



NEW **BIG**INNINGS



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ABOUT THE REPORT

We, at Glenmark Life Sciences Ltd. ('GLS'), are pleased to present our 2nd Integrated Report for the Financial Year 2023-24 (FY24). This report is prepared in accordance with the International Integrated Reporting Council's (IIRC) Framework.

This Integrated Report presents a unified perspective of our performance and our ability to consistently generate value across the six capitals: Financial, Manufactured, Intellectual, Human, Social & Relationship, and Natural. With a focus on long-term value creation for all stakeholders, we aim to enhance our innovative capabilities to tackle significant challenges throughout our value chain. Integrated thinking has been thoroughly examined and its implementation extensively explored across these six capitals in our Report.

Our Report employs a value creation model to illustrate inputs, outputs, and outcomes related to different capitals, which are evaluated using KPIs. The structure of this Report aligns with integrated reporting principles, aiming to present information in a clear and cohesive manner for a concise and coherent disclosure.

Scope and Boundary

The Report covers Glenmark Life Sciences' financial and non-financial performance across its business activities from April 1, 2023, to March 31, 2024, following an annual reporting cycle. Details regarding our shareholding pattern have been provided in the Corporate Governance section. We have not made any material restatement of historical information across this Integrated Report.

Reporting Standards and Frameworks

The content of our Integrated Report is in accordance with the framework and the Global Reporting Initiative (GRI) standards: Core option. We have also drawn reference to the United Nations Sustainable Development Goals (UN SDGs) and incorporated some of the requirements of National Voluntary Guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business. This Report's financial and statutory information complies with the Companies Act, 2013, Indian Accounting Standards, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable regulations.

Transformation is at the core of our journey to add value for all our stakeholders. We recognise that sustained growth stems from fresh perspectives, big-picture thinking, and transformative opportunities. Since our inception in 2019, our path has been marked by continuous reinvention and adaptation to the changing business landscape.

FY24 not only marked a new beginning for us, but it also heralds the start of

NEW BIG INNINGS

By continuing to change our DNA, we are positioned to unlock new opportunities, forge new pathways, and expand towards new horizons.

We are unlocking opportunities through an increased leverage to explore, expand, and excel in our capabilities. It will not only reinforce our financial strength but also make us reinvest our gains to fuel our growth aspirations.

We are forging new pathways to sustain growth by investing in technology platform advancements that align with our strategic vision, adding depth to our plans without deviating from our set direction.

As we forge ahead, through expanded new horizons, our diverse portfolio and global presence will remain the cornerstone of our growth. With enhanced capital flow, we are now poised to venture into new growth territories, diversifying our customer base, product offerings, and geographic footprint.

In this new chapter, we stay committed to embedding Environmental, Social, and Governance (ESG) principles into our operations.

Our growth strategy is about strategic evolution, enabling us to meet the demands of an ever-changing market landscape.

Together, we look forward to New BIG Innings with optimism and confidence, eager to chart a path of continued success and shared prosperity.

PERFORMANCE DASHBOARD

FINANCIAL

Revenue from Operations
(in INR Mn)

22,832

up 5.6%▲

Net Cash from Operations
(in INR Mn)

4,135

EBITDA
(in INR Mn)

6,863

up 2.2%▲

EPS
(in INR)

38.4

PAT
(in INR Mn)

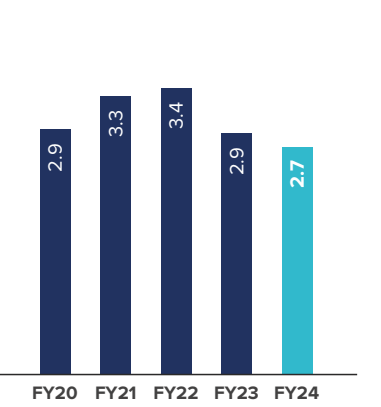
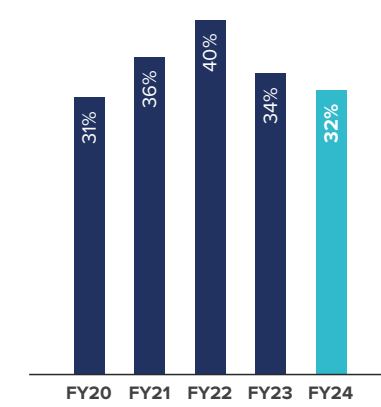
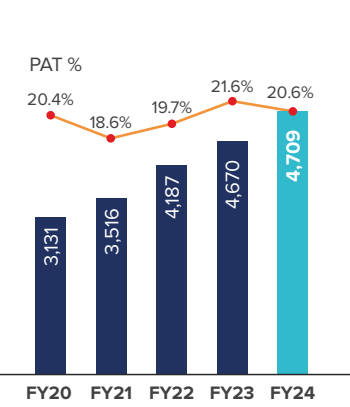
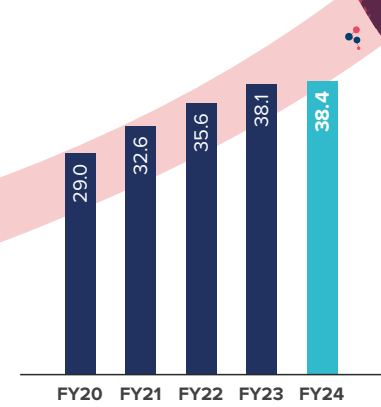
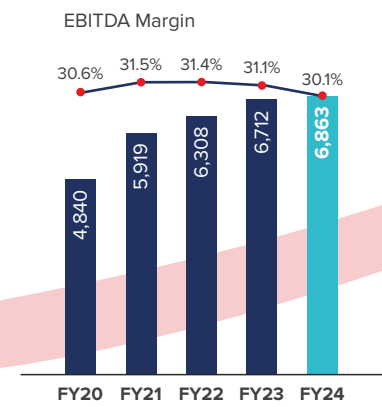
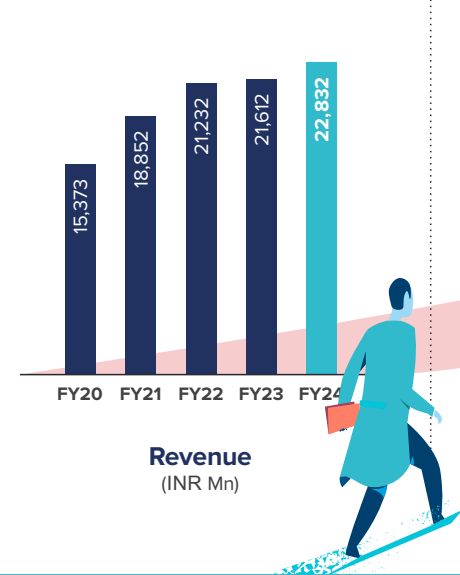
4,709

ROICE

Tracking at
32%

Fixed Assets Turnover Ratio

2.7 times
for FY24



Income Statement (In INR Mn)

	FY24	FY23	FY22	FY21	FY20
Revenue from Operations	22,832	21,612	21,232	18,852	15,373
EBITDA for the year	6,863	6,712	6,308	5,919	4,840
Profit for the year	4,709	4,670	4,187	3,516	3,131
Basic EPS	38.4	38.1	35.6	32.6	29.0

Balance Sheet (In INR Mn)

	FY24	FY23	FY22	FY21	FY20
Total Equity	23,323	21,382	20,543	7,527	4,017
Fixed Assets	8,962	8,242	6,763	5,790	5,498
Cash and Cash Equivalents	3,014	2,838	5,122	1,156	100
Total Debt	--	--	--	9,329	10,592

PERFORMANCE DASHBOARD

NON-FINANCIAL

PRODUCTS

52 DMFs and CEPs

filed across major markets during FY24 taking the cumulative number to 520 till FY24. Markets include United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China, and Australia, to facilitate our geographic expansion.

Our high potency API pipeline now has 17 Molecules

with total addressable market of USD 37 billion at the front-end. We have already validated 3 products, while 4 products are in advanced stages of development.

151 Unique Molecules

which are non-commodity APIs in chronic therapy areas, such as CVS, Pain, CNS, Diabetes, Urology, etc.

38 New Products

are in the development pipeline including 3 iron complexes and 11 oncology products.

ENVIRONMENT

9.18% Electricity Usage

Contributed from Renewable Energy Sources

3,24,062 KL Water Consumption Up by 5.2%

0.31 KL/kg Specific Water Consumption Down by 42.59%

93,445 KL Water Recycled & Reused Up by 1.95%

SOCIAL

INR 111.12 Million CSR Investment

3,37,157 Beneficiaries

Women, adolescent girls and children benefitted through Sampurna, the company's holistic healthcare initiative.

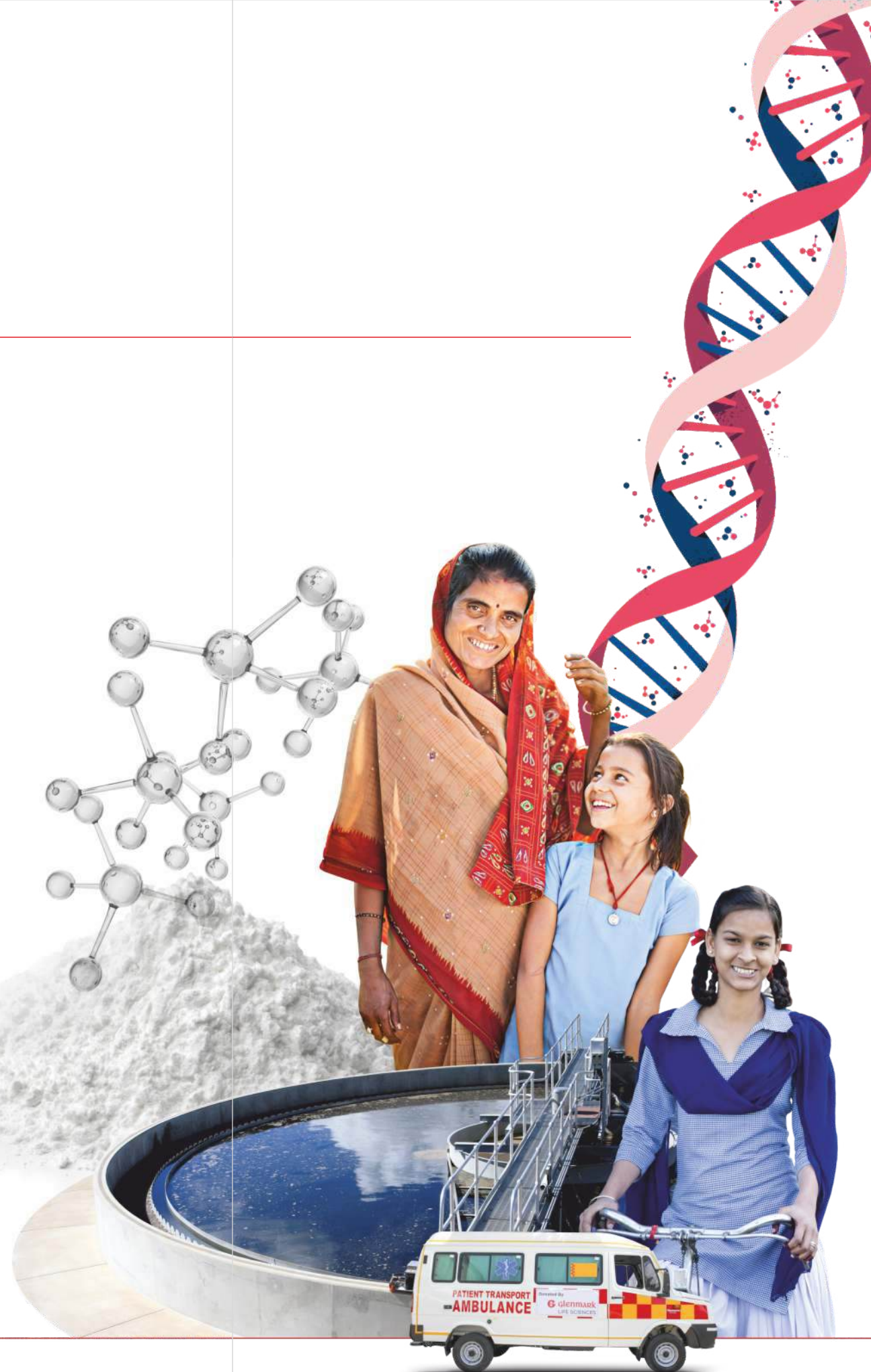
3,72,830 Lives

touched and impacted through CSR intervention focusing on Healthcare (Sampurna), Advancing Science Education (ViGyasa), Environmental Sustainability, and Community Development.*

* in alignment with Schedule VII of companies Act, 2013 and UN Sustainable Development Goals.

5,96,531 KL Water Recharge

done through 46 structures benefiting 9,208 farmers



MESSAGE FROM THE CHAIRMAN



It is vital to underscore that the core strategy of GLS will remain intact, with any new strategy developed, being aligned to this core. To put this in perspective, the change of control allows business to continue as usual while adding strength to new levers for growth.

Dear Shareholders,

It is with great pleasure that I present to you the first Integrated Annual Report of Glenmark Life Sciences (GLS), post the acquisition of its majority shareholding by Nirma Ltd., in FY24. Our presence marks the beginning of a new innings at GLS insofar as our promise to enhance the scope and reach of the current business. We believe there is an opportunity to scale up capacities, build sustainable manufacturing assets, and expand geographies with renewed focus on Quality, Compliance and Safety, all of which, will give a boost to the future of GLS.

Our Strategic Vision

The decision to acquire GLS was driven by our strategic objective to expand our presence in the pharmaceutical and life sciences industry. Our commitment to the Company's mission, vision, values and our people will remain unchanged, facilitating an independent growth trajectory for GLS. It is vital to underscore that the core strategy of GLS will remain intact, with any new strategy developed, being aligned to this core. To put this in perspective, the change of control allows business to continue as usual while adding strength to new levers for growth.

We are confident that the GLS journey that began in 2019 as a standalone API company, with revenue that has grown from INR 1,537 crore in FY20 to INR 2,283 crore in FY24, is poised to continue in the coming years. In the next phase of growth GLS will scale up on multiple levers to become a major player in the API and CDMO space.

Synergy at the Core

At Nirma, we have been actively involved in the pharmaceutical sector since 2006. Given our interest to propel the pharma business, I see this as a significant opportunity to accelerate growth and create value for stakeholders. Together, we will build a resilient platform that will set the Company on a sustainable path through strong execution of an enhanced strategy, bolstering technology investments, expanding the portfolio and geographic footprint, and driving world-class sustainable operations.

Investing for the Future

We shall bolster our investments for the upcoming manufacturing facility at Solapur, a proposed state-of-the-art research centre and an overall future-ready manufacturing ecosystem which will facilitate new research projects and platforms, for generating a richer product portfolio and market diversification. I am sure that these investments will meet the needs for the next phase of growth.

Growing Responsibly

A commitment to safeguard the environment and deliver shared value to all stakeholders is embedded in the culture of the Company. While we will continue to deliver high quality APIs that have the potential to positively impact millions of people around the world, we do recognise the importance of operating in a responsible and sustainable manner. We commit to minimise the impact on the planet and nurture the communities around our facilities.

Outlook

Looking ahead, the horizon holds promising opportunities as we remain steadfast in our commitment to our North Star, to create value for our stakeholders.

Further, our employees are at the core of our continued success and I would like to express my appreciation for the commitment they have shown during the transition phase. I would also like to thank our Board members and the leadership team who have remained focussed on the business while shaping the future strategy.

Finally, I would like to acknowledge all our stakeholders for their unwavering support and the trust they have placed on us during the acquisition process. We look forward to delivering on GLS' vision of becoming one of the most valued API players in the industry.

On behalf of the Board of Directors, I wish you a safe and exciting year ahead!

Mr. Hiren K. Patel

Chairman and Non-Executive Director

MESSAGE FROM THE MD & CEO



Focus on additional growth levers going forward, will also enable our entry into an expanded market space hitherto uncharted by GLS. These opportunities will further strengthen our position in the API industry and enable a faster growth trajectory while retaining the healthy margins that GLS has delivered consistently in the past five years.

Dear Shareholders,

Fiscal Year 2024 has been a year of multiple milestone achievements for your Company. We not only continued our growth trajectory with increased revenues, margins and cash flows in an environment with strong headwinds for the industry but also the year marked a significant milestone in the brief history of Glenmark Life Sciences (GLS), with the new controlling ownership of Nirma Limited, after the exit of Glenmark Pharmaceuticals Limited (GPL), our previous promoter. We strongly believe that this ownership change will help accelerate long-term growth, drive more value for our stakeholders and unlock tremendous potential that lies ahead for our business.

New BIG Innings

This acquisition by Nirma further cements our position as an independent API developer and supplier to both, generic and innovator pharmaceutical players. Our strategic choices, covering the gamut from portfolio development to new market entry strategies, will be driven by our vision of becoming one of the most valued API players in our industry. Along this journey, we will strive to create value for our customers & patients, our employees, our investors, our neighbouring communities and all our remaining stakeholders. FY25 unfolds the prospect for a New BIG Innings and marks the start of a fresh chapter for GLS, filled with promise, potential and progress. This transition is a way to reinvent ourselves, learn from past experiences and create a future aligned to our values.

More specifically, our current direction on driving business with a non-commoditised, high-value portfolio of new and existing molecules, would continue. In addition, we have begun working on various new initiatives to expand our R&D platform to create a richer API portfolio. These platforms will be complemented with a newer and more efficient manufacturing infrastructure that leverages innovative technologies, incorporating automation, flow chemistry and energy-saving processes. All these initiatives will be enabled through adequate internal cash generated by our current business.

This focus on additional growth levers going forward, will also enable our entry into an expanded market space hitherto uncharted by GLS. These opportunities will further strengthen our position in the API industry and enable a faster growth trajectory while retaining the healthy margins that GLS has delivered consistently, in the past five years.

Business Outlook

Now coming back to the present, the economy and industry trends that impacted our business in FY24 are showing signs of improvement with the economy maintaining steady growth and a decline in inflation. Some challenges, including the geopolitical situation and disruptions on account of Red Sea, have led to supply chain delays and may also impact certain ROW markets. Within our industry, overall demand was subdued in FY24, though the situation is improving, particularly in the regulated markets. Our regulated market business was driven by India (DMF), Europe, North America and Latin America businesses while our Japan market demand was weak. Our CDMO segment has grown steadily and we remain optimistic on its faster progress as new projects get added. The demand recovery in our Japan business is also underway. Our gross margins continue to remain strong albeit with some waviness largely on account of product mix that varies in different quarters. Our GPL business will continue to be an important element in our business mix and the relationship that we have enjoyed with GPL as a premier customer, will continue to be driven with the same rigour and service, as in the past. We remain optimistic for FY25 as we continue to see a healthy demand outlook across our major business segments, allowing GLS to deliver yet another solid year for all our stakeholders.

Portfolio

The expansion into complex APIs, Oncology and newer platforms that are currently underway, will continue to further advance the company's business. We have been aggressively filing across the globe to advance our geographical reach, with the total DMF and CEP filings having crossed 520, as of 31st March.

Enhanced Investments

Additional capacities through brownfield expansions at Ankleshwar and Dahej, will be operational from Q2 of FY25. Our upcoming API facility in Chincholi, Solapur, a major greenfield expansion, will support our CDMO growth and increase capacity for generic API production and will also drive backward integration for some key molecules.

With the backing of Nirma, we plan to double our investments in the next 2-3 years, which will help the Company to build a more sustainable operational footprint and boost business continuity for the future. These enhancements in capacity will enable technological advancements, ensure efficient manufacturing and help foster new technology partnerships. In order to promote further innovation rapidly, we plan to build a new R&D center that will facilitate faster implementation of new technology platforms going forward.

A New Name for the New Journey Ahead

Also, to better align with our expanded plans for achieving our vision, with Nirma's support, we will embark on creating a new brand identity for your Company, to reflect the core DNA, with a renewed sense of urgency and purpose.

I strongly believe that this overall optimism and potential for growth, will help your Company to enter a transformative phase with significant opportunities for success. The future is right in front of us and it is all about what we want to achieve next. In order to chart this new course, we ask all our stakeholders – most notably, our investors, our employees (and their families) and our customers – for their continued support. Your vote of confidence will help us to take your Company confidently into the future. Thanks and best wishes for a great year ahead.

Dr. Yasir Rawjee

Managing Director and Chief Executive Officer



COMPANY OVERVIEW

Glenmark Life Sciences (GLS), a leading developer and manufacturer of high-quality, affordable Active Pharmaceutical Ingredients (API), is steered by a highly experienced management team.

ABOUT US

Who We Are

Our journey as an independent entity began in 2019 when we branched off from Glenmark Pharmaceuticals to focus solely on building an API business. Since then, our API business has charted a strong course, enabling us to flourish independently and pave the way for a distinctive growth trajectory. FY24 marked a significant milestone for Glenmark Life Sciences Limited (GLS), due to a change of ownership from Glenmark Pharmaceuticals to Nirma.

OUR VISION

To be the most valued API player in the industry by delivering affordable, high-quality APIs through the application of science and engineering.

GLS has forged robust partnerships with leading global generic pharmaceutical companies primarily operating in highly regulated markets such as the US, Canada, Japan, Europe, Latin America, and India.

Our expertise in navigating complex regulatory landscapes to serve customers in these markets positions GLS uniquely, ensuring our business' stability and longevity. By blending scientific knowledge, technological innovation, and economic insight at every stage - from portfolio selection and development to market entry, we consistently stay ahead of competition.

To drive and reinforce sustainable growth, we have swiftly adapted and changed our business DNA, paving the way for **New BIG Innings** that leverage our established direction, to enhance our plans, and explore new avenues for creating value.

Our strategy encompasses broadening our geographic reach, diversifying our client portfolio, ramping up our CDMO business and building on our R&D capability to add new growth levers. Additionally, we are enhancing our portfolio depth by adding complex molecules with higher entry barriers and establishing new platforms, such as Iron Compounds and Oncology.

OUR COMMITMENTS

- To be a trusted API partner to pharmaceutical customers worldwide through reliable supply and value creation
- To deliver sustainable long-term growth and create value for all our stakeholders
- To foster a culture that nurtures out-of-the-box thinking

OUR VALUES

- Accountable Governance
- Integrity
- Environmental Consciousness
- Fostering Innovation



What We Do



GLS has developed a robust portfolio of 151 molecules. These molecules, target a front-end market value of approximately USD 180 billion, are filed in key markets to serve our global pharmaceutical customers.

Some of these APIs such as Olmesartan, Telmisartan, Perindopril (anti-hypertensive), Atovaquone (anti-parasitic), Solifenacin, Mirabegron (Urology), Sitagliptin (diabetes), Zonisamide (CNS), Adapalene (dermatology) and Rosuvastatin (anti-hyperlipidemic) have a significant and growing market share in major world markets.



