



GlaxoSmithKline Pharmaceuticals Limited
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24th August 2023

To,

BSE LIMITED

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400001

THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, 5th Floor, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai - 400051

Dear Sir,

Sub: Disclosure (details of litigation) under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, please find below the details of continuing event or information (i.e. ongoing litigations) of the Company.

GlaxoSmithKline Pharmaceuticals Limited and its subsidiary have ongoing litigations with respect to Corporate Income Tax and indirect tax matters, Drug Price Control Order and labour matters.

The direct tax litigations are spread across financial years 2002 to 2019 and are pending at different forums – Assessing Authority, Commissioner of Income Tax (Appeals), Income Tax Appellate Tribunal & High Court. These claims are on account of multiple issues : (a) such as disallowance of expenses towards samples and free goods issued and expenses towards healthcare professionals; (b) transfer pricing adjustments related to imports and certain promotional activities; (c) Withholding tax matters .

The indirect tax litigations are spread across financial years 2002 to 2019 and are pending at different forums – Adjudicating Authority, Appellate Authority, Tribunal , CESTAT, Custom Authorities & High Court. These claims relate to issues under Goods and Services Tax , issues under the erstwhile regulations under Service Tax and Value Added Tax (VAT) regime and issues under Excise and Customs regulations.

Litigations related to the Drug Price Equalization Account related to periods dating back from 1981 are pending resolution at the Supreme Court / High Court Level. Similarly labour and other litigations are also pending at various levels of litigations / appeals. These litigations have been disclosed as contingent liabilities in the consolidated financial statements of the Company as at the year-end preceding this disclosure.

Contingent liabilities as disclosed in our Annual Report is summarized below.

No.	Nature of Dues	Amount in Rs. cr
1.	Direct Tax Matters	2,22.40
2.	Labour Matters	63.43
3.	Indirect Tax Matters	37.34
4.	Other Legal Matters	26.81

The above disclosure should read in conjunction with Note Nos 40, 41, 42, 43 and 44 of the Consolidated Financial Statements in the Annual Report.

Note :

The Company and/or its subsidiaries are involved in various legal proceedings initiated by/against the Company under the Income Tax Act, 1961, before the Income Tax authority ; CESTAT and respective Appellate Authorities and also under the Drug Price Control Order and these have been captured in Note no. 40 of the consolidated financial statements in the Annual Report of the Company for the year ended March 31, 2023. Details of various legal proceedings are also provided at Note No. 41, 42, 43 and 44 of the consolidated financial statements. Most of the legal proceedings involve complex issues, which are specific to the case and do not have precedents, and, hence, for a majority of these claims, it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of the proceedings. This is due to a number of factors, including: the stage of the proceedings and the overall length of the discovery process; the entitlement of the parties to an action to appeal a decision; the extent of the claims, including the size of any potential class, particularly when damages are not specified or are indeterminate; the possible need for further legal proceedings to establish the appropriate amount of damages, if any; the settlement posture of the other parties to the litigation; and any other factors that may have a material effect on the litigation. The Company makes its assessment of likely outcomes based on the views of internal legal counsel and in consultation with external legal counsel / tax experts representing the Company.

Thanking you,

Yours faithfully

For **GlaxoSmithKline Pharmaceuticals Limited**

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

CIN: L24239MH1924PLC001151