Unit	FY 2022-23
(i) Surface water	Kilolitres	0
(ii) Groundwater	Kilolitres	0
(iii) Third party water	Kilolitres	76,596
Total volume of water withdrawal (i+ii+iii)	Kilolitres	76,596
Total volume of water consumption	Kilolitres	76,596
Water intensity per rupee of turnover (Water consumed / turnover)	Kilolitres / turnover in INR	2.30[6]

Water consumption has been considered equivalent to water withdrawal.

Water discharge to stress areas:

Parameter	Unit	FY 2022-23
(i) To Surface water	Kilolitres	0
No treatment		-
With treatment – please specify level of treatment		-
(ii) To Groundwater	Kilolitres	0
No treatment		-
With treatment – please specify level of treatment		-
(iii) To Seawater	Kilolitres	0
No treatment		-
With treatment – please specify level of treatment		-
(iv) Sent to third-parties	Kilolitres	0
No treatment		-
With treatment – please specify level of treatment		-
(v) Others	Kilolitres	0
No treatment		-
With treatment – please specify level of treatment		-
Total water discharged (in kilolitres)		0

46,239 KL of treated water is used by Nashik Plant as cooling towers make-up and for site gardening in FY 2022-23.

4) Details of total scope 3 emissions and its intensity: GSK has voluntarily not disclosed data w.r.t scope 3 emissions for the reporting period FY 2022-23. This is in line with BRSR guidelines (Annexure II).

Observations

Without affecting our assurance opinion, we also provide the following observations evaluating the Report's adherence to the DNV Verisustain™[1] Reporting Principles and principles of AA1000AS:

Inclusivity

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

The disclosures in principle 6 of BRSR Report brings out the key stakeholder groups identified by GSK, that is, its customers, employees, suppliers, union activists, non-governmental

[6] Turnover and water intensity calculation is a financial data and thus not in DNV's scope of work.

organizations, regulatory authorities, media and communities. The formal and informal modes of stakeholder engagement that exist at various levels across GSK's operations have been reviewed by DNV audit team including the key stakeholder concerns that were considered to develop reporting initiatives. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Inclusivity.

Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders. The principle 6 disclosures and subsequent on-site audits, review of monitoring and reporting procedures brings out the processes undertaken by GSK towards identifying and addressing its key material topics based on internal and external business impacts, global frameworks and outputs from stakeholder engagement. Key environment material topics have been fairly addressed and reported in principle 6 of BRSR report.

Nothing has come to our attention to suggest that the disclosures in principle 6 of BRSR Report does not meet the requirements related to the Principle of Materiality.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The environment disclosures in principle 6 of BRSR Report are aligned with Company's policies, strategies, management systems and governance mechanisms which have been found to be in place during the audit process, to respond to environment topics identified as material and significant concerns of key stakeholder groups. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Responsiveness.

Nothing has come to our attention to believe that the disclosures do not meet the requirements related to the Principle of Responsiveness.

Impact

The level to which an organization monitors, measures and is accountable for how its actions affect its broader ecosystems.

The principle 6 disclosures bring out GSK's processes towards identification, monitoring and evaluation of significant impacts related to its identified environment material topics. The disclosure in this section shows company's environment performance and shall become the basis for framing and adapting the overall business strategy, stakeholder engagement processes and governance mechanisms of the business units.

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

Specific Evaluation of the Information on Sustainability Performance

We consider the methodology and the process for gathering information developed by GSK for its environment performance reporting to be appropriate, and the quantitative data included in principle 6 of the BRSR Report was found to be identifiable and traceable; the personnel responsible were able to demonstrate the origin and interpretation of the data and its reliability. Nothing has come to our attention that the information provided to us was inconsistent, inaccurate and unreliable, or that the reported environment disclosures are not a faithful description of the company's reported environment performance for the reporting period FY2022-23.

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

GSK has established processes and procedures to collate and analyze environment performance data related to its identified environment issues from its operational sites. Most of the quantitative disclosures verified at the 2 operational sites were derived from internal data systems and found to be accurate. The majority of data and information verified through our on-site assessments and reviews with the data owners at the sampled operation sites were found to be accurate and reliable. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and the errors have been identified, communicated and corrected.

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

Additional principles as per DNV VeriSustain

Completeness

How much of all the information that has been identified as material to the organisation and its stakeholders is reported.

The disclosures under principle 6 of BRSR report brings out GSK's environment performance during FY 2022-23 Further the key requirements of the BRSR reporting guidelines (Annexure I) w.r.t. performance indicators relevant to GSK's environment performance and covering its chosen scope and boundary, are brought out within this section of principle 6.

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

Neutrality

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

The disclosures articulate overall performance in a fairly neutral tone, in terms of content and presentation, applying adequate consideration to not unduly influence stakeholders' opinions made based on the reported disclosures. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence

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

We have complied with the DNV Code of Conduct[7] during the assurance engagement and maintain independence as required by relevant ethical requirements relevant ethical requirements including the ISAE 3000 (Revised) Code of Ethics. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

[7] The DNV Code of Conduct is available on request from www.dnv.com

Purpose and Restriction on Distribution and Use

This assurance statement, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work or this report.

For **DNV Business Assurance India Private Limited**

DNV Audit team

Anjana Sharma Lead
Verifier, Sustainability Services, DNV Assurance India Private Limited, India

Tushar Chaudhari
Verifier (Observer)

Ankita Parab
Verifier (Observer)

Assurance Reviewer

Raman KV
Assurance Reviewer, DNV Business Assurance India Private Limited, India

24 May 2023, Mumbai, India

Annexure 'C' to the Directors' Report

Report on Corporate Governance

(Pursuant to Regulations 17 to 27 and clauses (b) to (i) 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 nine 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 seven 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

Five Board meetings were held during the year ended 31 March 2023 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 II (Part A) 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. Items related to UPSI were sent at shorter notice with consent of Board . 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.	16 May 2022	10	9
2.	25 July 2022	10	10
3.	17 October 2022	9	9
4.	11 November 2022	9	9
5.	7 February 2023	9	9

• 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 26 July 2022	*Number of Directorships in other companies (including GSK)	**Number of mandatory committee positions held in other companies	
					Chairman	Member
Ms. R. S. Karnad Chairperson	Non-Executive	5	Yes	7	3	6
Mr. B. Akshikar Managing Director (w.e.f. 1 December 2022)	Executive	1	N.A.	2	Nil	1
Mr. M. Anand	Non-Executive & Independent	4	Yes	4	0	4

Name of Director	Category of Directorship	Number of Board Meetings attended	Attendance at the last AGM held on 26 July 2022	*Number of Directorships in other companies (including GSK)	**Number of mandatory committee positions held in other companies	
					Chairman	Member
Mr. P. V. Bhide	Non-Executive & Independent	5	Yes	6	2	7
Mr. J. Chandy	Executive	5	Yes	2	Nil	Nil
Mr. N. Kaviratne (up to 26 July 2022)	Non-Executive & Independent	2	Yes	N.A.	N.A.	N.A.
Dr. (Ms.) S. Maheshwari	Non-Executive & Independent	5	Yes	2	Nil	Nil
Mr. A. N. Roy	Non-Executive & Independent	5	Yes	9	5	9
Mr. D. Sundaram	Non-Executive & Independent	5	Yes	4	2	5
Mr. S. Venkatesh Managing Director (up to 30 November 2022)	Executive	4	Yes	N.A.	N.A.	N.A.
Mr. S. Williams	Non-Executive	5	Yes	1	Nil	Nil

*Excludes directorship held in Private Limited Companies, Foreign Companies & Section 8 Companies;
** Audit Committee and Stakeholders' Relationship Committee membership is considered as per Listing Regulations.

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

Ms. R. S. 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.

List of Directorship in listed entities

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	HDFC Bank	Nominee Director	

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

Mr. D. 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. He is a Chairman of the Audit Committee & Risk Management Committee and a Member of Nomination & Remuneration Committee of the Company.

List of Directorship in listed entities

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

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

Mr. A. N. Roy has held some of the most important public offices in India through extremely challenging times, with distinction. This along with his focus on inclusive policing, welfare of the rank and file of the police force and innovative management techniques and deployment of technology in India's vast police force has widely earned him respect and regard. Following his superannuation, he continued public service but in a different form by setting up a social enterprise that provides livelihood support for most marginalized in Mumbai slums and for the widows of farmers who committed suicide in Vidarbha. He is also a widely regarded corporate strategist serving on the Board of Directors of some of India's most valuable companies in sectors ranging from automotives, financial services to pharmaceuticals and cables and previously banking and heavy industries.

During his nearly four decades of dedicated tenure in the Indian Police Service, Mr. Roy held many diverse challenging assignments both in Government of India and the State of Maharashtra and the city of Mumbai, including Police Commissioner of Mumbai, Pune, Navi Mumbai, and Aurangabad and Director General of Police, Maharashtra state and in the elite Special Protection Group in New Delhi.

Committed to making the police more accessible and citizen friendly and improving the quality of service, he launched multiple innovative initiatives and schemes for time bound and simplified delivery. He was an early pioneer in the use of technology for citizen facilitation through the implementation of initiatives such as Mumbai Police Infoline, Citizen Facilitation Centres, Elderline. The re-engineering of police processes and the reimagination of Police as a public service earned him the moniker "People's Commissioner". His investigation and enforcement of tough crimes, including corporate fraud and white-collar crime has helped engender accountability and good governance. He has been known to stand with his force at all times, in crisis and for their rights and welfare.

Mr. Roy was appointed by the President of India as Advisor to Governor of combined state of Andhra Pradesh and Telangana in 2014 when the state was under President's rule. During this period, he performed the role of Minister of 16 different departments of the state government including Home, Industry and Mining, Housing, Health, Medical Education, etc. The social enterprise he co-founded (with his daughter) immediately after his retirement, Vandana Foundation works to make farmers' widows financially independent through the medium of microenterprises with grants and interest free loans. Vandana Foundation also runs a Khadi project to make from cotton garments through these women and rural workers.

Mr. Roy serves as a valued member of the Board of Directors and committees of the board (including chairing Audit Committees) of several prominent market leading companies viz. Bajaj Auto, Bajaj Finance and GlaxoSmithKline Pharmaceuticals Ltd., and previously HDFC Bank and the public sector undertaking - Bharat Heavy Electricals Limited. Mr. Roy also consults with the India offices of international financial institutions, private equity funds and prominent organizations in the financial sector. He also contributes time and his bandwidth with India's first sustainability fund, certain startups, and charitable organizations on a pro bono basis.

Mr. Roy holds a Masters' Degree in History from University of Allahabad and an M Phil in Public Administration. He has undergone a number of in-service training courses in India and overseas. He is a Member of the, Corporate Social Responsibility Committee and Chairman of Nomination & Remuneration Committee of the Company.

List of Directorship in listed entities

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 Limited	Independent Director	
6	Siemens Limited *	Independent Director	

* Mr. A. N. Roy is appointed as Independent Director w.e.f. 1 May 2023

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

Mr. P. V. 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. P. V. 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. P. V. 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 the Audit Committee, Risk Management Committee and Stakeholders Relationship Committee.

List of Directorship in listed entities

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)

Mr. S. Williams is 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 has expertise in the fields of Finance, Business development and Mergers & Acquisitions.

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

Dr. S. 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 cofounder 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 also a Mentor for Yale School of Global Health's Sustainable health initiative.

She is active in the social arena in India where she runs 2 trust funds. People4people has put up over 550 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 Chairperson of the Corporate Social Responsibility Committee. She is also an Independent Director on the Board of HDFC Bank.

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

Mr. J. Chandy, 46, 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 South East Asia and most recently, Head of Finance for Global General Medicines portfolio, partnering with the leadership team on strategy, profit maximization and helping to drive performance for General Medicines. He is also a Director in Biddle Sawyer Limited. He does not hold any shares in the Company and is also not related to any Director of the Company.

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

Mr. M. Anand is a Chartered Accountant and has completed Advance Management Program from the Wharton School of the University of Pennsylvania, USA. Manu brings the experience of over three decades, out of which he has been in the General Manager role 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. He retired from Mondelez International in end 2018 and is now a Business Advisor and Company Director.

In his last role, prior to retirement from Mondelez International, he was President Chocolates – AMEA, managing the chocolates business operations across 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. Manu was earlier leading the India business for Mondelez International as Managing Director for Cadbury India Limited.

At PepsiCo India, 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 in India and South Asia brands. Preceding this, Manu was based in Bangkok as the President of South-East Asia and 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. Prior to that, Manu was the Managing Director for Frito-Lay India (the Snack Food Business of PepsiCo) and built this business from a start up to a market leader.

Currently, Manu is the Senior Advisor to Advent and Director on four other boards. He has also been past chair on a number of committees of Confederation of Indian Industry (CII) and has experience as Chairman of PepsiCo, India, and Director on Board of Mondelez India. He is member of Audit Committee and Risk Management Committee of the Company.

List of Directorship in listed entities

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

* DFM Foods got delisted from exchanges w.e.f. 5 April 2023

Mr. Bhushan Akshikar - Managing Director (DIN: 09112346)

Mr. B. Akshikar has a successful track record of over 28 years in local, regional & global roles within the pharmaceutical industry. He joined GSK India in September 2011 to lead the specialty business and commercial excellence function. In 2014, he was appointed Head of the Mass Markets & Specialty business. In 2016, he relocated as the GM for GSK's publicly listed entity in Nigeria, Africa. Apart from a strong business turn-around, he also built a high performing, resilient team. He then moved to Turkey in June 2019 as the Vaccines Market Lead to drive strategic initiatives and new launches in both private and tender segments for Vx in the Middle East, Russia CIS & Africa region. In December 2020 he returned to India as the Commercial Head of the General Medicines business and has led a cultural transformation journey delivering strong results reflected in the competitive performance of all flagship brands.

Before joining GSK, Bhushan spent 15 years with Janssen, Johnson & Johnson, in various commercial roles leading both specialty and primary care business units in local and regional positions living in India, S. Korea and Belgium. Bhushan holds a post graduate MBA in Marketing from SPJIMR and a Bachelor's Degree in Pharmaceutical Sciences from University of Pune. He is member of Stakeholders Relationship Committee and Corporate Social Responsibility Committee. He is Director in Biddle Sawyer Limited.

- 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.
- None of the Directors are related to each other. None of the Directors serve on more than seven listed entities as an independent director and they are not a member in more than ten committees or act as chairperson of more than five committees across all listed entities.
- 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.
- Company has obtained certificate from Practicing Company Secretaries, Parikh & Associates confirming that none of the Directors on Board are 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 16 May 2022 for discussion on Board and Individual Director Evaluations, 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 https://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 2023 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 on 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. As per SEBI LODR regulation, the material related party transactions were approved by shareholders.

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

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

- Directors Induction 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 https://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. J. Chandy retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for his re-appointment.

  A brief resume of Directors appointed / eligible for re-appointment along with the additional information required under Regulation 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 Regulation 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 result 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.

vi) statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

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.

za) To 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:**

Seven Audit Committee meetings were held during the year ended 31 March 2023. The Committee comprises of Independent and Non-Executive Directors and their meetings were held on 16 May 2022, 5 July 2022, 25 July 2022, 11 November 2022 (two meetings), 7 February 2023 & 24 March 2023.

Name of the Member	Designation	Category of Directorship	Attendance out of Seven meetings held
Mr. D. Sundaram	Chairman	Non-Executive & Independent	6
Ms. R. S. Karnad	Member	Non-Executive	7
Mr. M. Anand*	Member	Non-Executive & Independent	5
Mr. P. V. Bhide	Member	Non-Executive & Independent	7

*Mr. M. Anand was appointed as the member of the committee w.e.f. 16 May 2022 and Mr. N. Kaviratne ceased as the member of the committee w.e.f. 26 July 2022.

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 26 July 2022.

Risk Management Committee

Terms of Reference

a) To formulate a detailed risk management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.

b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

e) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

g) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors

Four Risk Management Committee meetings were held during the year ended 31 March 2023. The Committee comprises of Independent and Non-Executive Directors and their meetings were held on 16 May 2022, 5 July 2022, 11 November 2022 & 24 March 2023.

Name of the Member	Designation	Category of Directorship	Attendance out of four meetings held
Mr. D. Sundaram	Chairman	Non-Executive & Independent	3
Ms. R. S. Karnad	Member	Non-Executive	4
Mr. M. Anand*	Member	Non-Executive & Independent	2
Mr. P. V. Bhide	Member	Non-Executive & Independent	4

*Mr. M. Anand was appointed as the member of the committee w.e.f. 16 May 2022 and Mr. N. Kaviratne ceased as member of the committee w.e.f. 26 July 2022.

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 26 July 2022.

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 Regulation 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.

4) For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

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. "Senior Management" shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive

Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

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:

Name of the Member	Designation	Category of Directorship	Attendance out of Three meetings held
Mr. A.N. Roy*	Chairman	Non-Executive & Independent	2
Ms. R. S. Karnad	Member	Non-Executive	3
Mr. D. Sundaram	Member	Non-Executive & Independent	3

*Mr. A. N. Roy was appointed as Chairman of the committee w.e.f. 27 July 2022 and Mr. N. Kaviratne ceased as member of the committee w.e.f. 26 July 2022.

Three Nomination & Remuneration Committee meetings were held during the year ended 31 March 2023. The Committee met on 16 May 2022, 17 October 2022 & 7 February 2023. 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 website https://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 Chairperson 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 GlaxoSmithKline 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 GlaxoSmithKline 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 2023 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. B. Akshikar*	39.36	125.90	69.04	15.84	10.63	260.77
Mr. J. Chandy	110.00	127.26	290.79	0.00	13.20	541.25
Mr. S. Venkatesh**	171.48	0.00	267.65	0.00	21.24	460.38

* Mr. B. Akshikar was appointed as Managing Director w.e.f. 1 December 2022
** Mr. S. Venkatesh resigned as Managing Director w.e.f. 30 November 2022

(₹ in lakhs)

Independent Directors and Non-Executive Directors	Commission#	Sitting Fees	Total
Ms. R. S. Karnad	25.00	10.50	35.50
Mr. M. Anand*	17.53	5.50	23.03
Mr. P. V. Bhide	20.00	8.50	28.50
Mr. N. Kaviratne**	6.40	4.50	10.90
Dr. (Ms.) S. Maheshwari	20.00	4.00	24.00
Mr. A. N. Roy	20.00	5.00	25.00
Mr. D. Sundaram	20.00	9.00	29.00

Payable in 2023

* Mr. M. Anand was appointed as Director on Board w.e.f. 16 May 2022.

** Mr. N. Kaviratne ceased to be Director from the Board w.e.f. 26 July 2022.

Sitting fees for CSR Committee held in June 2022 & Risk, Audit & Stakeholder Relationship Committee Meetings held in March 2023 were paid in April 2023.

Notes:

a) The agreement between the Company and Whole-time Directors is;
Mr. B. Akshikar for a period from 1 December 2022 to 30 November 2026.
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.

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

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

Name of the Member	Designation	Category of Directorship	Attendance out of Two meetings held
Dr. (Ms.) S. Maheshwari*	Chairperson	Non-Executive & Independent	2
Mr. A. N. Roy	Member	Non-Executive & Independent	2
Mr. B. Akshikar **	Member	Managing Director	N.A.

*Dr. S. Maheshwari was appointed as the Chairperson of the Committee w.e.f. 27 July 2022.
Mr. S. Venkatesh ceased to be member of the Committee w.e.f. 30 November 2022.
**Mr. B. Akshikar was appointed as member of the Committee w.e.f. 1 December 2022.

During the year under review, the Committee met twice on 3 June 2022 & 3 November 2022 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.

d) To take on record Internal Audit Report by Registrar & Share Transfer Agent on Annual basis.

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 Stakeholders Relationship Committee is as follows:

Name of the Member	Designation	Category of Directorship
Ms. R. S. Karnad	Chairperson	Non-Executive
Mr. P. V. Bhide	Member	Non-Executive & Independent
Mr. B. Akshikar*	Member	Managing Director

*Mr. B. Akshikar was appointed as member on the committee w.e.f. 1 December 2022.
Mr. S. Venkatesh ceased to be member of the Committee w.e.f. 30 November 2022.

During the year under review, the Committee met on 24 March 2023 and except Mr. P.V. Bhide all the members attended the meeting.

Name, designation and address of the Compliance Officer:

Mr. Ajay Nadkarni
Company Secretary
GSK House, Dr. Annie Besant Road
Worli, Mumbai - 400 030
Phone: (022) 2495 9433; Fax: (022) 2498 1526
Email ID: in.investorquery@gsk.com

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	93
3	Resolved during the year	93
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 last 3 Annual General Meeting (AGMs) of the Company and summary of Special Resolution(s) passed therein, if any, are as under:

Date	Year	Venue	Time	Special resolution
26 July 2022	1 April 2021 to 31 March 2022	At Registered Office - through Video Conferencing facility	1.30 p.m.	• Appointment of Mr. Manu Anand as an Independent Director
27 July 2021	1 April 2020 to 31 March 2021		2.30 p.m.	• Commission to Independent Directors
27 July 2020	1 April 2019 to 31 March 2020		2.30 p.m.	• None

All the resolutions, including special resolutions set out in the respective Notices were passed by the shareholders.

Postal Ballot

During FY 2022-2023, 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 were passed by the members through postal ballot. The notice of the postal ballot dated 21 March 2022 & 17 October 2022 were sent to all members of the Company. Parikh & Associates, Practicing Company Secretary, was appointed as the Scrutinizer for the Postal Ballots and submitted his report to Chairperson, Ms. Renu Sud Karnad. The results of the Postal Ballot were announced on 21 April 2022 & 30 November 2022, and the details are as follows:

Description of the Resolution	Votes in favour of the resolution			Votes against of 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)
Ordinary Resolution: - Re-Appointment of Mr. Sridhar Venkatesh (DIN: 07263117) as a Managing Director	415	14,51,12,648	98.24	324	25,96,986	1.76	0	0
Ordinary Resolution: - Appointment of Mr. Juby Chandy (DIN: 09530618) as a Director	432	14,64,02,988	99.12	97	13,06,546	0.88	0	0
Ordinary Resolution - Appointment of Mr. Juby Chandy (DIN:09530618) as a Whole-time Director & Chief Financial Officer (CFO) and payment of remuneration to him.	416	14,51,12,635	98.24	112	25,96,769	1.76	0	0
Ordinary Resolution: - Appointment of Mr. Bhushan Akshikar (DIN: 09112346) as a Director	509	14,54,90,367	99.48	50	7,63,725	0.52	0	0
Ordinary Resolution: - Appointment of Mr. Bhushan Akshikar (DIN: 09112346) as a Managing Director	432	14,33,78,780	98.03	125	28,75,243	1.97	0	0

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.