Our API distribution network spans over 700 customers across more than 75 countries.

We also offer these molecules to innovator companies as part of their post-generic lifecycle management strategy. This approach allows us to maximise our portfolio's potential by providing cost-effective API solutions across multiple markets.

We continue to add specialised and profitable products into our portfolio, including niche and technically complex molecules, such as Belumosudil, Daprodustat, Elacestrant, Finerenone, Fezolinetant, Tivozanib, Vonoprazan, and Isavuconazonium Sulfate.

A snapshot of key molecules classified by therapy areas

CVS: 32 | CNS: 26 | Diabetes: 11

Pain management: 6 | Oncology: 13

We also develop APIs in the therapeutic areas

Anti-fungal | Anti-histaminic | Anti-acne | Anti-emetic

Immunomodulator | Anti-ulcerative | Immunosuppressant

Respiratory agent | Ophthalmologic agent |

Urinary Anti-spasmodic

How We Do It



We focus on developing, manufacturing, and supplying select high-value, non-commoditised APIs for our global pharmaceutical customers. Here is a closer look at each area:

DEVELOP

Our strategic focus lies in selecting non-commoditised APIs that involve high-end chemistry, creating a relatively high entry barrier. Recently, we added complex molecules that are challenging both in terms of chemistry and characterisation.

These molecules are developed with a global market in mind, prioritising regulated markets for initial launches to ensure swift market entry and early customer filing.

Following patent expirations, we offer cost-optimised processes for markets with earlier expirations, subsequently targeting regulated markets for second wave launches.

Additionally, we focus on Cost Improvement Projects (CIP) for mature APIs, maintaining competitiveness and enabling sustainable lifecycle management of our core business.

MANUFACTURE

Our manufacturing infrastructure adheres to global regulatory standards and accommodates small-volume, high-value molecules as well as mid-volume, mid-value molecules, covering a wide range, from kilograms to metric tonnes.

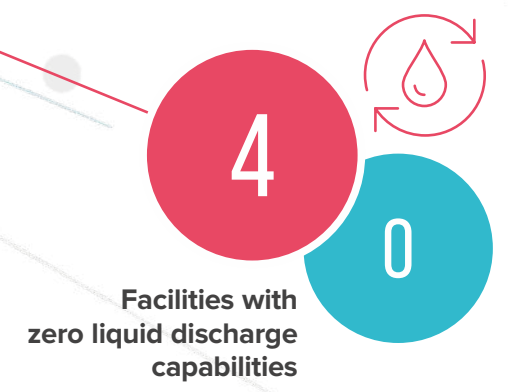
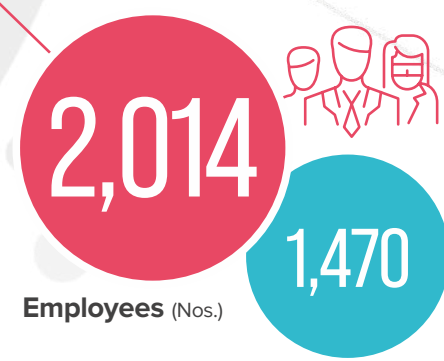
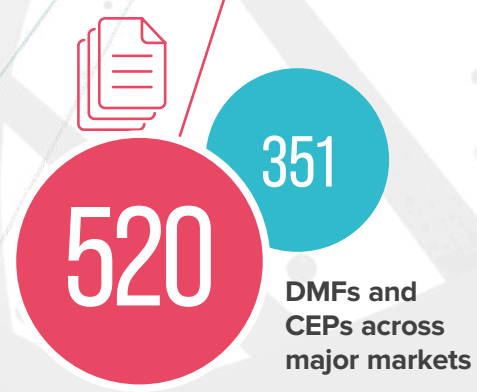
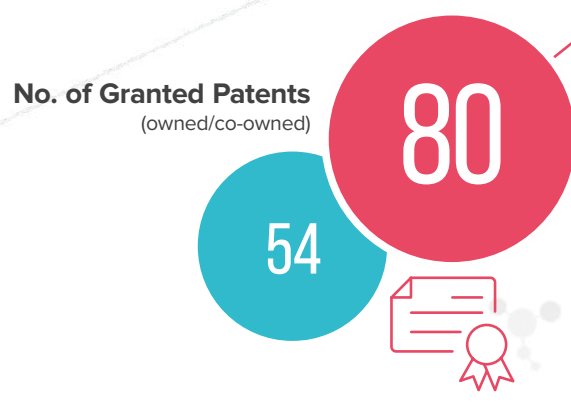
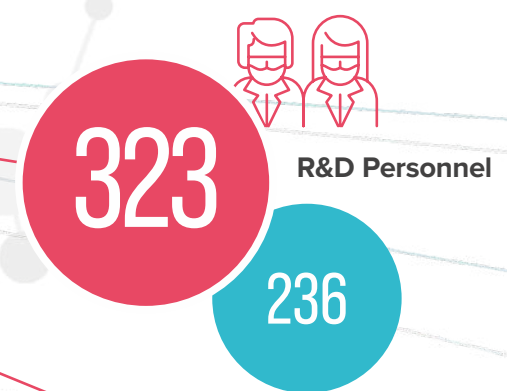
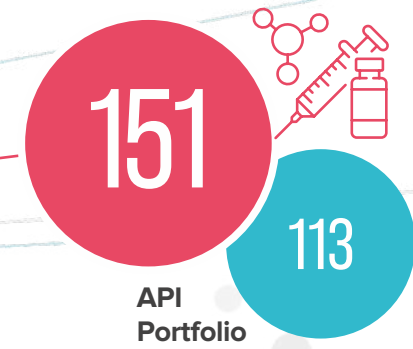
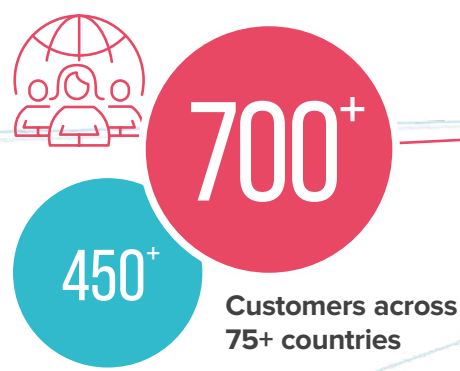
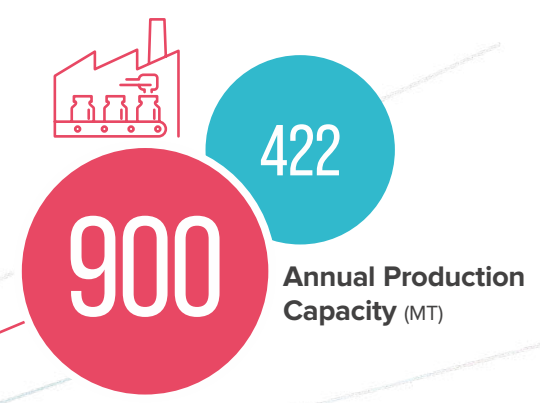
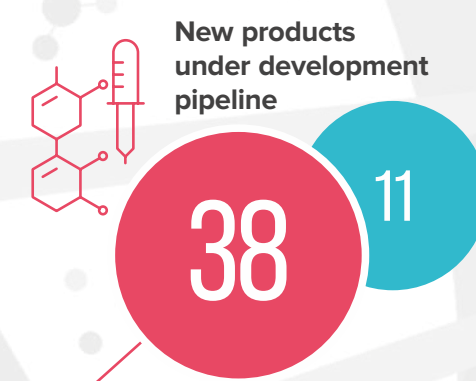
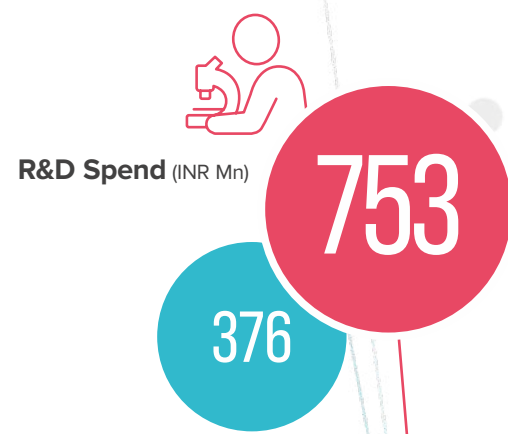
Furthermore, our multipurpose facilities allow us to produce a variety of APIs within the same infrastructure, thereby optimising asset utilisation.

SUPPLY

Our operations span the entire value chain, including research and development, technology transfer, an efficient raw material supply chain, scale-up manufacturing, and delivery.

This comprehensive approach enables us to support our customers throughout the development and commercialisation lifecycle, from product identification and API development to validation, launch, and lifecycle management.

GLS STRENGTH IN NUMBERS



OUR EVOLUTION

Our journey began more than 22 years ago when Glenmark Pharmaceuticals (GPL) established its API business and acquired the Kurkumbh site. As R&D and Operations expanded to meet GPL's needs, we also began serving external customers with APIs.

In 2019, GLS emerged as an independent entity, reshaping our API portfolio to become a trusted supplier to global pharma companies across major geographies. GLS made a remarkable debut in the public market in July 2021, securing the highest number of retail applications seen in over a decade and setting a new benchmark for pharmaceutical companies.

FY24 ushered in a new chapter with Nirma Limited, a diversified conglomerate with interests in consumer products, cement, chemicals, and pharmaceuticals, acquiring a majority stake in GLS. As a leading developer and manufacturer of select, high-value, non-commoditised APIs in chronic therapeutic areas, we have continued our legacy of growth and innovation.

Our focus remains on providing sustainable API solutions to pharmaceutical customers across markets, leveraging our expertise in advanced chemistry & cGMP manufacturing of our robust portfolio of 151 molecules.



During the reporting period, we continued to diversify our customer base and global reach with our API and CDMO businesses. We have done this while maintaining a healthy CAGR of 10.4% in revenues for a period of 5 years. Today, we are a trusted partner of choice for pharmaceutical customers worldwide, serving patients in over 75 countries.

Trusted Partner

Over **80%** repeat clients every year

Partnering with the **Top 20** generic companies globally

1st partnership formed over 20 years ago still active

AWARDS AND RECOGNITION

Our commitment to manufacturing excellence and sustainability principles has been fundamental to our operations. We have intensified our focus on sustainability, reinforcing our position as a dependable partner and ensuring uninterrupted service for our customers. The accolades we receive affirm that we are moving in the right direction and validate our approach to responsible operations. This perseverance has resulted in several awards and recognition along the way.

Obtained ANVISA (Brazil) GMP certification for 18 APIs produced at our Ankleshwar facility, underscoring our commitment to quality and regulatory compliance in FY24.

Secured Silver in the 'Best Leadership Development Programme (Pharma)' category at the TISS LeapVault CLO Awards, 2023 - affirming our dedication to fostering a robust leadership pipeline.

Achieved Bronze for 'Excellence in Campus/ Fresher Hiring' at the ET-HCA 2024.



GLOBAL FOOTPRINT

We have steadily scaled up our product offerings and market reach by leveraging quality-focused manufacturing infrastructure in 4 plants and state-of-the-art laboratories across three R&D locations. Our global portfolio includes 151 molecules, all manufactured in modern, multi-purpose API plants regularly inspected by major global authorities such as USFDA, PMDA, and European, Canadian, Russian, Brazilian, Mexican and Korean regulatory agencies.

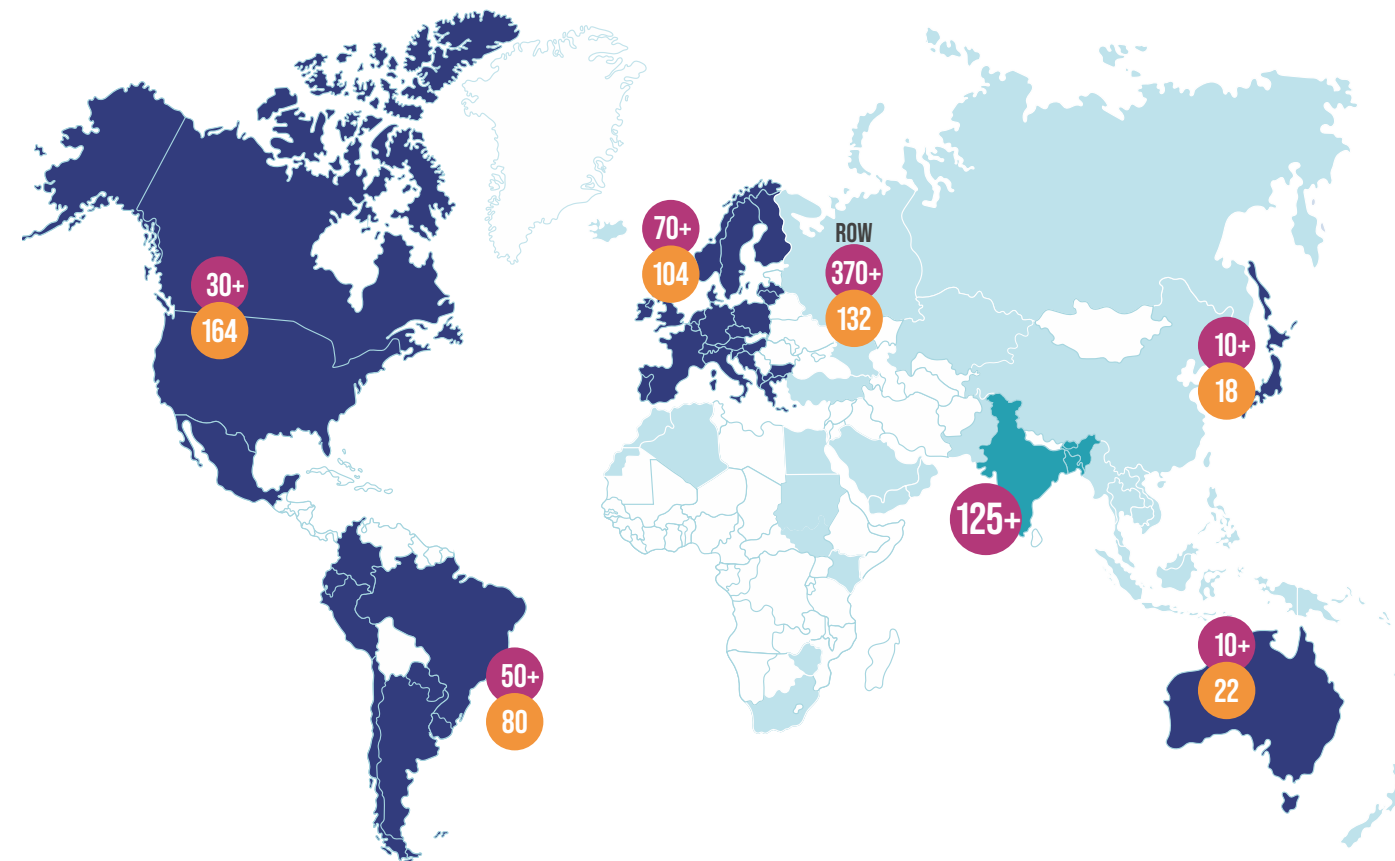
We supply our APIs to top Indian global generic companies and export them to various countries in Europe, North America, Latin America, Japan, and the Rest of the World (ROW).

75 existing APIs extended to new markets & customers since 2019

Global customers spanning **75+** countries

API Portfolio of **151** molecules

520 DMFs and CEPs across major markets (till FY24)



Regulated Markets | Emerging Markets | India - Mix of Regulated and Emerging | Number of Customers Served in FY24 | Number of DMF/CEP Filings | As of March 31, 2024



GOVERNANCE

Good governance is the cornerstone of effective management and efficient resource allocation. It builds trust, boosts stakeholder confidence, and enhances the organisation's ability to optimise the use of all six capitals for sustainable development. By implementing sound and robust governance practices, organisations can ensure accountability, transparency, and ethical conduct, leading to sustainable value creation and long-term success.

By employing strong governance practices, we, at Glenmark Life Sciences, effectively monitor, guide and support strategic decision-making, risk management and stakeholder engagement, and also incorporate Environmental, Social, and Governance (ESG) considerations into our core business strategy.

OUR GOVERNANCE STRUCTURE

Our corporate governance framework is based on an effective Independent Board, separation of the Board's supervisory role from the executive management team, and the constitution of Board Committees, as required under law.

Board of Directors

The Board of Directors of Glenmark Life Sciences is entrusted with the responsibility of providing strategic guidance, effective oversight, and leadership to the Company. It approves our strategic direction, major investments, and business plans, while also helping to implement an effective risk management framework. Additionally, it guides the sustainability function and ensures alignment with the Company's purpose, vision, and values.

The Board consists of eight individuals with extensive experience across diverse backgrounds, bringing a wide array of skills, expertise, and perspectives. The composition includes two executive directors, one non-executive director, and five independent directors, with diverse experience ensuring a blend of control, authority and leadership

Board Committees

The Board of Directors and its committees are instrumental in overseeing operations, ensuring strong risk management, and upholding ethical standards across the organisation. In order to ensure effective governance, the Board has instituted various committees with specific mandates. These committees aid the Board in fulfilling its duties & responsibilities and offer specialised oversight in key areas.

Grounded in transparency, accountability, and integrity, our governance structure is designed to foster sustainable value creation while safeguarding the interests of all stakeholders.

Notably, these committees include:

- i Audit Committee** 
- ii Nomination & Remuneration Committee** 
- iii Stakeholders' Relationship Committee** 
- iv Corporate Social Responsibility Committee** 
- v Risk Management Committee** 
- vi Environmental, Social and Governance (ESG) Committee** 

Committees i. to v. mentioned above are all statutory committees whereas vi. i.e., ESG is a voluntary committee formed by the Board to have a focused approach on the subject and monitor the action items for the same. All Committees, except the ESG Committee, are chaired by Independent or Non-Executive Directors.

For more information about Committees of the Board, please refer to Board's Report section.

Management Team

The Management Team is responsible for translating strategic decisions approved by the Board into actionable plans, setting operational goals, and managing necessary resources. Our Management Team comprises seasoned executives and senior leaders, with a wealth of operational expertise, industry knowledge, and a profound understanding of the organisation's day-to-day activities. They collaborate to implement the strategic direction set by the Board and ensure its effective execution.

For more information about Committees of the Board, please refer to Board's Report section.

BOARD OF DIRECTORS

We have an experienced Board and we have a strong corporate governance system to monitor, guide and support our operations, with oversight by:



Mr. Hiren K. Patel

Chairman and
Non-Executive Director

Mr. Hiren Patel plays a key role in the top leadership of Nirma Group. He has a rich and varied experience in consumer goods, chemicals, cement, and the healthcare industry.

He is also a trustee of Nirma Education & Research Foundation, which runs Nirma University and Nirma Vidyavihar and is a member of the governing board of Nirma University. Under his guidance and leadership, Nirma Limited and the Group have achieved significant growth, particularly in business development and brand leverage. Mr. Hiren Patel has a Bachelor's degree in Engineering and an MBA.



Dr. Yasir Rawjee

Managing Director and
Chief Executive Officer

Dr. Rawjee leads the overall operations of Glenmark Life Sciences and is responsible for its overall business strategy. He has over 30 years of industry experience during which he has headed the global API business and operations at Mylan Laboratories Limited, has been the Senior Vice President at Matrix Laboratories Limited, heading the API & CDMO Business, and, worked in Chemical Development at GlaxoSmithKline in the USA.

He holds a Bachelor's degree in Science from St. Xavier's College, University of Bombay; a Bachelor's degree in Science (Technology) from UDCT, University of Bombay; and a PhD from Texas A&M University, USA.



Mr. Kaushikbhai N. Patel

Independent Director

Mr. Kaushikbhai N. Patel is a qualified chartered accountant and has rich and varied experience in strategy, financial planning, mergers and acquisitions, direct tax and capital markets.

He is a Board Member of Nirma Limited and Nuvoco Vistas Corporation Limited and a trustee of various trusts.



Mr. Vijaykumar Shah

Independent Director

Mr. Vijaykumar Shah has more than 25 years of experience in accounts and finance. He has been in practice, undertaking various statutory audits, taxation and project appraisals.

Mr. Shah is a Chartered Accountant and holds a B.Com (Hons.) degree. He is serving as a Board Member in Constera Realty Private Limited, Vadilal Chemicals Limited, and Vadilal Industries INC, USA.



Mrs. Manju Agarwal

Independent Director

A career banker, Mrs. Agarwal has approximately 34 years of experience at the State Bank of India and is an associate of the Indian Institute of Bankers.

She is currently on the boards of various entities including Gulf Oil Lubricants India Limited., Hinduja Leyland Finance Limited., Vistaar Financial Services Private Limited., Switch Mobility Automotive Limited., Hinduja Housing Finance Limited., Polycab India Limited. and India Ideas.Com Limited. She holds a postgraduate degree from the University of Allahabad.



Mr. Vinod Naik

Executive Director and Head
of the Technical Operations

Mr. Vinod Naik oversees the operations of the manufacturing plants and is also responsible for the Projects & Supply Chain functions in GLS. He holds a Master's of Science degree from the Karnataka University, Dharwad. He has also completed a masters program in business administration with a specialisation in financial management from the National Institute of Management.

He has been associated with the Company since 2020. Prior to joining the Company, he was with Sun Pharmaceutical Industries Limited. He was also associated with Cipla Limited, heading a manufacturing unit and with Micro Labs Limited, as Vice President of the technical operations department.



Mr. T. L. Easwar

Independent Director

Mr. Easwar has extensive experience in the pharmaceutical industry. He has been the President of Operations at Aurobindo Pharma Limited., the Chief Operating Officer at Porus Laboratories Private Limited. and the head of API manufacturing operations at Mylan Laboratories Limited.

He is currently engaged as an advisor to the Boston Consulting Group (BCG) and is also a consultant with pharmaceutical companies. He holds a Bachelor's degree in Technology – Chemical Engineering from the Indian Institute of Technology, Kanpur.



Dr. Savan Godiawala

Independent Director

Dr. Savan Godiawala has 32 years of experience in providing Financial Advisory services and retired as a partner of Deloitte Touche Tohmatsu India LLP. He has extensive experience in serving large national and multinational clients across several industries and multiple geographies.

Dr. Godiawala has a PhD in management, is a Chartered Accountant, holds bachelor's degrees in Law & Commerce, is a qualified insolvency professional and has a postgraduate diploma in counselling psychology & psychotherapy.

Dr. Godiawala has been a visiting faculty at the Indian Institute of Management, Ahmedabad for the last 16 years. He has also co-authored a book on 'Business Taxation' published by McGraw Hill Education. Dr. Godiawala has been on committees of many professional and industry associations such as Ahmedabad Management Association & FICCI.