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

General Shareholder Information

AGM: Date, Day, Time and Venue	26 July 2023, Wednesday at 02.30 p.m. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")
Financial Year	i. April to March ii. First Quarter Results – July 2023 iii. Half-Yearly Results – October 2023 iv. Third Quarter Results – February 2024 v. Results for the year ending March 2024 - May 2024
Record Date	30 June 2023
Dividend Payment date(s)	On and after 27 July 2023
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 2022 to 31 March 2023 and from 1 April 2023 to 31 March 2024
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 April 1, 2022	1900	175533
Number of shares claimed and transferred from the Unclaimed Suspense Account during the year	47	4992
Number of shares transferred to Unclaimed Suspense Account	0	0
No. of shares as on March 31, 2023	1853	170541

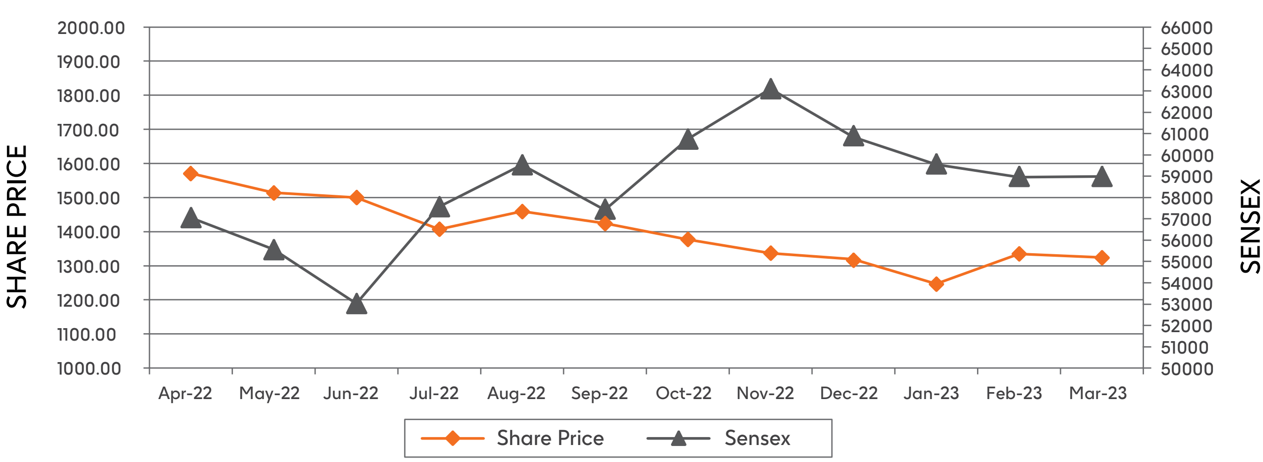
All benefits accruing on such shares shall be credited to Unclaimed Suspense Account for a period of seven years. Thereafter, the said shares including all benefits accrued thereon shall be transferred by the Company to the IEPF Authority in accordance with provisions of Section 124(5) and (6) of the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

Market Price Information

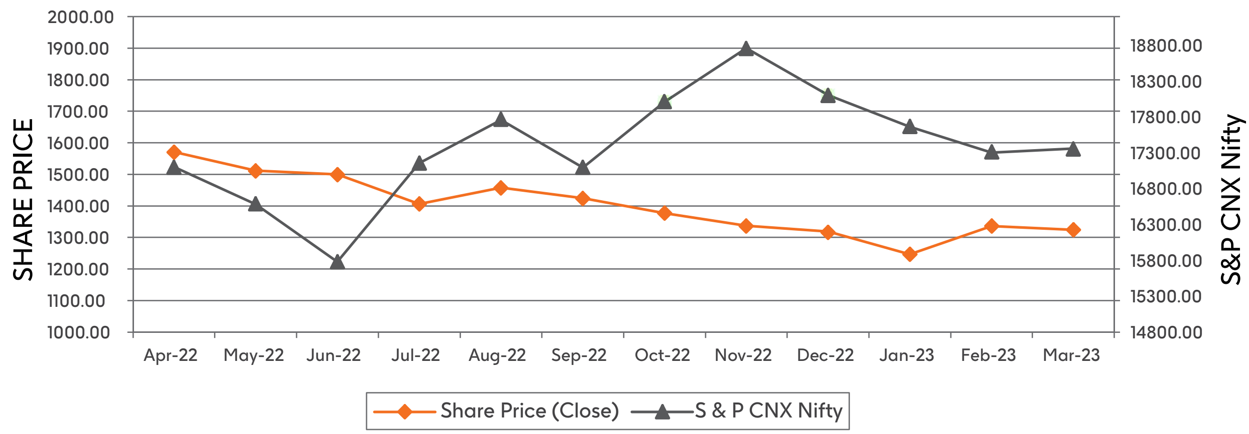
High/low of market price of the Company's shares traded along with the volumes on the Bombay Stock Exchange and on the National Stock Exchange during the year April 2022 to March 2023 is furnished below:

Month and Year	BSE			NSE		
	High (Rupees)	Low (Rupees)	Volume (No. of Shares)	High (Rupees)	Low (Rupees)	Volume (No. of Shares)
Apr-22	1683.70	1564.90	43348	1684.80	1562.00	521374
May-22	1598.50	1433.05	46330	1578.20	1459.85	568760
Jun-22	1562.40	1482.00	116998	1563.65	1480.00	610680
Jul-22	1551.70	1396.50	86809	1554.95	1395.25	1010862
Aug-22	1493.00	1372.80	78222	1487.00	1372.05	1593912
Sep-22	1465.00	1385.40	182440	1464.00	1380.00	1782534
Oct-22	1444.75	1353.70	233776	1444.85	1353.00	1033193
Nov-22	1402.50	1296.00	83611	1403.70	1295.95	1458163
Dec-22	1369.25	1306.65	51566	1370.00	1308.00	1009252
Jan-23	1328.95	1245.00	48313	1329.85	1345.00	945318
Feb-23	1348.00	1230.70	72313	1350.00	1231.00	1211563
Mar-23	1340.95	1250.00	42719	1341.00	1234.00	726529

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
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	LIC Health Protection Plus Fund	3.66
2	Aditya Birla Sun Life Trustee Private Limited A/C	1.70
3	ICICI Prudential Pharma Healthcare and Diagnostic	1.51
4	General Insurance Corporation of India	1.45
5	Aditya Birla Sun Life Insurance Company Limited	0.76
6	Investor Education and Protection Fund	0.57
7	SBI Nifty Midcap 150 Index Fund	0.48
8	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	0.35
9	Vanguard Total International Stock Index Fund	0.33
10	Tata Investment Corporation Limited	0.24
	Total	**11.05**

The distribution of shareholding as on 31 March 2023 is as follows:

Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
Up to 25	51053	40.87	485328	0.29
26 to 50	15394	12.33	626313	0.36
51 to 100	16171	12.95	1361525	0.80
101 to 500	35381	28.32	8667615	5.12
501 to 1000	4485	3.59	3197371	1.89
1001 to 10000	2303	1.84	4887455	2.89
10001 and above	125	0.10	150180427	88.65
Grand Total	**124912**	**100.00**	**169406034**	**100.00**

Shareholding pattern as on 31 March 2023 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
Mutual Funds	6707530	3.95
Financial Institutions / Banks / Insurance Companies	10739286	6.34
Foreign Institutional Investors / NRI / OCB	4616639	2.73
Bodies Corporates	2043633	1.21
Foreign Nationals	543	0.00
Individuals	18212099	10.75
Others	31780	0.02
Total	**169,406,034**	**100.00**

Registrar and Share Transfer Agent	KFin Technologies 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. 1 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 24 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. SEBI has clarified vide its Circular dated 25 January 2022 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 requests.
Dematerialization of shares and liquidity	99.04% of the paid-up capital has been dematerialized as on 31 March 2023. 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 dematerialized 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 Registrars and Share Transfer Agents 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 434 Email ID : in.investorquery@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 52 to the standalone financial statements in the Annual Report.
- Company has not obtained any credit rating for the financial year ended 31 March 2023.
- Company has not raised any funds through preferential allotment or QIP for the financial year ended 31 March 2023.
- Company has paid ₹ 118.04 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/.
- There were three sexual harassment cases which were reported and closed during the year. The details are provided in the Management Discussion & Analysis.
- 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 https://gsk.com/speakup 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 November 15, 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.
- All recommendations of committees are accepted by the Board. The Company has obtain CEO – CFO certificate as required under 17(8) of the listing Regulations.
- Company does not have any material subsidiary and Company has provided loan of ₹ 18.10 cores to Biddle Sawyer Limited (100% subsidiary) of the Company.

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

NON-MANDATORY REQUIREMENTS

A. The Board

The Chairperson of the Board does not maintain a Chairperson'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, 17 May 2023

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 2023.

For GlaxoSmithKline Pharmaceuticals Limited

Bhushan Akshikar
Managing Director

Mumbai, 17 May 2023

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
GLAXOSMITHKLINE PHARMACEUTICALS LIMITED

We have examined the compliance of the conditions of Corporate Governance by GlaxoSMithKline Pharmaceuticals Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**
Practising Company Secretaries

P. N. PARIKH
FCS: 327 CP: 1228
UDIN: F000327E000319921
PR No.: 1129/2021

Mumbai,
Date: 17.05.2023

Annexure 'D' 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, as a responsible corporate citizen, contributes to nation building through its CSR projects, as prescribed in the Act. All CSR interventions are designed to be sustainable in the long-term and aim to address identified national priorities.

To improve access and support people in vulnerable communities, your company initiates targeted corporate social responsibility (CSR) projects, 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.	Dr. S. Maheshwari*	Chairperson- Non-Executive, Independent Director	2	2
2.	A. N. Roy	Non-Executive, Independent Director	2	2
3.	B. Akshikar**	Managing Director	2	N.A.

*Dr. S. Maheshwari became Chairperson of the Committee w.e.f. 27 July, 2022
** Mr. B. Akshikar became member of the Committee w.e.f. 1 December, 2022

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/7380/csr-board-approved-project-fy22-23.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/7477/executive-summary-impact-assessment-on-lf.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 setoff for the financial year, if any (in ₹ lakh)
1.	FY 20-21	1.25	0.00
2.	FY 21-22	0.05	0.00
	Total	**1.30**	**0.00**

6. Average net profit of the company as per section 135(5): ₹ 67317.05 lakh

7.

a.	Two percent of average net profit of the company as per section 135(5)	₹ 1346.34 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).	₹ 1346.34 lakh

8. (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
1347.98	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area* (Yes/ No)	(5) Location of the project		(6) Project Duration (in Year)	(7) Amount allocated for the project^ (in ₹ Lakh)	(8) Amount spent in the current FY (in ₹ Lakh)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lakh)	(10) Mode of Implementation Direct (Yes/No)	(11) 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	268.94	268.94	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	91.16	91.16	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	12.89	12.89	0.00	No	BITAN Institute for Training, Awareness and Networking	CSR00004091
	Upgrading classrooms to smart class											
4.	Upgrading classroom to smart class that will benefit students in schools	Promoting Education, Including Special Education and Employment Enhancing Vocational Skills	No	Maharashtra	Nashik	1	71.43	71.43	0.00	No	Yuva Unstoppable	CSR00000473
	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	10.00	10.00	0.00	No	Nai Dharti	CSR00000078
	Mainstreaming out of school children											
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	27.52	27.52	0.00	No	Sakshi	CSR00000232
	Total						**481.94**	**481.94**	**0.00**			

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

^ Amount allocated for the ongoing project is for FY 22-23 only.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area* (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹ Lakh)	(7) Mode of implementation Direct (Yes/No)	(8) 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 tablets contribution for supporting mass drug administration	Promoting Healthcare; Eradicating Hunger, Poverty and Malnutrition; Sanitation	No	Endemic districts in India	Endemic districts in India	712.09	Yes	-	-
	School sanitation-WASH and nutrition services								
2.	WASH facilities in schools with behaviour change communication	Promoting Healthcare; Eradicating Hunger, Poverty and Malnutrition; Sanitation	No	Maharashtra	Nashik	30.00	No	Bal Raksha Bharat (Save the Children)	CSR00000065
	Project Monitoring and Evaluation								
3	Monitoring and evaluation of CSR projects	NA	-	-	-	18.85	No		-
	Home away from Home								
4	Home away from home for underprivileged families during their child's treatment for cancer	Promoting Healthcare; Eradicating Hunger, Poverty and Malnutrition; Sanitation	No	Maharashtra	Mumbai	36.12	Yes	St. Jude India Childcare Centers	CSR00001026
	Total					**797.06**			

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

(d) Amount spent in Administrative Overheads: ₹ 67.33 lakh

(e) Amount spent on Impact Assessment, if applicable: ₹ 1.65

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹1347.98 lakh

(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)	1346.34
(ii)	Total amount spent for the Financial Year	1347.98
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.64
(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)]	1.64

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ 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						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID.	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project Duration (In Years)	(6) Total Amount allocated for the project (in ₹ Lakh)	(7) Amount spent on the project in the reporting financial year (in ₹ Lakh)	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹ Lakh)	(9) Status of the project – Completed/ Ongoing
1	GSK Scholars Programme	Providing financial assistance to underserved students to pursue a career in medicine	FY 21-22	3	694.60	268.94	395.66	Ongoing
2	Society for Nutrition, Education and Health Action	Addressing child nutrition through a holistic approach	FY 21-22	4	321.68	91.16	150.44	Ongoing
3	Nai Dharti	Holistic care for vulnerable underserved girls	FY 21-22	1	10.00	5.00	10.00	Completed
4	Bal Raksha Bharat (Save the Children)	WASH facilities in schools with behaviour change communication	FY 21-22	1	80.00	30.00	80.00	Completed
5	BITAN Institute for Training, Awareness and Networking	Awareness building on ante and post-natal care	FY 19-20	2	20.00	7.89	20.00	Completed
6	Sakshi	Mainstreaming children who are school dropouts by enhancing their grade level competencies	FY 19-20	2	20.00	7.53	20.00	Completed
	TOTAL				**1146.28**	**410.52**	**676.10**	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **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.

Mumbai, 17 May 2023

B. Akshikar
Managing Director

Dr. S. Maheshwari
Chairperson, CSR Committee

Annexure 'E' to the Director's Report

Secretarial Audit Report for the financial year ended 31st March, 2023

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-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, 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 31st March, 2023 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 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 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, 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

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 Company has applied to the Central Government for approval to the appointment of Mr. Juby Chandy as Wholetime Director and CFO. The approval of Central Government is awaited.

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: F000327E000319965
PR No.: 1129/2021

Place: Mumbai
Date: 17.05.2023

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: F000327E000319965
PR No.: 1129/2021

Place: Mumbai
Date : 17.05.2023

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Annexure ‘F’ to the 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

- Operating a VAM(vapor absorption machine) chiller in combination with an existing biomass boiler.
- Installation an EC drive for an AHU for energy optimization resulting in saving of 5.3tCO2 less emission per year.
- Replaced conventional light fittings with LED fittings resulting in increase in LUX level and reduction in maintenance cost.
- CO_2 generation has been reduced by 1028 MT with a reduction of 9% for the year 2022
- At the same time, the site has reduced its water consumption by 10152 KL in 2022
- Use of recycled Effluent Treatment Plant water for cooling towers at Utilities
- The Nashik facility was awarded the Energy Trophy for the year 2022 in the Global supply chain of GSK

b) Technology absorption:

- Laminated Tube Filling Line for Betnovate range of products.
- Isolator for sampling OHC5 (Potent) API, protecting the QC sampling employees.
- QC Lab instrument upgrade such as Raman Instrument for Raw Material Inspection, UPLC & HPLC
- OEE tool kit as a IoT 4.0 smart manufacturing initiative to improve packing line efficiency.
- GPS Clock System for harmonized time across all computerized control systems.
- 1250 kVA DG set (100 % Electrical backup for the site)
- Workplace Transport & Warehouse Safety systems to safeguard employees from accidental clash with vehicle movement

c) Foreign exchange earnings and Outgo:

The foreign exchange earnings for the year ended 31 March 2023 was ₹ 162,16.76 lakhs and foreign exchange outgo for the year ended 31 March 2023 was ₹ 1562,99.54 lakhs. The foreign exchange earnings for the period ended 31 March 2023 was ₹ 52,77.79 lakhs and foreign exchange outgo for the period ended 31 March 2022 was ₹ 885,25.82 lakhs.

On behalf of the Board of Directors

Ms. R. S. Karnad
Chairperson

Mumbai, 17 May 2023

Annexure 'G' to the Director's 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 2023.

Sr no	Name of Directors	Designation	Remuneration of Directors in the financial year in (₹ lakh)	Ratio to Median Remuneration
1	Ms. R.S. Karnad	Chairperson, Non-Executive Director	35.50	2.45
2	Mr. M. Anand*	Independent Director	23.03	1.59
3	Mr. P. V. Bhide	Independent Director	28.50	1.96
4	Mr. N. Kaviratne*	Independent Director	10.90	0.75
5	Dr (Ms.). S. Maheshwari	Independent Director	24.00	1.65
6	Mr. A. N. Roy	Independent Director	25.00	1.72
7	Mr. D. Sundaram	Independent Director	29.00	2.00

* Mr. M. Anand joined w.e.f 16 May 2022 & Mr. N. Kaviratne resigned w.e.f 26 July 2022

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

Sr no	Whole-time Directors & KMP	Designation	Remuneration of Directors/ KMP in the financial year in (₹ lakhs)	Ratio to median Remuneration	(%) Increase in remuneration in the financial year
1	B. Akshikar**	Managing Director	260.77	17.97	30.00%***
2	J. Chandy	Whole-time Director & CFO	541.25	37.31	NA****
3	A. Nadkarni	Company Secretary	171.46	11.82	10.00%

** B. Akshikar became Managing Director w.e.f. 1 December 2022.
*** This increase % was given to Bhushan during his movement to his new role as Managing Director w.e.f 1 December 2022
**** J. Chandy was appointed as CFO on w.e.f. 1 April 2022.

3. There was 5.31% increase in the median remuneration of employees.

4. There were 3680 permanent employees on the rolls of the Company as on 31 March 2023.

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 9% in 2022-23 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, 17 May 2023

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, 2023, 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, 2023, 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 (SAs) specified under section 143(10) of the Act. 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 matter described below to be the key audit matter 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, Business Responsibility and Sustainability Report and Corporate Governance 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.

Responsibilities of Management and Those Charged with Governance 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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.

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- 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, except for keeping backup on daily basis of such books of account maintained in electronic mode in a server physically located in India (refer Note 60 to the financial statements).

   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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f. The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above

   g. With respect to the adequacy of the internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements.

   h. 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.

   i. 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. Refer Note 41 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 58(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 it's knowledge and belief, as disclosed in the note 58(iv) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including 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 59 to the standalone financial statements, the Board of Directors of the Company has 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. 0446930)
(UDIN: 23046930BGXRKH6255)

Place: Mumbai
Date: May 17, 2023

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 (g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of **GLAXOSMITHKLINE PHARMACEUTICALS LIMITED** (“the Company”) as of March 31, 2023 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements 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 with reference to standalone financial statements 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 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 with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements 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: 23046930BGXRKH6255)

Place: Mumbai
Date: May 17, 2023

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, 2023).

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, no such assets were due for verification during the year. Since no physical verification of property, plant and equipment was due during the year, the question of reporting on material discrepancies noted on verification does not arise.

(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 and investment property) 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, 2023 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	3,50 lakhs
-	Others (Fellow Subsidiary)	100,00 lakhs
B.	Balance outstanding as at balance sheet date in respect of above cases	
-	Subsidiary	18,10 lakhs
-	Others (Fellow Subsidiary)	70,00 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, 2023 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, 2023 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, 2023-24	362,44.64	191,74.35
		Income Tax Appellate Tribunal	2001-02	88.02	88.02
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
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	94.72	90.30
		Customs, Excise and Service Tax Appellate Tribunal	1994-95, 2017-18 to 2019-20	2,35.36	2,35.36
Sub-total				**3,30.08**	**3,25.66**

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)
Finance Act, 1994	Service Tax	High Court	2000-01, 2002-03	1,29.20	1,29.20
		Commissioner of GST Audit	2016-17, 2017-18	5,26.27	5,26.27
Total				**6,55.47**	**6,55.47**
Sales Tax and Laws as per statutes 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 2019-2020	25,06.54	20,33.92
		Appellate Authority – Tribunal	1998-99 to 1999-00, 2001-02 to 2002-03, 2005-06 to 2012-13, 2014-15	54,21.22	53,37.97
		High Court	1990-91, 2001-02 to 2005-06	6,03.05	2,30.58
		Supreme Court	1993-94, 1994-95	42.14	42.14
Total				**85,72.96**	**76,44.61**

(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 willful 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 covering the period upto March 31, 2023 and the draft of the internal audit reports in respect of certain areas were issued after the balance sheet date covering the period April 1, 2022 to March 31, 2023 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: 23046930BGXRKH6255)

Place: Mumbai
Date: May 17, 2023

Standalone Balance Sheet

as at March 31, 2023

(₹ in lakhs)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	281,00.75	277,37.03
Right of use assets	47	13,79.94	17,57.48
Capital work-in-progress	3	20,31.18	30,50.21
Investment property	4	1,04.11	1,18.49
Intangible assets	5	34,09.08	34,49.74
Financial assets			
(i) Investments	6	24,49.31	24,49.31
(ii) Loans	7	88,10.00	204,60.00
(iii) Other financial assets	8	12,08.35	11,04.84
Current tax assets (net)	46	208,46.08	192,87.56
Deferred tax assets (net)	46	133,18.17	112,78.38
Other non-current assets	9	44,41.35	44,95.64
		860,98.32	**951,88.68**
Current assets			
Inventories	10	437,70.14	512,71.32
Financial assets			
(i) Current Investments	11	518,28.88	365,59.23
(ii) Trade receivables	12	192,37.50	205,23.89
(iii) Cash and cash equivalents	13	29,74.32	280,79.12
(iv) Bank balances other than (iii) above	14	1120,98.75	2198,32.07
(v) Other financial assets	15	138,72.54	63,05.83
Other current assets	16	28,89.52	44,88.42
		2466,71.65	**3670,59.88**
Assets classified as held for sale	17	-	11.23
		2466,71.65	**3670,71.11**
TOTAL ASSETS		**3327,69.97**	**4622,59.79**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18	169,40.60	169,40.60
Other equity	19	1583,59.33	2508,21.14
Total equity		**1752,99.93**	**2677,61.74**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	20 & 47	3,45.54	7,62.35
(ii) Other financial liabilities	21	66.96	2,04.46
Provisions	22 & 28	253,54.99	260,95.83
		257,67.49	**270,62.64**
Current liabilities			
Financial liabilities			
(i) Lease liabilities	23 & 47	12,08.38	12,45.30
(ii) Trade payables	24		
Total outstanding dues of micro enterprises and small enterprises		4,81.95	7,74.40
Total outstanding dues of creditors other than micro enterprises and small enterprises		413,74.33	547,70.29
(iii) Other financial liabilities	25	116,30.18	133,50.57
Other current liabilities	26	56,08.26	357,58.36
Provisions	27 & 28	417,79.10	319,16.14
Current tax liabilities (net)	46	296,20.35	296,20.35
		1317,02.55	**1674,35.41**
Total liabilities		**1574,70.04**	**1944,98.05**
TOTAL EQUITY AND LIABILITIES		**3327,69.97**	**4622,59.79**

The accompanying notes 1 to 62 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 17, 2023

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
B. Akshikar	Managing Director	DIN: 09112346
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 17, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in lakhs)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Continuing operations			
Income			
Revenue from operations	29	3216,34.34	3217,50.87
Other income	30	101,51.26	76,21.57
Total income		**3317,85.60**	**3293,72.44**
Expenses			
Cost of materials consumed	31	394,35.02	552,47.11
Purchases of stock-in-trade	31	788,43.09	729,44.10
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	67,24.50	13,82.60
Employee benefits expense	33	594,98.57	610,23.13
Finance costs	34	1,81.08	1,98.98
Depreciation and amortization expense	35	65,76.72	68,18.60
Other expenses	36	571,90.53	555,71.25
Total expenses		**2484,49.51**	**2531,85.77**
Profit before exceptional items and tax		**833,36.09**	**761,86.67**
Exceptional items (net)	39	(96.79)	11,57.66
Profit before tax		**832,39.30**	**773,44.33**
Tax expense:	46		
Current tax		246,05.37	219,42.59
Deferred tax		(18,36.76)	(10,49.39)
Tax adjustment of earlier years		-	187,93.59
		227,68.61	**396,86.79**
Profit for the year from continuing operations		**604,70.69**	**376,57.54**
Discontinued Operations	54		
Profit before tax from discontinued operations		4,12.63	1708,17.66
Tax expense of discontinued operations		1,08.17	394,22.62
Profit from discontinued operations (after tax)		**3,04.46**	**1313,95.04**
Profit for the year		**607,75.15**	**1690,52.58**
Other comprehensive (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans	40	(8,06.69)	(2,46.59)
Income tax relating to items that will not be reclassified to profit or loss	46	2,03.03	62.06
		(6,03.66)	**(1,84.53)**
Total comprehensive income for the year		**601,71.49**	**1688,68.05**
Earnings per equity share	48		
Earnings per equity share from continuing operations			
Basic and diluted earnings per share before exceptional item		35.72	21.48
Basic and diluted earnings per share after exceptional item		35.70	22.23
Earnings per equity share from discontinued operations			
Basic and diluted earnings per share		0.18	77.56
Earnings per equity share from continuing operations & discontinued operations			
Basic and diluted earnings per share before exceptional item		35.90	99.05
Basic and diluted earnings per share after exceptional item		35.88	99.79

The accompanying notes 1 to 62 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 17, 2023

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
B. Akshikar	Managing Director	DIN: 09112346
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 17, 2023

GSK

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before exceptional items and tax from :			
Continuing operations		833,36.09	761,86.67
Discontinued operations		4,12.63	1708,17.66
		837,48.72	**2470,04.33**
Adjustments for :			
Gain on sale of brands and other identified assets (Discontinued Operations)		-	(1635,65.34)
Gain on disposal of property, plant and equipment (net)		(2.78)	(32.37)
Interest income		(70,26.28)	(71,09.48)
Gain on liquid investments		(30,77.85)	(59.23)
Finance costs		1,81.08	1,98.98
Depreciation and amortisation expense		65,76.72	68,18.60
Allowance for doubtful debts and advances		(7,36.44)	16.17
Depreciation expense related to discontinued operations		-	39.59
Operating Profit before working capital changes		**796,63.17**	**833,11.25**
Change in operating assets and liabilities			
Decrease in inventories		75,01.18	10,62.53
Decrease in trade receivables		20,22.83	10,20.40
(Increase) in other assets		(52,95.82)	(10,92.33)
(Decrease)/ Increase in trade payables		(138,56.13)	96,59.05
Increase in provisions		81,61.20	71,28.11
(Decrease) in other liabilities		(24,35.08)	(42,88.73)
Cash generated from operations		**757,61.35**	**968,00.28**
Income taxes (paid) (net of refunds)		(262,86.38)	(120,43.25)
Cash inflow from operating activities before exceptional items		**494,74.97**	**847,57.03**
Exceptional items:			
Payment of associated costs on sale of Vemgal Plant		-	(4,42.88)
Payment of redundancy cost		(9,10.55)	(31,63.26)
Income taxes on exceptional items		2,29.17	8,28.26
Net cash generated from operating activities	**A**	**487,93.59**	**819,79.15**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire property, plant and equipment and other intangible assets		(44,03.91)	(34,64.11)
Proceeds from sale of property, plant and equipment		1,45.65	1,17.72
Sale / redemption of mutual funds		3201,27.46	-
Margin money deposits (placed) / matured		(68.48)	(12.21)
Investment in bank deposits (having original maturity more than 3 months but less than 12 months)		(1941,10.00)	(2704,10.00)

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
Redemption / maturity of bank deposits (having original maturity more than 3 months but less than 12 months)		3019,31.00	1257,00.00
Investment in mutual funds		(3323,19.26)	(365,27.51)
Loan given to related parties		(103,50.00)	(204,60.00)
Loan repayment from related parties		220,00.00	-
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)	295,77.67
Interest received		63,81.50	44,40.65
Cash inflow / (outflow) from investing activities before exceptional items		**797,56.29**	**(444,77.18)**
Exceptional items:			
Proceeds from sale of property		9,78.00	32,34.24
Income taxes on Exceptional items		(2,14.84)	(7,23.06)
Net cash inflow / (outflow) from investing activities	**B**	**805,19.45**	**(419,66.00)**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		-	(2.40)
Interest paid, other than on lease liabilities		(41.30)	(25.28)
Interest paid on lease liabilities		(1,39.78)	(1,73.70)
Principal payment of lease liabilities		(16,86.77)	(15,59.35)
Dividend paid to company's shareholders		(1525,49.99)	(506,63.50)
Net cash (outflow) from financing activities	**C**	**(1544,17.84)**	**(524,24.23)**
Net (decrease) in cash and cash equivalents	**(A + B + C)**	**(251,04.80)**	**(124,11.08)**
Cash and cash equivalents at the beginning of the year		280,79.12	404,90.20
Cash and cash equivalents at the end of the year		29,74.32	280,79.12
Net (decrease) in cash and cash equivalents		**(251,04.80)**	**(124,11.08)**
NOTES:			
Cash and cash equivalents include:			
Balances with banks			
Current accounts		29,70.32	50,73.12
Term deposits with original maturity period of less than three months		4.00	230,06.00
Total		**29,74.32**	**280,79.12**

The above Standalone 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 17, 2023

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
B. Akshikar	Managing Director	DIN: 09112346
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 17, 2023

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

(a) Equity share capital

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
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)	General reserve (ii)	Retained earnings (iii)	Capital redemption reserve (iv)	ESOP Reserve (v)	Remeasurements of the net defined benefit plans	
Balance as at April 1, 2022	**(19,12.47)**	**790,74.14**	**1745,02.07**	**2,61.95**	**-**	**(11,04.55)**	**2508,21.14**
Total comprehensive income							
Profit for the year	-	-	607,75.15	-	-	-	607,75.15
Other comprehensive loss for the year	-	-	-	-	-	(6,03.66)	(6,03.66)
Share arrangements with Group for ESOP	-	-	-	-	(1,67.72)	-	(1,67.72)
Transactions with owners of the company							
Dividend on equity shares (₹ 90 per share)	-	-	(1524,65.58)	-	-	-	(1524,65.58)
Balance as at March 31, 2023	**(19,12.47)**	**790,74.14**	**828,11.64**	**2,61.95**	**(1,67.72)**	**(17,08.21)**	**1583,59.33**

	Reserves and Surplus					Items of Other comprehensive income	Total Other Equity
	Capital reserve (i)	General reserve (ii)	Retained earnings (iii)	Capital redemption reserve (iv)	ESOP Reserve (v)	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**

(i) Capital reserve includes Central Government subsidy and capital profit on reissue of shares forfeited of erstwhile Burroughs Wellcome (India) Limited as adjusted for the business combination transaction with GlaxoSmithKline Asia Private Limited during the previous year ended March 31, 2022 (Refer Note 56) and is not available for distribution.
(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.
(v) ESOP reserve is on account of Ultimate Holding Company's shares allotted to employees as ESOP due for vesting over a 3 year period.