BOARD COMMITTEES



Audit Committee



Mr. Kaushikbhai N. Patel (Chairperson)
 Mrs. Manju Agarwal
 Mr. T.L. Easwar
 Dr. Savan Godiawala

Corporate Social Responsibility Committee



Mr. Kaushikbhai N. Patel (Chairperson)
 Dr. Yasir Rawjee
 Mr. Vijaykumar Shah

Nomination & Remuneration Committee



Mr. Kaushikbhai N. Patel (Chairperson)
 Mr. Hiren Patel
 Mrs. Manju Agarwal
 Dr. Savan Godiawala

Risk Management Committee



Mr. Vijaykumar Shah (Chairperson)
 Dr. Yasir Rawjee
 Mr. T.L. Easwar

Stakeholders' Relationship Committee



Mr. T.L. Easwar (Chairperson)
 Dr. Yasir Rawjee
 Mrs. Manju Agarwal
 Mr. Vijaykumar Shah

Environmental, Social and Governance (ESG) Committee



Dr. Yasir Rawjee (Chairperson)
 Mr. T. L. Easwar
 Mrs. Manju Agarwal

For more information about the roles and responsibilities of the Board Committees, please refer to Board's Report section.

MANAGEMENT TEAM



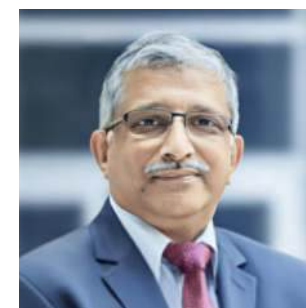
Mr. Tushar Mistry

Chief Financial Officer & Senior Vice President, leading the overall Accounts, Finance, Investor Relations, IT, Legal & Secretarial functions at Glenmark Life Sciences Limited. He joined the Company in June 2022.



Dr. Palle V.R. Acharyulu

Group Vice President of Research and Development (R&D), has been associated with the Company for the past 4 years. He has been instrumental in driving R&D productivity through innovative API research and CIP development. He also leads the project management and intellectual property functions of our Company.



Mr. Mathew George

Senior Vice President and Head of Regulatory Affairs has been associated with our Company since 2019. He leads the Regulatory Affairs team to plan and submit Drug Master Files (DMFs) / Registration dossiers with various Regulatory Agencies globally. He is fully involved in aligning the Company's regulatory filings with evolving business needs.



Mr. Navin Kumar Agrawal

Head - Corporate Quality, leading the Company's global Quality & Compliance function in accordance with cGMP & regulatory requirements for Active Pharmaceutical Ingredients (APIs). Since joining Glenmark Life Sciences in 2021, Navin has spearheaded the development and ongoing maintenance of robust quality management systems that ensure the Company's statutory and regulatory duties are upheld.



Mr. Sumantra Mitra

Head - Human Resources, is responsible for talent acquisition, talent management, capability development, organisational development and industrial relations, besides other aspects of the human resources agenda and CSR for the Company. He has been associated with the Company since 2018.

VALUE CREATION MODEL

INPUT

FINANCIAL CAPITAL



Total Capital Employed (INR mn)	23,663
Net Capital Expenditure (INR mn)	1,290
Net Cash (INR mn)	4,135

MANUFACTURED CAPITAL



Number of Manufacturing Plants (all within India)	4
Material Cost (INR mn)	10,020
Added Capacity (KL)	
- Ankleshwar	208
- Dahej	18

INTELLECTUAL CAPITAL



R&D Spend (INR mn)	753
R&D as % of Revenue	3.3%
No. of R&D Facilities	3
Total R&D Personnel	323
Total DMFs and CEPs Filed (FY23)	468

HUMAN CAPITAL



No. of Employees	2,014
No. of Women Employees	144
Employee Benefit Expense (INR mn)	2,582

NATURAL CAPITAL



Renewable Electricity (% of total)	9.18
Total Energy Consumption (GJ)	73,39,291
Total Water Consumption (KL)	3,24,062

SOCIAL AND RELATIONSHIP CAPITAL



CSR Investment (INR Mn)	111.12
No. of Health Facilities Upgraded	10
No. of schools where labs and infrastructure development work was undertaken	47 Schools 7 Colleges
No. of Trees Planted	35,000
No. of Water Structures Constructed	46
No. of Employee Volunteers	405


Support Functions
 Human Resources | Accounts & Finance | Compliance | IT | Corporate Strategy & Planning | Safety, Health & Environment | Corporate Communications | Distribution, Shipping & Logistics | Corporate Social Responsibility

OUTPUT

FINANCIAL CAPITAL



Revenue from Operations (INR mn)	22,832
EBITDA (INR mn)	6,863
Net Profit (before EI) (INR mn)	4,709
RoC (%)	32.0%
RoE (%)	21.1%
Dividend per Share (INR)	22.5

MANUFACTURED CAPITAL



No. of APIs in the Portfolio	151
Quantum of Finished Goods	713

INTELLECTUAL CAPITAL



Total DMFs and CEPs filed (FY24)	520
Revenue from R&D Products in FY24 (INR mn)	82
Existing products extended to new markets	19
No. of new seedings done	91

HUMAN CAPITAL



Total no. of Training Hours	9,481
Reportable Incident Severity Rate (SR) and Frequency Rate (FR)	Zero
Awards • GROW was honoured with Silver for 'Best Leadership Development Programme (Pharma)' at the TISS Leap Vault Chief Learning Officers Summit 2023 • Achieved Bronze for 'Excellence in Campus/Fresher Hiring' at the ET-Human Capital Awards 2024	

NATURAL CAPITAL



Scope 1 emission (MT of CO ₂ equivalent)	6,67,131
Energy Saved (GJ)	4,524
Renewable Energy (as % of total)	1.59
Quantum of Treated Wastewater Reused (KL)	93,445
Hazardous Waste sent to Pre-processing/Co-processing (MT)	4,023
Hazardous Waste sent for Recycling (MT)	5,696

SOCIAL AND RELATIONSHIP CAPITAL



Overall Beneficiaries	3,72,830
No. of Beneficiaries - Health	3,37,157
No. of Beneficiaries - Education	23,014
Beneficiaries of Environmental Sustainability	9,208
No. of Customer Visits to Plants	108



FINANCIAL CAPITAL

Financial capital is fundamental for establishing a business, as well as for its existence and daily operations. It lays the groundwork for businesses, enabling them to seize opportunities, navigate challenges, and generate value for stakeholders. It also plays a critical role in sustaining other capitals. At Glenmark Life Sciences (GLS), we have utilised financial capital to create, channelise, and enhance value for all stakeholders.

To create long-term sustainable growth, we generated free cash flow in FY24, bolstering our financial standing and enabling growth while maintaining a debt-free balance sheet.

For us, creating long-term value as a company and delivering consistent, profitable and responsible growth for our investors is about generating earnings that consistently exceed the cost of capital employed.

As with all capitals, we use Financial Capital prudently. While we are open to investing more, we always do so with a clear strategy aimed at maximising the value for their money invested.

Highlights

ROICE is tracking at **32%** Higher capital employed driven by completed CAPEX

FATR is **2.7 times** Asset turnover is trending slightly lower due to CAPEX cycle

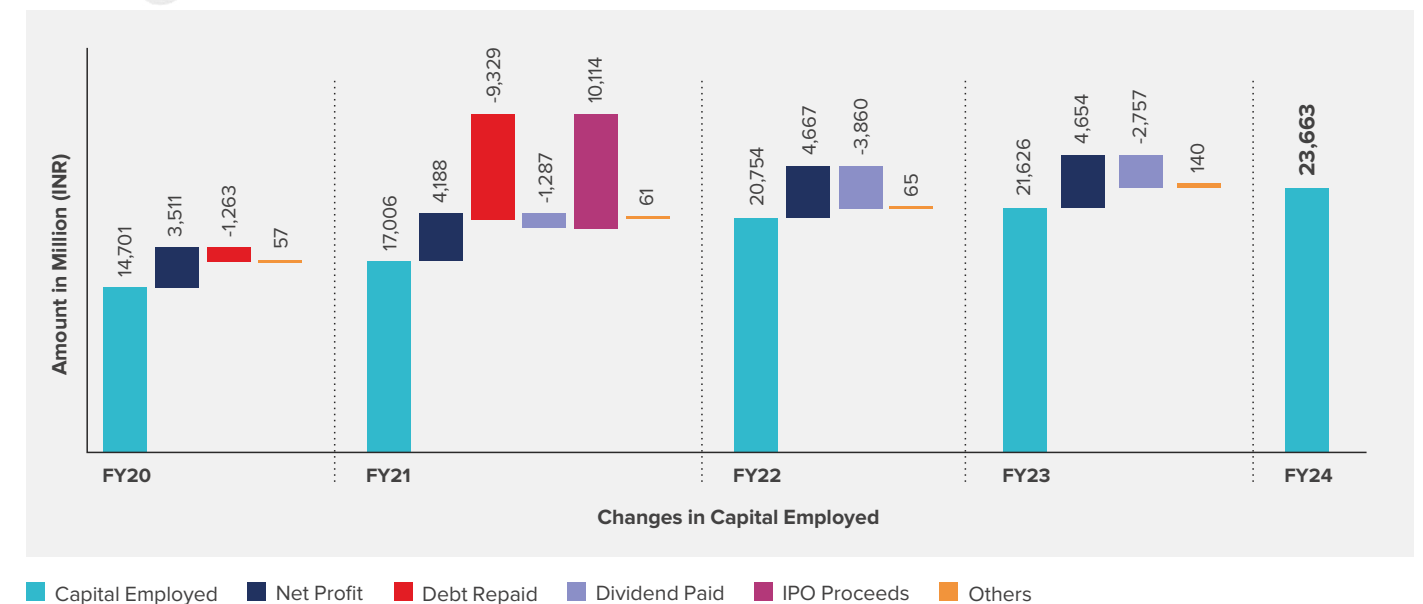
Working Capital Days at **170 days** Strategic decision to hold higher inventory to ride out the global uncertainty

HOW WE CREATE VALUE

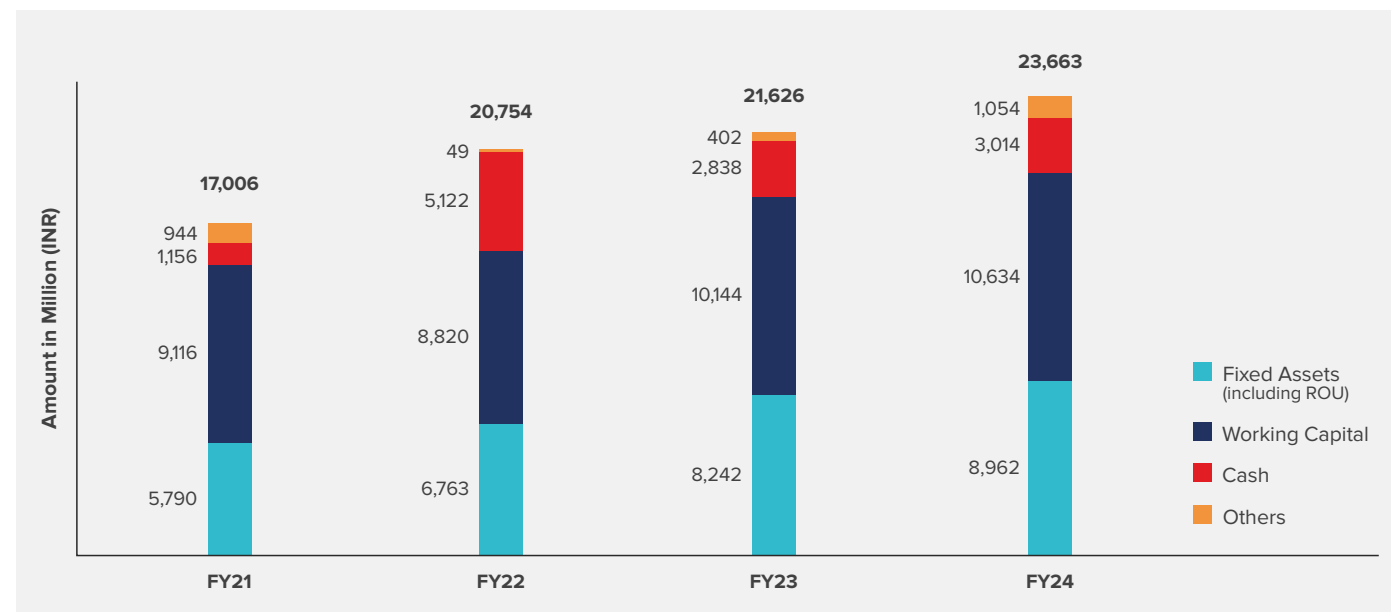
Over the past five years, GLS has consistently generated value and distributed it among stakeholders as well as reinvested into other capitals to generate even more value. We have deployed our capital judiciously by focusing on ROCE and distributing excess cash as dividends, thereby efficiently utilising the capital employed.

We ensure optimal allocation of funds to all other capitals as well as in future growth levers to ensure effective use of both financial and non-financial resources. The Company will continue to invest in new API platforms and technologies that build long-term economic value.

Capital Employed Movement YoY

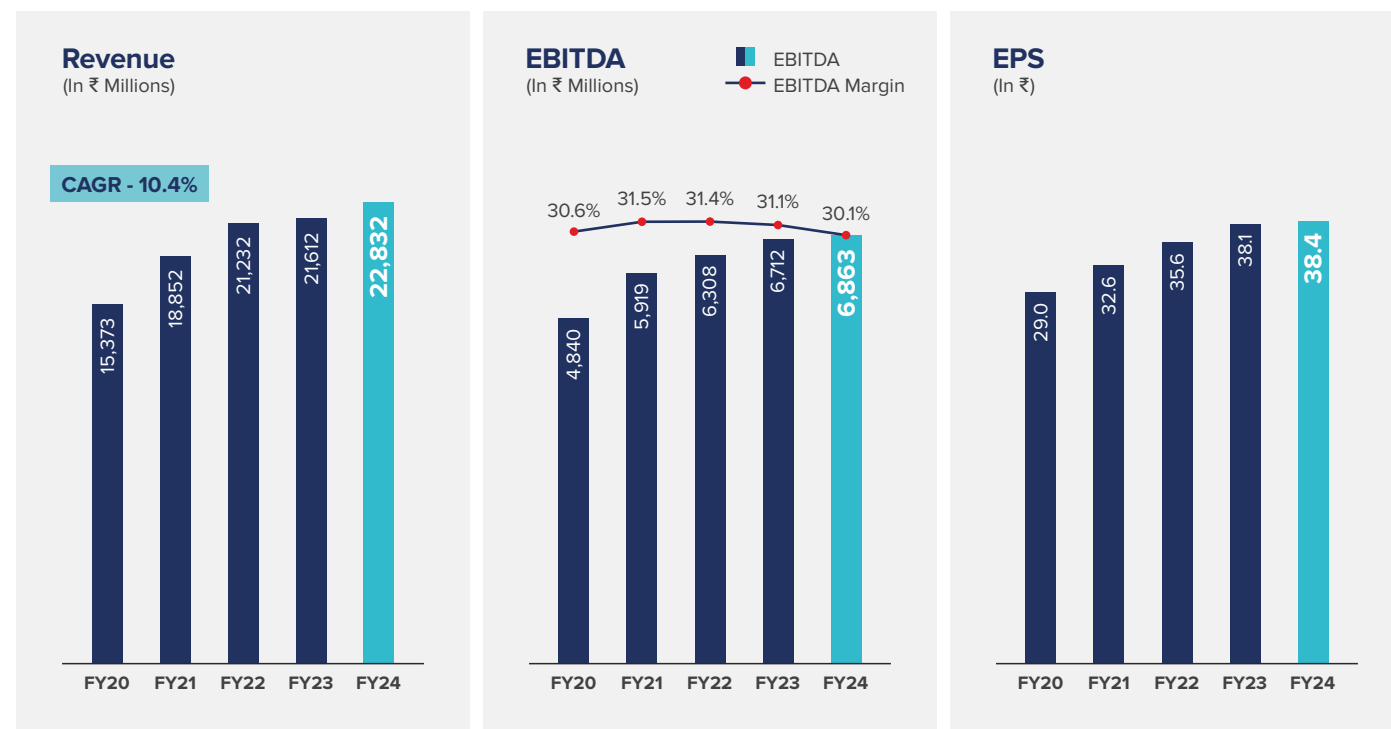


Capital Employed



Our revenues have consistently gone up between FY20 and FY24 with a CAGR of 10.4%. EBITDA has seen an increase of 42% during the same period. The earnings per share (EPS) has gone up significantly from INR 29.0 in FY20 to INR 38.4 in FY24.

Financial Performance Track Record



THE YEAR UNDER REVIEW

In FY24, GLS continued to demonstrate robust financial performance with steady growth and stable margins. Our revenue from operations stood at INR 22,832 million compared to INR 21,612 million in the previous year, a growth of 5.6%. The growth was driven by regulated market business. The gross profit for FY24 was INR 12,812 million, a growth of 11.7%, whereas the gross margin was up 300 basis points and stood at 56.1% in FY24 versus 53.1% in FY23. EBITDA for FY24 stood at INR 6,863 million, up 2.2% year-on-year, with EBITDA margins remaining steady at 30.1%.

Going forward, the Company's commitment to high-quality, innovative solutions and scalability will fuel sustainable long-term growth. These, coupled with a strong demand visibility will ensure steady growth in FY25 and beyond.

Our strategy continues to prioritise investment in our growth pillars, building a strong product pipeline, and scaling our business to deliver higher shareholder value. This year, we are investing in technological levers that will unlock new portfolio opportunities, including higher-value products, and drive growth in both API and CDMO businesses.

By leveraging new technologies, we aim to enhance operational efficiencies, develop new products, and enter new markets. Additionally, with increased growth capital at our disposal and discretion, we are focusing on technological advancements, new API platforms and new initiatives as our key growth pillars. This ability to reinvest in our business and drive future innovation will help to consistently create value for our stakeholders.

In FY24, we expanded our product pipeline, filed aggressively across global markets to match our growth aspirations, and extended our facilities and geographical reach. These initiatives positioned GLS as a trusted and innovative leader in the API industry, committed to delivering high-quality innovative solutions to our customers and enhancing value for our shareholders.

We strengthened our business and enhanced overall quality, as evidenced by margin growth and improved PAT and EBITDA performance. Our success in external business growth, expanded customer base, and stronger relationships, coupled with a diverse product portfolio catering to evolving market needs, supported our business

growth and sustainability. Through prudent capital management, technological investments, and strategic growth initiatives, we continue to create sustainable value for our stakeholders.

Overall, a wide product mix as well as efficient management of costs and pricing contributed to maintaining our margins. Going forward, we will continue to manage capital prudently, while ensuring technological investments in strategic growth initiatives, to sustain value for our stakeholders.

For more information on capital allocation, please refer to the MDA section in this report.

THE ROAD AHEAD

We have a multi-pronged strategy to fuel the growth and retain the margins while creating a sustainable platform to ensure business continuity. By focusing on expanding existing businesses, pursuing new growth levers with a keen focus on technological advancements, improving operational efficiencies, and enhancing the product portfolio, we aim to sustain long-term growth and remain resilient to adapt to changing market conditions.

- Expand the Existing Business**

Through product launches, geographical expansion, tapping new markets and pursuing second source opportunities.
- New Growth Levers**

Technological advancements fuelled by embracing innovations in flow chemistry and particle engineering. Drive efficient manufacturing, better energy use, reduce manpower through automation and create new CDMO partnerships via transfer arrangements.
- Operational Efficiencies**

Measures to reduce costs, improve efficiencies, sourcing initiatives and operational initiatives like solvent recovery, reallocating resources, batch size enhancement, debottlenecking, reduced cycle times, etc.
- Portfolio Enhancement**

Expansion into complex API platforms, Oncology and newer platforms that will create a richer portfolio for advancing the Company's business.



MANUFACTURED CAPITAL

In a business environment that expects high quality API at affordable cost, new challenges are the norm. Manufactured Capital is the lever that enables us to address each new challenge into new beginnings. It enables us to innovate, expand, and meet evolving global healthcare needs with agility and precision. Driving continuous reinvention, it propels us to transform and grow.

Our four state-of-the-art manufacturing facilities at Ankleshwar and Dahej in Gujarat, and Kurkumbh and Mohol in Maharashtra operate within a cGMP framework and are the foundation for the growth of our business.

These multi-purpose plants are designed for flexibility, allowing simultaneous production of various APIs for diverse market demands. Our manufacturing capacity extends from gram-scale to ton-scale production and has been growing each year, enabling us to forge new API businesses making us a reliable partner for global customers across 75 countries.

We prioritise continuous improvement, focusing on optimising processes for better solvent recovery, reduced cycle times, and minimal dilution volumes. This approach enhances efficiency and promotes safety and environmental sustainability.

We have also built an oncology footprint in Dahej and have planned to expand new capabilities at our upcoming API facility in Chincholi Industrial Area, Solapur. Designed to manufacture both APIs and intermediates, it will feature several multi-purpose manufacturing blocks with mid to high-volume capacity.

This expansion will support our CDMO business growth and increase capacity for generic API production, positioning us for future success. In the first phase, we will add 200 KL API capacity and 400 KL for backward integration of Key Starting Materials (KSMs) and intermediates.

Manufactured Capital at GLS is quality-focused, scalable, and widely inspected by major global regulatory agencies such as USFDA, ANVISA (Brazil), PMDA (Japan) etc., ensuring we deliver high-quality, affordable APIs and intermediates to our customers worldwide.

MANUFACTURING EXCELLENCE

Unlocking new opportunities, our world-class manufacturing facilities adhere to stringent cGMP standards and form the backbone of our high-quality operations. Three of these plants have undergone multiple inspections by the USFDA and other global regulatory bodies, consistently maintaining compliance over the past 20+ years.

Highlights

- Completed the construction of 208 KL capacity out of the total 400 KL at the Intermediate Block of Ankleshwar site, set to be operational in Q2 FY25.
- Completed brownfield expansion of Dahej Oncology plant; one of two independent modules is 100% commissioned.
- 18 KL pharma capacity at Dahej undergoing validation, scheduled to be operational by Q2 FY25.
- Initiated construction at Solapur for 200 KL capacity; total capacity of ~600 KL expected to be operational by FY26.

Planned a new flow chemistry manufacturing facility at Ankleshwar site in FY25.



Key Manufacturing Strengths

Manufacturing Capacity and Allied Infrastructure

Our combined reactor capacity expanded to 1,198 KL in FY24, and we produced 713 MT of APIs. We are on track for further expansion, projecting an increase in our commercial-scale manufacturing capacity to 900+ metric tons annually by FY25. Our facilities efficiently handle multiple products, employing various reactions such as Grignard, Hydrogenation, Bromination, and Oxidation in a safe and scalable manner.