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 17, 2023

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
B. Akshikar	Managing Director	DIN: 09112346
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 17, 2023

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 inter alia, in the business of manufacturing, distributing and trading in pharmaceuticals.

B. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

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).

b) Basis of preparation

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.

c) Operating Cycle

The operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. When the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

d) 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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.

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.

e) 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 Rs. 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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.

f) 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.

g) 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.

h) 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.

i) 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.

(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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 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.

j) 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.

k) Inventories

Inventories are valued at lower of cost or 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.

l) 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).

m) 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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.

n) 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.

o) 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(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 above scheme is applicable for all grants to employees till 2022. Starting 2023, Incentives in the form of shares are provided to employees under share award schemes.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

The fair values of these awards are calculated at their grant dates using a Black-Scholes option pricing model and charged to the income statement with a corresponding credit to ESOP Reserve over the relevant vesting periods. Recharge by the Group Company is accounted with a corresponding debit to ESOP Reserve.

p) 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.

q) Investment in subsidiary

Investment in subsidiary is carried at cost less impairment loss, if any, in the separate Standalone Financial Statements.

r) 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.

s) 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".

t) 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.

u) 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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.

v) 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.

w) 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, 2023.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 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, 2023

Note 3 : Property, Plant and Equipment

(₹ in lakhs)

	Gross Carrying Value				Accumulated Depreciation					Net Carrying Value
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	Charge for the Year	On Disposals	Impairment	As at March 31, 2023	As at March 31, 2023
Freehold land	2.00	-	-	2.00	-	-	-	-	-	2.00
Leasehold land	2,22.88	1,45.15	-	3,68.03	50.04	-	-	-	50.04	3,17.99
Freehold buildings	26,34.51	2,33.72	12.46	28,55.77	3,74.01	54.75	2.44	-	4,26.32	24,29.45
Leasehold buildings	77,73.58	2,12.02	0.01	79,85.59	18,44.17	2,65.27	0.01	-	21,09.43	58,76.16
Plant and equipment (Refer Note 3(a) below)	320,15.52	33,39.51	3,93.34	349,61.69	167,46.08	27,48.56	3,93.34	-	191,01.30	158,60.39
Furniture and fixtures	43,63.98	2,12.64	25.90	45,50.72	16,35.59	4,09.61	18.55	-	20,26.65	25,24.07
Vehicles	13,18.39	3,16.68	3,92.17	12,42.90	6,25.43	2,30.51	2,57.56	-	5,98.38	6,44.52
Office equipment	16,71.67	39.23	22.42	16,88.48	9,90.18	2,73.64	21.51	-	12,42.31	4,46.17
Total	**500,02.53**	**44,98.95**	**8,46.30**	**536,55.18**	**222,65.50**	**39,82.34**	**6,93.41**	**-**	**255,54.43**	**281,00.75**

(₹ in lakhs)

	Gross Carrying Value				Accumulated Depreciation					Net Carrying Value
	As at April 1, 2021	Additions	Disposals	As at April 1, 2022	As at April 1, 2021	Charge for the Year	On Disposals	Impairment (Refer Note 3(b) below)	As at April 1, 2022	As at April 1, 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**

Notes:

Note 3 (a):

Plant and equipment includes computers.

Note 3 (b):

Impairment charge for the year ended March 31, 2022 was on account of additional impairment taken for old Eltroxin facility at Nashik.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Capital work-in-progress:

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Opening Balance	30,50.21	13,21.43
Additions	45,71.56	35,35.92
Less:		
Capitalisation	(55,90.59)	(18,07.14)
Closing Balance	**20,31.18**	**30,50.21**

(₹ in lakhs)

	As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	17,34.44	2,56.65	29.08	11.01	20,31.18

(₹ 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

Project is overdue or has exceeded its cost compared to its original plan

(₹ in lakhs)

	As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	7,10.18	-	-	11.01	7,21.19

(₹ 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 4 : Investment Property

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
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	1,05.84	91.46
Depreciation	14.38	14.38
Closing Accumulated Depreciation	1,20.22	1,05.84
Net carrying amount	**1,04.11**	**1,18.49**

(i) Amounts recognised in the Statement of Profit and Loss for investment property

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation	(14.38)	(14.38)

(ii) Estimation of fair value

The Company has two properties (March 31, 2022: two properties) that have been considered as Investment Properties. These comprise of two vacant land sites (March 31, 2022: 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, 2022: ₹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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 5 : Intangible assets

(₹ in lakhs)

	Gross Carrying Value				Accumulated Depreciation			Net Carrying Value
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	Charge for the Year	As at March 31, 2023	As at March 31, 2023
Intangible Assets								
Computer Software	74,04.59	28.94	-	74,33.53	39,54.85	9,54.42	49,09.27	25,24.26
Technical knowhow	-	8,99.82	-	8,99.82	-	15.00	15.00	8,84.82
Total	**74,04.59**	**9,28.76**	**-**	**83,33.35**	**39,54.85**	**9,69.42**	**49,24.27**	**34,09.08**

(₹ in lakhs)

	Gross Carrying Value				Accumulated Depreciation			Net Carrying Value
	As at April 1, 2021	Additions	Disposals	As at April 1, 2022	As at April 1, 2021	Charge for the Year	As at April 1, 2022	As at April 1, 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**

Note 6 : Investments

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
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**

Note 7 : Non-current financial assets - Loans

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Loans to related parties - Unsecured considered good	88,10.00	204,60.00
	88,10.00	**204,60.00**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 8 : Non-current financial assets - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Margin money / Deposit against bank guarantee	4,75.99	4,10.78
Security Deposits - Unsecured considered good	7,32.36	6,94.06
Security Deposits - Unsecured considered doubtful	2,41.34	2,41.34
Less: Allowance for doubtful deposits	(2,41.34)	(2,41.34)
	12,08.35	**11,04.84**

Note 9 : Other non-current assets

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Capital advances	3,13.23	3,13.23
Less : Allowance for doubtful advances	(2,83.17)	(2,83.17)
	30.06	**30.06**
Balances with Government Authorities	12,46.94	11,84.22
Sundry Deposits	30,56.61	31,48.18
Others	1,07.74	1,33.18
	44,41.35	**44,95.64**

Note 10 : Inventories (at lower of cost or net realisable value)

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Raw materials and Packing materials (includes in-transit as on March 31, 2023: ₹ 1,59.75 lakhs; March 31, 2022 ₹ Nil)	92,24.48	95,27.74
Work-in-progress	40.20	72.86
Finished goods	92,94.42	140,55.22
Stock-in-trade (includes in-transit as on March 31, 2023: ₹ 3,61.86 lakhs; March 31, 2022 ₹ 9,30.83 lakhs)	248,26.09	272,27.35
Stores and spares	3,84.95	3,88.15
	437,70.14	**512,71.32**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 11 : Current Investments

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Quoted		
Investments measured at Fair value through profit and loss		
Investment in Mutual Funds	518,28.88	365,59.23
	518,28.88	**365,59.23**

Note 12 : Trade receivables

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered good	192,37.50	205,23.89
Receivables which have significant increase in Credit Risk (Refer Note 49 C)	12,86.80	20,23.24
Less : Allowance for doubtful receivables	(12,86.80)	(20,23.24)
	192,37.50	**205,23.89**

During the year ended March 31, 2023 the Company has utilised allowance for doubtful debts of ₹7,36.44 lakhs (net) (Previous Year created provision of ₹16.17 lakhs (net))

Trade Receivables Ageing :-

(₹ in lakhs)

	Outstanding as at March 31, 2023						
	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	178,06.79	9,65.73	49.86	17.35	23.81	3,73.96	192,37.50
(ii) Undisputed trade receivables - which have significant increase in credit risk	3.91	73.29	22.52	18.63	9.94	8,15.93	9,44.22
(iii) Disputed trade receivables - which have significant increase in credit risk	-	-	6.40	40.05	6.74	2,89.39	3,42.58
Less : Allowance for doubtful receivables							(12,86.80)
Total							**192,37.50**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(₹ 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**

Note 13 : Cash and cash equivalents

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Balances with Banks:		
Current account	29,70.32	50,73.12
Term deposits with original maturity period of less than three months	4.00	230,06.00
	29,74.32	**280,79.12**

Note 14 : Bank balances other than cash and cash equivalents

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Earmarked Balances:		
Unclaimed dividend accounts	19,12.46	18,28.05
Term deposits with original maturity period of more than three months but less than twelve months	1100,89.00	2179,10.00
Margin money	97.29	94.02
	1120,98.75	**2198,32.07**

Note 15 : Current financial assets - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Receivable from group companies (Unsecured considered good)	124,33.26	55,11.32
Interest accrued on deposits with banks (Unsecured considered good)	14,07.63	7,62.86
Advances recoverable (Unsecured considered doubtfull)	31.65	31.65
	138,72.54	**63,05.83**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 16 : Other current assets

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Balances with Government Authorities	4,37.45	9,72.41
Advance to Creditors	7,52.62	18,35.40
Prepayments and Prepaid Expenses	13,80.65	12,77.25
Others	3,18.80	4,03.36
	28,89.52	**44,88.42**

Note 17 : Assets classified as held for sale

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Freehold Land and Building	-	9.60
Plant and Machinery	-	1.63
	-	**11.23**

Notes:-

(a) Management has decided not to go ahead with sale of assets

Note 18 : Equity Share Capital

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Authorised		
18,00,00,000 (March 31, 2022: 18,00,00,000) equity shares of ₹10 each	180,00.00	180,00.00
Issued		
16,94,15,420 (March 31, 2022: 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, 2022: 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, 2022: 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

	As at March 31, 2023		As at March 31, 2022	
	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

S.No.	Promoter's Name	FY 2022-23		FY 2021-22	
		No. of Shares	% of total shares	No. of Shares	% of total shares
(i)	Glaxo Group Limited, U.K.	6,09,70,500	35.99%	6,09,70,500	35.99%
(ii)	Eskaylab Limited, U.K.	1,17,60,000	6.94%	1,17,60,000	6.94%
(iii)	Burroughs Wellcome International Limited	67,20,000	3.97%	67,20,000	3.97%
(iv)	GlaxoSmithKline Pte Limited, Singapore	4,76,04,024	28.10%	4,76,04,024	28.10%

d) Shares held by Holding company, ultimate holding company and subsidiaries of holding and ultimate holding company

	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	% Shareholding	Number of Shares	% Shareholding
(i) Glaxo Group Limited, U.K. (subsidiary of ultimate holding company)	6,09,70,500	35.99%	6,09,70,500	35.99%
(ii) Eskaylab Limited, U.K. (subsidiary of ultimate holding company)	1,17,60,000	6.94%	1,17,60,000	6.94%
(iii) Burroughs Wellcome International Limited (subsidiary of ultimate holding company)	67,20,000	3.97%	67,20,000	3.97%
(iv) GlaxoSmithKline Pte Limited, Singapore (subsidiary of ultimate holding company)	4,76,04,024	28.10%	4,76,04,024	28.10%

e) Details of equity shares held by shareholders holding more than 5% shares of the aggregate shares in the Company:

	As at March 31, 2023		As at March 31, 2022	
	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%

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 19 : Other equity

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Capital redemption reserve	2,61.95	2,61.95
General reserve	790,74.14	790,74.14
Capital reserve (Refer Note 56)	(19,12.47)	(19,12.47)
ESOP Reserve	(1,67.72)	-
Retained earnings (Including Other Comprehensive Income)	811,03.43	1733,97.52
	1583,59.33	**2508,21.14**

Note 20 : Non-current financial liabilities - Lease liabilities

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer Note 47)	3,45.54	7,62.35
	3,45.54	**7,62.35**

Note 21 : Non-current financial liabilities - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Security deposits received (Unsecured)	66.96	2,04.46
	66.96	**2,04.46**

Note 22 : Non-current provisions

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
For Pricing matters (Refer Note 28 and 42)	122,70.82	122,70.82
For employee benefits (Refer Note 40)		
Gratuity	4,56.32	17,68.11
Leave encashment and compensated absences	31,59.67	36,74.38
Post retirement medical and other benefits	74,80.78	61,78.92
For long term incentive plan (Refer Note 28 and 53)	1,97.94	4,14.14
For divestment / restructuring (Refer Note 28)	1,92.96	1,92.96
For others (Refer Note 28)	15,96.50	15,96.50
	253,54.99	**260,95.83**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 23 : Current financial liabilities

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer Note 47)	12,08.38	12,45.30
	12,08.38	**12,45.30**

Note 24 : Trade payables

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (Refer Note 45)	4,81.95	7,74.40
Total outstanding dues of creditors other than micro enterprises and small enterprises	413,74.33	547,70.29
	418,56.28	**555,44.69**

Trade Payables Ageing :-

(₹ in lakhs)

	Outstanding as at March 31, 2023						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	4,63.72	11.85	0.57	0.02	5.79	4,81.95
(ii) Others	182,85.44	141,17.72	79,01.85	7,15.64	2,67.81	85.87	413,74.33

(₹ 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	190,71.83	249,87.11	96,20.66	10,01.46	89.23	-	547,70.29

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 25 : Current financial liabilities - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Unclaimed dividends *	19,12.46	18,28.05
Salaries, wages, bonus and employee benefits payable	85,87.60	95,49.35
Creditors for capital goods	1,71.30	1,66.54
Rationalisation relating to a manufacturing site	1,30.28	1,30.28
Other Payables	8,28.54	16,76.35
	116,30.18	**133,50.57**

* 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, 2023	As at March 31, 2022
Statutory dues including provident fund and tax deducted at source *	49,00.43	353,23.62
Advance from Customers	7,07.83	4,34.74
	56,08.26	**357,58.36**

* During the previous year ended March 31, 2022, statutory dues includes ₹295,77.67 lakhs payable towards indirect tax liability on sale of brands and other identified assets.

Note 27 : Current provisions

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
For employee benefits (Refer Note 40)		
Leave encashment and compensated absences	4,34.88	4,16.75
Post retirement medical and other benefits	4,48.39	3,41.99
For long term incentive plan (Refer Note 28 and 53)	4,38.14	5,81.58
For expected sales returns (Refer Note 28)	130,76.79	91,83.75
For others (Refer Note 28)	273,80.90	213,92.07
	417,79.10	**319,16.14**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 28 : Movement in provisions

(₹ in lakhs)

	Pricing matters Refer note (i)	Long term Incentive Plan Refer note 53	Divestment / Restructuring Refer note (i)	Expected Sales Returns Refer note (ii)	Associated cost to Impairment and cost to sell	Severance pay	Provision for Zinetac (Other costs) Refer note (iii)	Others Refer note (iv)
Balance as at April 1, 2022	**122,70.82**	**9,95.72**	**1,92.96**	**91,83.75**	**5,00.00**	**3,66.34**	**6,58.53**	**214,63.70**
Add: Provision during the year	-	5,94.07	-	95,49.96	-	-	-	77,07.57
Less: Amounts utilised/reversed during the year	-	9,53.71	-	56,56.92	-	75.77	-	16,42.97
Balance as at March 31, 2023	**122,70.82**	**6,36.08**	**1,92.96**	**130,76.79**	**5,00.00**	**2,90.57**	**6,58.53**	**275,28.30**
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	-	-	-	76,88.26
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**	**214,63.70**

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 note 42.

(ii) Expected sales returns: This represents provision made for expected sales returns. Revenue is adjusted for the expected value of returns.

(iii) Provision for Zinetac (Other costs) : This represents provision for incidental costs and other related costs for the Zinetac inventory pending to be destroyed.

(iv) Consists mainly of provisions in respect of indirect tax matters.

Note 29 : Revenue from operations

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
A. Sale of products	3181,40.07	3190,07.67
Sale of products	**3181,40.07**	**3190,07.67**
B. Other operating revenue		
Service income	24,85.03	13,32.13
Manufacturing charges recovery	8,98.41	13,03.40
Others	1,10.83	1,07.67
	34,94.27	**27,43.20**
Total Revenue from operations (A + B)	**3216,34.34**	**3217,50.87**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
C. Revenue from contracts with customers disaggregated based on geography (Refer Note 51)		
Revenue from the Country of Domicile - India	3197,31.63	3209,61.60
Revenue from foreign countries	19,02.71	7,89.27
	3216,34.34	**3217,50.87**
D. Reconciliation of gross revenue with revenue from contracts with customers		
Gross revenue	**3497,79.93**	**3506,39.05**
Less:		
Trade discounts, volume rebates, etc.	**316,39.86**	**316,31.38**
Net revenue recognised from contracts with customers	**3181,40.07**	**3190,07.67**

Note 30 : Other income

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on:		
Deposits with banks	63,17.96	40,49.33
Income Tax Refund	-	26,83.54
Loans	7,08.32	3,76.61
Others	40.07	50.49
Gain on liquid investments	30,77.85	59.23
Gain on disposal of Property, Plant and Equipment (net)	2.78	32.37
Others	4.28	3,70.00
	101,51.26	**76,21.57**

Note 31 : Cost of materials consumed

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Cost of materials consumed	394,35.02	552,47.11
	394,35.02	**552,47.11**
Purchases of stock-in-trade	788,43.09	729,44.10
	788,43.09	**729,44.10**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 32 : Changes in inventories of Finished Goods, Stock-in-Trade and Work-In-Progress

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Opening 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**
Less: Closing stock		
Finished goods*	92,94.42	135,85.00
Stock-in-trade	248,26.09	272,27.35
Work-in-progress	40.20	72.86
	341,60.71	**408,85.21**
	67,24.50	**13,82.60**

* During the previous year ended March 31, 2022, finished goods inventory have been adjusted to give effect of discontinued operations (Refer Note 54).

Note 33 : Employee benefits expense

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	541,72.49	552,62.77
Contributions to : Provident and pension funds (Refer Note 40)	21,58.89	23,14.96
Gratuity funds (Refer Note 40)	8,63.75	8,53.87
Share based payments to employees	2,53.34	6,54.48
Staff welfare expense	20,50.10	19,37.05
	594,98.57	**610,23.13**

* Net off recharges

Note 34 : Finance Costs

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
On Security deposits	41.30	25.28
Interest in respect of financial lease liability	1,39.78	1,73.70
	1,81.08	**1,98.98**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 35 : Depreciation and amortization expense

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
On Property, Plant and Equipment* (Refer Note 3)	39,82.34	43,81.57
On Investment Properties (Refer Note 4)	14.38	14.38
On Other Intangible assets (Refer Note 5)	9,69.42	9,46.96
On Right to use Assets (Building) (Refer Note 47)	16,10.58	14,75.69
	65,76.72	**68,18.60**

* In previous year, depreciation has been adjusted to give effect for discontinued operations (Refer Note 54).

Note 36 : Other expenses

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Sales promotion	109,12.34	127,68.81
Stock point commission	19,47.44	20,94.98
Freight	52,37.04	50,94.92
Travelling	75,93.12	54,58.91
Exchange loss (net)	8,84.36	5,13.56
Manufacturing charges	73,84.66	93,46.30
Repairs:		
Buildings	9,56.87	9,25.39
Plant and Machinery	9,67.32	12,76.75
	19,24.19	**22,02.14**
Consumption of stores and spares	5,96.44	4,65.55
Power, fuel and water	29,59.67	27,83.23
Rent	2,09.79	1,81.29
Rates and taxes	63,97.11	27,57.32
Printing, postage and telephones	11,63.26	11,52.82
Sales training, briefing and conference	4,76.41	4,46.62
Insurance	5,10.38	5,35.41
Remuneration to auditors :		
Statutory audit fees	1,10.62	1,12.00
In other capacity in respect of :		
Tax audit fees	7.42	7.00
Other services	-	2.50
Reimbursement of expenses	1.38	-
	1,19.42	**1,21.50**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Cost audit fees	5.70	5.70
Corporate social responsibility (Refer Note 38)	12,80.65	11,91.05
Commission to non whole-time Directors	1,28.92	95.00
Directors' sitting fees	46.00	47.50
Legal and professional fees	22,83.18	35,96.56
Miscellaneous	51,30.45	47,12.08
	571,90.53	**555,71.25**

* Net off recharges

Note 37 :

The recurring expenditure on research and development charged off to statement of profit and loss amounts to ₹ 1,90.99 lakhs (Previous Year: ₹ 1,82.85 lakhs).

Note 38 : 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, 2023	Year ended March 31, 2022
a) Amount required to be spent by the company during the year*	13,46.34	12,53.68
b) Amount of expenditure incurred	13,47.97	12,53.73
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	6,33.29	6,65.55
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 ₹ 67.32 lakhs (Previous Year ₹ 62.68 lakhs) towards Corporate Social Responsibility which are shown under Employee Benefits Expenses in note 33.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 39 : Exceptional Items (net)

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit on sale of property	9,64.39	31,40.01
Associated cost to Impairment (Refer Note (a) below)	-	1,70.10
Impairment of Nashik Assets	-	(1,44.02)
Redundancy Costs (Refer Note (b) below)	(11,36.95)	(20,08.43)
Others	75.77	-
	(96.79)	**11,57.66**

Notes:

a) Post-transaction closing adjustments consequent to disposal of Asset held for sale at Vemgal.

b) Restructuring cost of manufacturing and commercial organisation.

Note 40 : 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, 2023. 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, 2023	Year ended March 31, 2022
Charge to the Statement of Profit and Loss based on contributions:		
Superannuation	1,99.45	2,54.18
National Pension Scheme	2,21.61	2,10.70
Employees' pension scheme	4,92.60	5,47.56

(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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 ₹ 35,94.55 lakhs. (March 31, 2022: ₹ 40,91.13 lakhs).