Additionally, our in-house solvent recovery plants enhance our operational efficiency. To support expansion, we are upgrading infrastructure across key areas including quality control, quality assurance, warehousing, utilities, and effluent treatment plants. These enhancements will optimise our operational outcomes and strengthen our manufacturing capabilities for the coming year.

Quality-Focused Operations

Quality is integral to every dimension of our API business, from R&D and technology transfer to supply chain and to manufacturing. We prioritise investments in cGMP, upgrade our facilities with state-of-the-art equipment, IT systems, and enhance our workforce's capabilities through continuous training and upskilling. This commitment to quality excellence allows us to explore new opportunities and conform to internationally accepted benchmarks in API production.

Our robust Quality Management System (QMS) integrates cGMPs across all our facilities, covering everything from R&D and raw material procurement to manufacturing, packaging, and delivery. Our Quality by Design (QbD) approach ensures quality through multiple checkpoints.



To further strengthen our QMS compliance, we have implemented several key initiatives:

- Established a modern Quality Control infrastructure that houses all the latest analytical tools and techniques at our Ankleshwar site.
- Introduced electronic signatures for chromatographic analysis.
- Implemented custom auto-calculations in High-performance Liquid Chromatography (HPLC)/ Gas Chromatography (GC)
- Deployed TrackWise software as a further enhancement to the QMS

Our facilities have successfully undergone 48 inspections and audits by regulators. These periodic evaluations are conducted by the USFDA, PMDA, COFEPRIS, Health Canada, MFDS (Korea), EDQM, ANVISA (Brazil), WHO and CDSCO.

In line with cGMP standards, we maintain an independent quality governance function to ensure compliance and quality across manufacturing, testing, release, and distribution.

Our Quality Control laboratories are equipped with sophisticated instruments such as LCMS (Liquid Chromatography with Mass Spectrometry), GCMS (Gas Chromatography with Mass Spectrometry), ICP-MS (Inductively Coupled Plasma Mass Spectrometry), XRD (X-ray diffraction), etc. necessary for analysing drug substances per pharmacopoeia and regulatory requirements. These analytical tools meet computerised system regulations, including 21 CFR Part 11.



Period - April 2023 to March 2024	Ankleshwar	Dahej	Mohol	Kurkumbh	Total
No. of Regulatory Inspections	2 (State FDA and ANVISA (Brazil))	3 (1 State FDA and 2 CDSCO)	1 (State FDA)	1 (State FDA)	07
No. of Customer Audits	59	45	8	0	112
Total					119

Secure Supply Chain and Backward Integration

Our supply chain is designed to support production at various scales for any given API, from product development to manufacturing. We achieve optimal cost and quality by qualifying multiple vendors, both in India and China, for our Key Starting Materials (KSMs). These strategies ensure supply security and controlled procurement costs.

Additionally, we implement backward integration for select KSMs to mitigate potential supply security challenges and prevent cost escalation.

Capitalising on CDMO Opportunities

Contract Development and Manufacturing (CDMO) represents a significant and rapidly advancing segment of our business. We acknowledge its vast potential and strategically leverage our existing assets while actively enhancing our capabilities to support CDMO services.

This enables us to address the varied needs of our clients in both, lifecycle management and specialty segments. By focusing on process chemistry and adaptable multi-product manufacturing capabilities, we can swiftly meet the evolving demands of this rapidly growing segment.

KEY ASSETS

Manufacturing Plants	Annual Installed Capacity (Mar-23)	Last USFDA Inspection Date	Inspection History
Ankleshwar, Gujarat	742.2 KL*	July 2019	USFDA, MHRA (UK), FIMEA (Finland), Romania (Europe), PMDA (Japan), COFEPRIS (Mexico) Health Canada, KFDA (South Korea), Gujarat FDCA
Dahej, Gujarat	381.9 KL**	Oct 2018	USFDA, EDQM (Europe), PMDA (Japan), KFDA (South Korea)
Mohol, Maharashtra	49.1 KL	March 2018	USFDA, Maharashtra FDA
Kurkumbh, Maharashtra	24.6 KL	-NA-	Maharashtra FDA

Forging new pathways in API innovation, our journey is powered by the seamless integration of our manufacturing capabilities with our advanced R&D infrastructure: **Mahape, Navi Mumbai | Ankleshwar, Gujarat | Dahej, Gujarat**
 This strategic alignment of production and innovation serves as a catalyst of our asset base, giving rise to a dynamic collaboration for our evolving business needs across our diverse product portfolio.

*Additional 208 KL construction is completed and will be operational in Q2 FY25 at Ankleshwar, Gujarat
 ** Additional 18 KL of pharma capacity is under validation and will be operational in in Q2 FY25 at Dahej, Gujarat



New, state-of-the-art Quality Control and Quality Assurance Centre at Ankleshwar, Gujarat.

Future-ready Manufacturing

We are laying the groundwork for a future-ready manufacturing ecosystem by undertaking a thorough modernisation of our facilities and processes:

- Plant Transformation**
 We have refurbished our infrastructure and are expanding storage facilities, setting the stage for enhanced production capabilities and efficiency.
- Digital Evolution**
 Implementation of a data logging system for manufacturing equipment marks another step into a new era of data-driven decision-making and process optimisation.
- Technological Leap**
 The upcoming transition of SAP to S/4HANA represents a significant upgrade in our enterprise resource planning, enabling faster analytics and more agile operations.

FUTURE CAPACITY EXPANSION PLAN

Moving forward, we will strategically expand our manufacturing capabilities, leveraging new opportunities in our portfolio.

This expansion will enable us to serve more customers across key segments, solidifying our position as the preferred partner for API-CDMO and generics API businesses.

Ankleshwar

- Backward integration plant - 208 KL capacity construction completed; operational in Q2 FY25
- Planned addition of 280-300 KL between FY25-FY26

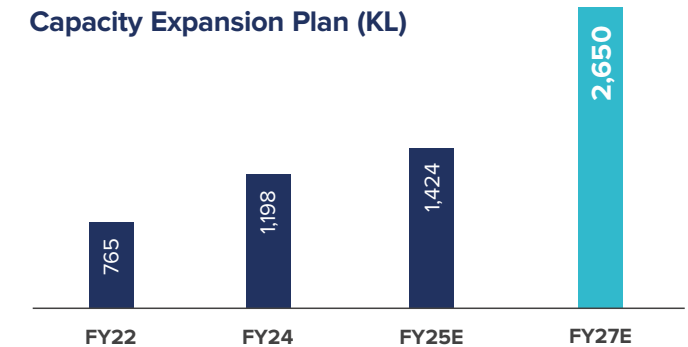
Dahej

- 18 KL capacity construction completed; operational in Q2 FY25
- Planned addition of 100-120 KL between FY25-FY26

Solapur

- Phase 1: 200 KL capacity construction commenced (Phase 1); operational in FY26
- Phase 2: Planned addition of 400 KL by FY26 - further capacity expansion will be calibrated as per the volume demand

Total Reactor Capacity Expansion Plan (KL)





INTELLECTUAL CAPITAL

We believe innovation is the key driver of growth and our ability to unlock new opportunities through innovation is our most valuable asset. At Glenmark Life Sciences, our Intellectual Capital - the collective expertise, systems, and innovation culture - forms the foundation of our success.

Through new R&D platforms and by leveraging our human and financial resources, we fuel innovation and enhance our Intellectual Capital. This then drives the development of newer products and technologies, optimises processes, and keeps us competitive in a dynamic market.

By nurturing our Intellectual Capital and combining it with new perspectives, we strengthen all aspects of our business and create enhanced stakeholder value. Together, our dedicated workforce's collective wisdom and our expanded R&D capabilities will create a synergy that propels us towards new horizons in pharmaceutical innovation.

R&D Investment (in INR)

FY20	FY24
400 million	753 million

R&D Personnel (in nos.)

FY20	FY24
264	323

Cumulative DMF and CEPs filings* (in nos.)

United States, Europe, Japan, Canada, Australia, and more

FY24
520

**As on March 31, 2024*

API Portfolio (in nos. as of FY24)

151

Patents Granted (Till 31st March 2024)*

FY24
80

**This includes patents granted in India, US and Europe. All 80 patents are solely owned by Glenmark Life Sciences.*

The vision of our new promoter is poised to usher in New BIG Innings driven by enhanced investments. These investments will support the expansion of our R&D infrastructure, facilitate new research projects and help expand our complex API platforms. As we embark on this transformative chapter, we remain committed to leveraging our enhanced Intellectual Capital and create sustainable long-term value towards a greener, healthier future.

TECHNOLOGY-LED, EMPLOYEE-DRIVEN R&D

Our newer R&D functions supported by enhanced infrastructure, newer technology platforms, and cross-industry technologies at our R&D Centres in Mahape, Ankleshwar and Dahej will contribute to the growth of new businesses.

Our talented pool of research scientists and engineers, comprising 16% of our total workforce, are set to explore these new frontiers in innovation. We aim to accelerate growth through our specialised teams focusing on new product development, complex products, oncology product development, process safety, flow chemistry, technology transfer, lifecycle management, and project management.

We have a robust, diversified portfolio of 151 molecules, and continue to work towards developing 8-10 new molecules annually, serving customers across India, Europe, North America, Latin America, Japan, Korea, Southeast Asia, GCC countries, North Africa, and beyond. As we step into this new chapter, our R&D function stands ready to drive innovation, fuel growth, and shape the future of an enhanced business footprint.



Cumulative Filing Status

Therapy	North America	Europe	Japan	LatAm	Australia	ROW	Total
CVS	38	33	4	21	10	35	141
CNS	38	25	8	13	2	17	103
Diabetes	10	5	-	8	-	13	36
Pain Management	1	2	-	4	1	9	17
Others	77	39	6	34	9	58	223
Total	164	104	18	80	22	132	520

R&D Infrastructure

Mahape, Navi Mumbai, Maharashtra

- R&D for new product development and complex molecules
- High-end analytical equipment for characterisation



Ankleshwar, Gujarat

- Cost improvement programmes and process improvements

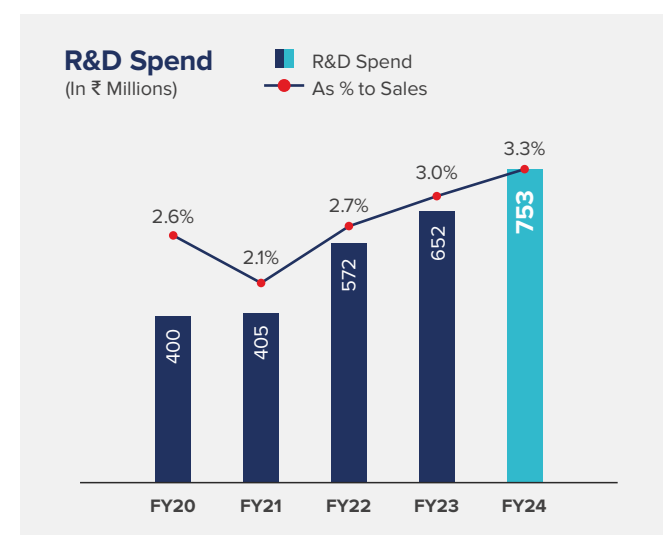
Dahej, Gujarat

- Oncology R&D
- Cost improvement programmes and process improvements

R&D Investments

A key element of our growth strategy is our investments in R&D. Our philosophy of aggressive R&D investments, as evidenced by a consistent increase in R&D spend over the last 4 years, empowers us to unlock untapped opportunities. With enhanced capabilities, we continue to focus on developing complex APIs and next-generation processes that enhance efficiency.

Our goal is to remain at the forefront of industry innovation, creating value while driving progress towards a sustainable future.



Product Development Highlights

- 38 new products in development pipeline, including 3 iron complexes and 11 oncology products.
- 17 products comprise our High Potency API pipeline; 3 products have been validated, while 4 products are in advanced stages of development.
- Development progressing for iron complexes in the grid. Filing completed for 1 iron complex with 2 others in advanced stages of development.

Key Capabilities

We offer advanced chemistry capabilities that include polymorphism screening, process safety, pharmaceutical salt screening, particle size distribution studies, and various techniques like high pressure, high temperature and cryogenic reactions as well as asymmetric hydrogenation. We are adept in technologies using enzymatic transformation, continuous flow chemistry, and advanced filtration methods such as ultra-filtration, nano-filtration, and ion-exchange.



Driving Green Processes

Forging new paths to sustainability, we have embarked on multiple initiatives in lower energy consumption alternatives and reducing the carbon footprint. We have achieved notable reductions in effluents for select high-volume products. Our R&D efforts are also focused on introducing safer technologies for early-stage intermediates and optimising challenging batch processes through process intensification and flow chemistry.

MANAGING INTELLECTUAL PROPERTY

As GLS embarks on a new chapter, our commitment to Intellectual Property (IP) management becomes even more crucial. This new beginning offers enhanced opportunities for R&D advancement and fortifying our core principle of securing business growth through IP creation.

We continue to strengthen our IP through our expertise in process chemistry, novel polymorphs, and innovative manufacturing technologies. As a result of the efforts of our scientists and engineers, we have been granted 80 patents. This impressive portfolio not only bolsters customer confidence but also positions us for an accelerated growth.

A valuable asset is our team's deep understanding of the global regulatory landscape. Navigating complex requirements across various markets, we devise strategic approaches for timely market entry worldwide.

This expertise, combined with our cGMP manufacturing capabilities and regulatory support throughout the development life cycle, adds to our strength in the CDMO space.

THE ROAD AHEAD

In the upcoming year, we aim to accelerate our momentum, intensifying R&D efforts on complex APIs with a 3-7 year commercial launch window. We will continue to prioritise developing advanced processes for existing molecules to enhance our competitive edge and market share.

Our focus also extends to deepening backward integration for select API raw materials through innovative intermediate manufacturing technologies. Additionally, we will build newer platforms to create a richer portfolio & fuel technological advancements in flow chemistry. To support all these we will have a new R&D centre.



HUMAN CAPITAL

As we stand at the forefront of a transformative journey, we believe that our people remain our greatest asset, enabling us to embrace new beginnings with agility and foresight. With their profound expertise in API manufacturing and steadfast commitment to quality, they navigate the complex landscape of global regulatory compliance while driving innovation and adapting to evolving market dynamics. Their collective experience ensures manufacturing excellence, process safety and alignment with our sustainability goals.

While our past successes gave us a strong foundation, the challenges of the future demand a shift in our approach. We are intensifying our focus on attracting, developing and retaining this talent to strategically build a robust pipeline of leaders across levels.

Our initiatives are designed to foster a safe and respectful workplace that celebrates diversity, equity, and inclusion, which in turn spearheads innovation and growth.

Highlights

323 R&D Personnel

2,014 Permanent Employees

9,481 Training Hours

7.15% Women in Workforce

78,828 Safety Training Hours

A Holistic Approach to Attract, Develop & Retain Talent

ATTRACT

In this rapidly evolving landscape, we believe in more than just hiring talent. In fact we are committed to creating a workplace that is not only appealing to top talent but also reflective of our values and vision.

By fostering a diverse, inclusive and innovative environment, we aim to attract individuals who are not only skilled but also passionate about contributing to our collective success.

As key differentiators we:

- **Identify talent and ensure 'Ideal Profiling'** to ensure high-fit hiring.
- **Leverage technology** for evaluation and assessment of the prospective employee.
- Deploy a **multi-pronged talent acquisition strategy** that includes campus hires, referrals, consultants and job portals
- Ensure **competitive compensation and career growth opportunities** through role rotation, while further education and certifications provide the right exposure.

On a continuous basis, we have introduced innovations in the process, which have helped aspiring candidates to develop their careers. Our innovative, industry-leading people initiatives have garnered recognition and awards, enabling us to attract and retain exceptional talent. One such initiative is:

GLS Trainee Scheme

The GLS Trainee Scheme is dedicated to developing a frontline talent pool, focusing on being future-ready and highly motivated while ensuring diverse representation. Through a holistic process, we connect with campuses and implement a scientific hiring process using success profiles. The selections are based on technical assessments and behavioural interviews. We hire from a broad pool of campuses from across different states in the country. Further, we train them through on-the-job training in a simulated plant environment via SIM Lab, to make them shop floor ready.

DEVELOP

We are committed to developing talent and maximising the potential of our workforce. Once the candidates are on board, we believe in investing in their growth, through continuous learning and professional development as a cornerstone of our employee experience. These include **skill development training, cultivation of desirable behaviour and development of the future leadership pipeline.**

By investing in innovative skill development and learning experiences, we cultivate a culture of continuous improvement and excellence.



ĀARAMBH

Our flagship onboarding programme, Aarambh, is a skill development initiative that bridges the gap between learning and knowledge assimilation. As the first of its kind in the industry, the programme addresses the challenge between knowledge imparted and assimilated in a highly regulated sector.

Aarambh's hybrid approach, combining shop floor training with simulated learning through SIM Lab, has proven to be a game-changer by ensuring both compliance and effective induction.

GAMO: A gamified learning platform

Another industry-first initiative, GAMO uses gamification as a mechanism for training via virtual simulation of cGMP SOPs for enhanced transfer of learning and application. These gamified learning modules are self-paced and need-based.

SIM LAB

The SIM LAB combines classroom learning with on-the-job training in a simulated plant environment equipped with prototype machinery and equipment. This industry-first simulated learning environment enhances the functional capabilities of both new and existing employees, providing a safe space to develop skills for operating machinery and utilities. This helps ensure that we create talent as per cGMP requirements and skill needs of the shop floor.

The training modules include the Induction Programme (Aarambh), Safety Modules, Chemical Handling Modules, and SOP Demonstrations, with a special emphasis on safety practices, thereby delivering comprehensive functional and safety training.



Role-Based Capability Building

With a high focus on impact, we implemented a structured approach to organisational capability building & aligning learning journeys to critical competency gaps and business KPIs. We first identify critical talent pools/cohorts for development based on performance and talent reviews, next, we assess competency gaps based on the current and future needs of the cohort, followed by visualising the learning journey using innovative methodologies to enhance learning transfer.

Finally, we assess the impact of these learning initiatives on key business KPIs. Our comprehensive learning tracks both functional and behavioural, are deployed across all functions of the organisation, ensuring our workforce is

equipped to meet evolving business demands. Overall it is based on the 3E approach of education, exposure and experience.

Our comprehensive talent development strategy ensures our employees receive the training and support needed to excel in their roles and to accelerate their growth.

GROW



Transforming leaders by experience to leaders by design, Get Ready for Opportunities at Work (GROW) is our year-long future leadership development journey aimed at strengthening potential mid-level leaders across all departments. The programme includes pre and post 360-degree feedback, in-depth psychometric diagnostics and debriefs, experiential learning experiences, and post-programme practice through self-paced simulations.

Additionally, leaders work on live business problems across product life cycle, cost management and process improvements. The action learning projects are aligned with live business goals and are also periodically reviewed by the leadership. Over the course of the training days, we provided targeted training to more than 50 leaders across key functions such as Production, Quality, and R&D.

By investing in these future leaders, we ensure they develop key skills such as collaboration, stakeholder management, situational adaptability, result orientation, and personal effectiveness.



GROW was honoured with Silver for 'Best Leadership Development Programme (Pharma)' at the TISS Leap Vault Chief Learning Officers Summit 2023

Achieved Bronze for 'Excellence in Campus/Fresher Hiring' at the ET-Human Capital Awards 2024

DISHA - Direction to Sustain, Harness & Achieve

DISHA is a comprehensive coaching programme designed to develop the pipeline for future Functional Heads by enhancing critical leadership competencies such as emotional intelligence, strategic thinking, assertive communication, and stakeholder management. The 10 to 12-month journey is facilitated by certified senior coaches with exemplary corporate experiences, providing a confidential and safe space for self-discovery and growth. The programme focuses on both behavioural and business areas to ensure well-rounded development. In the 2023-2024 cycle, six leaders from Production, Quality, R&D, Supply Chain, Marketing, and HR embarked on the DISHA journey. The initiative aims to improve the success rate of scale-ups, enhance site productivity, and increase supply chain efficiency, ultimately driving significant business impact.

POSH Sensitisation Sessions

We conducted comprehensive POSH sensitization sessions, reaching 102 people managers and Internal Complaints Committee (ICC) members, as well as 95 administrative staff at production sites. These sessions covered the definition of sexual harassment, the ICC's role, and key POSH principles. We reinforced these sessions with frequent email updates and posters. Additionally, we provided clear guidelines on connecting with the ICC and identifying behaviors constituting sexual harassment, achieving full compliance in POSH, Code of Conduct, and Anti-Bribery training.

RETAIN

We believe in creating an environment where our people feel valued, engaged, motivated and safe. We do this by engaging employees to participate in the meaningful development of self and the organisation. We reward contributions, maintain open channels of communication and offer a balance between challenging opportunities and support.

Talent Management Review Framework

Our comprehensive Talent Management Review Framework identifies critical positions aligned with business priorities, develops strategies to strengthen these positions, and engages critical talent within the system. This is our way to develop succession pipeline through identification and grooming for key roles within the organization. The framework also implements strategies to retain this talent and improve the build-to-buy ratio for critical talent in key positions.

- **Performance Linked Reward for talent with future potential**, whether it is increment, bonus or even fast track growth and career progression

Creating an Environment of Meaningful Engagement

We create such engagement through various initiatives such as Mood-o-meter, a tool to gauge people insights or Leadership Connect, a platform to exchange thoughts, clear doubts and discuss our roadmap with the senior leaders and programs such as iPRO that encourages grassroots innovation.

iPRO (Improvement Projects)

The iPRO programme encourages grassroots innovation by engaging the energy and perspectives of the frontline workforce. This self-development initiative promotes out-of-the-box thinking and develops functional and leadership capabilities through incremental innovation projects that address immediate daily challenges and improve efficiency. Employees are encouraged to propose innovative ideas for cost improvement, process optimization, resource savings, safety enhancement, and waste minimisation.

168 employees participated in 32 projects in FY24. Outstanding contributions are recognised with Step-up Awards, reflecting iPRO's impact on building individual functional and leadership capabilities.



Employee Health, Safety and Well-being

The health, safety, and well-being of our employees are integral to our workplace culture, in line with our commitment to fostering a respectful and positive work environment. Our comprehensive approach encompasses robust safety governance, extensive training programmes, and proactive risk management strategies.

We strive to create a workplace where every employee feels secure, valued, and empowered to perform at their best.

78,828 hours of safety training across FTE and OCL Employees | Zero Lost Time Injury Frequency Rate (LTIFR) for FY24.



Safety

We monitor occupational safety and health through our robust safety governance framework that includes reviews at multiple levels. We conduct thorough workplace safety risk assessments and process safety HAZOPs studies to identify and mitigate potential hazards.