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, 2023			Year ended March 31, 2022		
	Gratuity (Funded plan)	Post retirement medical and other benefits (Non-funded plan)	Provident Fund (Funded plans)	Gratuity (Funded plan)	Post retirement medical and other benefits (Non-funded plan)	Provident Fund (Funded plans)
(i) Change in Defined Benefit Obligation						
Opening defined benefit obligation	104,31.86	65,20.91	645,89.15	108,55.24	66,21.23	616,75.48
Amount recognised in Statement of profit and loss/Capitalised						
Current service cost	7,81.40	55.40	12,81.32	7,78.04	68.95	13,06.47
Past service cost	-	-	-	-	-	-
Interest cost	7,05.21	4,42.86	44,57.78	7,13.53	4,40.35	42,03.58
	14,86.61	**4,98.26**	**57,39.10**	**14,91.57**	**5,09.30**	**55,10.05**
Amount recognised in other comprehensive income						
Actuarial loss / (gain) arising from:						
Financial assumptions	(3,34.05)	(4,06.56)	10,24.15	(51.10)	(1,13.87)	5,04.93
Demographic assumptions	-			-	-	
Experience adjustment	(3,89.64)	16,88.80	(9,25.11)	5,13.53	(1,54.82)	(2,87.17)
	(7,23.69)	**12,82.24**	**99.04**	**4,62.43**	**(2,68.69)**	**2,17.76**
Contributions by employee	-	-	36,96.37	-	-	39,22.56
Liabilities assumed on acquisition/ (settled on divestiture)	-	-	(3,42.95)	-	-	(9,53.87)
Benefits paid	(9,51.25)	(3,72.24)	(62,84.10)	(23,77.38)	(3,40.93)	(57,82.83)
Less : In process of transfer to EPFO	-	-	(5,33.47)	-	-	-
Closing defined benefit obligation	**102,43.53**	**79,29.17**	**669,63.14**	**104,31.86**	**65,20.91**	**645,89.15**
(ii) Change in Fair Value of Assets						
Opening fair value of plan assets	86,63.75	-	640,84.22	91,56.28	-	616,75.48
Amount recognised in the Statement of Profit and Loss/Capitalised						
Expected return on plan assets	6,22.86		44,57.78	6,37.70	-	42,03.58

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	Year ended March 31, 2023			Year ended March 31, 2022		
	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)
Amount recognised in other comprehensive income						
Actuarial gain / (loss)	(2,48.15)	-	(9,25.11)	(52.85)	-	(2,87.17)
Contributions by employer	17,00.00	-	12,81.32	13,00.00	-	13,06.47
Contributions by employee	-	-	36,96.37	-	-	39,22.56
Assets Acquired on acquisition/ (settled on divestiture)	-	-	(3,42.95)	-	-	(9,53.87)
Benefits paid	(9,51.25)	-	(62,84.10)	(23,77.38)	-	(57,82.83)
Less : In process of transfer to EPFO			(5,33.47)			
Closing fair value of plan assets	**97,87.21**	**-**	**654,34.06**	**86,63.75**	**-**	**640,84.22**
Actual return on Plan Assets	3,74.71	-	35,32.67	5,84.85	-	39,16.41
(iii) Amount recognised in the Statement of Profit and Loss						
Service Cost:						
Current service cost	7,81.40	55.40	12,81.32	7,78.04	68.95	13,06.47
Past service cost	-	-	-	-	-	-
Net interest expense	82.35	4,42.86	-	75.83	4,40.35	-
Less : Capitalised	-	-	-	-	-	(3.95)
Less : Employee Cost cross charged to group company	-	-	(36.09)	-	-	-
Components of defined benefit costs recognised in the Statement of Profit and Loss	**8,63.75**	**4,98.26**	**12,45.23**	**8,53.87**	**5,09.30**	**13,02.52**
(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)	(2,48.15)	-	(9,25.11)	(52.85)	-	(2,87.17)
Actuarial gain / (loss) arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial gain / (loss) arising from changes in financial assumptions	3,34.05	4,06.56	-	51.10	1,13.87	-
Actuarial gain / (loss) arising from changes in experience adjustments	3,89.65	(16,88.80)	9,25.11	(5,13.53)	1,54.82	2,87.17
Components of defined benefit costs recognised in Other Comprehensive Income	**4,75.55**	**(12,82.24)**	**-**	**(5,15.28)**	**2,68.69**	**-**
(v) Amount recognised in the Balance Sheet						
Present value of obligations as at year end	102,43.53	79,29.17	669,63.14	104,31.86	65,20.91	645,89.15
Fair value of plan assets as at year end	97,87.21	-	669,63.14	86,63.75	-	645,89.15

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	Year ended March 31, 2023			Year ended March 31, 2022		
	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)
Net (asset) / liability recognised as at year end	**4,56.32**	**79,29.17**	**-**	**17,68.11**	**65,20.91**	**-**
(vi) The major categories of plan assets are as follows:						
Government of India Securities	3%		51%	3%		50%
Other debt instruments	8%		39%	0%		31%
Special Deposit Scheme	0%		0%	8%		8%
Insurer managed funds	89%		0%	88%		0%
Equity instruments	0%		6%	0%		6%
Others	0%		4%	1%		5%
(vii) Principal actuarial assumptions used						
Discount rate (p.a.)	7.50%	7.50%	7.50%	7.05%	7.05%	7.05%
Expected rate of return on plan assets (p.a.)	7.50%		8.18%	7.05%		8.79%
Salary escalation rate	5.00% - 7.00%			5.00% - 7.00%		
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table.	Indian Assured Lives Mortality (2012-14) Ult table.		Indian Assured Lives Mortality (2012-14) Ult table.	Indian Assured Lives Mortality (2012-14) Ult table.	
Expected retirement age of employees (years)	60	60		60	60	
Annual increase in health care premiums (p.a.)		5.00%			5.00%	

(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, 2023		Year ended March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement) - Gratuity	-4.34%	4.69%	-4.55%	4.92%
Future salary growth (0.5% movement) - Gratuity	4.17%	-3.96%	4.34%	-4.15%
Discount rate (0.5% movement) - Post retirement medical benefit	-5.24%	5.77%	-5.51%	6.10%
Medical inflation rate (1% movement)	11.51%	-9.58%	11.89%	-9.82%
Life expectancy +/- 1 year	2.81%	-2.90%	2.86%	-2.95%

The above sensitivity analyses 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Expected contribution to post employment benefit plans for the year ended March 31, 2024 is ₹ 12,00.00 lakhs (March 31, 2023: ₹ 12,00.00 lakhs)

The weighted average duration of defined benefit obligation is 9.02 years (March 31, 2022: 9.45 years)

The expected maturity analysis of un-discounted Gratuity and Post employment medical benefits is as below:

(₹ in lakhs)

March 31, 2023	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Defined benefit obligations (Gratuity)	10,10.24	8,76.44	28,59.30	195,42.30	242,88.28
Post employment medical benefits	4,48.39	4,75.94	15,77.26	227,76.97	252,78.56
Total	**14,58.63**	**13,52.38**	**44,36.56**	**423,19.27**	**495,66.84**

(₹ 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**

Note 41 : Contingent liabilities

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
A. Contingent Liabilities not provided for:		
(i) Cheques discounted with banks	1,88.48	3,57.28
(ii) In respect of claims made against the Company not acknowledged as debts by the Company		
(a) Sales tax matters	27,76.58	27,60.63
(b) Excise and custom matters	7,82.38	8,01.21
(c) Service tax matters	1,55.47	1,29.20
(d) Labour matters	62,83.65	61,83.56
(e) Other legal matters (Refer Note 43)	26,32.00	26,38.00
	126,30.08	**125,12.60**
(iii) Income-tax matters in respect of which appeals are pending		
Tax on matters in dispute	222,40.00	222,40.00
Notes:		
Future cash outflows in respect of (i) above are dependent 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.		

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
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)	7,92.58	14,19.28
(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 mainly comprises the miscellaneous capitalisations at site.

(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 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 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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 is at 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 21, 2023.

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 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 Supreme Court from the Bombay High Court was not allowed and the Company's writ petition is pending hearing 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 : 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, 2023

Note 45 : Disclosures as required by Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
(a) The principal amount and the interest due thereon remaining unpaid to suppliers		
(i) Principal	4,30.20	7,19.19
(ii) Interest due thereon	51.75	55.21
	4,81.95	**7,74.40**
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the entire accounting year	18,15.16	28,95.80
(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	-	-
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.		

Note 46 : Tax expense

(a) Amounts recognised in the Statement of Profit and Loss

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Current tax (for continuing and discontinued operations)		
Current tax on profits for the year	247,13.54	613,65.21
Current tax on account of earlier years	-	187,93.59
Total current tax expense	**247,13.54**	**801,58.80**
Deferred tax (for continuing and discontinued operations)		
In respect of current year	(18,36.76)	(10,49.39)
Total Deferred tax (benefit) / expense	**(18,36.76)**	**(10,49.39)**
Total tax expense	**228,76.78**	**791,09.41**
Total tax expense attributable to :-		
from continuing operations	227,68.61	396,86.79
from discontinued operations	1,08.17	394,22.62
Total tax expense	**228,76.78**	**791,09.41**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(b) Amounts recognised in Other Comprehensive Income (OCI)

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Items that will not be reclassified to the Statement of Profit and Loss		
Current tax (income):		
Remeasurements of the defined benefit plans	(2,03.03)	(62.06)

(c) Reconciliation of effective tax rate

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax from continuing and discontinued operations	836,51.93	2481,61.99
Tax using the Company's domestic tax rate at 25.168% on Normal Profit	213,10.74	213,77.96
Tax using the Company's domestic tax rate in terms of Long Term Capital Gain at 22.88%	2,14.84	380,98.99
Total Tax	**215,25.58**	**594,76.95**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	3,38.85	3,15.61
Impairment of assets	-	36.25
Physician Samples disallowed and added back in the computation	5,04.40	3,46.82
Payment to Doctors (HCP Payment estimated Basis)	4,84.75	1,25.84
Other items	23.20	14.35
Tax effect on account of earlier years:		
Current tax on account of earlier years (refer note (a) below)	-	187,93.59
Total tax Expense	**228,76.78**	**791,09.41**

Consequent to the reconciliation items shown above, the effective tax rate is 27.35% (Financial Year 2021-22: 31.88%)

(a) During the previous year ended March 31, 2022 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 Standalone Financial Statements

for the year ended March 31, 2023

(d) Movement in deferred tax balances

(₹ in lakhs)

	Balance as at April 1, 2022	Recognised in the Statement of Profit and Loss	Recognised in OCI	Balance as at March 31, 2023
Deferred tax asset				
Provision for Employee Benefits	29,44.98	(2,13.69)	2,03.03	29,34.32
Voluntary retirement schemes	9,05.46	(2,47.59)	-	6,57.87
Allowance for doubtful debts	5,78.37	(1,85.11)	-	3,93.26
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	71,07.60	24,14.19	-	95,21.79
Total Deferred tax asset	**131,66.95**	**17,67.80**	**2,03.03**	**151,37.78**
Deferred tax liabilities				
Fiscal allowance on Property, Plant and Equipment and Other Intangible assets	(18,88.57)	68.96	-	(18,19.61)
Deferred tax asset (net)	**112,78.38**	**18,36.76**	**2,03.03**	**133,18.17**

(₹ 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**

(e) The details of income tax assets and income tax liabilities as at March 31, 2023 and March 31, 2022

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Current Tax Assets (Net)	208,46.08	192,87.56
Current Tax Liabilities (Net)	296,20.35	296,20.35
Net current income tax (liability) at the end	**(87,74.27)**	**(103,32.79)**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

The gross movement in the current tax (liability)/asset for the year ended March 31, 2023 and March 31, 2022 is as follows:

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Net current income tax (liability)/asset at the beginning	(103,32.79)	177,80.67
Income tax Paid	262,72.06	620,28.64
Refund received during the year	-	(99,83.36)
Current Income Tax Expense	(247,13.54)	(613,65.21)
Tax Adjustment of earlier years	-	(187,93.53)
Net current income tax (liability) at the end	**(87,74.27)**	**(103,32.79)**

(f) Unused tax losses on which no deferred tax asset has been recognised

(₹ in lakhs)

Nature of Loss	As at March 31, 2023		As at March 31, 2022	
	Base Amount	Expiry date	Base Amount	Expiry date
Capital Loss	-	-	894,42.25	FY 2029-30

Note 47 : Leases

Future contractual charges on leases:

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

(₹ in lakhs)

0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	Above 5 years
12,63.09	3,44.40	7.53	-	-	-

Right of use asset

(₹ in lakhs)

	Buildings
Balance as on April 1, 2022	17,57.48
Additions	12,33.04
Less: Depreciation	(16,10.58)
Balance as on March 31, 2023	**13,79.94**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Other financial lease liabilities

(₹ in lakhs)

	Buildings
Lease liabilities recognised as at April 1, 2022	**20,07.65**
Additions	12,33.04
Add: Interest accrued during the period	1,39.78
Less: Payments	(18,26.55)
Lease liabilities recognised as at March 31, 2023	**15,53.92**
Current lease liabilities	12,08.38
Non current lease liabilities	3,45.54

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 48 : Earnings per share

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
Profit after tax from continuing operations	₹ in lakhs	604,70.69	376,57.54
Profit after tax from discontinued operations	₹ in lakhs	3,04.46	1313,95.04
Profit after tax from continuing and discontinued operations	₹ in lakhs	**607,75.15**	**1690,52.58**
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)	₹	35.72	21.48
Earnings per share after Exceptional items from continuing operations (Basic and Diluted)	₹	35.70	22.23
Earnings per share from discontinued operations (Basic and Diluted)	₹	0.18	77.56
Earnings per share before Exceptional items from continuing and discontinued operations (Basic and Diluted) (Refer Note (b) below)	₹	35.90	99.05
Earnings per share after Exceptional items from continuing and discontinued operations (Basic and Diluted)	₹	35.88	99.79
Face value per share	₹	10	10

(a) During the previous year ended March 31, 2022, earning per share before exceptional items from continuing operations was impacted by tax adjustment for earlier years. Excluding the impact of the same Earning per share for March 31, 2022 is ₹ 32.58.

(b) During the previous year ended March 31, 2022 earning per share was 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, 2023

Note 49 : 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, 2023	As at March 31, 2022
Financial assets at amortised cost *		
Security Deposits	7,32.36	6,94.06
Margin money/ Deposit against bank guarantee	4,75.99	4,10.78
Loans to related parties	88,10.00	204,60.00
Trade receivables	192,37.50	205,23.89
Cash and cash equivalents	29,74.32	280,79.12
Bank balances other than Cash and cash equivalents	1120,98.75	2198,32.07
Interest accrued on deposits with bank	14,07.63	7,62.86
Receivable from group companies	124,33.26	55,11.32
Advances recoverable	31.65	31.65
Total financial assets	**1582,01.46**	**2963,05.75**

*Excludes investments in subsidiary

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Financial assets at Fair value through profit and loss		
Current Investments	518,28.88	365,59.23
	518,28.88	**365,59.23**

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Financial liabilities at amortised cost		
Other financial lease liabilities	15,53.92	20,07.65
Security deposits received	66.96	2,04.46
Payable to employees	85,87.60	95,49.35
Unclaimed dividends	19,12.46	18,28.05
Trade payables	418,56.28	555,44.69
Creditors for capital goods	1,71.30	1,66.54
Rationalisation relating to a manufacturing site	1,30.28	1,30.28
Other Payables	8,28.54	16,76.35
Total financial liabilities	**551,07.34**	**711,07.37**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Items of income, expenses, gains or losses related to financial instruments:

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Net Gain/(losses) on financial assets and financial liabilities measured at fair value through profit and loss (FVTPL)		
Gain/(losses) on fair valuation or sale of investments	30,77.85	59.23

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, 2023	As at March 31, 2022	
Financial assets		-	-	
Investments				
Mutual fund investments	Level -1	518,28.88	365,59.23	Net asset value published by Mutual Fund
Total financial assets		**518,28.88**	**365,59.23**	

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(b) Fair value of financial assets and liabilities measured at amortised cost*

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Financial assets		
Security Deposits		
Carrying value	7,32.36	6,94.06
Fair value	7,32.36	6,94.06
Margin money/ Deposit against bank guarantee		
Carrying value	4,75.99	4,10.78
Fair value	4,75.99	4,10.78
Loan to Related Parties		
Carrying value	88,10.00	204,60.00
Fair value	88,10.00	204,60.00

*Excludes investments in subsidiary

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Financial liabilities		
Other financial lease liabilities		
Carrying value	15,53.92	20,07.65
Fair value	15,53.92	20,07.65
Security deposits received		
Carrying value	66.96	2,04.46
Fair value	66.96	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

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

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.

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, 2023 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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, 2023	Gross Carrying amount	Expected Credit Losses	Carrying amount of trade receivables (net of Expected Credit loss)
Not due	178,10.70	3.91	178,06.79
Past due 0-180 days	10,39.02	73.29	9,65.73
Past due 181-365 days	78.78	28.92	49.86
Past due 366-730 days	76.03	58.68	17.35
Past due 731-1095 days	40.49	16.68	23.81
Past due more than 3 years	14,79.28	11,05.32	3,73.96
Total	**205,24.30**	**12,86.80**	**192,37.50**

(₹ 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**

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 and mutual funds. The said investments are made in instruments with appropriate maturities and sufficient liquidity.

As of March 31, 2023, the Company had working capital of ₹ 1149,69.10 lakhs, including cash and cash equivalents of ₹ 29,74.32 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 ₹ 1100,89 lakhs and Current investments of ₹ 518,28.88 lakhs.

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 lakhs and Current investments of ₹ 365,59.23 lakhs.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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, 2023	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	515,74.00	515,74.00	515,74.00	-	-	-
Unclaimed dividends	19,12.46	19,12.46	19,12.46	-	-	-
Lease liabilities	15,53.92	16,15.02	12,63.09	3,44.40	7.53	
Security deposits received	66.96	66.96	-	66.96	-	-

(₹ 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	670,67.21	670,67.21	670,67.21	-	-	-
Unclaimed dividends	18,28.05	18,28.05	18,28.05	-	-	-
Lease liabilities	20,07.65	21,50.06	12,81.61	5,54.61	3,13.84	
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, 2023

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, 2023				As at March 31, 2022			
	GBP	USD	EUR	Others	GBP	USD	EUR	Others
Current Financial assets	122,16.98	-	-	-	45,84.20	-	3.27	-
Trade payables	(16,86.70)	(32,83.42)	(1,62.50)	(3,37.43)	(16,60.68)	(80,47.08)	(2,21.53)	-
Capital Creditors	-	(6.03)	-	-	-	(6.03)	(2.71)	-
Net statement of financial position exposure	**105,30.28**	**(32,89.45)**	**(1,62.50)**	**(3,37.43)**	**29,23.52**	**(80,53.11)**	**(2,20.97)**	**-**

Sensitivity analysis

A reasonably possible strenghtening / 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, 2023					
GBP	5%	5,26.51	(5,26.51)	-	-
USD	5%	(1,64.47)	164.47	-	-
EUR	5%	(8.12)	8.12	-	-
Other currencies	5%	(16.87)	16.87	-	-

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%	-	-	-	-

(Note: The impact is indicated on the profit/loss before tax basis)

Note 50 : 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.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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, 2023 and March 31, 2022.

(b) Dividend distribution and proposed dividend

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
(i) Equity shares		
Final dividend for the year ended March 31, 2022 of ₹ 90 (including special dividend of ₹ 60 per equity share) (March 31, 2021: ₹ 30) per fully paid share	(1524,65.58)	508,21.81
(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 ₹ 32 per fully paid equity share (March 31, 2022: ₹ 90 (including special dividend of ₹ 60 per equity share) per fully paid equity share)	542,12.93	1524,73.88
The proposed dividend for the year ended March 31, 2023 is subject to the approval of shareholders in the ensuing annual general meeting.		

Note 51 : 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, 2023	Year ended March 31, 2022
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	3197,31.63	3209,61.60
Revenue from foreign countries	19,02.71	7,89.27
Total	**3216,34.34**	**3217,50.87**

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Details of non current asset		
Non Current asset from the Country of Domicile- India	603,12.49	598,96.15
Non Current asset from foreign countries	-	-
Total	**603,12.49**	**598,96.15**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Information about major customers

The Company did not have any external revenue from a particular customer which exceeded 10% of total revenue.

Note 52 : 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:

A) Parties where control exists:

I) **Ultimate Holding Company:** GlaxoSmithKline Plc, U.K.

II) **Entities having significant influence:**

Glaxo Group Limited, U.K.

GlaxoSmithKline Pte Limited, Singapore

Eskaylab Limited, U.K.

Burroughs Wellcome International Limited, U.K.

B) Other related parties with whom transactions have taken place during the year:

I) **Subsidiary:**

Biddle Sawyer Limited, a wholly owned subsidiary of the Company

II) **Fellow Subsidiaries**

SmithKline Beecham Limited, U.K.

GlaxoSmithKline Asia Private Limited, India

GlaxoSmithKline Biologicals S.A., Belgium

GlaxoSmithKline Services Unlimited, U.K.

Glaxo Operations UK Limited, U.K

GlaxoSmithKline Export Limited, U.K.

GlaxoSmithKline Research & Development Ltd, U.K

GlaxoSmithKline LLC, U.S.A

GlaxoSmithKline Trading Services Limited, Ireland

GlaxoSmithKline Pharma India Pvt. Ltd.

GSK India Global Services Private Limited

GlaxoSmithKline Pharmaceutical Ltd., Sri Lanka

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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

C) Key management personnel and Independent director:

Directors:	GSK India Leadership Team:
Mr. J. Chandy # (w.e.f. April 1, 2022)	Mr. A. Nadkarni
Mr. B. Akshikar # (w.e.f. December 1, 2022)	Mr. R. D'souza
Ms. P. Thakur # (upto March 31, 2022)	Mr. S. Dheri (upto November 21, 2022)
Mr. S. Venkatesh # (upto November 30, 2022)	Ms. S. Choudhary
Mr. M. Dawson (upto June 30, 2022)	Ms. P. Hingorani (upto July 22, 2022)
Ms. S. Maheshwari	Dr. R. Hegde (w.e.f. September 02, 2021)
Mr. N. Kaviratne (upto July 26, 2022)	Mr. R. Manchanda (w.e.f. May 18, 2021)
Mr. P. Bhide	Mr. S. Mitra (w.e.f. April 01, 2021)
Ms. R. S. Karnad	Mr. B. Kotak (upto June 30, 2021)
Mr. A. N. Roy	Mr. S. Balasubramanian (upto November 25, 2022)
Mr. D. Sundaram	Mr. A. Kashyap
Mr. S. Williams	Mr. A. Pandey (w.e.f February 01, 2022)
Mr. M. Anand (w.e.f. May 16, 2022)	Mr. C. Sharma
	Mr. N. Hindia (upto February 28, 2022)
	Mr. S. Mukherjee (w.e.f July 15, 2022)
	Ms. S. Sohal (w.e.f February 23, 2023)
	Mr. S. Ramachandran (w.e.f January 01, 2023)
	Mr. U. Singh (w.e.f December 01, 2022)

Also member of GSK India Leadership Team

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 "A" above:

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Glaxo Group Limited, U.K.	493,86.11	164,62.04
GlaxoSmithKline Pte Limited, Singapore	385,59.26	128,53.09
Eskaylab Limited, U.K.	95,25.60	31,75.20
Burroughs Wellcome International Limited, U.K.	54,43.20	18,14.40

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(ii) Details relating to parties referred to in items "A" and "B" above:

(₹ in lakhs)

		Holding company/ultimate holding company A (I)		Subsidiary of the company B (I)		Other companies in the GSK Group A(II) and B(II)	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
1	Purchase of materials/ traded goods	-	-	7,12.37	7,88.19	345,03.83	432,62.26
2	Sale of materials/sale of products (Refer Note 54)	-	-	-	-	-	65.19
3	Purchase of Vaccines business (Refer Note 56)	-	-	-	-	-	1,66.00
4	Purchase of license	-	-	-	-	-	8,99.82
5	Sale of brands and other identified assets	-	-	-	-	-	1639,84.36
6	Expenses recharged to other companies	-	-	72.49	73.71	66,07.83	15,95.30
7	Expenses recharged by other companies	-	7.50	-	-	31,10.91	144,43.40
8	Manufacturing charges recovered	-	-	10,64.30	15,16.15	-	-
9	Clinical research and data management recoveries	-	-	-	-	22,70.73	6,20.36
10	Interest income on loan given	-	-	85.54	44.80	6,12.97	3,19.58
11	Loans given	-	-	3,50.00	14,60.00	100,00.00	190,00.00
12	Loans repaid			-		220,00.00	-
13	Loan receivable from related party	-	-	18,10.00	14,60.00	70,00.00	190,00.00
14	Outstanding receivables at the period end	-	-	1,44.95	4,74.68	122,88.30	50,36.64
15	Outstanding payables at the period end	-	-	-	-	49,36.84	116,65.46

(iii) Disclosure in respect of material transactions with parties referred to in item A and B above:

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Purchase of materials/traded goods:		
	GlaxoSmithKline Biologicals S.A., Belgium	275,53.30	329,92.43
	Biddle Sawyer Limited	7,12.37	7,88.19
	GlaxoSmithKline Pharma India Pvt. Ltd.	17,10.78	15,53.70
	GlaxoSmithKline Export Limited, U.K.	52,39.75	87,16.13
(b)	Sale of materials/sale of products:		
	GlaxoSmithKline Asia Private Limited, India	-	65.19

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
(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
	GSK India Global Services Private Limited	5,54.47	6,57.22
	GSK Pharmaceuticals Pvt. Ltd. , Srilanka	-	64.78
	GlaxoSmithKline Export Limited, U.K.	85.20	1,56.07
	GlaxoSmithKline Biologicals S.A., Belgium	51,90.50	-
	GlaxoSmithKline Research & Development Ltd, U.K.	-	1,01.65
	GlaxoSmithKline Services Unlimited, U.K.	4,19.20	2,08.42
	Glaxo Operations UK Limited, U.K	1,67.59	1,05.51
	GlaxoSmithKline Trading Services Limited, Ireland	10.23	11.86
(g)	Expenses recharged by other companies:		
	GlaxoSmithKline Services Unlimited, U.K.	95.90	1,32.55
	GlaxoSmithKline Pte Limited, Singapore	11.58	7.50
	GlaxoSmithKline Asia Private Limited, India	30,03.43	142,05.55
(h)	Manufacturing charges recovered:		
	Biddle Sawyer Limited	10,64.30	15,16.15
(i)	Clinical research and data management recoveries:		
	GlaxoSmithKline Biologicals S.A., Belgium	17,71.70	5,27.01
	GlaxoSmithKline Research & Development Ltd, U.K.	4,99.03	93.35
(j)	Interest income on loan given:		
	Biddle Sawyer Limited	85.54	44.80
	GSK India Global Services Private Limited	6,12.97	3,19.58
(k)	Loans given:		
	Biddle Sawyer Limited	3,50.00	14,60.00
	GSK India Global Services Private Limited	100,00.00	190,00.00
(l)	Loans repaid:		
	Biddle Sawyer Limited	-	-
	GSK India Global Services Private Limited	220,00.00	-
(m)	Loan receivable from related party:		
	Biddle Sawyer Limited	18,10.00	14,60.00
	GSK India Global Services Private Limited	70,00.00	190,00.00

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	As at March 31, 2023
(n) Outstanding receivables at the period end:	
GlaxoSmithKline Biologicals S.A., Belgium	119,77.93
Biddle Sawyer Limited, India	1,44.95
GlaxoSmithKline Research & Development Ltd, U.K.	-
GlaxoSmithKline Services Unlimited, U.K.	1,21.67
Glaxo Operations UK Limited, U.K.	-
GSK India Global Services Private Limited	71.32

(₹ in lakhs)

	As at March 31, 2023
(o) Outstanding payables at the period end:	
GlaxoSmithKline Biologicals S.A., Belgium	28,40.26
GlaxoSmithKline Export Limited, U.K.	15,43.36
GlaxoSmithKline Services Unlimited, U.K.	2,23.90

(₹ in lakhs)

	As at March 31, 2022
(p) 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
(q) 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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(iv) Details relating to persons referred to in item "C" above:

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
1	Remuneration/commission/sitting fees	40,39.29	40,41.79
2	Payments under the long-term incentive plan	87.86	2,27.62
3	Sale of residential flat	6,38.00	-
4	Dividend paid	0.54	0.18

(v) Disclosure in respect of material transactions with persons referred to in item "C" above:

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Remuneration/commission/sitting fees (Refer Note below):		
	Mr. B. Akshikar	4,09.73	-
	Mr. J. Chandy	5,41.25	-
	Mr. S. Venkatesh	4,60.38	9,98.38
	Ms. P. Thakur	-	4,03.70
(b)	Payments made during the year under the long-term incentive plan (Refer Note below):		
	Mr. B. Akshikar	15.84	-
	Ms. S. Choudhary	27.67	
	Mr. A. Nadkarni	17.66	
	Mr. R. D'souza	13.54	
	Ms. P. Thakur	-	85.82
	Mr. S. Dheri	-	39.64
(c)	Sale of residential flat		
	Mr. R. D'souza	6,38.00	-
(d)	Dividend paid		
	Ms. R. S. Karnad	0.54	0.18

Note: Amounts are not comparable as they pertain to part of the year and/ or are recorded on cash payment basis.

Note 53 : Share-based payment arrangements

Restricted Share Awards (RSAs)

Certain employees of the Company are entitled to receive cash/equity settled stock based awards ('awards') pursuant to employee share schemes ('scheme') administered by GlaxoSmithKline Plc. ('Plc').

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Under these plans, certain employees are granted cash / equity settled RSAs at no cost, which entitle them to receive cash equivalent to the stock price of the Plc's shares or shares of the Plc's 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 and there are no performance criteria attached.
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 3.75% (Previous Year 3.8%) over the duration of the award.

Reconciliation of RSAs

	Number of RSA	
	Cash Settled	**Equity Settled**
As at April 1, 2021	**1,65,184**	**-**
Granted	67,243	-
Exercised *	(65,995)	-
Cancelled**	(42,564)	-
As at March 31, 2022	**1,23,868**	**-**
Granted	67,079	4,261
Exercised *	(45,636)	-
Cancelled**	(23,919)	-
As at March 31, 2023	**1,21,392**	**4,261**

*The weighted average share price at the date of exercise of the awards exercised during the year ended March 31, 2023 was GBP 13.53 (March 31, 2022 GBP 16.47). The weighted fair value for the share settled awards granted during the year ended March 31, 2023 is GBP 13.45

** Also includes for employees transferred

Performance Share Plan

Under the Performance Share Plan, share awards are granted to Directors and senior executives at no cost. The percentage of each award that vests is based upon the performance of the Company over a defined measurement period with dividends reinvested during the same period. The performance conditions since 2022 are based on five measures over a three-year performance period. These are TSR (30%), pipeline progress (20%), profit measure (20%), sale measure (20%) and ESG environment (10%).
The fair value of the awards is determined based on the closing share price on the day of grant. For TSR performance elements, this is adjusted by the likelihood of that condition being met, as assessed at the time of grant.

During the year ended March 31, 2023, awards were made of 9,075 shares at a weighted fair value of GBP 12.37. As at March 31, 2023 there were outstanding awards of 9,075 shares.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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, 2023	Year ended March 31, 2022
Restricted share Awards (RSAs) - Cash Settled	2,48.55	6,54.48
Restricted share Awards (RSAs) - Share Settled	1.62	-
Performance share plan	3.17	-

Carrying amount of liability

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Carrying amount of liability included in long term incentive plan (Notes 22 and 27)	6,36.08	9,95.72

Carrying amount of reserves

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
ESOP Reserve (Restricted share Awards - Share Settled)	56.71	-
ESOP Reserve (Performance share Plan)	1,11.01	-

Note 54 : Disclosure pursuant to Ind AS 105 “Non-current assets held for sale and discontinued operations”:

(i) Transfer of Iodex and Ostocalcium Brands:

During the previous year ended March 31, 2022 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 lakhs. The transaction was consummated and the consideration was received by the company during the previous 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".

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

(ii) Financial performance related to discontinued operations:

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	20,79.29	298,04.68
Total income	**20,79.29**	**298,04.68**
Expenses		
Cost of materials consumed	(88.53)	(1,05.73)
Purchases of stock-in-trade	-	54,75.02
Changes in inventories of finished goods, stock-in-trade and work-in-progress	4,70.22	3,28.23
Depreciation and amortisation expense	-	39.59
Other expenses	12,84.97	168,15.25
Total expenses	**16,66.66**	**225,52.36**
Profit before tax	**4,12.63**	**72,52.32**
Tax Expense :		
Current tax	1,08.17	19,98.87
Profit from discontinued operations after tax	**3,04.46**	**52,53.45**
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, 2023	Year ended March 31, 2022
Cash flow from operating activities	(26,48.82)	68,71.24
Cash flow from investing activities	(295,77.67)	1561,38.28

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 55 : Key Financial Ratios

Ratio		Numerator	Denominator	Mar-23	Mar-22	Variance	Reason for variance
1	Current Ratio	Current assets	Current Liabilities	1.87	2.19	-15%	
2	Debt Equity Ratio	Debt	Shareholders Equity	1%	1%	0%	
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	30.10	21.57	40%	Previous year ratio was impacted on account of tax adjustments of earlier years.
4	Return on Equity	Profit after tax	Shareholders Equity	35%	22%	60%	Previous year ratio was impacted due to tax adjustment of earlier years
5	Inventory Turnover Ratio	Sale of Products	Average inventories	6.74	6.73	0%	
6	Trade Receivables Turnover Ratio	Sale of Products	Average trade receivables	16.11	16.58	-3%	
7	Trade Payables Turnover Ratio	Cost of Goods Sold + Expenses	Average trade payables	3.78	4.14	-9%	
8	Net Capital Turnover Ratio	Sale of Products	Working Capital	2.79	1.75	59%	Previous year ratio was impacted due to cash received from sale of brands and other identified assets
9	Net Profit Ratio	Profit after tax	Revenue from operations	19%	12%	7%	Previous year ratio was impacted due to tax adjustment of earlier years
10	Return on Capital Employed	Profit before tax	Net Worth	48%	43%	4%	
11	Return on Investment	Gain on Investment	Total Investments	5%	3%	2%	

Notes :-

(i) Ratios are calculated including profits from discontinued operations. Previous year ratios excludes the impact of sale of brands and identified assets and other exceptional items (Refer Note 39 and 54).

(ii) Return on Equity ratio for the previous year ended March 31, 2022 comes out to be 28.69% after adjusting for the tax impact of prior years.

(iii) Net Profit ratio for the previous year ended March 31, 2022 comes out to be 17.19% after adjusting for the tax impact of prior years.

(iv) Return on capital employed for the previous year ended March 31, 2022 comes out to be 39.61% after adjusting for the tax impact of prior years.

(v) Debt mainly includes lease liabilities.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 56:

During the previous year ended March 31, 2022 post the approval of the shareholders, the Company on September 30, 2021, had acquired the assets and liabilities associated with the vaccine business of GlaxoSmithKline Asia Private Limited. The Company 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 was restated for the acquisition as if the business combination occurred from the beginning of preceding periods. The Company took over the assets at amortised cost of ₹ 1,29.00 lakhs, liabilities 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 was transferred to Capital reserve.

Note 57 : Relationship with struck off companies

Below struck off companies are equity shareholders of the Company as on the Balance Sheet date

(₹ in lakhs)

Name of Struck off Company	Nature of transaction with struck off company	Dividend paid in current year
Gatisheel Finance Private Limited	Shares held by struck off company	1.80
Mallika Saran Holdings Private Limited	Shares held by struck off company	0.53
Fairgrowth Investments Limited	Shares held by struck off company	0.04
Popular Stock and Share Services Private Limited	Shares held by struck off company	0.18
Haresh Extrusion Company Pvt. Ltd.	Shares held by struck off company	0.06
Manilal Patel Private Limited	Shares held by struck off company	0.07
Siddha Papers Private Limited	Shares held by struck off company	*
Sitaram Projects Private Limited	Shares held by struck off company	*

* Value less than one lakh

(₹ in lakhs)

Name of Struck off Company	Nature of transaction	Transaction during the year March 31, 2023	Balance Outstanding as at March 31, 2023	Relationship with the struck off company
Vincon Infra Organisers Pvt. Ltd.	Capital Advance	-	2,83.17	Vendor

(₹ in lakhs)

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

Note 58 : 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 59 : Event occurring after balance sheet date

The Board of Directors has recommended a Dividend of ₹ 32 per equity share of face value of ₹ 10 each for this year. (March 31, 2022: ₹ 90 (including special dividend of ₹ 60 per equity share) per share) (Refer Note 50 (b)).

Note 60:

As per MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, Companies are required to maintain daily back-up of the books of account and other relevant books and papers which are maintained in electronic mode on servers physically located in India.

The books of account of the Company and other relevant books and papers are maintained in electronic mode other than certain records and papers which are physically maintained in India. The electronic books of accounts are always readily accessible from India and currently a daily backup is maintained on servers located outside India. The Company is in the process of complying with the aforesaid MCA notification.

Note 61:

Previous year figures have been regrouped / reclassified wherever necessary.

Note 62: Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 17, 2023.

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
B. Akshikar	Managing Director	DIN: 09112346
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 17, 2023

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

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:	11,81.04
6.	Total assets:	42,89.79
7.	Total Liabilities:	30,12.75
8.	Investments:	Nil
9.	Turnover:	51,31.09
10.	Profit before taxation:	4,00.70
11.	Provision for taxation:	1,07.17
12.	Profit after taxation:	2,93.53
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

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BIDDLE SAWYER LIMITED

Directors' Report to the Members

The Directors have pleasure in submitting their 77th Report for the year ended 31 March 2023.

1. Financial Results for the year ended 31 March 2023

₹ in Lakhs

	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from Operations	51,31.09	80,82.46
Profit before Tax	4,00.70	5,60.48
Provision for Tax	1,07.17	31.88
Deferred Tax Charge/ (credit)	-	1,09.25
Net Profit for the year	2,93.53	4,19.35
Closing Surplus/(loss) carried forward	1,72.12	(1,21.41)

State of Company Affairs

During the year under review, your Company has generated total revenue from operations of ₹ 51,31.09 lakhs as against ₹ 80,82.46 lakhs during the previous year ended 31 March 2022. The net profit for the year ₹ 2,93.53 lakhs, as compared to profit of ₹4,19.35 lakhs during the previous year ended 31 March 2022.

DIVIDEND

The Directors do not recommend any dividend for the year ended 31 March 2023.

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 Auditors' Report does not contain any qualification, reservation or adverse remark.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Sridhar Venkatesh resigned as Director of the Company with effect from 30 November 2022. Mr. Ajay Nadkarni was appointed as Additional Director from 1 December 2022 till conclusion of Annual General Meeting.

In terms of the provisions of the Companies Act, 2013, Mr. B. Akshikar 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 2023 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 2023 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 2023 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 4 (Four) times during the financial year 2022-23.
- As on 31 March 2023, 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 2022-23.
- 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 2023 was ₹ 44,97.80 lakhs and foreign exchange outgo for the year ended 31 March 2023 was ₹ 5,30.88 lakhs. The foreign exchange earnings for the period ended 31 March 2022 was ₹ 74,00.45 lakhs and foreign exchange outgo for the year ended 31 March 2022 was nil.

ACKNOWLEDGEMENT

The Board wishes to place on record its gratitude for the assistance and co-operation received from Government, Banks, Authorities, Customer's, Vendors and to all its members for the trust and confidence reposed in the Company.

For and on behalf of the Board of Directors

B. Akshikar
Chairman

Mumbai, 10 May 2023

GSK

BIDDLE SAWYER LIMITED

Balance Sheet as at 31st March 2023

(₹ in lakhs)

	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Investment properties	2	2.08	2.08
Financial assets			
(i) Loans	3	-	-
(ii) Other financial assets	3A	2.65	1.45
Current tax assets (net)	25	5,49.98	4,72.84
Deferred tax assets (net)	25	36.43	36.43
Other non-current assets	4	8,01.88	7,32.38
		13,93.02	**12,45.18**
Current assets			
Inventories	5	22,26.90	21,98.22
Financial Assets			
(i) Cash and cash equivalents	6	5,19.77	5,39.59
(ii) Other financial assets	7	34.69	12,97.17
Other current assets	8	1,15.41	1,15.42
		28,96.77	41,50.40
TOTAL ASSETS		**42,89.79**	**53,95.58**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	9 & 17	96.00	96.00
Other Equity	10	11,81.04	8,87.51
Total equity		**12,77.04**	**9,83.51**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	11	18,10.00	14,60.00
(ii) Other financial liabilities	12	1.35	1.35
Provisions	13	1,25.33	1,25.33
		19,36.68	**15,86.68**
Current liabilities			
Financial liabilities			
(i) Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		13.49	18.32
Total outstanding dues of creditors other than micro enterprises and small enterprises		10,50.71	27,87.56
Other current liabilities	15	11.87	19.51
		10,76.07	**28,25.39**
TOTAL EQUITY AND LIABILITIES		**42,89.79**	**53,95.58**

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)

R. D. DAVAR
(PARTNER)
Membership No. F10620

Place : Mumbai
Date: May 10, 2023

For and on behalf of the Board

B. Akshikar
Director
DIN: 09112346

J. Chandy
Director
DIN: 09530618

R. Mota
Company Secretary
ACS 38473

Place : Mumbai
Date: May 10, 2023

BIDDLE SAWYER LIMITED

Statement of profit and loss for the year ended 31st March, 2023

(₹ in lakhs)

	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Operations	18	51,31.09	80,82.46
Other Income	19	0.38	0.79
Total income		**51,31.47**	**80,83.25**
Expenses			
Cost of materials consumed	20	33,13.53	58,70.57
Changes in inventories of work-in-progress, stock-in-trade and finished goods	21	1,71.50	1,74.71
Finance costs	22	85.68	45.43
Other expenses	23	11,60.06	14,32.06
Total expenses		**47,30.77**	**75,22.77**
Profit/(loss) before exceptional items and tax		**4,00.70**	**5,60.48**
Exceptional items		-	-
Profit/(loss) before tax		4,00.70	5,60.48
Income tax expenses			
Current tax	25	1,07.17	31.88
Deferred tax	25	-	1,09.25
Profit / (loss) for the period		**2,93.53**	**4,19.35**
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		**2,93.53**	**4,19.35**
Profit /(loss) attributable to:			
Owners of the Company		2,93.53	4,19.35
Total comprehensive income /(loss) attributable to:			
Owners of the Company		2,93.53	4,19.35
Earnings per equity share			
Basic and diluted earnings per share	24	30.58	43.68

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)

R. D. DAVAR
(PARTNER)
Membership No. F10620

Place : Mumbai
Date: May 10, 2023

For and on behalf of the Board

B. Akshikar
Director
DIN: 09112346

J. Chandy
Director
DIN: 09530618

R. Mota
Company Secretary
ACS 38473

Place : Mumbai
Date: May 10, 2023

BIDDLE SAWYER LIMITED

Cash Flow Statement for the year ended 31st March, 2023

(₹ in lakhs)

		Year Ended March 31, 2023	Year Ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(Loss) before income tax and exceptional items		4,00.70	5,60.48
Adjustments for :			
Provisions written back		-	(0.67)
Interest income classified as investing cash flows		(0.38)	(0.11)
Finance cost		85.68	45.43
Change in operating assets and liabilities			
(Increase)/Decrease in Inventories		(28.68)	1,37.74
Decrease/(Increase) in other assets		11,92.15	(5,55.30)
(Decrease)/Increase in Trade payables		(17,41.68)	6,02.57
(Decrease) in Other liabilities		(93.32)	(16,86.86)
Cash generated from operations		**(1,85.53)**	**(8,96.72)**
Income taxes paid (net of refunds)		(1,84.31)	(7.64)
Cash flow before exceptional items		**(3,69.84)**	**(9,04.36)**
Net cash (outflow) from operating activities	**A**	**(3,69.84)**	**(9,04.36)**
B. CASH FLOW FROM INVESTING ACTIVITIES			
(Purchase) / sale of bank deposits with maturity period more than 3 months but less than 12 months		(1.20)	-
Interest received		1.22	0.03
Net cash inflow from investing activities	**B**	**0.02**	**0.03**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		3,50.00	14,60.00
Interest paid		-	(44.80)
Net cash inflow from financing activities	**C**	**3,50.00**	**14,15.20**
Net (decrease)/increase in cash and cash equivalents	**(A + B + C)**	**(19.82)**	**5,10.87**
Cash and cash equivalents opening balance		5,39.59	28.72
Cash and cash equivalents closing balance		5,19.77	5,39.59
Net (decrease)/increase in cash and cash equivalents		**(19.82)**	**5,10.87**
NOTES:			
Cash and cash equivalents include:			
Balances with banks		5,19.77	5,39.59
Total cash and cash equivalents		5,19.77	5,39.59

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)

R. D. DAVAR
(PARTNER)
Membership No. F10620

Place : Mumbai
Date: May 10, 2023

For and on behalf of the Board

B. Akshikar
Director
DIN: 09112346

J. Chandy
Director
DIN: 09530618

R. Mota
Company Secretary
ACS 38473

Place : Mumbai
Date: May 10, 2023

GSK

BIDDLE SAWYER LIMITED

Statement of Changes in Equity

(a) Equity share capital

	As at March 31, 2023 No. of Shares	As at March 31, 2023 Amount (₹ in lakhs)	As at March 31, 2022 No. of Shares	As at March 31, 2022 Amount (₹ in lakhs)
Balance at the beginning of the reporting period	9,60,000	96.00	9,60,000	96.00
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	**9,60,000**	**96.00**	**9,60,000**	**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 2022	**2.91**	**10,06.01**	**(1,21.41)**	**-**	**8,87.51**
Total Comprehensive					
Profit/(loss) for the year	-	-	2,93.53	-	2,93.53
Other Comprehensive Income for the year	-	-	-	-	-
Transactions with owners of the company					
Dividend on Equity Shares	-	-	-	-	-
Balance at the end of the reporting period March 31, 2023	**2.91**	**10,06.01**	**1,72.12**	**-**	**11,81.04**

(₹ 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**	**10,06.01**	**(5,40.76)**	**-**	**4,68.16**
Total Comprehensive					
Profit/(loss) for the year	-	-	4,19.35	-	4,19.35
Other Comprehensive Income for the year	-	-	-	-	-
Transactions with owners of the company					
Dividend on Equity Shares	-	-	-	-	-
Balance at the end of the reporting period March 31, 2022	**2.91**	**10,06.01**	**(1,21.41)**	**-**	**8,87.51**

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)

R. D. DAVAR
(PARTNER)
Membership No. F10620

Place : Mumbai
Date: May 10, 2023

For and on behalf of the Board

B. Akshikar
Director
DIN: 09112346

J. Chandy
Director
DIN: 09530618

R. Mota
Company Secretary
ACS 38473

Place : Mumbai
Date: May 10, 2023

Notes to the Financial Statements

for the year ended March 31, 2023

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 and all values are rounded to the nearest lakhs (INR 00,000), except where 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 or 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

Notes to the Financial Statements

for the year ended March 31, 2023

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.;
- 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.

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) 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

Notes to the Financial Statements

for the year ended March 31, 2023

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.

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.

h) 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

i) Other Accounting Policies

These are consistent with the generally accepted accounting principles.

2 Investment Property

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
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 ₹ 13,43.75 lakhs for current year (₹ 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.

Notes to the Financial Statements

for the year ended March 31, 2023

Note 3
Non current Financial assets - Loans

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Advances recoverable	26.55	26.55
Less: Provision for bad and doubtful loans and advances	(26.55)	(26.55)
	-	**-**

Note 3A
Non current Financial assets - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Sundry Deposits	15.72	15.72
Less: Provision for bad and doubtful loans and advances	(15.72)	(15.72)
Term deposit with maturity period of more than twelve months	2.65	1.45
	2.65	**1.45**

Note 4
Other non-current assets

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Balance with Government Authorities	8,01.88	7,32.38
	8,01.88	**7,32.38**

Note 5
Inventories (at lower of cost or net realisable value)

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Raw materials	13,65.83	11,65.15
Packing materials	17.48	17.98
Work-in-progress	54.99	14.76
Finished goods	7,88.60	10,00.33
	22,26.90	**21,98.22**

Note 6
Cash and cash equivalents

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Current account Balances with Banks	5,19.77	5,39.59
	5,19.77	**5,39.59**

Note 7
Current financial assets - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Interest accrued on investments/ deposits	0.01	0.85
Current account balances with group companies	34.68	12,96.32
	34.69	**12,97.17**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 8
Other current assets

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Balance with Government Authorities	0.08	0.09
Sundry advances	1,15.33	1,15.33
	1,15.41	**1,15.42**

Note 9
Share capital

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Equity share capital	96.00	96.00
	96.00	**96.00**

Note 10
Other Equity

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
General reserve	10,06.01	10,06.01
Capital reserve	2.91	2.91
Retained earnings	1,72.12	(1,21.41)
	11,81.04	**8,87.51**

Note 11
Non current financial liabilities - Borrowings

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Loans from related parties	18,10.00	14,60.00
	18,10.00	**14,60.00**

Note 12
Non current financial liabilities - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
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, 2023	As at March 31, 2022
Drugs Prices Equalisation Account (refer note 16 (i))	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, 2023	As at March 31, 2022
Due to Micro, Small and Medium Enterprises	13.49	18.32
Trade and other payables	10,50.71	27,87.56
	10,64.20	**28,05.88**

Notes to the Financial Statements

for the year ended March 31, 2023

Trade Payables Ageing :-

(₹ in lakhs)

	Outstanding as at March 31, 2023						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	13.49	-	-	-	-	13.49
(ii) Others	4,33.68	1,65.88	4,51.15	-	-	-	10,50.71

(₹ 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	8,15.73	13,96.02	5,75.81	-	-	-	27,87.56

Note 15: Other current liabilities

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Other liabilities	5.94	16.88
Statutory dues	5.93	2.63
	11.87	**19.51**

Note 16: Contingent Liabilities

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debts	59.12	98.58
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

16 (i) Drugs Prices Equalisation Account

The Company received a letter dated 20th/24th August, 1998 from the Central Government demanding an amount of ₹ 4,40,79,918 comprising ₹ 1,42,74,110 in respect of prices relating to Salbutamol formulations during the period April, 1979 to December, 1983 with interest thereon amounting to ₹ 2,98,05,808 upto 31st July, 1998. The Company had been legally advised that the demand of ₹ 1,42,74,110 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 ₹ 71,50,000 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, 2023

Note 17: Share Capital

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Authorised		
15,00,000 (Previous year : 15,00,000) Equity Shares of ₹10 each	1,50.00	1,50.00
ISSUED, SUBSCRIBED & PAID-UP:		
9,60,000 (Previous year : 9,60,000) Equity Shares of ₹10 each fully paid up (of the above 7,50,000 ordinary shares have been allotted as fully paid-up Bonus shares by capitalisation of General Reserve)	96.00	96.00
TOTAL	**96.00**	**96.00**
a) Shares held by holding company		
Equity Shares of ₹ 10 each 9,60,000 (Previous year : 9,60,000) held by GlaxoSmithKline Pharmaceuticals Limited, the Holding Company	96.00	96.00

	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	₹ In Lakhs	Number of Shares	₹ In Lakhs
a) Reconciliation of the number of shares				
Balance at the beginning of the year	9,60,000	96.00	9,60,000	96.00
Issued during the year	-	-	-	-
Balance at the end of the year	9,60,000	96.00	9,60,000	96.00

b) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder 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.

c) Details of shareholders holding more than 5% shares in the company:

	As at March 31, 2023	As at March 31, 2022
	Number of Shares	Number of Shares
GlaxoSmithKline Pharmaceuticals Limited, the Holding Company	9,60,000 {100%}	9,60,000 {100%}

Note 18: Revenue from operations

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
A. Sale of products (gross)		
Sale of products	51,31.09	80,66.00
	51,31.09	**80,66.00**
B. Other operating revenue		
Others	-	16.46
	-	**16.46**
Total Revenue from operations	**51,31.09**	**80,82.46**

Note 19: Other income

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income	0.38	0.11
Provisions written back (net)	-	0.67
Miscellaneous Income	-	0.01
	0.38	**0.79**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 20: Cost of materials consumed

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Cost of materials consumed	33,13.53	58,70.57
	33,13.53	**58,70.57**

Note 21: Changes In Inventories Of Finished Goods, Work-In-Progress and traded goods

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Opening stock		
Work-in-progress	14.76	23.98
Finished goods	10,00.33	11,65.82
Less: Closing stock		
Work-in-progress	54.99	14.76
Finished goods	7,88.60	10,00.33
	1,71.50	**1,74.71**

Note 22: Finance costs

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest cost on financial liabilities measured at amortized cost	85.68	45.43
	85.68	**45.43**

Note 23: Other expenses

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Manufacturing charges	8,98.41	13,03.40
Rates and taxes	0.04	9.55
Statutory audit fees	5.59	5.59
In other capacity in respect of :		
Tax audit fees	1.05	1.05
Exchange loss (net)	1,06.37	-
Reimbursement of expenses to GlaxoSmithKline Pharmaceuticals Limited	61.43	61.46
Tax and consulting fees	13.74	17.31
Security guard services	24.91	24.76
Third party warehousing	2.31	4.57
Miscellaneous expenses	46.21	4.37
	11,60.06	**14,32.06**

Note 24: Earnings Per Share

	Year ended March 31, 2023	Year ended March 31, 2022
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)	2,93.53	4,19.35
Weighted average number of shares (Nos)	960,000	960,000
Earnings per share (Basic and Diluted) - ₹	30.58	43.68
Face value per share - ₹	10.00	10.00

Notes to the Financial Statements

for the year ended March 31, 2023

Note 25: Tax expense

(a) Amounts recognised in profit and loss

(₹ in lakhs)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current income tax	1,07.17	31.88
Deferred tax		
Decrease/(Increase) in deferred tax assets	-	1,09.25
Adjustment to deferred tax attributable to change in Income Tax rates	-	-
Tax expense for the year	**1,07.17**	**1,41.13**

(b) Reconciliation of effective tax rate

(₹ in lakhs)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit /(loss) before tax	4,00.70	5,60.48
Tax using the Company's domestic tax rate at 25.168% (Previous Year: 25.168%)	1,00.87	1,41.06
Tax effect of:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Other items	6.30	0.07
	1,07.17	**1,41.13**

The Company's effective tax rate for the years ended March 31, 2023 is 26.75% (financial year 2021-22 - 25.18%). Income tax expense was ₹ 1,07.17 lakhs for the year ended March 31, 2023 and ₹ 1,41.13 lakhs for the year ended March 31, 2022.