To maintain the highest safety standards, we provide extensive training in process safety, workplace safety, and best practices in industrial hygiene. Through initiatives like 'Leaders Gemba Walk', we continuously strive to improve our safety performance. We strictly adhere to protocols for safe handling, including the mandatory use of Personal Protective Equipment (PPE).

Mission Zero - a holistic approach on employee safety

Mission Zero represents our commitment to creating an accident-free workplace. This initiative aims to instil a safety-first culture throughout the organisation, where every employee understands and prioritises safety procedures.

As part of our Mission Zero commitment, we create safety awareness through Apna Vada videos, where employees enact real life safety concerns. We also conduct OCL trainings and monthly Safety Review meetings with the CEO along with all stakeholders.

Mission Zero encompasses three key objectives (Ghar se Ghar Tak):

- **Zero Accidents**
- **Zero Injuries**
- **Zero Unsafe Behaviour**



Diversity and Inclusion

To attract and retain diverse talent, we foster an inclusive culture where all employees are valued, respected, and supported. Our positive gender diversity is evident across office functions like Quality, Marketing, Regulatory Affairs, R&D, IP, and HR, with women leading key roles in marketing services, communications, and marketing. While we face challenges in hiring women in Manufacturing, we are actively recruiting women for Tech Transfer, Production, and Plant R&D.

Our policies and practices enhance inclusivity through policies like paternity leave, monitoring of gender diversity in hiring, retention, performance appraisal and more. Our commitment to a no-discrimination policy and work-life balance nurtures a supportive work environment.



Gender Diversity

- 100% employees covered under POSH
- 12.5% Women Directors on the Board (%) (1 out of 8)
- 144 Women Employees (in nos.)

Inclusive Culture

- We have a healthy mix of young and experienced manpower
- In FY24, there were 3 differently-abled employees in our workforce

Celebrations and Connects

Through monthly connects, sports events and celebrations, we endeavour to create an environment wherein employees can strengthen their bonds and connect to the organisation.



Monthly connect Celebrating the birthdays of the month, welcoming new joiners and engaging in fun games.

Day celebrations Across all locations we celebrate different events such as Yoga Day, Women's Day, Environment Day, GMP Day etc. Along with that we have celebration of Safety Week and Quality Week through Quiz, Poster Making, Rangoli Competition, Skit and Poems.

Sports events At sites there are Cricket tournaments, volleyball Games, Indoor activities such as Chess, Table Tennis, Ludo, and Darts.

Festivals We joyfully celebrate festivals such as Gudi padwa, Holi, Pooja at Dushhera, Bursting crackers on Diwali and Garba at Navaratri. During Christmas we held competition at sites for best decoration etc.

Employee Engagement

Effective employee engagement drives motivation, satisfaction, and retention. We offer various platforms and programmes to foster engagement and communication, such as the Mood-o-meter Survey, Leadership Connect, Tete-a-tea with senior leadership, and the GEN Y programme. The GLS Excellence Awards recognise outstanding performance across different functions. Let's take a deeper look at each of our Employee Engagement offerings.

Rewards & Recognition

Quarterly Awards

We have a comprehensive recognition strategy which recognizes excellence on a Quarterly basis, across all Grades and functions.

GLS Annual Excellence Awards

In 2023 – 2024, we also introduced the GLS Annual Excellence Awards, which recognizes teams and individuals for their extra ordinary contributions to the growth of the Business.

Long service Awards

Given for long services and contribution to employees who crossed 5, 10, 15, 20 Years at GLS.





SOCIAL & RELATIONSHIP CAPITAL

As a responsible corporate citizen, we always work with a human and environment-centric approach for the betterment of the communities surrounding our facilities, adjoining areas, and the aspirational districts. We believe in nurturing our relationship with the community as an important stakeholder by assessing the need to redress any specific needs of the community and address their issues with our interventions. These are aligned to Schedule VII of the Companies Act, 2013 and the UN Sustainable Development Goals.

SOCIAL CAPITAL

Our Social Impact

CSR Investment (in INR million)

FY23	FY24	Increased by
97.43	111.12	14%

No. of Beneficiaries

FY23	FY24	Increased by
309,249	372,839	20%

Our success is closely linked to the well-being of the communities we serve. While we look forward to **New BIG Innings**, we remain committed to creating value for our neighbouring communities.

We focus on creating equitable access to healthcare and education, advancing environmental stewardship, and supporting community development.

Through strategic partnerships and structured programs, we address community challenges and empower marginalised groups, supporting sustainable social well-being.

Our Corporate Social Responsibility (CSR) initiatives reflect our core values. We focus on sustainable solutions that positively impact the environment and society, enhancing the quality of life for local communities. By building trust and nurturing relationships, we aim to achieve our long-term goals and create a healthier future.

Our programs align with national priorities and the UN Sustainable Development Goals, integrating social responsibility into our operations. This approach benefits those in need and strengthens our bond with the communities, while contributing to global goals and creating long-lasting positive impact.

Our CSR Vision

To actively contribute to the community and environment, in which we operate, through our initiatives, services and conduct, to enable sustained growth for the society and communities, in our role of being a socially responsible organisation.

Our CSR Focus Areas

Access to Healthcare



Access to Education



Environmental Sustainability



Community Development



ACCESS TO HEALTHCARE



Access to healthcare is vital for community well-being and progress. A healthy society is an asset for the nation. We enhance this by developing affordable treatments, supporting health initiatives, and driving innovation to improve lives globally.

Project Sampurna Creating a Healthier and Happier Society

This program addresses the needs of adolescent girls, women during pregnancy & post-pregnancy, and children up to 5 years of age, ensuring support at critical stages of their care, growth and development. The program also focuses on upgradation of the public health facilities by enhancing the healthcare infrastructure and equipping them with civil, machinery and medicinal support for better treatment & services.

Enhancing Primary Health Centres A key aspect of Project Sampurna is the upgradation of health facilities which includes Primary Health Centres (PHCs), Community Health Centres (CHCs), Child & Women Centres (CWCs) and Anganwadis to support & bolster the public healthcare system. These enhancements focus on the health and wellness of pregnant women, children, and anaemia patients, while also raising awareness on various health issues based on community needs.

Assistance for ASHA The project is also designed to provide special assistance to ASHA workers through the 'Sampurna Model,' offering health check-ups for underprivileged women and adolescent girls, and providing supplementary nutrition for women and children.

Behavioural Change Through this program, we aim to enable behavioural changes in communities, particularly among adolescent girls and young mothers. To achieve this, we conduct awareness sessions, capability building

workshops, provide antenatal and postnatal services, and facilitate curative and supportive healthcare services, including diagnosis, medication, and consultations. Additionally, we also promote awareness on hygiene essentials, support distribution of eco-friendly sanitary napkins, help grow kitchen garden, help in HB test etc.

IMPACT

No. of Beneficiaries (Overall)

3,37,157

10 healthcare facilities upgraded, benefiting 3,18,829+ individuals

No. of Beneficiaries

15,329+ 2,999

Females Children

GEOGRAPHICAL LOCATION

Maharashtra: Solapur, Mohol, Angar, Devali, Wadval, Shirapur, Kolegaon, Bhambewadi, Ashte, Morvanchi, Khuneshwar, Ramvadi, Vidi Gharkul, Darasha, Bhavana Rushi, Nai Jindagi, Palghar (Saphale)

Gujarat: Bharuch, Ankleshwar (Amratpura, Avatar, Dadhal, Jitali, Junidevi, Kararvel, Motali, Navadiva, Navidivi, Pardhimokha, Piprod, Sarangpore, Sengpur, Uchhali), Mandava, Ghadkol

ACCESS TO EDUCATION



Access to education is crucial for nurturing young minds and shaping a knowledgeable society. By stoking scientific curiosity via school support and equipping both students and teachers, we aim to bridge the gap between theory and practice, and to foster a passion for science and innovation.

Project ViGyasa Nurturing Young Scientific Minds



Asking the right questions sparks new beginnings. With Project ViGyasa, which stands for 'Vigyaan ki Jigyasa', we foster curiosity and enthusiasm for science among young learners. We provide tools, training, and infrastructure to create an environment where students can explore and develop scientific interests. This initiative supports schools funded by various government bodies and trusts, aiming to cultivate a scientifically literate and innovative society.

Establishment of Science Labs To facilitate practical learning and to bridge the gap between theoretical knowledge and practical application, we have developed both mini and integrated science labs, focusing on different aspects of Chemistry, Biology, and Physics.

Specialised Training and Workshops We conducted specialised training sessions, science workshops, awareness programs, exposure visits, and mentorship activities for students. These initiatives are designed to enhance their interest in scientific education. Additionally, we provide training for teachers, equipping them with the skills to effectively use the integrated science labs and enriching their ability to share their knowledge.

Provision of Science Kits Distribution of science kits to promote experiment-based learning. This makes science education more interactive and engaging for students.

Infrastructure Support We provide basic amenities and infrastructural facilities to create a conducive learning ecosystem. This includes ensuring the availability of water and sanitation, support for school infrastructure such as benches, and digital learning tools and platforms.

IMPACT

No. of Beneficiaries

23,014+ individuals

22,314 school children | 503 college students
197 teachers trained

No. of Educational Institutions Benefited

47 Schools 7 Colleges



GEOGRAPHICAL LOCATION

Maharashtra: Solapur (Degaon, Sawleshwar, Pakani, Shirapur, Khuneshwar, Hingani, Kolegaon, Mohol, Angar) **Raigad** (Panvel, Taloja-Belvali, Nere, Shivkar, Chindran) **Navi Mumbai** (17- Juipada, 71-Indira Nagar, 24-Hanuman Nagar, 20-Turbhe, 18-Sanpada)

Gujarat: Narmada (Dediyapada-Dabhavan), **Bharuch** (Netrang-Kochbar, Galiba, Debar, Sankoi, Zarna, Cacadkui, Bilothi), **Ankleshwar** (Kapodra, Mandava, Andada, Junasakkarpur, Bharan)

West Bengal: Birbhum (Rampurhat, Bolpur, Dubrajpur, Lavpur)

Bihar: Nalanda, Muzzafarpur, Bhagalpur

ENVIRONMENTAL SUSTAINABILITY

Creating sustainable practices for the present and future



We understand that restoring nature is essential for both sustainable business and societal health. Our environmental strategy, based on circular economy principles - reduce, reuse, recycle, recover, repair, and responsibly dispose - aligns with UN Sustainable Development Goals and supports natural resource regeneration. By focusing on Water Stewardship and Carbon Neutrality, we aim to create sustainable ecosystems that benefit both the environment and local communities.



Water Stewardship

Our Water Stewardship project aims to reduce and replenish water usage through comprehensive conservation efforts. We adopt and rejuvenate water bodies near our facilities, provide clean drinking water to communities, and implement diverse rainwater harvesting techniques. These include deepening existing water bodies, creating farm recharge ponds, and constructing percolation tanks and check dams across rural, semi-urban, and urban areas.

IMPACT

8,474 hectare area covered **46** water harvesting structures

5,35,942+ KL water recharged **9,208+** farmers & community members benefited

GEOGRAPHICAL LOCATION

Maharashtra: Solapur Drought Prone Area (DPA), Mohol (Pokharapur, Khavani, Sarole)
Gujarat: Bharuch (Netrang - Vankol, Umakhada)

Carbon Neutrality

Our Carbon Neutrality project combines traditional and innovative methods to mitigate our environmental impact. We emphasise large-scale tree plantation drives to enhance carbon sequestration and energy conservation through green energy adoption and energy efficiency. These integrated initiatives not only address immediate environmental concerns but also contribute to creating a healthier, greener planet for future generations.

IMPACT

35,000 trees planted

52,500 tonnes of CO₂ - carbon absorption in lifespan

GEOGRAPHICAL LOCATION

Maharashtra: SRPF, Jogeshwari, Solapur
Gujarat: Bharuch (Cholad)

COMMUNITY DEVELOPMENT

A holistic approach to create a sustainable society



Our community development programs are designed to holistically uplift villages and economically backward areas. We address critical needs in domains such as skill development, sustainable livelihood, disaster management, need-based intervention for **women, PWD, transgender, orphans, elderly, street children** and various projects to enhance research and development. These efforts are particularly focused on areas surrounding our manufacturing facilities, ensuring that local communities benefit directly from our presence and become stronger and more resilient.

Our commitment to these initiatives not only improves the lives of individuals but also fosters long-term community well-being.

Sustainable Livelihoods

Our projects aim to increase the livelihood incomes of tribal, farmers and local communities by improving agricultural practices and allied livelihood practices, animal husbandry, as well as supporting solar lift irrigation & developing irrigation facilities. We support farming and non-farming families through various economic activities and create a veritable ecosystem for multiple livelihood generation opportunities.

By integrating traditional and modern methods, we enhance the value of farming practices and support the overall economic well-being of the communities. Activities include creeper/multilayer vegetable cultivation, fruit orchards, solar lift irrigation, cattle breed improvisation & azola farming, poultry and goat farming.



Support for Senior Citizens and Differently-Abled Individuals

We extend support to senior citizens and differently-abled individuals near our manufacturing facilities through various initiatives and programs. These efforts ensure that vulnerable populations receive the care and assistance they need to lead dignified lives, which include wheelchairs, standing sticks, diapers, spectacles, medicines, beds, care services amongst others.

Skill Development



We support the local community and youth by identifying critical needs and job opportunities and providing employment-oriented vocational skills training. Our aim is to equip individuals with the skills required to secure sustainable employment and improve their quality of life.

We completed training for the making of Basket, Supada, Tray, Lamp, Decorative show pieces etc. and imparted 3 vocational trainings each on bamboo craft making. In addition, exposure visits were undertaken where farmers were taken to other districts. We also support the Attendant Operators for Chemical Plant (AOCPs) and provide them with extensive training and support as per the industry requirement in consideration of their future growth.

IMPACT

No. of Beneficiaries

3,451+ individuals

1,304 farmers' families benefited
147 AOCP trainees | 2,000 elderly benefited

GEOGRAPHICAL LOCATION

Maharashtra: Navi Mumbai (Mahape, Turbhe)
Gujarat: Narmada (Aspirational District) - Nandod (Dochaki, Mahudipada, Dadwada (Handi), Chhatwada

RELATIONSHIP CAPITAL

We foster open communication with our stakeholders to facilitate effective decision-making in a dynamic world. This engagement helps build trust, enhance our reputation, and strengthen sustainable practices across our value chain. By gathering real-time feedback and addressing concerns through our robust stakeholder engagement mechanisms, we enrich relationships and shape our value creation process. These strong connections enable us to navigate challenges, access new markets, and drive long-term resilience and growth.

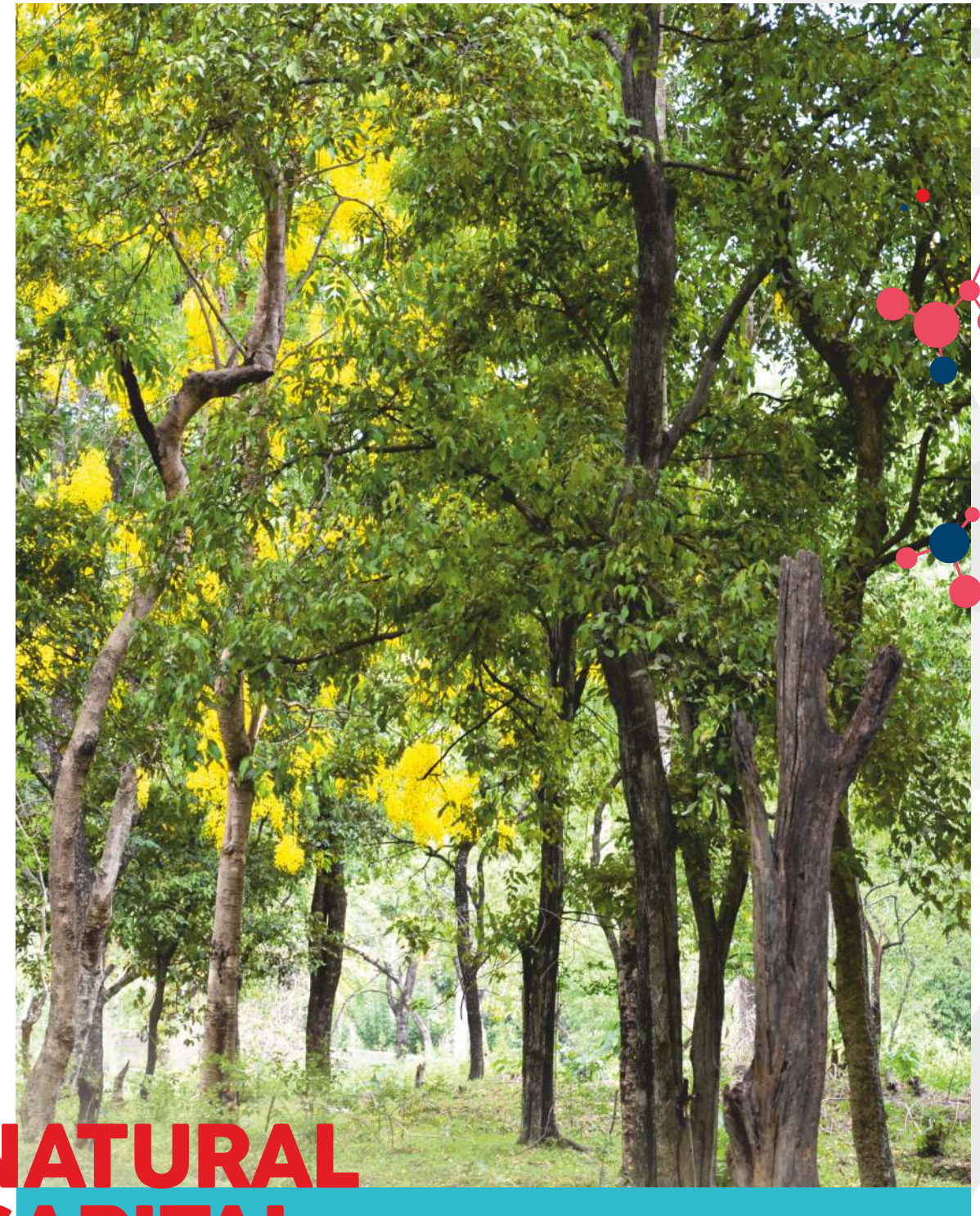
Our Stakeholder Engagement Mechanisms

We understand the significance of ensuring accountability and proactively engage with various stakeholders. Our multiple communication channels are tailored to meet our stakeholders' unique needs, allowing us to swiftly respond to their feedback and concerns.

Key Stakeholders	Engagement Mechanisms
Employees	Emails, SMSs, Website, Intranet, Pamphlets, Meetings, Leadership Meets, Town halls, Employee feedback and redressal
Customer Relationship Team	Emails, SMSs, Website, Meetings
Suppliers	Emails, SMSs, Website, Meetings
Investors & Shareholders	Emails, Website, SMSs, Virtual and Physical Meetings, Conferences, Investor Days, Press Releases, Annual General Meeting, Annual Reports, Presentation, News Paper Publications, Quarterly Earnings Calls
Communities	Physical meetings and visits
Regulatory Bodies	Emails, Meetings and submissions, etc.

Customer Relationship Management Team

We prioritise personalised customer experiences through our dedicated Customer Relationship Management Team. Acting as a single point of contact, this team streamlines interactions, simplifies processes, and delivers prompt solutions for each client. By deeply understanding customer needs, tailoring communications, and swiftly addressing feedback, the team boosts satisfaction and loyalty. This approach not only enhances customer retention but also drives growth and strengthens our brand reputation.



NATURAL CAPITAL

At Glenmark Life Sciences, we recognise the significance of prioritising and investing in environmental preservation that directly affect our operations and supply chains. Natural resources are the foundation for all economic activities. **By proactively managing, nurturing, and enhancing our Natural Capital, we aim to secure uninterrupted, long-term growth.**

We focus on preservation of the natural environment by implementing strategy for carbon footprint reduction, clean energy adoption, water stewardship, and responsible resource utilisation. Our initiatives include transitioning to renewable energy sources, creating carbon sinks through tree plantations, improving our water conservation practices, and enhancing energy efficiency across our operations. These efforts are designed to mitigate risks such as resource scarcity, water stress, and other impacts of climate change.

Our aim is to create value by minimizing the negative environmental impact, providing circularity in as many of its processes as possible.

We acknowledge the significance of the natural ecosystem and strive to embed sustainability in our business practices. Further through resource conservation, energy efficiency, emission and waste management, we plan to accomplish our environmental targets.

To ensure accountability and alignment, we have in place an integrated reporting mechanism that aligns with our ESG goals. We are also ensuring that employees understand the importance of environmental stewardship through targeted EHS campaigns that educate our workforce on preventing accidents and monitoring environmental risks. We are already seeing positive results from our commitment to sustainability, including significant progress toward our ESG targets in this decade.



Environmental Targets

The guiding principles of ESG have been at the forefront of our sustainability journey. We endeavour to take initiatives that will create a greener planet by taking less and giving more in a transparent way. We not only intend to reduce our environmental impact but also strengthen responsible sourcing and touch lives positively.

WATER NEUTRAL BY 2027

- Identifying opportunities to reduce & replenish water usage.
- Identifying, prioritising, and implementing water harvesting & conservation projects.

ZERO WASTE TO LANDFILL BY 2027

- Moving towards cleaner methods of waste disposal.
- Prioritising co-processing & pre-processing – the cleanest form of disposal.

CARBON NEUTRAL BY 2030

- Identifying green initiatives – renewable energy, energy efficiency etc. to reduce from current levels of Greenhouse Gas (GHG) emissions.

Key Focus Areas

At Glenmark Life Sciences, we are dedicated to bolstering our positive impact on the natural environment. As a resource-intensive business, **we prioritise energy efficiency, water conservation, and effective waste management.** Guided by our commitment to environmental stewardship, we actively manage our emissions, effluents, and waste.

Our efforts are focused on reducing GHG emissions, minimising effluent discharge, and limiting solid waste exposure to landfills. Through these measures, we aim to achieve our environmental targets while delivering value to our stakeholders.

ENERGY

We aim to reduce energy usage by improving operational efficiency, increasing the share of renewable energy in our mix, and transitioning to biomass fuels to lower our carbon footprint. At our Ankleshwar Plant, we utilise renewable energy sources such as wind energy and have adopted hybrid power solutions combining wind and solar energy.

In FY24, 9.18% of the energy usage was contributed from renewable energy sources (76,58,883 kWh).



GHG MITIGATION

We are mitigating GHG emissions by undertaking energy conservation projects, including efficient compressor changes, motor replacements and more. By installing bio-briquette boilers at our Mohol, Dahej, and Ankleshwar facilities, we aim to lower emissions and avoid the usage of fossil fuel. At our Ankleshwar site, we have begun using hybrid (solar+wind) power to partially meet our energy needs.