(c) Movement in deferred tax balances

(₹ in lakhs)

	March 31, 2023			
	Net balance April 1, 2022	Recognised in profit or loss	Recognised in OCI	Net Deferred tax asset / (liability)
Deferred tax asset				
Expenses allowable for tax purpose when paid	22.99	-	-	22.99
Provision for pricing matters	13.43	-	-	13.43
Tax assets (Liabilities)	**36.43**	**-**	**-**	**36.43**

(₹ 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	1,32.24	(1,09.25)	-	22.99
Provision for pricing matters	13.43	-	-	13.43
Tax assets (Liabilities)	**1,45.68**	**(1,09.25)**	**-**	**36.43**

(d) The details of income tax assets and income tax liabilities as at March 31, 2023 and March 31, 2022

(₹ in lakhs)

	As at	
	March 31, 2023	March 31, 2022
Current Tax Assets (Net)	5,49.98	4,72.84
Current Tax Liabilities (Net)	-	-
Net current income tax asset/(liability) at the end	**5,49.98**	**4,72.84**

Notes to the Financial Statements

for the year ended March 31, 2023

The gross movement in the current tax asset/(liability) for the year ended March 31, 2023 and March 31, 2022 is as follows:

(₹ in lakhs)

	Year ended	
	March 31, 2023	March 31, 2022
Net current income tax asset/(liability) at the beginning	4,72.84	4,97.08
Income tax Paid	1,84.31	7.64
Refund received during the year		
Current Income Tax Expense	(1,07.17)	(31.88)
Tax Adjustment of earlier years		
Net current income tax asset/(liability) at the end	**5,49.98**	**4,72.84**

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, 2023	March 31, 2022
Financial assets at amortised cost		
Cash and cash equivalents	5,19.77	5,39.59
Other bank balance	2.65	1.45
Current account balances with group companies	34.68	12,96.32
Interest accrued on investments/ deposits	0.01	0.85
Total financial assets	**5,57.11**	**18,38.21**
Financial liabilities at amortised cost		
Security deposits received	0.63	0.63
Other non-current financial liabilities	0.72	0.72
Trade payables	10,64.20	28,05.88
Loans from related parties	18,10.00	14,60.00
Total financial liabilities	**28,75.55**	**42,67.23**

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

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, balance with group companies, accrued interest, loan from related parties are considered to be the same as their fair values due to their short term nature.

Notes to the Financial Statements

for the year ended March 31, 2023

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, 2023, the Company had working capital of ₹ 18,20.7 lakhs, including cash and cash equivalents of ₹ 5,19.77 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.

As of March 31, 2022, the Company had working capital of ₹ 13,25.01 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.

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, 2023	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade Payables and other payables	10,64.20	10,64.20	10,64.20	-	-	-
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, 2023

(₹ in lakhs)

As at March 31, 2022	Contractual cash flows					
	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Trade Payables and other payables	28,05.88	28,05.88	28,05.88	-	-	-
Security deposits	0.63	0.63	-	-	0.63	-
Other non-current liabilities	0.72	0.72	-	-	0.72	-

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.

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, 2023		As at March 31, 2022	
	USD	GBP	USD	GBP
Trade payables	(3,15.85)	-	-	
Current financial assets - Others		34.68		12,96.32
Net statement of financial position exposure	(3,15.85)	34.68	-	12,96.32

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
March 31, 2023					
USD	5%	(15.79)	15.79	-	-
GBP	5%	1.73	(1.73)	-	-

Effect in Lakhs	Strengthening / Weakening %	Profit or loss		Equity	
		Strengthening	Weakening	Strengthening	Weakening
March 31, 2022					
GBP	5%	64.82	(64.82)	-	-

(Note: The impact is indicated on the profit/loss before tax basis)

Notes to the Financial Statements

for the year ended March 31, 2023

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, 2023	Year ended March 31, 2022
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	6,33.29	6,82.01
Revenue from foreign countries	44,97.80	74,00.45
Total	**51,31.09**	**80,82.46**

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Details of non current asset		
Non Current asset from the Country of Domicile- India	13,53.94	12,07.30
Non Current asset from foreign countries	-	-
Total	**13,53.94**	**12,07.30**

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
- GlaxoSmithKline Pharma India Private Limited

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, 2023	Year ended March 31, 2022
	GlaxoSmithKline Pharmaceuticals Limited	
1. Payment of common costs	61.43	61.46
2. Sale of products	6,33.29	6,65.55
3. Payment of Manufacturing charges	8,98.41	13,03.40
4. Interest on loan taken	85.54	44.80
5. Borrowings	18,10.00	14,60.00
6. Outstanding receivable / (Payable) by the Company (net)*	(1,41.97)	(4,18.28)

Notes to the Financial Statements

for the year ended March 31, 2023

	Other related parties in the GlaxoSmithKline (GSK) Group where common control exists	
	Year ended March 31, 2023	Year ended March 31, 2022
	GSK Export Limited	
1. Sale of products	44,97.80	74,00.45
2. Outstanding receivable / (Payable) by the Company (net)*	34.68	12,96.32

* Transactions with the above parties are accounted in the respective current accounts.

30 Disclosures as required by Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) The principal amount and the interest due thereon remaining unpaid to suppliers		
(i) Principal	13.49	17.69
(ii) Interest due thereon	0.10	0.63
	13.59	**18.32**
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the entire accounting year	2.88	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	0.10	0.63
(ii) Total Interest accrued during the year and remaining unpaid	0.10	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.

31 Key Financial Ratios

	Ratio	Numerator	Denominator	Mar-23	Mar-22	Variance	Reason for variance
1	Current Ratio	Current assets	Current Liabilities	2.69	1.47	83%	Due to improvement in working capital on account of reduction in trade payables
2	Return on Equity	Profit after tax	Shareholders Equity	22.99%	42.64%	-46%	Decrease in sales resulted in decrease in profits.
3	Inventory Turnover Ratio	Sale of Products	Average inventories	2.32	3.56	-35%	Decrease in sales resulted in decrease in profits.
4	Trade Payables Turnover Ratio	Cost of Goods Sold + Expenses	Average trade payables	2.40	2.98	-20%	
5	Net Capital Turnover Ratio	Sale of Products	Working Capital	2.82	6.09	-54%	Decrease in sales resulted in decrease in profits.
6	Net Profit Ratio	Profit after tax	Revenue from operations	6%	5.19%	10%	
7	Return on Capital Employed	Profit before interest and tax	Net Worth	38.09%	61.61%	-38%	Decrease in sales resulted in decrease in profits.

Notes to the Financial Statements

for the year ended March 31, 2023

	Ratio	Numerator	Denominator	Mar-23	Mar-22	Variance	Reason for variance
8	Debt Equity Ratio	Debt	Total Equity	1.42	1.48	-5%	
9	Debt service coverage ratio	Net profit before tax plus interest cost minus non-operating income and non cash income	Interest+ Outstanding Loans	0.26	0.40	-36%	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 : 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).

33 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)

R. D. DAVAR
(PARTNER)
Membership No. F10620

Place : Mumbai
Date: May 10, 2023

For and on behalf of the Board

B. Akshikar
Director
DIN: 09112346

J. Chandy
Director
DIN: 09530618

R. Mota
Company Secretary
ACS 38473

Place : Mumbai
Date: May 10, 2023

GSK

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, 2023, 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, 2023, 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 (SAs) specified under section 143 (10) of the Act. 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 matter described below to be the key audit matter 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, Business Responsibility and Sustainability Report and Corporate Governance 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.

Responsibilities of Management and Those Charged with Governance 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 Management 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 with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 ₹ 42,89.79 lakhs as at March 31, 2023, total revenues of ₹ 51,31.47 lakhs and net cash outflows amounting to ₹ 19.82 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 matter 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, except for keeping backup on daily basis of such books of account maintained in electronic mode in a server physically located in India (refer Note 62 to the financial statements).

   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, 2023 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, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in the paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements 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.

   h) 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.

i) 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. Refer Note 41 to the consolidated financial statements.

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

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 57(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 57(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 that 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 59 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 subsidiary 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: 23046930BGXRKI4088)

Place: Mumbai
Date: May 17, 2023

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements of the Parent and its subsidiary company, which is a company incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion 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 with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on "the criteria for internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements in so far 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: 23046930BGXRKI4088)

Place: Mumbai
Date: May 17, 2023

Consolidated Balance Sheet

as at March 31, 2023

(₹ in lakhs)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	281,00.75	277,37.03
Right of use assets	47	13,79.94	17,57.48
Capital work-in-progress	3	20,31.18	30,50.21
Investment property	4	1,06.19	1,20.57
Intangible assets	5	34,09.08	34,49.74
Financial assets			
(i) Loans	6	70,00.00	190,00.00
(ii) Other financial assets	7	12,11.00	11,06.29
Current tax assets (net)	46	213,96.06	197,60.40
Deferred tax assets (net)	46	133,54.60	113,14.81
Other non-current assets	8	52,43.23	52,28.02
		832,32.03	**925,24.55**
Current assets			
Inventories	9	459,97.04	534,69.54
Financial assets			
(i) Current Investments	10	518,28.88	365,59.23
(ii) Trade receivables	11	192,37.50	205,23.89
(iii) Cash and cash equivalents	12	34,94.09	286,18.71
(iv) Bank balances other than (iii) above	13	1120,98.75	2198,32.07
(v) Other financial assets	14	137,65.26	71,84.72
Other current assets	15	30,04.93	46,03.84
		2494,26.45	**3707,92.00**
Assets classified as held for sale	16	-	11.23
		2494,26.45	**3708,03.23**
TOTAL ASSETS		**3326,58.48**	**4633,27.78**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	17	169,40.60	169,40.60
Other equity	18	1571,86.70	2493,54.98
Total equity		**1741,27.30**	**2662,95.58**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	19 & 47	3,45.54	7,62.35
(ii) Other financial liabilities	20	68.31	2,05.81
Provisions	21 & 27	254,80.32	262,21.16
		258,94.17	**271,89.32**
Current liabilities			
Financial liabilities			
(i) Lease liabilities	22 & 47	12,08.38	12,45.30
(ii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		4,95.44	7,92.72
Total outstanding dues of creditors other than micro enterprises and small enterprises		422,83.43	571,39.93
(iii) Other financial liabilities	24	116,30.18	133,50.57
Other current liabilities	25	56,20.13	357,77.87
Provisions	26 & 27	417,79.10	319,16.14
Current tax liabilities (net)	46	296,20.35	296,20.35
		1326,37.01	**1698,42.88**
Total liabilities		**1585,31.18**	**1970,32.20**
TOTAL EQUITY AND LIABILITIES		**3326,58.48**	**4633,27.78**

The accompanying notes 1 to 62 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 17, 2023

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
B. Akshikar	Managing Director	DIN: 09112346
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 17, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in lakhs)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Continuing operations			
Income			
Revenue from operations	28	3251,72.30	3278,02.92
Other income	29	100,66.10	75,77.56
Total income		**3352,38.40**	**3353,80.48**
Expenses			
Cost of materials consumed	30	427,48.55	611,17.68
Purchases of stock-in-trade	30	788,43.09	729,44.10
Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	68,96.00	15,57.31
Employee benefits expense	32	594,98.57	610,23.13
Finance costs	33	1,81.22	1,99.61
Depreciation and amortization expense	34	65,76.72	68,18.60
Other expenses	35	567,57.46	549,72.90
Total expenses		**2515,01.61**	**2586,33.33**
Profit before exceptional items and tax		**837,36.79**	**767,47.15**
Exceptional items (net)	38	(96.79)	11,57.66
Profit before tax		**836,40.00**	**779,04.81**
Tax expense:	46		
Current tax		247,12.54	219,74.47
Deferred tax		(18,36.76)	(9,40.14)
Tax adjustment of earlier years		-	187,93.59
		228,75.78	**398,27.92**
Profit for the year from continuing operations		**607,64.22**	**380,76.89**
Discontinued Operations	54		
Profit before tax from discontinued operations		4,12.63	1708,17.66
Tax expense of discontinued operations		1,08.17	394,22.62
Profit from discontinued operations (after tax)		**3,04.46**	**1313,95.04**
Profit for the year		**610,68.68**	**1694,71.93**
Other comprehensive (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans	39	(8,06.69)	(2,46.59)
Income tax relating to items that will not be reclassified to profit or loss	46	2,03.03	62.06
		(6,03.66)	(1,84.53)
Total comprehensive income for the year		**604,65.02**	**1692,87.40**
Profit for the year attributable to owners of the Group		610,68.68	1694,71.93
Other comprehensive (loss) attributable to owners of the Group		(6,03.66)	(1,84.53)
Total comprehensive income for the year attributable to owners of the Group		**604,65.02**	**1692,87.40**
Earnings per equity share	48		
Earnings per equity share from continuing operations			
Basic and diluted earnings per share before exceptional item		35.90	21.73
Basic and diluted earnings per share after exceptional item		35.87	22.48
Earnings per equity share from discontinued operations			
Basic and diluted earnings per share		0.18	77.56
Earnings per equity share from continuing operations & discontinued operations			
Basic and diluted earnings per share before exceptional item		36.08	99.29
Basic and diluted earnings per share after exceptional item		36.05	100.04

The accompanying notes 1 to 62 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 17, 2023

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
B. Akshikar	Managing Director	DIN: 09112346
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 17, 2023

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before exceptional items and tax from :			
Continuing operations		837,36.79	767,47.15
Discontinued operations		4,12.63	1708,17.66
		841,49.42	**2475,64.81**
Adjustments for :			
Gain on sale of brands and other identified assets (discontinued operations)		-	(1635,65.34)
Gain on disposal of property, plant and equipment (net)		(2.78)	(32.37)
Interest income		(69,41.12)	(70,64.79)
Gain on liquid investments		(30,77.85)	(59.23)
Finance costs		1,81.22	1,99.61
Depreciation and amortisation expense		65,76.72	68,18.60
Allowance for doubtful debts and advances		(7,36.44)	16.17
Provision written back		-	(0.67)
Depreciation expense related to discontinued operations		-	39.59
Operating Profit before working capital changes		**801,49.17**	**839,16.38**
Change in operating assets and liabilities			
Decrease in inventories		74,72.50	12,00.27
Decrease in trade receivables		20,22.83	10,20.40
Increase in other assets		(43,81.19)	(16,23.49)
(Decrease)/ Increase in trade payables		(153,21.50)	102,37.49
Increase in provisions		81,61.20	71,28.11
(Decrease) in other liabilities		(25,28.40)	(59,75.60)
Cash generated from operations		**755,74.61**	**959,03.56**
Income taxes (paid) (net of refunds)		(264,70.69)	(120,50.90)
Cash inflow from operating activities before exceptional items		**491,03.92**	**838,52.66**
Exceptional items:			
Payment of associated costs on sale of Vemgal Plant		-	(4,42.88)
Payment of redundancy cost		(9,10.55)	(31,63.26)
Income taxes on exceptional items		2,29.17	8,28.26
Net cash generated from operating activities	**A**	**484,22.54**	**810,74.78**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire property, plant and equipment and other intangible assets		(44,03.91)	(34,64.10)
Proceeds from sale of property, plant and equipment		1,45.65	1,17.72
Sale / redemption of current investments		3201,27.46	-
Margin money deposits (placed) / matured		(68.48)	(12.21)

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
Investment in bank deposits (having original maturity more than 3 months but less than 12 months)		(1941,10.00)	(2704,10.00)
Redemption / maturity of bank deposits (having original maturity more than 3 months but less than 12 months)		3019,31.00	1257,00.00
Current Investments		(3323,19.26)	(365,27.51)
Loan given to related parties		(100,00.00)	(190,00.00)
Loan repayment from related parties		220,00.00	-
Net proceeds from sale of brands and other identified assets (Discontinued Operations)		-	1265,60.61
Indirect taxes payables on sale of brands and other identified assets (discontinued operations)		(295,77.67)	295,77.67
Interest received		62,97.19	43,95.88
Cash inflow / (outflow) from investing activities before exceptional items		**800,21.98**	**(430,61.94)**
Exceptional items:			
Proceeds from sale of Investment property		9,78.00	32,34.24
Income taxes on Exceptional items		(2,14.84)	(7,23.06)
Net cash inflow / (outflow) from investing activities	**B**	**807,85.14**	**(405,50.76)**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		-	(2.40)
Interest paid, other than on lease liabilities		44.24	(25.28)
Interest paid on lease liabilities		(1,39.78)	(1,73.70)
Principal payment of lease liabilities		(16,86.77)	(15,59.35)
Dividend paid to shareholders		(1525,49.99)	(506,63.50)
Net cash (outflow) from financing activities	**C**	**(1543,32.30)**	**(524,24.23)**
Net (decrease) in cash and cash equivalents	**(A + B + C)**	**(251,24.62)**	**(119,00.21)**
Cash and cash equivalents at the beginning of the year		286,18.71	405,18.92
Cash and cash equivalents at the end of the year		34,94.09	286,18.71
Net (decrease) in cash and cash equivalents		**(251,24.62)**	**(119,00.21)**
NOTES:			
Cash and cash equivalents include:			
Balances with banks			
Current accounts		34,90.09	56,12.71
Term deposits with original maturity period of less than three months		4.00	230,06.00
Total		**34,94.09**	**286,18.71**

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 17, 2023

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
B. Akshikar	Managing Director	DIN: 09112346
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 17, 2023

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(a) Equity share capital

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
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)	General reserve (ii)	Retained earnings (iii)	Capital redemption reserve (iv)	ESOP Reserve (v)	Remeasurements of the net defined benefit plans	
Balance as at April 1, 2022	**(19,07.01)**	**778,50.29**	**1742,54.25**	**2,62.00**	**-**	**(11,04.55)**	**2493,54.98**
Total comprehensive income							
Profit for the year	-	-	610,68.68	-	-	-	610,68.68
Other comprehensive loss for the year	-	-	-	-	-	(6,03.66)	(6,03.66)
Share arrangements with Group for ESOP	-	-	-	-	(1,67.72)	-	(1,67.72)
Transactions with owners of the Group							
Dividend on equity shares (₹ 90 per share)	-	-	(1524,65.58)	-	-	-	(1524,65.58)
Balance as at March 31, 2023	**(19,07.01)**	**778,50.29**	**828,57.35**	**2,62.00**	**(1,67.72)**	**(17,08.21)**	**1571,86.70**

(₹ in lakhs)

	Reserves and Surplus					Items of Other comprehensive income	Total Other Equity
	Capital reserve (i)	General reserve (ii)	Retained earnings (iii)	Capital redemption reserve (iv)	ESOP Reserve (v)	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**

(i) Capital reserve includes Central Government subsidy and capital profit on reissue of shares forfeited of erstwhile Burroughs Wellcome (India) Limited as adjusted for the business combination transaction with GlaxoSmithKline Asia Private Limited during the previous year ended March 31, 2022 (Refer Note 55) and is not available for distribution

(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.

(v) ESOP reserve is on account of Ultimate Holding Company's shares allotted to employees as ESOP due for vesting over a 3 year period.

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 17, 2023

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
B. Akshikar	Managing Director	DIN: 09112346
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 17, 2023

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 inter alia, 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, 2023	% voting power held as at March 31, 2022
Biddle Sawyer Limited (BSL)	India	100.00	100.00

B. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

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).

b) Basis of preparation

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.

c) Operating cycle

The operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. When the Group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

d) 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.

e) 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:

- 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.

f) 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 Rs. 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.

g) 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.

h) 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.

i) 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 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.

j) 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(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.

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 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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.

k) 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.

l) Inventories

Inventories are valued at lower of cost or 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.

m) 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).

n) 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.

o) 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 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.

p) 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."

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 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, 2023

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 Company for the aforesaid period. The value of such incentive is based on the price of shares of GlaxoSmithKline Plc, U.K. The above scheme is applicable for all grants to employees till 2022. Starting 2023, Incentives in the form of shares are provided to employees under share award schemes.

The fair values of these awards are calculated at their grant dates using a Black-Scholes option pricing model and charged to the income statement with a corresponding credit to ESOP Reserve over the relevant vesting periods. Recharge by the Group Company is accounted with a corresponding debit to ESOP Reserve.

q) 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.

r) 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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.

s) 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".

t) 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.

u) 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.

v) 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.

w) 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, 2023.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

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, 2023

Note 3 : Property, Plant and Equipment

(₹ in lakhs)

	Gross Carrying Value				Accumulated Depreciation					Net Carrying Value
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	Charge for the Year	On Disposals	Impairment	As at March 31, 2023	As at March 31, 2023
Freehold land	2.00	-	-	2.00	-	-	-	-	-	2.00
Leasehold land	2,22.88	1,45.15	-	3,68.03	50.04	-	-	-	50.04	3,17.99
Freehold buildings	26,34.51	2,33.72	12.46	28,55.77	3,74.01	54.75	2.44	-	4,26.32	24,29.45
Leasehold buildings	77,73.58	2,12.02	0.01	79,85.59	18,44.17	2,65.27	0.01	-	21,09.43	58,76.16
Plant and equipment (Refer Note 3(a) below)	320,15.52	33,39.51	3,93.34	349,61.69	167,46.08	27,48.56	3,93.34	-	191,01.30	158,60.39
Furniture and fixtures	43,63.98	2,12.64	25.90	45,50.72	16,35.59	4,09.61	18.55	-	20,26.65	25,24.07
Vehicles	13,18.39	3,16.68	3,92.17	12,42.90	6,25.43	2,30.51	2,57.56	-	5,98.38	6,44.52
Office equipment	16,71.67	39.23	22.42	16,88.48	9,90.18	2,73.64	21.51	-	12,42.31	4,46.17
Total	**500,02.53**	**44,98.95**	**8,46.30**	**536,55.18**	**222,65.50**	**39,82.34**	**6,93.41**	**-**	**255,54.43**	**281,00.75**

(₹ 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**

Notes:

Note 3 (a):

Plant and equipment includes computers.