Highlights

- Specific steam consumption decreased from 260kg/kg in FY23 to 183.3kg/kg in FY24
- Specific power consumption decreased from 121 kWh/kg in FY23 to 105.29 kWh/kg in FY24

Key Energy-saving Initiatives

- Enhanced air compressor efficiency by implementing a pressure limit switch for the air compressor, resulting in a reduction of power consumption by 1,041.6 kWh per month.
 - Enhanced energy efficiency by automating the operation of plant lighting and canteen ACs through a timer circuit. Also, replaced conventional lighting with LED lamps (60W replaced by 9W), saving a total of INR 16.64 lakh per annum.
 - Augmented energy conservation by:
 - Replacing old reciprocating brine compressors (2x19TR) with energy-efficient screw-type brine compressors (43TR).
 - Optimising AHU chilled water plant temperatures from 5°C to 10°C seasonally.
 - Reducing the pressure of the breathing air compressor from 5 kg/cm² to 3 kg/cm², meeting operational requirements.
- These efforts resulted in a total savings of 5.89 lakh kWh and INR 48 lakh per annum in energy costs

For a more detailed breakup of the energy consumption figures, energy mix and energy saving initiatives, please refer to the BRSR section of this report.

WATER

Water stewardship is key to reducing the impact on the environment. Understanding the significance of water as a shared and scarce resource, we are committed to using it efficiently. To achieve this, we focus on maximising effluent recycling and reuse while minimising wastage across all manufacturing facilities.



Our efforts include enhancing natural water availability around our manufacturing facilities. Additionally, we have established water bodies and groundwater recharge structures in the vicinity of our manufacturing sites in Gujarat and Maharashtra to replenish the water tables in the communities where we operate.

A top priority across our facilities is the implementation of water conservation measures such as the installation of effluent treatment plants and water-efficient fixtures. This commitment is reinforced by our facilities' zero liquid discharge capability, ensuring a significant reduction in freshwater usage. Through these comprehensive efforts, we are striving to be responsible stewards of this vital resource, benefiting both our operations and the communities we serve.

Highlights

- 3,24,062 KL total water consumption; up 5.2%
- 5,35,942 KL: Water recharge done
- 0.31 KL/kg: Specific water consumption; down by 42.59% compared to FY23

Key Energy-saving Initiatives

- Implemented a drip irrigation system to nurture greenery that includes trees, effectively reducing loss of raw water and achieving a 20 KL per month reduction in raw water consumption.
- Implemented recycling of RO reject water in utilities and reduced flow at various user points for enhanced water conservation. This resulted in saving 2,772 KL of water in FY24, amounting to INR 2.01 lakh in cost savings.

WASTE & EFFLUENT MANAGEMENT



With a focus on responsible disposal, we have established a robust waste recycling mechanism. This encompasses a facility for collecting, treating, and recycling effluents where we recycle wastewater from both industrial processes and domestic use, and reuse the treated water. A portion of the treated effluent is directed to the government-authorized common effluent treatment facility.

We recover and reuse solvents in our processes, with partial quantities being sent to authorized recyclers. For solid waste, we utilize both landfill and co-processing units. Spent oils and process residues are sent for co-processing, while plastic and biomedical waste are managed by authorized recyclers and disposal facilities, respectively.

This integrated approach ensures we minimise waste, maximise resource efficiency, and adhere to environmental regulations across all waste streams.

Highlights

- 13,244 MT: Total waste generated (Including hazardous, non-hazardous and plastic waste)
- 9,719 MT: Total waste recovered through recycling, re-using or other recovery operations
- 5,876 MT: Hazardous waste sent to pre-processing/co-processing
- 5,696 MT: Hazardous waste sent for recycling
- 93,445 KL: Water recycled & reused; up by 1.95% compared to FY23

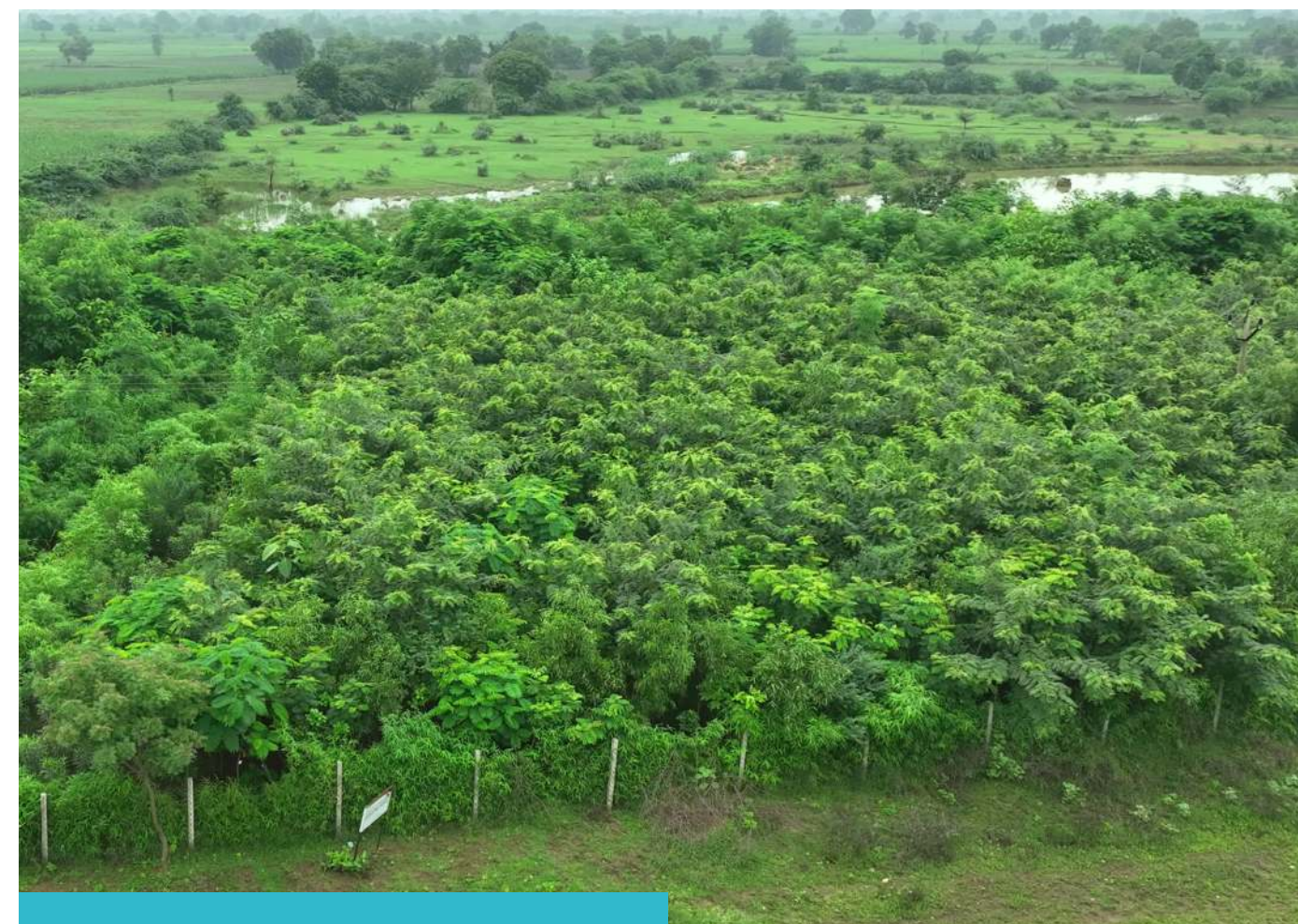
BIODIVERSITY

To mitigate and manage climate change, conserving biodiversity is vital. None of our facilities are adjacent to protected or close to key biodiversity areas. As part of our commitment to rejuvenate the planet, we focus on robust tree planting initiatives.

We have planted several local species of trees which can effectively provide fruits, flowers, and have medicinal value too. These trees attract butterflies, birds and local herbivorous species. This helps restore and improve the health of soil and stops any soil erosion too.

Till date we successfully planted 45,800 trees, resulting in the absorption of 68,700 tonnes of carbon (in lifespan).

We also identified further opportunities for carbon sequestration at our Solapur unit by developing a green belt in this area. These efforts not only help offset our



carbon footprint but also contribute to local ecosystem restoration and biodiversity enhancement.

MATERIALS

We are taking strategic steps to enhance our operational resilience and supply chain stability. To do this, we are optimising our vendor mix coupled with a concerted effort to reduce our dependence on imports, thereby reducing exposure to international supply chain disruptions. We have also cultivated a robust network of ancillary suppliers for our key molecules ensuring a consistent supply chain and diminishing our reliance on non-Indian sources.

In addition to this, we are collaborating with local manufacturers and providing them with the necessary volumes and technological support to develop new products. This approach also contributes to the development of domestic manufacturing capabilities. Furthermore, we have implemented a de-risking plan that involves exploring new sources of supply and fostering partnerships with local vendors for product development.



MANAGEMENT DISCUSSION & ANALYSIS

MACRO ECONOMY

Global Economy

The global economic recovery has shown surprising resilience, despite the lingering effects of geo-political conflicts, and the cost-of-living crisis. Inflation has declined faster than anticipated from its 2022 peak, with minimal disruption to employment and economic activity. This resilience can be attributed to both positive developments in supply chains and central banks' efforts to control inflation through interest rate adjustments, which have maintained stable inflation expectations. However, this progress is likely to be tempered in 2024 by continued supply disruptions due to attacks in the Red Sea, high interest rates aimed at inflation control and reduced fiscal stimulus due to high debt levels.

ROBUST ECONOMIC ACTIVITIES IN MAJOR MARKETS

Major economies surprised with stronger growth in the latter half of 2023. This upswing was fuelled by higher government spending, rising real disposable income supporting consumption, and utilisation of pandemic savings by households. Additionally, a supply-side expansion occurred, driven by increased workforce participation, improved supply chains, and faster delivery times. However, growth was uneven. The Eurozone faced subdued growth due to weak consumer confidence, high energy prices, and declining manufacturing activity. Low-income economies continued to lag behind pre-pandemic growth paths due to high borrowing costs.

INFLATION EASING FASTER THAN ANTICIPATED

Favourable supply chain developments and softening

energy prices have led to a decline in both headline and core inflation, bringing them closer to pre-pandemic levels. This trend reflects not only diminishing energy price shocks but also easing labour market tightness. While job vacancies are declining and unemployment is rising slightly, increased labour supply, including immigration kept wage growth under control, preventing a wage-price spiral. As a result, near-term inflation expectations have fallen in major economies, and long-term expectations remain stable.

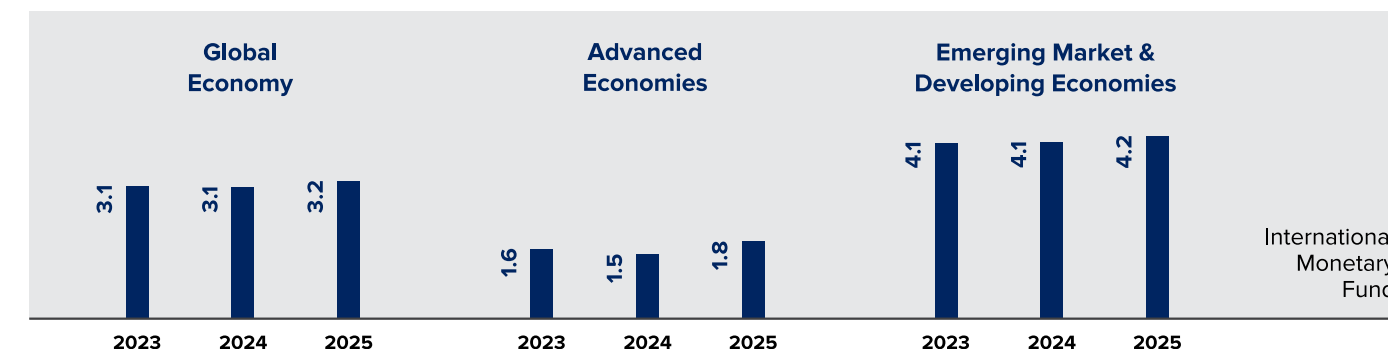
RISING BORROWING COSTS SLOWS DEMAND

Central banks raised interest rates to fight inflation in 2023. This led to higher borrowing costs and a slowdown in investment, particularly in commercial real estate. However, with inflation easing, interest rates are expected to fall in the future. Long-term borrowing costs remain high due to rising government debt. Central bank policies now vary by country, with some lowering rates and others keeping them steady.

OUTLOOK

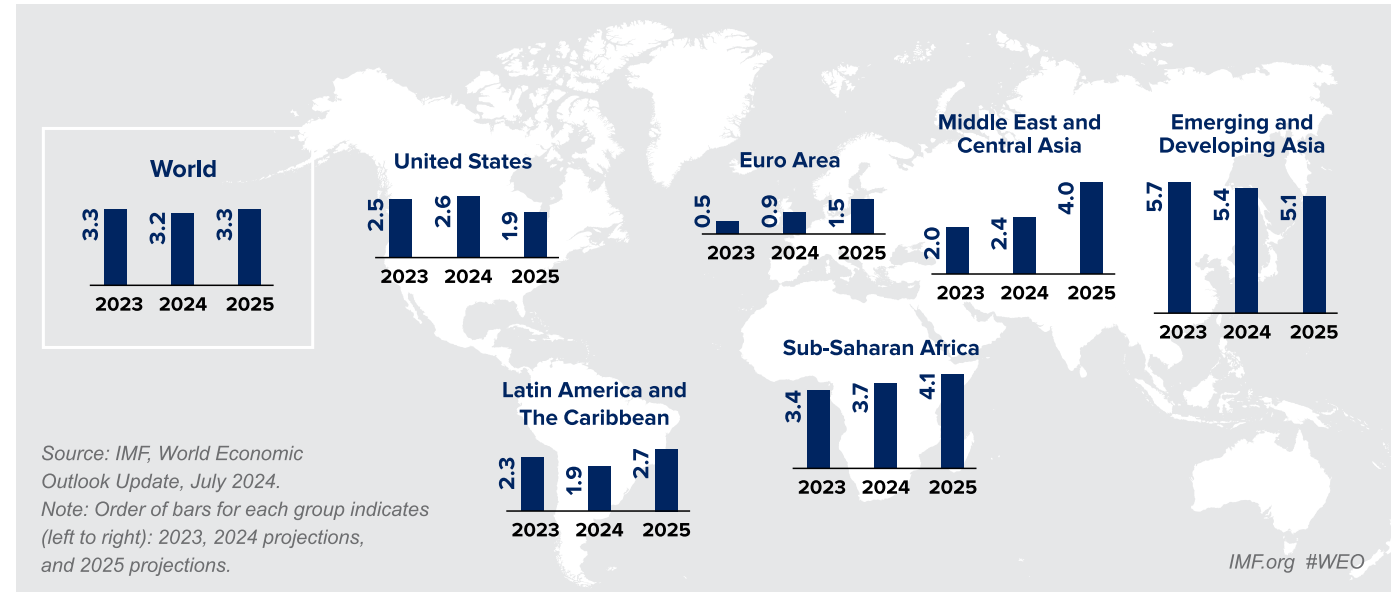
Global growth is projected to hold steady at 3.1% in 2024, rising slightly to 3.2% in 2025. However, growth remains below historical trends due to tighter monetary policies, reduced government spending, and sluggish productivity. Advanced economies are expected to see a modest slowdown in 2024 followed by a pick-up in 2025. Emerging markets and developing economies will likely experience stable growth with variations across regions.

World Economic Outlook Update January 2024 | GROWTH PROJECTIONS



World Economic Outlook July 2024 | GROWTH PROJECTIONS BY REGION

(Real GDP Growth, Percent Change)



(Source: IMF WEO_ Jan 2024 & EY)

Indian Economy



domestic reforms, infrastructure development (both digital and physical), and a focus on emerging sectors.

While near-term challenges exist, such as global economic slowdown and geopolitical tensions, India is well-positioned for long-term success. By diversifying its economy and attracting private investment, India can capitalise on global opportunities and maintain its strong growth trajectory.

India's real GDP growth is expected to slow slightly to 6.8% in fiscal 2025, following a strong 7.6% this year. This moderation is partly due to recent interest rate hikes by the Reserve Bank of India, which may dampen consumer spending. Additionally, regulations on unsecured lending and a lower government deficit will limit growth.

However, positive factors remain. Continued disinflation, a potentially normal monsoon season, and a gradual increase in private investments should support economic activity. This is expected to position India as the fastest-growing large economy in the coming year.

Looking ahead, India's economy has the potential to reach close to \$7 trillion by 2031. This growth will likely be driven by

OUTLOOK

GDP growth is expected to slow down to 6.8% next fiscal. Inflation and interest rates have likely reached their peak, with potential rate cuts starting as early as June 2024. Private investments are expected to continue growing, even as government infrastructure spending moderates. Emerging sectors will be the primary drivers of investment in the coming years. Government support for rural areas will help maintain income levels and consumer demand in those regions. Factors like monsoon performance and global developments, particularly around oil prices and logistics, will be crucial to monitor as they can significantly impact both growth and inflation.

(Source: CRISIL Outlook Mar 2024 & EY)

PHARMA INDUSTRY

Global Pharma Industry



Medicine usage and spending patterns have shifted significantly in recent years. Medicine use surged 14% globally in the past five years, with a projected 12% further increase (400 billion doses) by 2028. Immunology, endocrinology, and oncology far outpaced the average growth, driven by new drugs and broader availability across regions. Developed nations saw faster growth due to new products and wider use of existing drugs, balanced by patent expirations. Strong growth is also expected in Latin America, Eastern Europe, and parts of Asia due to increased access to novel medicines. Biotech will account for 39% of global spending, encompassing groundbreaking cell and gene therapies alongside maturing biosimilars. Major advances are expected to continue, especially in oncology, immunology, diabetes and obesity.

Despite the COVID-19 pandemic transitioning to an endemic state, the outlook for medicine spending by 2028 is more optimistic than previously anticipated. Here's a breakdown of the key points:

INCREASED USAGE AND HIGHER PRICES:

People around the world, particularly in emerging markets, are using more medicine than before the pandemic. This growth is attributed to wider adoption of existing therapies.

Overall, medicine prices are rising, offsetting the decrease in spending on COVID-19 vaccines and treatments.



REGIONAL GROWTH:

China, India, and other Asian markets are expected to lead usage growth, exceeding 3% annually. Latin America is also projected for strong growth at 1.9%. Developed markets like North America, Western Europe, and Japan are expected to see slower growth due to their already high medicine use.

RESILIENT HEALTHCARE SYSTEMS:

Despite challenges like pandemics and inflation, healthcare systems have adapted and are increasingly incorporating novel therapies. Overall, there's a growing emphasis on preparedness, supply chain diversification, and digital health solutions, suggesting a more robust healthcare landscape is emerging.

LOOKING AHEAD (KEY THERAPY AREAS):

Biotech: Global spending on biotech drugs are expected to reach \$892 billion by 2028, about 39% of global medicine spending. Biotech covers a range of therapies, including traditional therapies such as insulin analogues and more complex specialty medicines and cell and gene therapies.

Specialty Medicines: Specialty medicines which treat chronic, complex and rare diseases, are expected to represent 43% of global spending in 2028.

Oncology: Forecasted to contribute most to spending increases, oncology spending is expected to increase by 104% over the next five years, adding \$224 billion in spending by 2028. The increase in oncology spending is expected to be driven by early diagnosis of patients, continued introduction of new drugs, and wider access to novel cancer drugs in more countries beyond the major developed countries where they often launch first, and longer treatments for medicines with survival benefits.

The current oncology pipeline is expected to add more than 100 drugs in the next five years.

Immunology: Immunology spending is expected to grow at a rate of 2-5% CAGR through 2028 to reach \$192 billion globally. It is expected to grow at a steady rate, driven by new products and increasing patient numbers.

EMERGING AREAS

Obesity: Spending is expected to accelerate due to wider adoption of new drugs.

Neurology & Mental Health: New therapies for Alzheimer's and anxiety/depression are anticipated to drive growth.

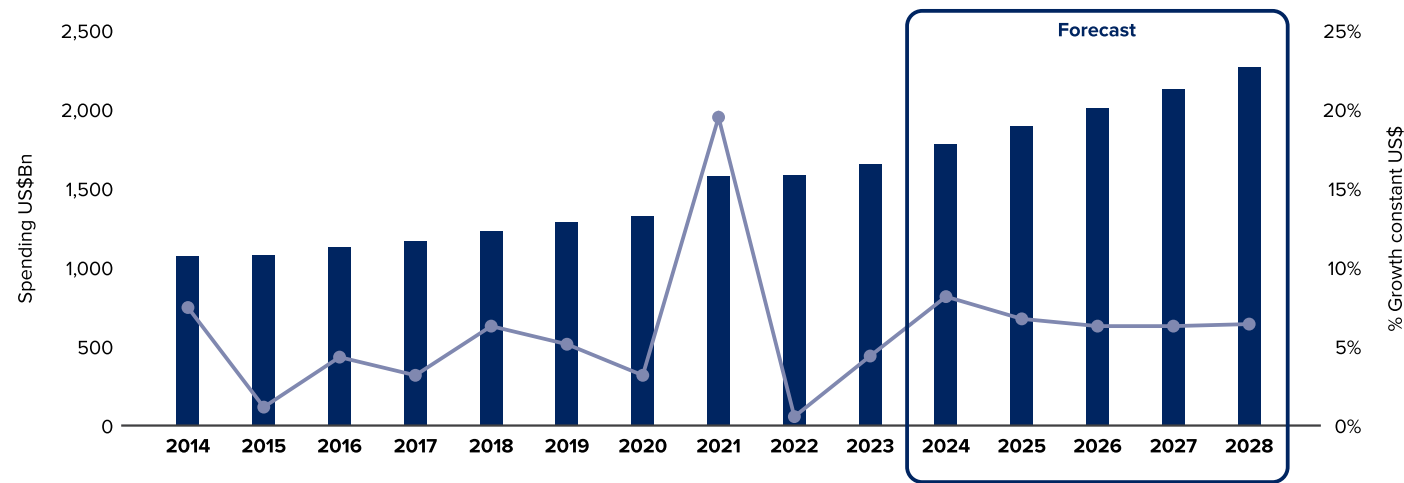
Next-Generation Therapies: Cell, gene, and RNA therapies offer uncertain but potentially significant growth.

Overall, the global trend suggests a significant and sustained increase in medicine usage and spending compared to pre-pandemic levels, driven by a combination of factors and focused on specific areas of high demand.