Note 3 (b):

Impairment charge for the year ended March 31, 2022 was on account of additional impairment taken for old Eltroxin facility at Nashik

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Capital work-in-progress:

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Opening Balance	30,50.21	13,21.43
Additions	45,71.56	35,35.92
Less:		
Capitalisation	(55,90.59)	(18,07.14)
Closing Balance	**20,31.18**	**30,50.21**

(₹ in lakhs)

	As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	17,34.44	2,56.65	29.08	11.01	20,31.18

(₹ 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

Following is the Project which is overdue or has exceeded its cost compared to its original plan:

(₹ in lakhs)

	As at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital work-in-progress	7,10.18	-	-	11.01	7,21.19

(₹ 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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 4 : Investment Property

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
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	1,05.84	91.46
Depreciation	14.38	14.38
Closing Accumulated Depreciation	1,20.22	1,05.84
Net carrying amount	**1,06.19**	**1,20.57**

(i) Amounts recognised in the Statement of Profit and Loss for investment property

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation	(14.38)	(14.38)

(ii) Estimation of fair value

The Group has three properties (March 31, 2022: three properties) that have been considered as Investment Properties. These comprise of three vacant land sites (March 31, 2022: 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 ₹239,39.48 lakhs (March 31, 2022: ₹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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 5 : Intangible assets

(₹ in lakhs)

	Gross Carrying Value				Accumulated Depreciation			Net Carrying Value
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	Charge for the Year	As at March 31, 2023	As at March 31, 2023
Intangible Assets								
Computer Software	74,04.59	28.94	-	74,33.53	39,54.85	9,54.42	49,09.27	25,24.26
Technical knowhow	-	8,99.82	-	8,99.82	-	15.00	15.00	8,84.82
Total	**74,04.59**	**9,28.76**	**-**	**83,33.35**	**39,54.85**	**9,69.42**	**49,24.27**	**34,09.08**

(₹ 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	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**

Note 6 : Non-current financial assets - Loans

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Advances recoverable	26.55	26.55
Less: Provision for bad and doubtful loans and advances	(26.55)	(26.55)
Loans to related parties - Unsecured considered good	70,00.00	190,00.00
	70,00.00	**190,00.00**

Note 7 : Non-current financial assets - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Margin money / Deposit against bank guarantee	4,75.99	4,10.78
Security Deposits - Unsecured considered good	7,32.36	6,94.06
Security Deposits - Unsecured considered doubtful	2,57.06	2,57.06
Less: Allowance for doubtful deposits	(2,57.06)	(2,57.06)
Term deposit with maturity period of more than twelve months	2.65	1.45
	12,11.00	**11,06.29**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 8 : Other non-current assets

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Capital advances	3,13.23	3,13.23
Less : Allowance for doubtful advances	(2,83.17)	(2,83.17)
	30.06	30.06
Balances with Government Authorities	20,48.82	19,16.60
Sundry Deposits	30,56.61	31,48.18
Others	1,07.74	1,33.18
	52,43.23	**52,28.02**

Note 9 : Inventories (at lower of cost or net realisable value)

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Raw materials and Packing materials (includes in-transit as on March 31, 2023: ₹ 1,59.75 lakhs; March 31, 2022 ₹ Nil)	106,07.79	107,10.87
Work-in-progress	95.19	87.62
Finished goods	100,83.02	150,55.55
Stock-in-trade (includes in-transit as on March 31, 2023: ₹ 3,61.86 lakhs; March 31, 2022 ₹ 9,30.83 lakhs)	248,26.09	272,27.35
Stores and spares	3,84.95	3,88.15
	459,97.04	**534,69.54**

Note 10 : Current Investments

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Quoted		
Investments measured at Fair value through profit and loss		
Investment in Mutual Funds	518,28.88	365,59.23
	518,28.88	**365,59.23**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 11 : Trade receivables

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Unsecured, Considered good	192,37.50	205,23.89
Receivables which have significant increase in Credit Risk (Refer Note 49 C)	12,86.80	20,23.24
Less : Allowance for doubtful receivables	(12,86.80)	(20,23.24)
	192,37.50	**205,23.89**

During the year ended March 31, 2023 the Group has utilised allowance for doubtful debts of ₹ 7,36.44 lakhs (net) (Previous Year created provision of: ₹ 16.17 lakhs (net))

Trade Receivables Ageing :-

(₹ in lakhs)

	Outstanding as at March 31, 2023						
	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	178,06.79	9,65.73	49.86	17.35	23.81	3,73.96	192,37.50
(ii) Undisputed trade receivables - which have significant increase in credit risk	3.91	73.29	22.52	18.63	9.94	8,15.93	9,44.22
(iii) Disputed trade receivables - which have significant increase in credit risk	-	-	6.40	40.05	6.74	2,89.39	3,42.58
Less : Allowance for doubtful receivables							(12,86.80)
Total							**192,37.50**

(₹ 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, 2023

Note 12 : Cash and cash equivalents

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Balances with Banks:		
Current account	34,90.09	56,12.71
Term deposits with original maturity period of less than three months	4.00	230,06.00
	34,94.09	**286,18.71**

Note 13 : Bank balances other than cash and cash equivalents

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Earmarked Balances:		
Unclaimed dividend accounts	19,12.46	18,28.05
Term deposits with original maturity period of more than three months but less than twelve months	1100,89.00	2179,10.00
Margin money	97.29	94.02
	1120,98.75	**2198,32.07**

Note 14 : Current financial assets - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
(Unsecured considered good)		
Receivable from group companies	123,25.97	63,89.36
Interest accrued on deposits with banks	14,07.64	7,63.71
Advances recoverable	31.65	31.65
	137,65.26	**71,84.72**

Note 15 : Other current assets

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Balances with Government Authorities	4,37.53	9,72.50
Advance to Creditors	7,52.62	18,35.40
Prepayments and Prepaid Expenses	14,95.98	13,92.58
Others	3,18.80	4,03.36
	30,04.93	**46,03.84**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 16 : Assets classified as held for sale

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Freehold Land and Building	-	9.60
Plant and Machinery	-	1.63
	-	**11.23**

Notes:-

(a) Management has decided not to go ahead with sale of assets

Note 17 : Equity Share Capital

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Authorised		
18,00,00,000 (March 31, 2022: 18,00,00,000) equity shares of ₹10 each	180,00.00	180,00.00
Issued		
16,94,15,420 (March 31, 2022: 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, 2022: 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, 2022: 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, 2023		As at March 31, 2022	
	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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

c) Shares held by promoters of Group

S.No.	Promoter's Name	FY 2022-23		FY 2021-22	
		No. of Shares	% of total shares	No. of Shares	% of total shares
(i)	Glaxo Group Limited, U.K.	6,09,70,500	35.99%	6,09,70,500	35.99%
(ii)	Eskaylab Limited, U.K.	1,17,60,000	6.94%	1,17,60,000	6.94%
(iii)	Burroughs Wellcome International Limited	67,20,000	3.97%	67,20,000	3.97%
(iv)	GlaxoSmithKline Pte Limited, Singapore	4,76,04,024	28.10%	4,76,04,024	28.10%

d) Shares held by Holding company, ultimate holding company and subsidiaries of holding and ultimate holding company

	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	% Shareholding	Number of Shares	% Shareholding
(i) Glaxo Group Limited, U.K. (subsidiary of ultimate holding company)	6,09,70,500	35.99%	6,09,70,500	35.99%
(ii) Eskaylab Limited, U.K. (subsidiary of ultimate holding company)	1,17,60,000	6.94%	1,17,60,000	6.94%
(iii) Burroughs Wellcome International Limited (subsidiary of ultimate holding company)	67,20,000	3.97%	67,20,000	3.97%
(iv) GlaxoSmithKline Pte Limited, Singapore (subsidiary of ultimate holding company)	4,76,04,024	28.10%	4,76,04,024	28.10%

e) Details of equity shares held by shareholders holding more than 5% shares of the aggregate shares in the Group:

	As at March 31, 2023		As at March 31, 2022	
	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%

Note 18 : Other equity

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Capital redemption reserve	2,62.00	2,62.00
General reserve	778,50.29	778,50.29
Capital reserve (Refer Note 55)	(19,07.01)	(19,07.01)
ESOP Reserve	(1,67.72)	-
Retained earnings (Including Other Comprehensive Income)	811,49.14	1731,49.70
	1571,86.70	**2493,54.98**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 19 : Non-current financial liabilities - Lease liabilities

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer Note 47)	3,45.54	7,62.35
	3,45.54	**7,62.35**

Note 20 : Non-current financial liabilities - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Security deposits received (Unsecured)	67.59	2,05.09
Other non-current financial liabilities	0.72	0.72
	68.31	**2,05.81**

Note 21 : Non-current provisions

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
For Pricing matters (Refer Note 27 ,41 and 43)	123,96.15	123,96.15
For employee benefits (Refer Note 39)	-	-
Gratuity	4,56.32	17,68.11
Leave encashment and compensated absences	31,59.67	36,74.38
Post retirement medical and other benefits	74,80.78	61,78.92
For long term incentive plan (Refer Note 27 and 53)	1,97.94	4,14.14
For divestment / restructuring (Refer Note 27)	1,92.96	1,92.96
For others (Refer Note 27)	15,96.50	15,96.50
	254,80.32	**262,21.16**

Note 22 : Current financial liabilities

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer Note 47)	12,08.38	12,45.30
	12,08.38	**12,45.30**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 23 : Trade payables

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (Refer Note 45)	4,95.44	7,92.72
Total outstanding dues of creditors other than micro enterprises and small enterprises	422,83.43	571,39.93
	427,78.87	**579,32.65**

Trade Payables Ageing :-

(₹ in lakhs)

	Outstanding as at March 31, 2023						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	4,77.21	11.85	0.57	0.02	5.79	4,95.44
(ii) Others	187,19.48	142,83.60	82,11.03	7,15.64	2,67.81	85.87	422,83.43

(₹ 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	198,87.92	263,83.13	97,78.19	10,01.46	89.23	-	571,39.93

Note 24 : Current financial liabilities - Others

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Unclaimed dividends *	19,12.46	18,28.05
Salaries, wages, bonus and employee benefits payable	85,87.60	95,49.35
Creditors for capital goods	1,71.30	1,66.54
Rationalisation relating to a manufacturing site	1,30.28	1,30.28
Other Payables	8,28.54	16,76.35
	116,30.18	**133,50.57**

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 25 : Other current liabilities

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Statutory dues including provident fund and tax deducted at source *	49,06.36	353,26.25
Advance from Customers	7,07.83	4,34.74
Other liabilities	5.94	16.88
	56,20.13	**357,77.87**

* During the previous year ended March 31, 2022, statutory dues includes ₹295,77.67 lakhs payable towards indirect tax liability on sale of brands and other identified assets.

Note 26 : Current provisions

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
For employee benefits (Refer Note 39)		
Leave encashment and compensated absences	4,34.88	4,16.75
Post retirement medical and other benefits	4,48.39	3,41.99
For long term incentive plan (Refer Note 27 and 53)	4,38.14	5,81.58
For expected sales returns (Refer Note 27)	130,76.79	91,83.75
For others (Refer Note 27)	273,80.90	213,92.07
	417,79.10	**319,16.14**

Note 27 : Movement in provisions

(₹ in lakhs)

	Pricing matters Refer note (i)	Long term Incentive Plan Refer note 53	Divestment / Restructuring Refer note (i)	Expected Sales Returns Refer note (ii)	Associated cost to Impairment and cost to sell	Severance pay	Provision for Zinetac (Other costs) Refer note (iii)	Others Refer note (iv)
Balance as at April 1, 2022	**123,96.15**	**9,95.72**	**1,92.96**	**91,83.75**	**5,00.00**	**3,66.34**	**6,58.53**	**214,63.70**
Add: Provision during the year	-	5,94.07	-	95,49.96	-	-	-	77,07.57
Less: Amounts utilised/reversed during the year	-	9,53.71	-	56,56.92	-	75.77	-	16,42.97
Balance as at March 31, 2023	**123,96.15**	**6,36.08**	**1,92.96**	**130,76.79**	**5,00.00**	**2,90.57**	**6,58.53**	**275,28.30**
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	-	-	-	76,88.26
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**	**214,63.70**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 41 and 43.

(ii) Expected sales returns: This represents provision made for expected sales returns. Revenue is adjusted for the expected value of returns.

(iii) Provision for Zinetac (Other costs) : This represents provision for incidental costs and other related costs for the Zinetac inventory pending to be destroyed.

(iv) Consists mainly of provisions in respect of indirect tax matters.

Note 28 : Revenue from operations

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
A. Sale of products		
Sale of products	3226,37.87	3264,08.12
	3226,37.87	**3264,08.12**
B. Other operating revenue		
Service income	24,23.60	12,70.67
Others	1,10.83	1,24.13
	25,34.43	**13,94.80**
Total Revenue from operations (A + B)	**3251,72.30**	**3278,02.92**
C. Revenue from contracts with customers disaggregated based on geography (Refer Note 51)		
Revenue from the Country of Domicile- India	3187,71.80	3196,13.20
Revenue from foreign countries	64,00.50	81,89.72
	3251,72.30	**3278,02.92**
D. Reconciliation of gross revenue with revenue from contracts with customers		
Gross revenue	3542,77.73	3580,39.50
Less:		
Trade discounts, volume rebates, etc.	316,39.86	316,31.38
Net revenue recognised from contracts with customers	**3226,37.87**	**3264,08.12**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 29 : Other income

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on:		
Deposits with banks	63,18.34	40,49.44
Income Tax Refund	-	26,83.54
Loans	6,22.78	3,31.81
Others	40.07	50.49
Gain on liquid investments	30,77.85	59.23
Gain on disposal of Property, Plant and Equipment (net)	2.78	32.37
Provision written back	-	0.67
Others	4.28	3,70.01
	100,66.10	**75,77.56**

Note 30 : Cost of materials consumed

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Cost of materials consumed	427,48.55	611,17.68
	427,48.55	**611,17.68**
Purchases of stock-in-trade	788,43.09	729,44.10
	788,43.09	**729,44.10**

Note 31 : Changes in inventories of Finished Goods, Stock-in-Trade and Work-In-Progress

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Opening 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**
Less: Closing stock		
Finished goods*	100,83.02	145,85.33
Stock-in-trade	248,26.09	272,27.35
Work-in-progress	95.19	87.62
	350,04.30	**419,00.30**
	68,96.00	**15,57.31**

* During the previous year ended March 31, 2022, finished goods inventory have been adjusted to give effect of discontinued operations (Refer Note 54).

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Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 32 : Employee benefits expense

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	541,72.49	552,62.77
Contributions to : Provident and pension funds (Refer Note 39)	21,58.89	23,14.96
Gratuity funds (Refer Note 39)	8,63.75	8,53.87
Share based payments to employees	2,53.34	6,54.48
Staff welfare expense	20,50.10	19,37.05
	594,98.57	**610,23.13**

* Net off recharges

Note 33 : Finance Costs

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
On Security deposits	41.44	25.91
Interest in respect of financial lease liability	1,39.78	1,73.70
	1,81.22	**1,99.61**

Note 34 : Depreciation and amortization expense

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
On Property, Plant and Equipment* (Refer Note 3)	39,82.34	43,81.57
On Investment Properties (Refer Note 4)	14.38	14.38
On Other Intangible assets (Refer Note 5)	9,69.42	9,46.96
On Right to use Assets (Building) (Refer Note 47)	16,10.58	14,75.69
	65,76.72	**68,18.60**

* In previous year, depreciation has been adjusted to give effect for discontinued operations (Refer Note 54).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 35 : Other expenses

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Sales promotion	109,12.34	127,68.80
Stock point commission	19,47.44	20,94.98
Freight	52,37.04	50,94.92
Travelling	75,93.12	54,58.91
Exchange loss (net)	9,90.73	5,13.56
Manufacturing charges	73,84.66	93,46.30
Repairs:		
Buildings	9,56.87	9,25.39
Plant and Machinery	9,67.32	12,76.75
	19,24.19	**22,02.14**
Consumption of stores and spares	5,96.44	4,65.55
Power, fuel and water	29,59.67	27,83.23
Rent	2,09.79	1,81.29
Rates and taxes	63,97.15	27,66.87
Printing, postage and telephones	11,63.26	11,52.82
Sales training, briefing and conference	4,76.41	4,46.62
Insurance	5,10.38	5,35.41
Remuneration to auditors :		
Statutory audit fees	1,10.62	1,12.00
In other capacity in respect of :		
Tax audit fees	7.42	7.00
Other services	-	2.50
Reimbursement of expenses	1.38	-
	1,19.42	**1,21.50**
Cost audit fees	5.70	5.70
Corporate social responsibility (Refer Note 37)	6,47.36	5,25.50
Commission to non whole-time Directors	1,28.92	95.00
Directors' sitting fees	46.00	47.50
Legal and professional fees	22,83.18	35,96.56
Miscellaneous	52,24.26	47,69.74
	567,57.46	**549,72.90**

* Net off recharges

Note 36 :

The recurring expenditure on research and development charged off to statement of profit and loss amounts to ₹ 1,90.99 lakhs (Previous Year: ₹ 1,82.85 lakhs).

GSK

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 37 : 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, 2023	Year ended March 31, 2022
a)	Amount required to be spent by Parent Company during the year*	13,46.34	12,53.68
b)	Amount of expenditure incurred (net of intercompany elimination)	7,14.68	5,88.18
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	6,33.29	6,65.55
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 ₹ 67.32 lakhs (Previous Year ₹ 62.68 lakhs) towards Corporate Social Responsibility which are shown under Employee Benefits Expenses in note 32.

Note 38 : Exceptional Items (net)

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit on sale of property	9,64.39	31,40.01
Associated cost to Impairment (Refer Note (a) below)	-	1,70.10
Impairment of Nashik Assets	-	(1,44.02)
Redundancy Costs (Refer Note (b) below)	(11,36.95)	(20,08.43)
Others	75.77	-
	(96.79)	**11,57.66**

Notes:

a) Post-transaction closing adjustments consequent to disposal of Asset held for sale at Vemgal.

b) Restructuring cost of manufacturing and commercial organisation.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 39 : 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, 2023. 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)

	Year ended March 31, 2023	Year ended March 31, 2022
Charge to the Statement of Profit and Loss based on contributions:		
Superannuation	1,99.45	2,54.18
National Pension Scheme	2,21.61	2,10.70
Employees' pension scheme	4,92.60	5,47.56

(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 ₹ 35,94.55 lakhs. (March 31, 2022: ₹ 40,91.13 lakhs).

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:

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	Year ended March 31, 2023			Year ended March 31, 2022		
	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	104,31.86	65,20.91	645,89.15	108,55.24	66,21.23	616,75.48
Amount recognised in Statement of profit and loss/Capitalised						
Current service cost	7,81.40	55.40	12,81.32	7,78.04	68.95	13,06.47
Past service cost	-	-	-	-	-	-
Interest cost	7,05.21	4,42.86	44,57.78	7,13.53	4,40.35	42,03.58
	14,86.61	**4,98.26**	**57,39.10**	**14,91.57**	**5,09.30**	**55,10.05**
Amount recognised in other comprehensive income						
Actuarial loss / (gain) arising from:						
Financial assumptions	(3,34.05)	(4,06.56)	10,24.15	(51.10)	(1,13.87)	5,04.93
Demographic assumptions	-			-	-	
Experience adjustment	(3,89.64)	16,88.80	(9,25.11)	5,13.53	(1,54.82)	(2,87.17)
	(7,23.69)	**12,82.24**	**99.04**	**4,62.43**	**(2,68.69)**	**2,17.76**
Contributions by employee	-	-	36,96.37	-	-	39,22.56
Liabilities assumed on acquisition/ (settled on divestiture)	-	-	(3,42.95)	-	-	(9,53.87)
Benefits paid	(9,51.25)	(3,72.24)	(62,84.10)	(23,77.38)	(3,40.93)	(57,82.83)
Less : In process of transfer to EPFO	-	-	(5,33.47)	-	-	-
Closing defined benefit obligation	**102,43.53**	**79,29.17**	**669,63.14**	**104,31.86**	**65,20.91**	**645,89.15**
(ii) Change in Fair Value of Assets						
Opening fair value of plan assets	86,63.75	-	640,84.22	91,56.28	-	616,75.48
Amount recognised in the Statement of Profit and Loss/Capitalised						
Expected return on plan assets	6,22.86	-	44,57.78	6,37.70	-	42,03.58
Amount recognised in other comprehensive income						
Actuarial gain / (loss)	(2,48.15)	-	(9,25.11)	(52.85)	-	(2,87.17)
Contributions by employer	17,00.00	-	12,81.32	13,00.00	-	13,06.47
Contributions by employee	-	-	36,96.37	-	-	39,22.56
Assets Acquired on acquisition/ (settled on divestiture)	-	-	(3,42.95)	-	-	(9,53.87)
Benefits paid	(9,51.25)	-	(62,84.10)	(23,77.38)	-	(57,82.83)
Less : In process of transfer to EPFO	-	-	(5,33.47)	-	-	-
Closing fair value of plan assets	**97,87.21**	**-**	**654,34.06**	**86,63.75**	**-**	**640,84.22**
Actual return on Plan Assets	3,74.71	-	35,32.67	5,84.85	-	39,16.41

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	Year ended March 31, 2023			Year ended March 31, 2022		
	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)
(iii) Amount recognised in the Statement of Profit and Loss						
Service Cost:						
Current service cost	7,81.40	55.40	12,81.32	7,78.04	68.95	13,06.47
Past service cost	-	-	-	-	-	-
Net interest expense	82.35	4,42.86	-	75.83	4,40.35	-
Less : Capitalised	-	-	-	-	-	(3.95)
Less : Employee Cost cross charged to group company	-	-	(36.09)	-	-	-
Components of defined benefit costs recognised in the Statement of Profit and Loss	**8,63.75**	**4,98.26**	**12,45.23**	**8,53.87**	**5,09.30**	**13,02.52**
(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)	(2,48.15)	-	(9,25.11)	(52.85)	-	(2,87.17)
Actuarial gain / (loss) arising from changes in demographic assumptions	-	-	-	-	-	-
Actuarial gain / (loss) arising from changes in financial assumptions	3,34.05	4,06.56	-	51.10	1,13.87	-
Actuarial gain / (loss) arising from changes in experience adjustments	3,89.65	(16,88.80)	9,25.11	(5,13.53)	1,54.82	2,87.17
Components of defined benefit costs recognised in Other Comprehensive Income	**4,75.55**	**(12,82.24)**	**-**	**(5,15.28)**	**2,68.69**	**-**
(v) Amount recognised in the Balance Sheet						
Present value of obligations as at year end	102,43.53	79,29.17	669,63.14	104,31.86	65,20.91	645,89.15
Fair value of plan assets as at year end	97,87.21	-	669,63.14	86,63.75	-	645,89.15
Net (asset) / liability recognised as at year end	**4,56.32**	**79,29.17**	**-**	**17,68.11**	**65,20.91**	**-**
(vi) The major categories of plan assets are as follows:						
Government of India Securities	3%		51%	3%		50%
Other debt instruments	8%		39%	0%		31%
Special Deposit Scheme	0%		0%	8%		8%
Insurer managed funds	89%		0%	88%		0%
Equity instruments	0%		6%	0%		6%
Others	0%		4%	1%		5%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	Year ended March 31, 2023			Year ended March 31, 2022		
	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)
(vii) Principal actuarial assumptions used						
Discount rate (p.a.)	7.50%	7.50%	7.50%	7.05%	7.05%	7.05%
Expected rate of return on plan assets (p.a.)	7.50%		8.18%	7.05%		8.79%
Salary escalation rate	5.00% - 7.00%			5.00% - 7.00%		
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table.	Indian Assured Lives Mortality (2012-14) Ult table.		Indian Assured Lives Mortality (2012-14) Ult table.	Indian Assured Lives Mortality (2012-14) Ult table.	
Expected retirement age of employees (years)	60	60		60	60	
Annual increase in health care premiums (p.a.)		5.00%			5.00%	

(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, 2023		Year ended March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement) - Gratuity	-4.34%	4.69%	-4.55%	4.92%
Future salary growth (0.5% movement) - Gratuity	4.17%	-3.96%	4.34%	-4.15%
Discount rate (0.5% movement) - Post retirement medical benefit	-5.24%	5.77%	-5.51%	6.10%
Medical inflation rate (1% movement)	11.51%	-9.58%	11.89%	-9.82%
Life expectancy +/- 1 year	2.81%	-2.90%	2.86%	-2.95%

The above sensitivity analysis has 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, 2024 is ₹ 12,00.00 lakhs (March 31, 2023: ₹ 12,00.00 lakhs)

The weighted average duration of defined benefit obligation is 9.02 years (March 31, 2022: 9.45 years)

The expected maturity analysis of un-discounted Gratuity and Post employment medical benefits is as below:

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

March 31, 2023	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Defined benefit obligations (Gratuity)	10,10.24	8,76.44	28,59.30	195,42.30	242,88.28
Post employment medical benefits	4,48.39	4,75.94	15,77.26	227,76.97	252,78.56
Total	**14,58.63**	**13,52.38**	**44,36.56**	**423,19.27**	**495,66.84**

(₹ 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**

Note 40 : Contingent liabilities

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
A. Contingent Liabilities not provided for:		
(i) Cheques discounted with banks	1,88.48	3,57.28
(ii) In respect of claims made against the Group not acknowledged as debts by the Group		
(a) Sales tax matters	27,96.54	27,80.59
(b) Excise and custom matters	7,82.38	8,01.21
(c) Service tax matters	1,55.47	1,29.20
(d) Labour matters	63,42.77	62,82.14
(e) Other legal matters (Refer Note 42)	26,81.29	26,87.29
	127,58.45	**126,80.43**
(iii) Income-tax matters in respect of which appeals are pending		
Tax on matters in dispute	222,40.00	222,40.00
(iv) Guarantee given to the Custom Authorities	2,00.00	2,00.00
Notes:		
Future cash outflows in respect of (i) above are dependent 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 (Refer Note (a) below)	7,92.58	14,19.28
(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 mainly comprises the miscellaneous capitalisations at site.

(b) Future cash outflow is dependent on the call to be made by Hill Properties Limited.

Note 41 : 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 Parent Company, the Supreme Court has, vide its Judgement and Order dated March 31, 2011, upheld the demand. The Parent 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 Parent 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 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 ₹ 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 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 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 is at 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 21, 2023.

Note 42 : 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 Supreme Court from the Bombay High Court was not allowed and the Company's writ petition is pending hearing 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 43 : 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 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 BSL depositing 50% of the principal amount. Accordingly, 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 BSL's writ petition will now be heard by the Bombay High Court.