The global medicine market - using invoice price levels - is expected to grow at 5-8% CAGR through 2028 to about \$2.3Tn

■ Global spending US\$Bn ● % Growth constant US\$

Exhibit 14: Global medicine market size and growth 2014-2028 including estimated COVID-19 vaccine and therapeutic spending



(Source: IQVIA & EY)

Indian Pharma Industry



India's booming pharmaceutical industry, a 'pharmacy of the world,' is projected to reach \$130 billion by 2030 and a staggering \$450 billion by 2047. It supplies over 20% of the global drug market, 60% of global vaccines, and plays a vital role in affordable medicine access for the US and UK. Leveraging cost-competitive production and a vast, adaptable network, India is a major player driving global healthcare advancements.

Government initiatives like the Production-Linked Incentive (PLI-2) scheme, MedTech policy, the National Pharma policy and Promotion of Research and Innovation in Program (PRIP) scheme will fuel innovation. The industry will witness deployment of digital infrastructure. Smart technologies like sensors and analytics will optimise manufacturing and supply chains. Robust cybersecurity measures become crucial to protect data and operations in a digital landscape. There is also a shift in focus towards sustainability. Green manufacturing practices like renewable energy and waste reduction are gaining importance.

KEY TREND IN INDIAN PHARMACEUTICAL INDUSTRY

Domestic Market: India's pharma industry's traditional model of brand-doctor relationships is under threat from generic competition and price controls.

To succeed, companies will need to prioritise volume over price hikes and focus on specialty drugs, local market development, and innovative patient engagement tools. Government efforts to tighten quality standards will likely benefit reputable manufacturers.

Export Market: While regulatory hurdles, competition, and US pricing pressures may challenge generic formulation exports, successful Indian companies will adapt by offering a mix of established drugs and complex generics (like injectables and inhalers).

Biosimilars and even some new branded products may also play a role. R&D will likely focus on innovative drug delivery methods and new formulations, with less emphasis on entirely New Chemical Entities (NCEs).

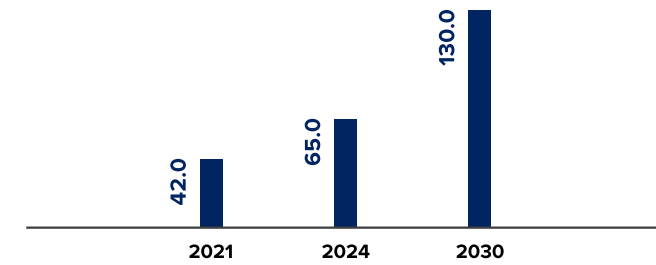
APIs and Import Substitution: India's Production-Linked Incentive (PLI) scheme, coupled with the industry's desire to lessen reliance on China, is pushing domestic API companies to manufacture intermediates and KSMs locally. This focus on self-sufficiency aims to boost competitiveness in the mid-term.

Additionally, private equity investment is fueling consolidation and bigger players, potentially paving the way for a future in Contract Development and Manufacturing Organisations (CDMOs).

India's pharma industry, a leader in compliance and competition, is poised for a major shift. As healthcare needs rise globally, India's focus on quality and affordability will be crucial. Collaborative government policies and industry ambition are key to providing a reliable supply of accessible medicines worldwide.

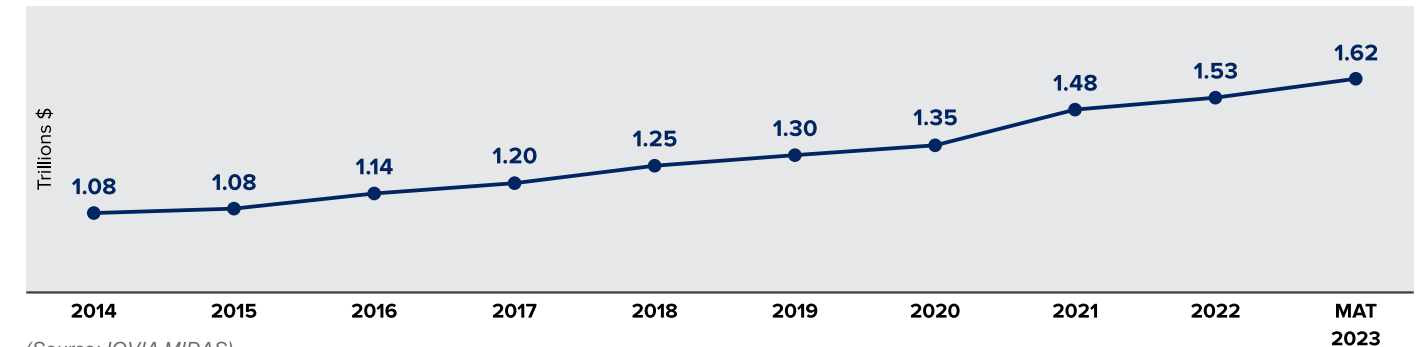
With a strong foundation, unwavering government support, and a commitment to innovation, India's pharma sector is well-positioned to transform beyond its current volume focus and become a global powerhouse delivering high-value healthcare solutions.

Indian Pharmaceutical Market (US\$ billion)



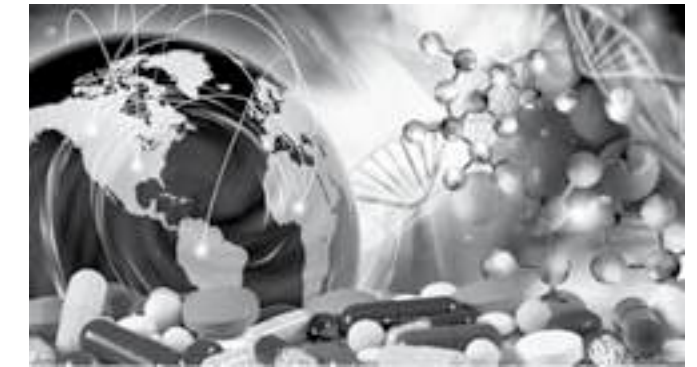
(Source: Economics Times; Pharma Industrial & EY)

Global Molecule Market Growth

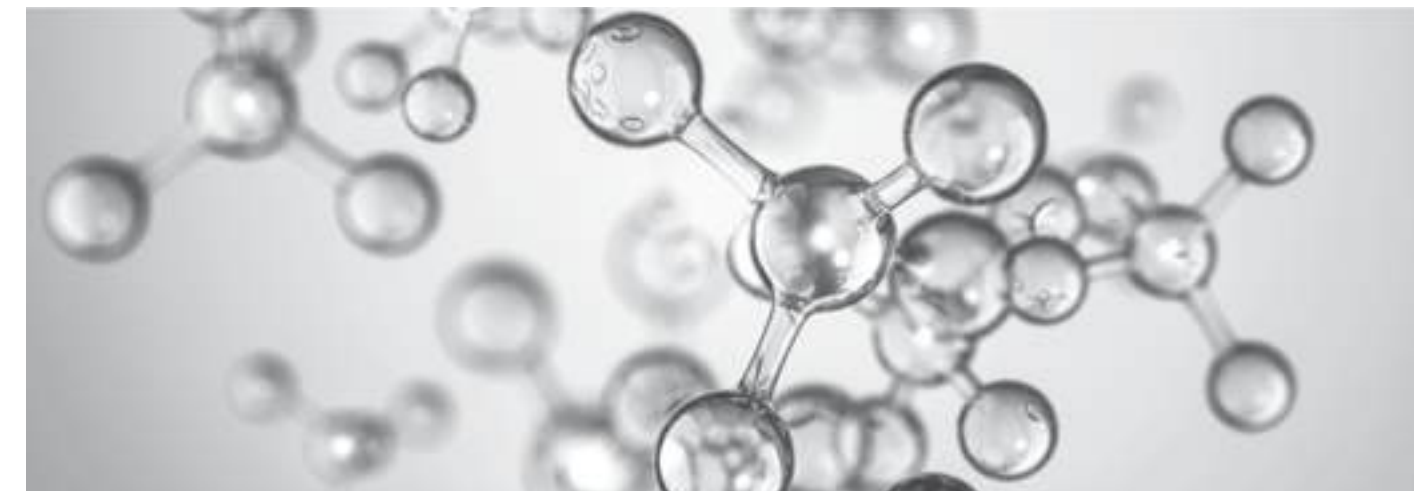


(Source: IQVIA MIDAS)

Global API Industry



The Active Pharmaceutical Ingredient (API) is the active compound in pharmaceutical products responsible for its therapeutic effect. These building blocks, synthesised or natural, are crucial throughout the global drug supply chain, forming the foundation for developing and manufacturing new medications. As the industry pushes for advanced treatments and innovative drug delivery methods, the demand for complex APIs is expected to rise. The global molecule market has experienced a consistent upward trend for nearly a decade (2014-2023), according to IQVIA's MIDAS data. Key players are actively implementing strategies to maintain this momentum. The strong CAGR during this period highlights the market's ongoing expansion, driven by various factors.



THE API MARKET THRIVES ON A CONFLUENCE OF FACTORS

Increasing capacities: Expanding manufacturing capacity allows companies to meet rising demand, introduce new drugs, and embrace technological advancements, fueling market growth.



Technological Innovation: Advancements in drug discovery, development, and clinical trials accelerate API market growth by enabling efficient manufacturing of new therapies.



Generics & Chronic Disease: The global rise of chronic illnesses like heart disease and cancer fuels pharmaceutical production, increasing the demand for APIs. Cost-effective generic drugs further heighten this demand.



Aging Population: A growing elderly population worldwide creates a significant demand for pharmaceuticals and consequently APIs due to age-related health issues.



Global Health Crises: The recent pandemic highlighted the importance of pharmaceuticals, leading to increased vaccine research and development, positively impacting the API market.



The pharmaceutical supply chain has grown more intricate in recent decades. Companies, particularly emerging biopharma and virtual pharma, increasingly outsource production to overseas facilities and contract manufacturers to capitalise on economies of scale and lower costs. This trend is driven by cost advantages in countries like India and China, where API production boasts 30-40% lower costs compared to the US. Beyond cost, these countries offer skilled labour, robust testing, research opportunities, and favourable regulations, solidifying their competitive edge. However, temporary supply-demand imbalances can lead to drug shortages, often triggered by a lack of incentive to produce less profitable medications.

GLOBAL HIGH POTENCY API (HPAPI) MARKET:

The global market for High-Potency APIs (HPAPIs) is poised for significant growth, with estimates projecting a value of \$35.5 billion by 2031. This growth is fueled by two key trends: expiring patents on blockbuster drugs creating opportunities for generics, and increased outsourcing of pharmaceutical production from developed regions. HPAPIs are a niche market due to their potency and small dosage needs, requiring specialised facilities and expertise. This unique segment, along with biopharmaceuticals, presents exciting business opportunities for API manufacturers in the coming years.

The rapidly growing market for High Potency APIs (HPAPIs) is fueled by their effectiveness in cancer treatment, particularly in Antibody-Drug Conjugates (ADCs).

Over a quarter of global drugs now utilise HPAPIs due to their superior efficacy. This shift represents a significant change in pharmaceutical innovation, leading to more potent medicines with lower doses and fewer side effects. However, it also presents new challenges. Stringent regulations, complex handling and containment requirements, cost considerations, and security concerns all come into play when working with HPAPIs. Recognising this, many contract manufacturers are investing heavily in specialised facilities specifically designed for HPAPI production, often incorporating capabilities for both potent compound handling and biologics processing.

(Source: IQVIA, iHealthcareAnalyst & EY)

Indian API Industry



The Indian API industry is optimistic that the government's 'Make in India' initiative and the PLI scheme will reduce reliance on China for crucial ingredients. These programs are motivating Indian companies to localise production and become more competitive. The PLI scheme incentivises investment in domestic manufacturing of Key Starting Materials (KSMs) needed for essential medicines. This strategic effort is expected to fuel market growth in the coming years.

The Indian API market itself is expected to reach over \$20 billion by 2029, driven by factors like rising chronic diseases and a growing elderly population. The COVID-19 pandemic highlighted the vulnerability of relying on China for APIs, causing shortages of vital medicines. This has underscored the need for India to strengthen its domestic API production. Additionally, the government's focus on quality standards is expected to benefit major players who prioritize this aspect.

(Source: PharmaBiz, Mordor & EY)

Global CDMO Industry

The CDMO market is experiencing a boom, projected to reach \$256 billion by 2029 from \$124 billion in 2023. This growth is fueled by the rise of complex biopharmaceuticals and the need for specialized expertise that smaller pharmaceutical companies often lack.

Several factors are driving this trend.

- 1st** Outsourcing to CDMOs reduces investment risks and streamlines operations for companies of all sizes.
- 2nd** The development of cutting-edge treatments like mRNA therapies necessitates advanced manufacturing capabilities that CDMOs can provide.
- 3rd** CDMOs are expanding their offerings beyond just manufacturing to include a wider range of services, from early-stage development to commercial production.

This 'one-stop-shop' approach, coupled with digital technologies and data analytics, improves efficiency and caters to the complexities of modern drug development.

A key trend is the emergence of Asian CDMOs, particularly in China, India, and South Korea. These companies are strategically expanding their capacity and capabilities to meet the growing global demand. This expansion is a response to past challenges in meeting excess demand due to rapid drug development and limited scalability.

The CDMO market is also quite competitive, with numerous vendors competing for market share. This fragmentation puts pressure on service pricing, especially for smaller players. To stand out, CDMOs are increasingly offering comprehensive 'one-stop-shop' solutions. Companies are actively pursuing growth strategies like partnerships, expansions, innovation, and acquisitions. This focus on comprehensive services and continuous improvement reflects the competitive nature of the CDMO market.

The COVID-19 pandemic further transformed the CDMO landscape. As the pharmaceutical industry raced to develop vaccines and treatments, CDMOs emerged as critical partners by providing vital manufacturing muscle. The surge in vaccine production and the need for diversified supply chains underscored the importance of CDMOs. Despite facing supply chain disruptions, the market grew due to the accelerated pace of research and development. This trend is likely to continue as the demand for new treatments necessitates increased production.

Many pharmaceutical companies are partnering with CDMOs to ramp up production and meet commercial needs quickly, ensuring faster delivery of treatments to patients.

(Source: Market Watch, Research and Market & EY)

Global API CDMO

The active pharmaceutical ingredient (API) CDMO market was \$100.4 billion in 2023 and is expected to grow at a 7.4% CAGR from 2024 to 2030. This growth is fuelled by several factors - rising investments in drug research, the increasing burden of chronic diseases, and the expanding use of biopharmaceuticals and generic drugs. Additionally, the pharmaceutical industry's growing trend of outsourcing development and manufacturing to CDMOs as a cost-saving measure is propelling the market forward.

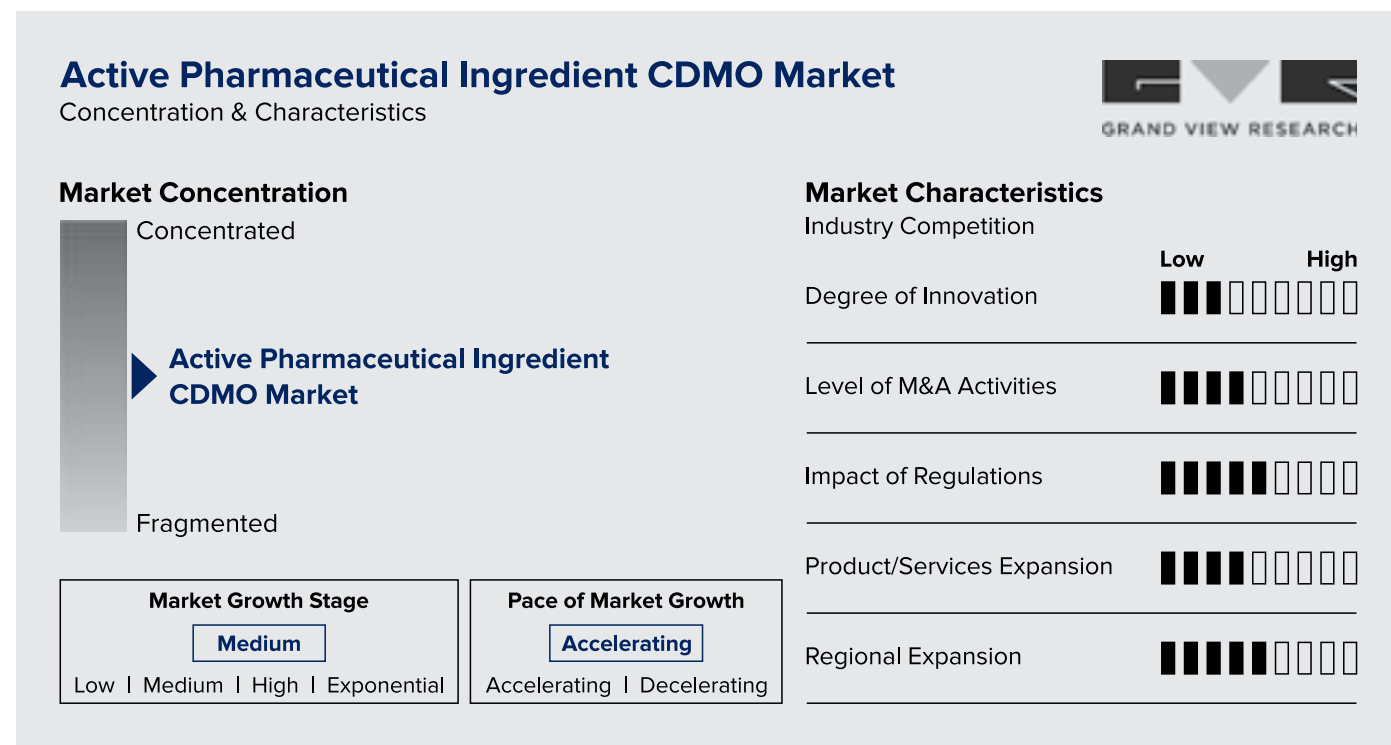
While the COVID-19 pandemic caused some supply chain disruptions, the demand for new treatments and generic drug approvals kept the market afloat. The rising prevalence of chronic diseases like cancer and heart disease is expected to further drive demand for new APIs in the coming years. Generic drugs, significantly cheaper than branded drugs, are another growth factor, with countries like China and India playing a major role in their development and production.

Furthermore, pharmaceutical companies are increasingly outsourcing tasks across the discovery, development, and manufacturing pipeline, with smaller biotech companies particularly reliant on CDMOs to produce drugs during development.

The market itself exhibits moderate innovation, with advancements in areas like synthetic chemistry and continuous manufacturing leading the way. Mergers and acquisitions are also a key strategy for major players to expand their reach and enter new markets.

Navigating evolving regulations and adopting sustainable practices are crucial aspects for CDMOs to remain competitive.

Potential substitutes for CDMO services include in-house API manufacturing by pharmaceutical companies and diversification of API suppliers to ensure supply chain flexibility. To meet growing demand and capitalise on regional opportunities, the market is strategically expanding its footprint through new facilities and partnerships, fostering a more responsive and efficient supply chain for the future.



(Source: Grand View Research & EY)

ADVANTAGE GLENMARK LIFE SCIENCES

Management



Glenmark Life Sciences (GLS) is a professionally managed company with oversight by an experienced Board to chart an

independent course for the future of GLS. Our management team has demonstrated the ability to successfully build and integrate our businesses with various operating activities through their cumulative years of work experience. In particular, they have led the process through which we have created value through organic growth, built brand recognition and loyalty and identified new business opportunities. This has been achieved through a calibrated portfolio build-up which will commercialise within a window of 3-7 years, with a focus on:

Efficiency Enhancement Measures | **Effective Capacity Utilisation**

Portfolio Growth with higher value molecules via expansion of platform technologies | **Talent Improvement** across multiple levels

In addition, we have a strong corporate governance system to monitor, guide and support our business and operations.

Business Overview

API GENERICS

At GLS, we built a portfolio of high value, non-commoditised APIs in chronic therapeutic areas, namely, Cardiovascular (CVS) disease, Central Nervous System (CNS) disorders, Pain Management, Oncology, Diabetes and Urology for our customers worldwide.

Some of these APIs such as Olmesartan, Telmisartan, Perindopril (anti-hypertensive), Atovaquone (anti-parasitic), Solifenacin, Mirabegron (Urology), Sitagliptin (diabetes), Zonisamide (CNS), Adapalene (dermatology) and Rosuvastatin (anti-hyperlipidemic) have a significant and growing market share in major world markets.

Our API product portfolio spans multiple therapeutic areas such as gastro-intestinal disorders, anti-infectives and other therapeutic areas. A snapshot of key molecules classified by therapy areas is below:



We continue to add specialised and profitable products into our portfolio, including niche and technically complex molecules, such as Belumosudil, Daprodustat, Elacestrant, Finerenone, Fezolinetant, Tivozanib, Vonoprazan & Isavuconazonium Sulfate.

Our total portfolio of 151 API molecules is sold in India and exported to multiple countries in Europe, North America, Latin America, Japan and the rest of the world ("ROW").

We had filed 520 Drug Master Files ("DMFs") and Certificates of suitability to the monographs of the European Pharmacopoeia ("CEPs") across various major markets (i.e. United States, Europe, Japan, Russia, Brazil, South Korea, Taiwan, Canada, China and Australia). We work with 20 of the largest generic companies globally.

151 API Molecules

sold in India & exported to multiple countries

520 DMFs & CEPs

filed across various major markets

CDMO

In the last 4 years, we have developed business with innovator and specialty pharmaceutical companies in the area of CDMO.

Given our capabilities in process chemistry research, manufacturing and analytical research capabilities, we have the ability to attract innovator pharmaceutical companies to partner with us for providing unique solutions tailored to their specifications.

We provide lifecycle management solutions for their mature portfolio where genericisation has happened or is impending.

In our current portfolio of 151 molecules globally, many molecules offer such opportunities to a complete new set of customers.

In addition, we are focused on APIs for Specialty development companies as an important sub-segment of our CDMO business.

Within this segment, we offer customised support to pharmaceutical companies from making regulatory filings, providing research and technological support, to manufacturing specialty APIs.

As an API provider to such customers, we have helped create value through a blend of product customisation and regulatory strategy to allow market access.

We see the specialty business as a key growth opportunity and an added lever for our API market expansion, with multiple companies in the United States currently focused on developing 505(b)(2) products. In addition, the specialty business offers higher business stability (with improved margins) due to the complex nature of the products thereby leading to higher customer stickiness.

Now that GLS operates outside the Glenmark Pharmaceuticals ownership, our business model as a standalone company generates a higher level of confidence with CDMO customers for building partnerships with GLS through technology transfer arrangements that involve sharing intellectual property (IP) for new API development.

Our process research, analytical research and chemistry capabilities enable CDMO services for a range of multinational corporations and specialty companies.

We believe that innovators prefer to select vendors with a strong track record. Our continuous focus on quality and on the sustainability of our operations make us a serious contender to grow this business opportunity.

EVOLVING OUR BUSINESS STRATEGY

Even after the world economy had multiple setbacks (COVID, energy prices, war, inflation, banking stress etc.) with a direct impact on our industry, GLS continues to experience robust demand for its APIs across most geographies albeit, with a need for competitive prices. This scenario opens-up an opportunity for high-quality APIs with affordable pricing in a large portion of our product portfolio.