Note 44 : 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 Consolidated Financial Statements

for the year ended March 31, 2023

Note 45 : Disclosures as required by Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(₹ in lakhs)

			As at March 31, 2023	As at March 31, 2022
(a)	The principal amount and the interest due thereon remaining unpaid to suppliers			
	(i)	Principal	4,43.69	7,36.88
	(ii)	Interest due thereon	51.85	55.84
			4,95.54	**7,92.72**
(b)	(i)	The delayed payments of principal amount paid beyond the appointed date during the entire accounting year	18,18.04	30,19.22
	(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	-	-
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 46 : Tax expense

(a) Amounts recognised in the Statement of Profit and Loss

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Current tax (for continuing and discontinued operations)		
Current tax on profits for the year	248,20.71	613,97.09
Current tax on account of earlier years	-	187,93.59
Total current tax expense	**248,20.71**	**801,90.68**
Deferred tax (for continuing and discontinued operations)		
In respect of current year	(18,36.76)	(9,40.14)
Total Deferred tax (benefit) / expense	**(18,36.76)**	**(9,40.14)**
Total tax expense	**229,83.95**	**792,50.54**
Total tax expense attributable to :-		
from continuing operations	228,75.78	398,27.92
from discontinued operations	1,08.17	394,22.62
Total tax expense	**229,83.95**	**792,50.54**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(b) Amounts recognised in Other Comprehensive Income (OCI)

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Items that will not be reclassified to the Statement of Profit and Loss		
Current tax (income):		
Remeasurements of the defined benefit plans	(2,03.03)	(62.06)

(c) Reconciliation of effective tax rate

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax from continuing and discontinued operations	840,52.63	2487,22.47
Tax using the Group's domestic tax rate at 25.168% on Normal Profit	214,11.61	215,19.02
Tax using the Group's domestic tax rate in terms of Long Term Capital Gain at 22.88%	2,14.84	380,98.99
Total Tax	**216,26.45**	**596,18.01**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	3,38.85	3,15.61
Impairment of assets	-	36.25
Physician Samples disallowed and added back in the computation	5,04.40	3,46.82
Payment to Doctors (HCP Payment estimated Basis)	4,84.75	1,25.84
Other items	29.50	14.42
Tax effect on account of earlier years:		
Current tax on account of earlier years (refer note (a) below)	-	187,93.59
Total tax Expense	**229,83.95**	**792,50.54**

Consequent to the reconciliation items shown above, the effective tax rate is 27.34% (Financial Year 2021-22: 31.86%)

(a) During the previous year ended March 31, 2022 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, 2023

(d) Movement in deferred tax balances

(₹ in lakhs)

	Balance as at April 1, 2022	Recognised in the Statement of Profit and Loss	Recognised in OCI	Balance as at March 31, 2023
Deferred tax asset				
Provision for Employee Benefits	29,44.99	(2,13.69)	2,03.03	29,34.33
Voluntary retirement schemes	9,05.46	(2,47.59)	-	6,57.87
Allowance for doubtful debts	5,78.37	(1,85.11)	-	3,93.26
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	71,44.02	24,14.19	-	95,58.21
Total Deferred tax asset	**132,03.38**	**17,67.80**	**2,03.03**	**151,74.21**
Deferred tax liabilities				
Fiscal allowance on Property, Plant and Equipment and Other Intangible assets	(18,88.57)	68.96	-	(18,19.61)
Deferred tax asset (net)	**113,14.81**	**18,36.76**	**2,03.03**	**133,54.60**

(₹ 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**

(e) The details of income tax assets and income tax liabilities as at March 31, 2023 and March 31, 2022

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Current Tax Assets (Net)	213,96.06	197,60.40
Current Tax Liabilities (Net)	296,20.35	296,20.35
Net current income tax (liability)/asset at the end	**(82,24.29)**	**(98,59.95)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

The gross movement in the current tax (liability)/asset for the year ended March 31, 2023 and March 31, 2022 is as follows::

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Net current income tax (liability)/asset at the beginning	(98,59.95)	182,77.75
Income tax Paid	264,56.37	620,36.28
Refund received during the year	-	(99,83.36)
Current Income Tax Expense	(248,20.71)	(613,97.09)
Tax Adjustment of earlier years	-	(187,93.53)
Net current income tax (liability)/asset at the end	**(82,24.29)**	**(98,59.95)**

(f) Unused tax losses on which no deferred tax asset has been recognised

(₹ in lakhs)

Nature of Loss	As at March 31, 2023		As at March 31, 2022	
	Base Amount	Expiry date	Base Amount	Expiry date
Capital Loss	-	-	894,42.25	FY 2029-30

Note 47 : Leases

Future contractual charges on leases:

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis

(₹ in lakhs)

0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	Above 5 years
12,63.09	3,44.40	7.53	-	-	-

Right of use asset

(₹ in lakhs)

	Buildings
Balance as on April 1, 2022	17,57.48
Additions	12,33.04
Less: Depreciation	(16,10.58)
Balance as on March 31, 2023	**13,79.94**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Other financial lease liabilities

(₹ in lakhs)

	Buildings
Lease liabilities recognised as at April 1, 2022	**20,07.65**
Additions	12,33.04
Add: Interest accrued during the period	1,39.78
Less: Payments	(18,26.55)
Lease liabilities recognised as at March 31, 2023	**15,53.92**
Current lease liabilities	12,08.38
Non-current lease liabilities	3,45.54

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%

Note 48 : Earnings per share

		Year ended March 31, 2023	Year ended March 31, 2022
Profit after tax from continuing operations	₹ in lakhs	607,64.22	380,76.89
Profit after tax from discontinued operations	₹ in lakhs	3,04.46	1313,95.04
Profit after tax from continuing and discontinued operations	₹ in lakhs	**610,68.68**	**1694,71.93**
Weighted average number of shares	Nos.	169,406,034	169,406,034
Earnings per share before Exceptional items from continuing operations (Basic and Diluted) (Refer Note (a) below)	₹	35.90	21.73
Earnings per share after Exceptional items from continuing operations (Basic and Diluted)	₹	35.87	22.48
Earnings per share from discontinued operations (Basic and Diluted)	₹	0.18	77.56
Earnings per share before Exceptional items from continuing and discontinued operations (Basic and Diluted) (Refer Note (b) below)	₹	36.08	99.29
Earnings per share after Exceptional items from continuing and discontinued operations (Basic and Diluted)	₹	36.05	100.04
Face value per share	₹	10	10

(a) During the previous year ended March 31, 2022, earning per share before exceptional items from continuing operations was impacted by tax adjustment for earlier years. Excluding the impact of the same Earning per share for March 31, 2022 is ₹ 32.83.

(b) During the previous year ended March 31, 2022 earning per share was 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 ₹ 35.93.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 49 : 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, 2023	As at March 31, 2022
Financial assets at amortised cost		
Security Deposits	7,32.36	6,94.06
Margin money/ Deposit against bank guarantee	4,75.99	4,10.78
Term deposit with maturity period of more than twelve months	2.65	1.45
Loans to related parties	70,00.00	190,00.00
Trade receivables	192,37.50	205,23.89
Cash and cash equivalents	34,94.09	286,18.71
Bank balances other than Cash and cash equivalents	1120,98.75	2198,32.07
Interest accrued on deposits with bank	14,07.64	7,63.71
Receivable from group companies	123,25.97	63,89.36
Advances recoverable	31.65	31.65
Total financial assets	**1568,06.60**	**2962,65.68**

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Financial assets at Fair value through profit and loss		
Current Investments	518,28.88	365,59.23
	518,28.88	**365,59.23**

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Financial liabilities at amortised cost		
Other financial lease liabilities	15,53.92	20,07.65
Security deposits received	68.31	2,05.81
Payable to employees	85,87.60	95,49.35
Unclaimed dividends	19,12.46	18,28.05
Trade payables	427,78.87	579,32.65
Creditors for capital goods	1,71.30	1,66.54
Rationalisation relating to a manufacturing site	1,30.28	1,30.28
Other Payables	8,28.54	16,76.35
Total financial liabilities	**560,31.28**	**734,96.68**

Items of income, expenses, gains or losses related to financial instruments:

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Net Gain/(losses) on financial assets and financial liabilities measured at fair value through profit and loss (FVTPL)		
Gain/(losses) on fair valuation or sale of investments	30,77.85	59.23

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, 2023	As at March 31, 2022	
Financial assets		-	-	
Investments				
Mutual fund investments	Level -1	518,28.88	365,59.23	Net asset value published by Mutual Fund
Total financial assets		**518,28.88**	**365,59.23**	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(b) Fair value of financial assets and liabilities measured at amortised cost*

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Financial assets		
Security Deposits		
Carrying value	7,32.36	6,94.06
Fair value	7,32.36	6,94.06
Margin money / Deposit against bank guarantee		
Carrying value	4,75.99	4,10.78
Fair value	4,75.99	4,10.78
Term Deposits more than twelve months		
Carrying value	2.65	1.45
Fair value	2.65	1.45
Loan to Related Parties		
Carrying value	70,00.00	190,00.00
Fair value	70,00.00	190,00.00

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Financial liabilities		
Other financial lease liabilities		
Carrying value	15,53.92	20,07.65
Fair value	15,53.92	20,07.65
Security deposits received		
Carrying value	68.31	2,05.81
Fair value	68.31	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.

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, 2023 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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, 2023	Gross Carrying amount	Expected Credit Losses	Carrying amount of trade receivables (net of Expected Credit loss)
Not due	178,10.70	3.91	178,06.79
Past due 0-180 days	10,39.02	73.29	9,65.73
Past due 181-365 days	78.78	28.92	49.86
Past due 366-730 days	76.03	58.68	17.35
Past due 731-1095 days	40.49	16.68	23.81
Past due more than 3 years	14,79.28	11,05.32	3,73.96
Total	**205,24.30**	**12,86.80**	**192,37.50**

(₹ 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**

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, 2023, the Group had working capital of ₹ 1167,89.44 lakhs, including cash and cash equivalents of ₹ 34,94.09 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 ₹ 1100,89.00 lakhs and Current investments of ₹ 518,28.88 lakhs.

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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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, 2023	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	524,96.59	524,96.59	524,96.59	-	-	-
Unclaimed dividends	19,12.46	19,12.46	19,12.46	-	-	-
Lease liabilities	15,53.92	16,15.02	12,63.09	3,44.40	7.53	
Security deposits received	68.31	68.31	-	-	68.31	-

(₹ 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	694,55.17	694,55.17	694,55.17	-	-	-
Unclaimed dividends	18,28.05	18,28.05	18,28.05	-	-	-
Lease liabilities	20,07.65	21,50.06	12,81.61	5,54.61	3,13.84	
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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Exposure to currency risk

The Group's exposure to foreign currency risk at the end of the reporting period is as follows:

(₹ in lakhs)

Nature of Loss	As at March 31, 2023				As at March 31, 2022			
	GBP	USD	EUR	Others	GBP	USD	EUR	Others
Current Financial assets	122,51.66	-	-	-	58,80.52	-	3.27	-
Trade payables	(16,86.70)	(35,99.27)	(1,62.50)	(3,37.43)	(16,60.68)	(80,47.08)	(2,21.53)	-
Capital Creditors	-	(6.03)	-	-	-	(6.03)	(2.71)	-
Net statement of financial position exposure	**105,64.96**	**(36,05.30)**	**(1,62.50)**	**(3,37.43)**	**42,19.84**	**(80,53.11)**	**(2,20.97)**	**-**

Sensitivity analysis

A reasonably possible strenghtening / 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.

Effect in ₹ Lakhs	Strengthening / Weakening %	(Profit) or loss		Equity	
		Strengthening	Weakening	Strengthening	Weakening
As at March 31, 2023					
GBP	5%	5,28.25	(5,28.25)	-	-
USD	5%	(1,80.27)	1,80.27	-	-
EUR	5%	(8.12)	8.12	-	-
Other currencies	5%	(16.87)	16.87	-	-

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%	-	-	-	-

(Note: The impact is indicated on the profit/loss before tax basis)

Note 50 : 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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, 2023 and March 31, 2022.

(b) Dividend distribution and proposed dividend

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
(i) Equity shares		
Final dividend for the year ended March 31, 2022 of ₹ 90 (including special dividend of ₹ 60 per equity share) (March 31, 2021: ₹ 30) per fully paid share	(1524,65.58)	508,21.81
(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 ₹ 32 per fully paid equity share (March 31, 2022: ₹ 90 (including special dividend of ₹ 60 per equity share) per fully paid equity share)	542,12.93	1524,73.88
The proposed dividend for the year ended March 31, 2023 is subject to the approval of shareholders in the ensuing annual general meeting.		

Note 51 : 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, 2023	Year ended March 31, 2022
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	3187,71.80	3196,13.20
Revenue from foreign countries	64,00.50	81,89.72
Total	**3251,72.30**	**3278,02.92**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Details of non current asset		
Non Current asset from the Country of Domicile-India	616,66.43	611,03.45
Non Current asset from foreign countries	-	-
Total	**616,66.43**	**611,03.45**

Information about major customers

The Group did not have any external revenue from a particular customer which exceeded 10% of total revenue.

Note 52 : 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:

A) Parties where control exists:

I) **Ultimate Holding Company:** GlaxoSmithKline Plc, U.K.

II) **Entities having significant influence:**

Glaxo Group Limited, U.K.

GlaxoSmithKline Pte Limited, Singapore

Eskaylab Limited, U.K.

Burroughs Wellcome International Limited, U.K.

B) Other related parties with whom transactions have taken place during the year:

I) **Fellow Subsidiaries**

SmithKline Beecham Limited, U.K.

GlaxoSmithKline Asia Private Limited, India

GlaxoSmithKline Biologicals S.A., Belgium

GlaxoSmithKline Services Unlimited, U.K.

Glaxo Operations UK Limited, U.K.

GlaxoSmithKline Export Limited, U.K.

GlaxoSmithKline Research & Development Ltd, U.K.

GlaxoSmithKline LLC, U.S.A.

GlaxoSmithKline Trading Services Limited, Ireland

GlaxoSmithKline Pharma India Pvt. Ltd.

GSK India Global Services Private Limited

GlaxoSmithKline Pharmaceutical Ltd., Sri Lanka

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

C) Key management personnel and Independent director:

Directors:	GSK India Leadership Team:
Mr. J. Chandy # (w.e.f. April 1, 2022)	Mr. A. Nadkarni
Mr. B. Akshikar # (w.e.f. December 1, 2022)	Mr. R. D'souza
Ms. P. Thakur # (upto March 31, 2022)	Mr. S. Dheri (upto November 21, 2022)
Mr. S. Venkatesh # (upto November 30, 2022)	Ms. S. Choudhary
Mr. M. Dawson (upto June 30, 2022)	Ms. P. Hingorani (upto July 22, 2022)
Ms. S. Maheshwari	Dr. R. Hegde (w.e.f. September 02, 2021)
Mr. N. Kaviratne (upto July 26, 2022)	Mr. R. Manchanda (w.e.f. May 18, 2021)
Mr. P. V. Bhide	Mr. S. Mitra (w.e.f. April 01, 2021)
Ms. R. S. Karnad	Mr. B. Kotak (upto June 30, 2021)
Mr. A. N. Roy	Mr. S. Balasubramanian (upto November 25, 2022)
Mr. D. Sundaram	Mr. A. Kashyap
Mr. S. Williams	Mr. A. Pandey (w.e.f. February 01, 2022)
Mr. M. Anand (w.e.f. May 16, 2022)	Mr. C. Sharma
	Mr. N. Hindia (upto February 28, 2022)
	Mr. S. Mukherjee (w.e.f. July 15, 2022)
	Ms. S. Sohal (w.e.f. February 23, 2023)
# Also member of GSK India Leadership Team	Mr. S. Ramachandran (w.e.f. January 01, 2023)
	Mr. U. Singh (w.e.f. December 01, 2022)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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 "A" above:

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Glaxo Group Limited, U.K.	493,86.11	164,62.04
GlaxoSmithKline Pte Limited, Singapore	385,59.26	128,53.09
Eskaylab Limited, U.K.	95,25.60	31,75.20
Burroughs Wellcome International Limited, U.K.	54,43.20	18,14.40

(ii) Details relating to parties referred to in items "A" and "B" above:

(₹ in lakhs)

		Holding company/ultimate holding company A (I)		Other companies in the GSK Group A(II) and B(I)	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
1	Purchase of materials/traded goods	-	-	345,03.83	432,62.26
2	Sale of materials/sale of products (Refer Note 54)	-	-	44,97.80	74,65.64
3	Purchase of Vaccines business (Refer Note 55)	-	-	-	1,66.00
4	Purchase of license	-	-	-	8,99.82
5	Sale of brands and other identified assets	-	-	-	1639,84.36
6	Expenses recharged to other companies	-	-	66,07.83	15,95.30
7	Expenses recharged by other companies	-	7.50	31,10.91	144,43.40
8	Clinical research and data management recoveries	-	-	22,70.73	6,20.36
9	Interest income on loan given	-	-	6,12.97	3,19.58
10	Loans given	-	-	100,00.00	190,00.00
11	Loans repaid	-	-	220,00.00	-
12	Loan receivable from related party	-	-	70,00.00	190,00.00
13	Outstanding receivables at the period end	-	-	123,22.98	63,32.96
14	Outstanding payables at the period end	-	-	49,36.84	116,65.46

(iii) Disclosure in respect of material transactions with parties referred to in item A and B above:

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Purchase of materials/traded goods:		
	GlaxoSmithKline Biologicals S.A., Belgium	275,53.30	329,92.43
	GlaxoSmithKline Pharma India Pvt. Ltd.	17,10.78	15,53.70
	GlaxoSmithKline Export Limited, U.K.	52,39.75	87,16.13
(b)	Sale of materials/sale of products:		
	GlaxoSmithKline Asia Private Limited, India	-	65.19
	GlaxoSmithKline Export Limited, U.K.	44,97.80	74,00.45

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
(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
	GSK India Global Services Private Limited	5,54.47	6,57.22
	GSK Pharmaceuticals Pvt. Ltd. , Srilanka	-	64.78
	GlaxoSmithKline Export Limited, U.K.	85.20	1,56.07
	GlaxoSmithKline Biologicals S.A., Belgium	51,90.50	-
	GlaxoSmithKline Research & Development Ltd, U.K.	-	1,01.65
	GlaxoSmithKline Services Unlimited, U.K.	4,19.20	2,08.42
	Glaxo Operations UK Limited, U.K.	1,67.59	1,05.51
	GlaxoSmithKline Trading Services Limited, Ireland	10.23	11.86
(g)	Expenses recharged by other companies:		
	GlaxoSmithKline Services Unlimited, U.K.	95.90	1,32.55
	GlaxoSmithKline Pte Limited, Singapore	11.58	7.50
	GlaxoSmithKline Asia Private Limited, India	30,03.43	142,05.55
(h)	Clinical research and data management recoveries:		
	GlaxoSmithKline Biologicals S.A., Belgium	17,71.70	5,27.01
	GlaxoSmithKline Research & Development Ltd, U.K.	4,99.03	93.35
(i)	Interest income on loan given:		
	GSK India Global Services Private Limited	6,12.97	3,19.58
(j)	Loans given:		
	GSK India Global Services Private Limited	100,00.00	190,00.00
(k)	Loans repaid:		
	GSK India Global Services Private Limited	220,00.00	-
(l)	Loan receivable from related party:		
	GSK India Global Services Private Limited	70,00.00	190,00.00

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(₹ in lakhs)

	As at March 31, 2023
(m) Outstanding receivables at the period end:	
GlaxoSmithKline Biologicals S.A., Belgium	119,77.93
GlaxoSmithKline Services Unlimited, U.K.	1,21.67
GlaxoSmithKline Export Limited, U.K.	34.68
GSK India Global Services Private Limited	71.32

(₹ in lakhs)

	As at March 31, 2023
(n) Outstanding payables at the period end:	
GlaxoSmithKline Biologicals S.A., Belgium	28,40.26
GlaxoSmithKline Export Limited, U.K.	15,43.36
GlaxoSmithKline Services Unlimited, U.K.	2,23.90

(₹ in lakhs)

	As at March 31, 2022
(o) Outstanding receivables at the period end:	
GlaxoSmithKline Biologicals S.A., Belgium	41,38.04
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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(iv) Details relating to persons referred to in item "C" above:

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
1	Remuneration/commission/sitting fees	40,39.29	40,41.79
2	Payments under the long-term incentive plan	87.86	2,27.62
3	Sale of residential flat	6,38.00	-
4	Dividend paid	0.54	0.18

(v) Disclosure in respect of material transactions with persons referred to in item "C" above:

(₹ in lakhs)

		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Remuneration/commission/sitting fees (Refer Note below):		
	Mr. B. Akshikar	4,09.73	-
	Mr. J. Chandy	5,41.25	-
	Mr. S. Venkatesh	4,60.38	9,98.38
	Ms. P. Thakur	-	4,03.70
(b)	Payments made during the year under the long-term incentive plan (Refer Note below):		
	Mr. B. Akshikar	15.84	-
	Ms. S. Choudhary	27.67	-
	Mr. A. Nadkarni	17.66	-
	Mr. R. D'souza	13.54	-
	Ms. P. Thakur	-	85.82
	Mr. S. Dheri	-	39.64
(c)	Sale of residential flat		
	Mr. R. D'souza	6,38.00	-
(d)	Dividend paid		
	Ms. R. S. Karnad	0.54	0.18

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, 2023

Note 53 : Share-based payment arrangements

Restricted Share Awards (RSAs)

Certain employees of the Group are entitled to receive cash/equity settled stock based awards ('awards') pursuant to employee share schemes ('scheme') administered by GlaxoSmithKline Plc. ('Plc').

Under these plans, certain employees are granted cash / equity settled RSAs at no cost, which entitle them to receive cash equivalent to the stock price of the Plc's shares or shares of the Plc's 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 and there are no performance criteria attached.
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 3.75% (Previous Year 3.8%) over the duration of the award.

Reconciliation of RSAs

	Number of RSA	
	Cash Settled	Equity Settled
As at April 1, 2021	**165,184**	**-**
Granted	67,243	-
Exercised *	(65,995)	-
Cancelled**	(42,564)	-
As at March 31, 2022	**123,868**	**-**
Granted	67,079	4,261
Exercised *	(45,636)	-
Cancelled**	(23,919)	-
As at March 31, 2023	**121,392**	**4,261**

*The weighted average share price at the date of exercise of the awards exercised during the year ended March 31, 2023 was GBP 13.53 (March 31, 2022 GBP 16.47). The weighted fair value for the share settled awards granted during the year ended March 31, 2023 is GBP 13.45
** Also includes for employees transferred

Performance Share Plan

Under the Performance Share Plan, share awards are granted to Directors and senior executives at no cost. The percentage of each award that vests is based upon the performance of the Group over a defined measurement period with dividends reinvested during the same period. The performance conditions since 2022 are based on five measures over a three-year performance period. These are TSR (30%), pipeline progress (20%), profit measure (20%), sale measure (20%) and ESG environment (10%).

The fair value of the awards is determined based on the closing share price on the day of grant. For TSR performance elements, this is adjusted by the likelihood of that condition being met, as assessed at the time of grant.

During the year ended March 31, 2023, awards were made of 9,075 shares at a weighted fair value of GBP 12.37. As at March 31, 2023 there were outstanding awards of 9,075 shares.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

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, 2023	Year ended March 31, 2022
Restricted share Awards (RSAs) - Cash Settled	2,48.55	6,54.48
Restricted share Awards (RSAs) - Share Settled	1.62	-
Performance share plan	3.17	-

Carrying amount of liability

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
Carrying amount of liability included in long term incentive plan (Notes 22 and 27)	6,36.08	9,95.72

Carrying amount of reserves

(₹ in lakhs)

	As at March 31, 2023	As at March 31, 2022
ESOP Reserve (Restricted share Awards - Share Settled)	56.71	-
ESOP Reserve (Performance share Plan)	1,11.01	-

Note 54 : Disclosure pursuant to Ind AS 105 “Non-current assets held for sale and discontinued operations”:

(i) Transfer of Iodex and Ostocalcium Brands:

During the previous year ended March 31, 2022 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 lakhs. The transaction was consummated and the consideration was received by the Parent company during the previous 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".

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(ii) Financial performance related to discontinued operations:

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	20,79.29	298,04.68
Total income	**20,79.29**	**298,04.68**
Expenses		
Cost of materials consumed	(88.53)	(1,05.73)
Purchases of stock-in-trade	-	54,75.02
Changes in inventories of finished goods, stock-in-trade and work-in-progress	4,70.22	3,28.23
Depreciation and amortisation expense	-	39.59
Other expenses	12,84.97	168,15.25
Total expenses	**16,66.66**	**225,52.36**
Profit before tax	**4,12.63**	**72,52.32**
Tax Expense :		
Current tax	1,08.17	19,98.87
Profit from discontinued operations after tax	**3,04.46**	**52,53.45**
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)	**-**	**126,141.59**

(iii) Cash flow disclosure with respect to discontinued operations:

(₹ in lakhs)

	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities	(26,48.82)	68,71.24
Cash flow from investing activities	(295,77.67)	1561,38.28

Note 55:

During the previous year ended March 31, 2022 post the approval of the shareholders, the Parent Company on September 30, 2021, had acquired the assets and liabilities associated with the vaccine business of GlaxoSmithKline Asia Private Limited. The Parent Company 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 was restated for the acquisition as if the business combination occurred from the beginning of preceding periods. The Parent Company took over the assets at amortised cost of ₹ 1,29.00 lakhs, liabilities 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 was transferred to Capital reserve.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 56 : Relationship with struck off companies

Below struck off companies are equity shareholders of the Parent Company as on the Balance Sheet date

(₹ in lakhs)

Name of Struck off Company	Nature of transaction with struck off company	Dividend paid in current year
Gatisheel Finance Private Limited	Shares held by struck off company	1.80
Mallika Saran Holdings Private Limited	Shares held by struck off company	0.53
Fairgrowth Investments Limited	Shares held by struck off company	0.04
Popular Stock and Share Services Private Limited	Shares held by struck off company	0.18
Haresh Extrusion Company Pvt. Ltd.	Shares held by struck off company	0.06
Manilal Patel Private Limited	Shares held by struck off company	0.07
Siddha Papers Private Limited	Shares held by struck off company	*
Sitaram Projects Private Limited	Shares held by struck off company	*

* Value less than one lakh

(₹ in lakhs)

Name of Struck off Company	Nature of transaction	Transaction during the year March 31, 2023	Balance Outstanding as at March 31, 2023	Relationship with the struck off company
Vincon Infra Organisers Pvt. Ltd.	Capital Advance	-	2,83.17	Vendor

(₹ in lakhs)

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

Note 57 : 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

(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 58 :

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, 2023	As at March 31, 2023	Year ended March 31, 2023	Year ended March 31, 2023	Year ended March 31, 2023	Year ended March 31, 2023	Year ended March 31, 2023	Year ended March 31, 2023
Parent								
GlaxoSmithKline Pharmaceuticals Limited	98.15%	1708,98.29	98.84%	603,63.06	100.00%	(6,03.66)	98.83%	597,59.40
Subsidiary								
Indian								
Biddle Sawyer Limited	1.85%	32,29.01	1.16%	7,05.62	0.00%	-	1.17%	7,05.62
Total	**100.00%**	**1741,27.30**	**100.00%**	**610,68.68**	**100.00%**	**(6,03.66)**	**100.00%**	**604,65.02**

	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, 2023

Note 59 : Event occurring after balance sheet date

The Board of Directors of the Parent Company has recommended a Dividend of ₹ 32 per equity share of face value of ₹10 each for this year. (March 31, 2022: ₹90 (including special dividend of ₹ 60 per equity share) per equity share) (Refer Note 50 (b)).

Note 60:

As per MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, Companies are required to maintain daily back-up of the books of account and other relevant books and papers which are maintained in electronic mode on servers physically located in India.

The books of account of the Parent Company and other relevant books and papers are maintained in electronic mode other than certain records and papers which are physically maintained in India. The electronic books of accounts are always readily accessible from India and currently a daily backup is maintained on servers located outside India. The Parent Company is in the process of complying with the aforesaid MCA notification.

Note 61:

Previous year figures have been regrouped / reclassified wherever necessary.

Note 62: Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 17, 2023.

For and on behalf of the Board of Directors

R. S. Karnad	Chairperson	DIN: 00008064
B. Akshikar	Managing Director	DIN: 09112346
J. Chandy	CFO & Whole-time Director	DIN: 09530618
D. Sundaram	Audit Committee Chairman	DIN: 00016304
A. Nadkarni	Company Secretary	FCS 10460

Mumbai, May 17, 2023

Notes

Notes

GlaxoSmithKline Pharmaceuticals Limited

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