Our continuous focus on cost optimisation to become more efficient via next generation processes, improved manufacturing, solvent recovery, lower-cost energy and an overall savings effort to 'do more with less' has helped us to deliver growth with sustainable margins.

Although this was always one of our business mantras, we applied an even greater focus to make a difference to the customers and patients we eventually serve. The multiple touch points of our strategy to fuel the growth, retain the margins while creating a sustainable platform to ensure business continuity are outlined here:

Expand the existing business

- New product launches
- Geographical expansion in order to reduce our dependence on limited geographies
- Focus on new markets becoming more regulated. This initiative drives higher value by virtue of support to the customer throughout their development and commercialisation lifecycle
- Pursue 2nd source opportunities with top generic players in molecules where GLS holds a position of cost leadership

New growth levers

- CDMO business expansion with a plan to leverage a significant part of our existing portfolio for 505(b)(2) and lifecycle management projects
- Expand into complex API platforms e.g. Iron compounds and oncology molecules

Cross selling

With a large product basket, GLS has been strategically cross-selling its existing products to existing customers in other geographies thereby increasing the wallet share of the customer

Operational efficiencies

Measures to reduce costs, improve efficiencies and reallocate resources to support identified growth opportunities in diverse markets

R&D initiatives

- Productivity improvement of existing processes through constant optimisation
- Process cycle time reduction
- Qualifying lower-cost processes for regulated markets
- Better recovery & recycling
- Backward integration of higher value KSMs (Key Starting Materials)



Sourcing Initiatives

- Ongoing negotiations with vendors (basis market environment)
- Alternate vendor qualification

Operations Initiatives

- Solvent recovery and recycling
- Optimisation of batch sizes
- Utilisation of new downstream equipment for filtration or drying techniques
- Yield improvement
- Automation for better efficiencies
- Green chemistry and effluent reduction

Manufacturing



We currently operate four multi-purpose manufacturing facilities which are located at Ankleshwar and Dahej in Gujarat and, Mohol and Kurkumbh in Maharashtra. Our combined reactor capacity stands at an impressive 1198 KL in FY24 and we have manufactured impressive quantity of 713 MT in FY24. In order to support the increased volumetric capacities and quantum of production for upcoming FY25 year, we are extensively focused on the upgradation of infrastructure of supporting departments like warehouse, effluent treatment plants etc. to leverage maximum outcome in FY25.

This substantial increase will empower us to produce all commercial Active Pharmaceutical Ingredients (APIs), annually achieving projected gross commercial-scale manufacturing tonnage totalling to 900+ metric tons in FY25. Our facilities have been subject to 48 inspections and audits by regulators which includes the USFDA, PMDA (Japan), COFEPRIS, Health Canada, MFDS (Korea), EDQM, ANVISA (Brazil), WHO and CDSCO conducted on a periodic basis.

CAPACITY EXPANSION

- Construction of remaining 208 KL capacity out of 400 KL of Intermediate block at the Ankleshwar site is completed and will be operational in Q2 FY25

April 2023 to March 2024	Ankleshwar	Dahej	Mohol	Kurkumbh	Total
No. of Regulatory Inspection	2 (State FDA and ANVISA)	3 (1 State FDA and 2 CDSCO)	1 (State FDA)	1 (State FDA)	07
No. of Customer Audit	59	45	8	0	112
Total					119

FUTURE READINESS

- Improvements related to plant infrastructure for refurbishment as well as storage facility expansion is on-going
- Data logging system for the manufacturing equipment shall be implemented
- New version of SAP i.e. SAP HANA shall be implemented

- Brownfield expansion at Dahej for the Oncology plant is completed. Out of the 2 independent modules, one module is 100% commissioned
- 18 KL pharma capacity in Dahej is under validation and will be operational in Q2 FY25
- New facility for manufacturing through flow chemistry planned at Ankleshwar site in FY25
- Construction work has started in Solapur for 200 KL in phase 1 and total capacity of ~600 KL will be operational by FY26

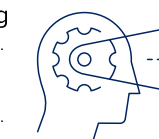
The new API facility in Chincholi Industrial Area, Solapur is planned to manufacture both APIs and intermediates and will house several multi-purpose manufacturing blocks with mid to high-volume capacity. The new facility will also provide a platform for the growth of our CDMO business and add capacity for our generic API business.

QUALITY FOCUS

We follow Quality Management Systems to build quality into the manufacturing and business processes which are aligned with the organisation's focus on quality by design (QbD).

To further strengthen the QMS compliance,

- Modern Quality Control Laboratory Set up at Ankleshwar site
- Electronic Signature for Chromatographic Analysis Implemented
- Implemented custom calculation (Auto calculation) in HPLC/GC
- Implementation of Track wise software as a further enhancement to the QMS like Change control, OOS, Complaints, Deviations etc.



R&D



Our R&D teams focus on new products development, and complex molecules, cost improvement programs (CIP), process improvements and oncology product development, and novel polymorphs development. To assist us with our R&D initiatives, we have established dedicated teams for new products development, complex products, oncology product development, technology transfer, product life cycle management, intellectual property management and project management.

We also engage in a thorough and systematic approach to product selection for our development grid, from a detailed commercial evaluation of the market opportunity of a particular API, its development complexity, intellectual property landscape, approved indications and the potential competitive scenario.

Our product and service line up together enable us to support our customers through all stages of the product's lifecycle and be present across the value chain from product identification, R&D, impurity identification, methods development and controls, setting specifications and laboratory validation followed by technology transfer via pilot scale-up in the commercial plant.

This is followed by plant validation and product filing enabling commercialisation and large-scale manufacturing.

Our capabilities and experience have helped us perform well in regulated markets and have enabled us to successfully partner with customers, including offering our customers a first-mover advantage with respect to various products. We regularly work on developing eight to ten molecules each year.

BUILDING A STRONG PRODUCT PORTFOLIO

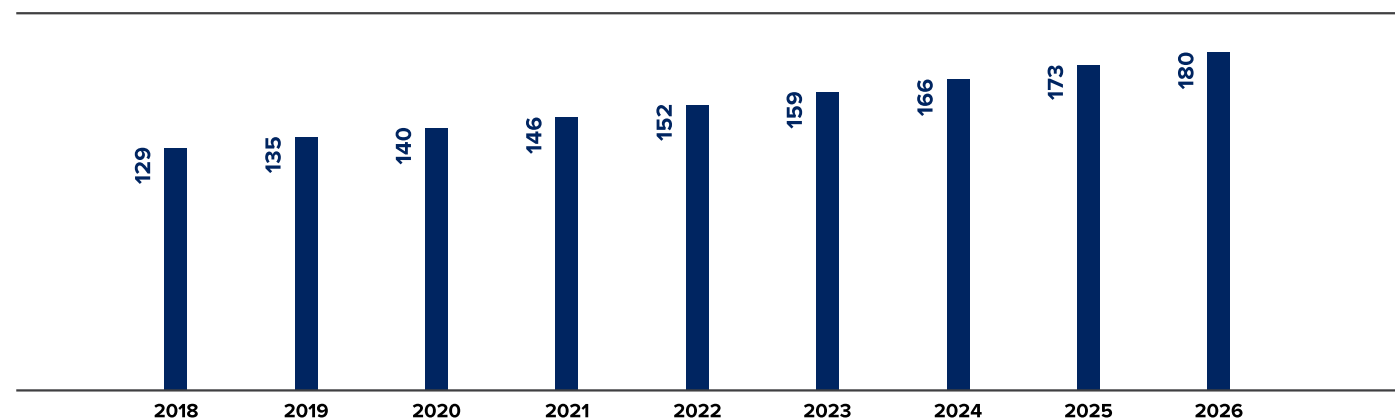
Our comprehensive approach while selecting products into our pipeline:

- Molecules' value and volume growth across markets namely, US, EU, JP, ROW, India, LATAM
- Near term launch prospects of the molecule in terms of patent term expiration and novelty of the therapeutic area
- Capability to offer an edge in terms of speed, faster market entry and cost
- Special focus on projects having NCE-1 opportunity for the US market
- Create high barriers by introducing novel and efficient routes that can be patent protected

Our portfolio comprises 151 products, having launched 38 new APIs since 2019 (38 new products are under development pipeline including 3 iron complexes and 11 oncology products) ranging across various chronic therapy areas like cardiovascular, CNS, diabetes, anti-infective and others. The total front-end addressable market size of GLS' products globally was estimated to be around US \$180 billion by 2026 with a growth rate of about 4.3% over the horizon. The future growth of these products is expected to remain stable driven by the rising prevalence of non-communicable diseases, growing demand from the regulated markets for drugs indicated for hypertension, diabetes and cancer, and an ageing population.

Front-end Addressable Market Size - GLS Molecules

US\$ Billion

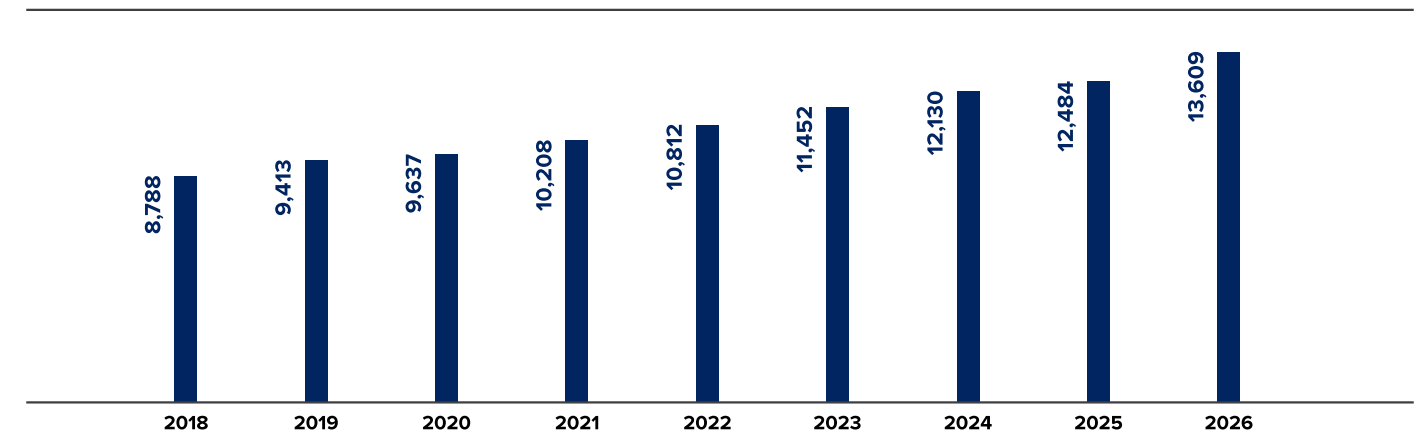


The market size in terms of volume for GLS' APIs is estimated to be about 13,609 tonnes by 2026 at a growth rate of 6%.

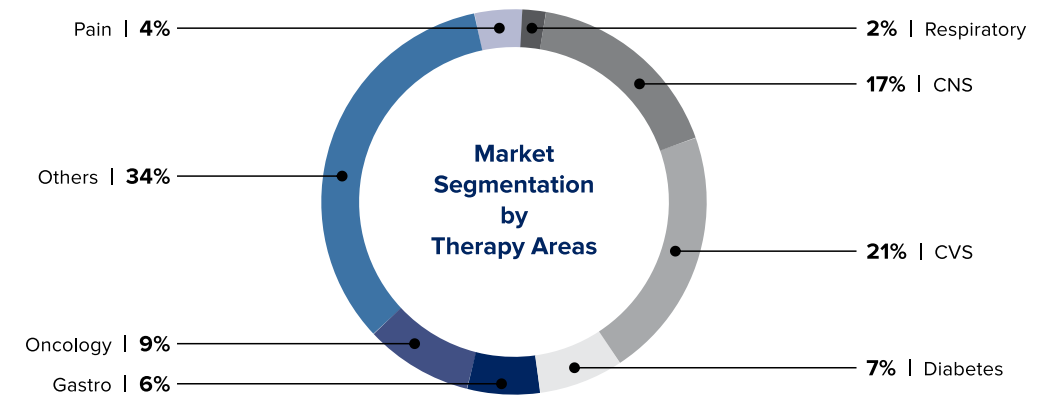
Other core areas where GLS offers a competitive advantage are dedicated customer service for all geographies ensuring timely and adequate support that engages customers on a long-term basis.

Market Size - GLS APIs

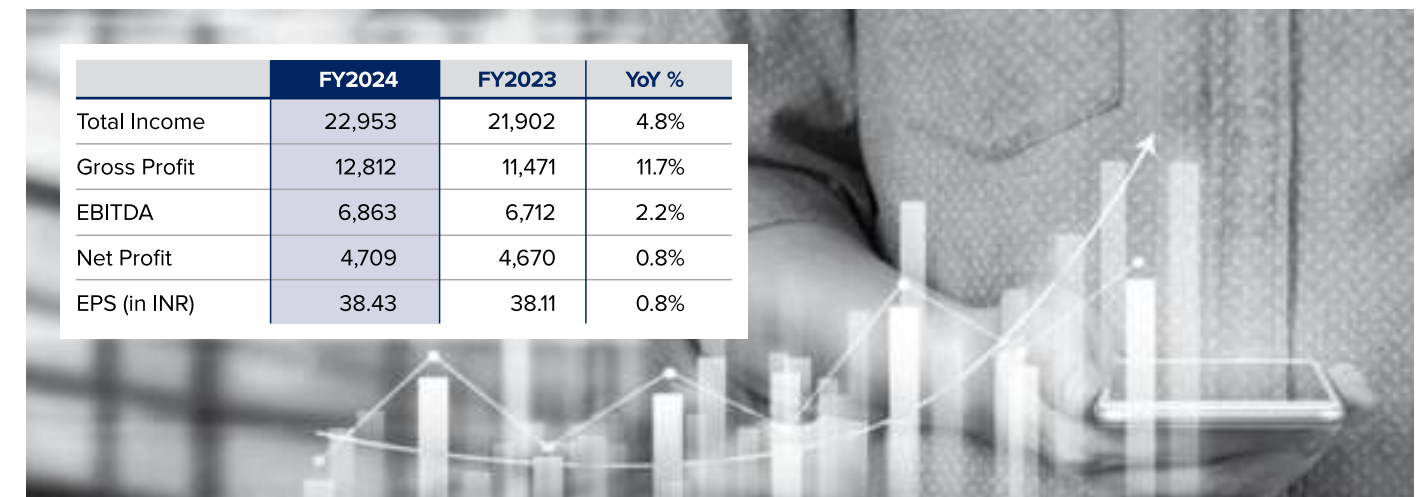
Tonnes



GLS's portfolio of 151 niche, highly profitable and technically complex products cater to large chronic therapy areas such as CNS, diabetes, CVS (including anti-thrombotic) and oncology.



COMPANY OVERVIEW



TOTAL INCOME

Our total income increased by 4.8% to INR 22,953 million for the financial year 2024 from INR 21,902 million for the financial year 2023, primarily due to strong growth momentum across regulated as well as emerging markets.

▲4.8% | INR **22,953** million

GROSS PROFIT

Gross Profit as a percentage to Revenues improved by 300 bps mainly on account of product mix and lower Raw Material prices.

EMPLOYEE BENEFITS EXPENSE

Employee benefits expenses increased by 43.3% to INR 2,582 million for the financial year 2024 from INR 1,802 million for the financial year 2023, primarily due to one-time performance bonus awarded to the Senior Management, annual increment and rise in headcount.

CAPEX EXPENDITURES

Capital expenditures were INR 1,290 million for the FY24. (FY23 - INR 1,628 million)

OTHER EXPENSES

Other expenses increased by 7.4% to INR 3,488 million for the financial year 2024 from INR 3,247 million for the financial year 2023, primarily due to an increase in labour charges by 28.8% to INR 737 million for the financial year 2024 from INR 572 million for the financial year 2023, an increase in Sales Promotion expenses by 27.8% to INR 115 million for the financial year 2024 from INR 90 million for the financial year 2023 and an increase in Repairs and Maintenance by 15.5% to INR 379 million for the financial year 2024 from INR 328 million for the financial year 2023.

R&D EXPENDITURE

R&D expenditures were INR 753 million at 3.3% of sales for FY24. (FY23 - INR 652 million at 3%)

▲15.5% | INR **753** million

CASH AND CASH EQUIVALENTS

Cash and cash equivalents were INR 3,014 million as on 31st March 2024. (31st March 2023 - INR 2,838 million)

KEY FINANCIALS RATIOS

Particulars	31 March 2024	31 March 2023	% Variance
Current Ratio	4.37	3.73	17.16%
Return on Equity (ROE)	21.07%	22.28%	-5.43%
Inventory Turnover Ratio	1.58	1.81	-12.88%
Trade Receivables Turnover Ratio	2.90	2.92	-0.68%
Trade Payables Turnover Ratio	2.67	2.89	-7.45%
Net Capital Turnover Ratio	1.55	1.61	-3.73%
Net Profit Ratio	20.62%	21.61%	-4.56%
Return on Capital Employed (ROCE)	26.74%	29.09%	-8.06%

	FY2024	FY2023		FY2024	FY2023
Generic	93%	93%	CDMO	7%	7%

Internal Controls

In line with the requirements under the SEBI LODR, the Company has constituted a Risk Management Committee of the Directors. The Members of the Committee are Mr. T L Easwar, Mr. Sridhar Gorthi (up to March 6, 2024), Mr. V S Mani (up to March 6, 2024), Dr. Yasir Rawjee and Mr. Vijaykumar Shah (w.e.f. March 6, 2024).




The Committee met twice in FY24 to discuss and evaluate risks associated with the business and the mitigation plans for the same.



The Company has adequate internal controls systems in place which provides reasonable assurance about the integrity and reliability of financial statements. Additionally, Shridhar & Associates, a leading audit firm performs periodic internal audits to provide reasonable assurance over internal control effectiveness and advises on industry-wide best practices.



The Audit Committee consisting of Independent Directors review important issues raised by the Internal and Statutory Auditors, thereby ensuring that risks are mitigated appropriately with necessary rectification measures on a periodic basis.

Risk Management

Risks & its Definition	Mitigation Plan
 Regulatory Risk An adverse facility inspection by any regulator may cause restriction in sales to certain customers or respective geographies.	We have established systems to always monitor compliance. Our employees receive training on compliance updates for always confirming to them.
 Supply Chain The failure of a small number of single-source, third-party suppliers or service providers to fulfil their contractual obligations in a timely manner or as a result of regulatory non-compliance or physical disruption at their manufacturing sites may result in delays or service interruptions, which may materially and adversely affect the Company's revenues.	Where practical, dependencies on single sources of critical items are removed by developing alternative sources. In rare cases where dual sourcing is not possible, an inventory strategy has been developed to protect the supply chain from unanticipated disruptions.
 Market Risk Market risks are the possibilities of losses because of price fluctuations, competitive scenario, geopolitical events, foreign exchange fluctuations, worldwide pandemics, and other events can all have an impact on market movements.	<p>The Company has initiated measures to reduce costs, improve efficiencies and reallocate resources to support identified growth opportunities in various markets. The Company is also continuously evaluating further strategic options to ensure the development of new capabilities and the ability to maximise the value of the Company's current and future portfolio.</p> <p>The Company makes conscious efforts to launch new value added products with some differentiation i.e. improvised products which can fetch better pricing.</p> <p>External uncertainties are carefully considered when developing strategy and reviewing performance. The Company has a board approved hedging policy in place to manage its currency risk exposure.</p>

Risks & its Definition	Mitigation Plan
 <p>Compliance The Company's operations subject it to compliance with a broad range of laws and regulatory controls on the development, manufacturing, testing, approval, distribution and marketing of its pharmaceutical products and affect not only the cost of product development but also the time required to reach the market and the uncertainty of successfully doing so. Additionally, the Company is also subjected to regulations with respect to listing of its shares on stock exchanges, financial reporting, and tax.</p>	<p>The Company's internal control framework is designed to help ensure that we adhere to legal and regulatory requirements through continuous evaluation. We are in the process of further strengthening the framework to meet the evolving regulations. We are in process of implementing a compliance management tool which shall enable the management to monitor compliance at various levels.</p> <p>The Board also evaluates the compliance framework of the Company on a periodic basis.</p>
 <p>Environment, Health & Safety The environment laws of various jurisdictions impose actual and potential obligations on the Company to remediate contaminated sites.</p> <p>Failure to manage properly the environment risks could result in additional remedial costs that may materially and adversely affect the Company's financial results.</p>	<p>The Company operates rigorous procedures to seek to eliminate hazards where practicable and protect employees' health and well-being.</p> <p>The Company's continuing efforts to improve environmental sustainability have reduced the Company's water consumption, hazardous waste, and energy consumption. The Company actively manages our environmental remediation obligations to ensure practices are environmentally sustainable and compliant.</p> <p>Additionally, a separate ESG Board Committee has been formed to regularly monitor developments and progress of the Company on various initiatives taken by the Company on the ESG front.</p>
 <p>Information Technology & Cyber Security Risk For its operations, the Company is heavily reliant on IT systems.</p> <p>A failure of IT systems due to malicious attacks and/or non-compliance with data privacy laws can potentially lead to financial loss, business disruption and/or damage to our reputation.</p>	<p>The Company fosters a risk-aware culture that can anticipate and prevent attacks, and where necessary, effectively respond to security breaches, maintain strong cybersecurity infrastructure and compliance with data privacy law requirements through:</p> <ul style="list-style-type: none"> • Performing gap analysis to identify existing weaknesses • Policy and procedure rollouts • Creating awareness amongst employees on applicable privacy requirements • Securing suitable insurance cover

STATUTORY REPORT

BOARD'S REPORT

Your Directors have pleasure in presenting the Thirteenth Annual Report on business and operations of the Company together with the Audited Financial Statements of the Company for the Financial Year (F.Y.) ended 31 March 2024

1. FINANCIAL RESULTS:

The Company's financial performance for the year under review along with previous years' figures is given hereunder:

(₹ in Million)

Particulars	For the F.Y. ended 31 March 2024	For the F.Y. ended 31 March 2023
Net Sales/Income from operations		
Income from operations	22,832.84	21,612.20
Other Income	120.42	289.57
Total Income	22,952.56	21,901.77
Total Expenses	16,639.66	15,615.68
Profit before exceptional and extraordinary items and tax	6,312.90	6,286.09
Less: Exceptional Items	-	-
Profit Before Tax	6,312.90	6,286.09
Less: Current tax	1,522.14	1,506.11
Less Deferred Tax	81.88	110.37
Net Profit After Tax	4,708.88	4,669.61

2. RESULTS OF OPERATIONS:

Total Income: Our total income increased by 4.8% to ₹ 22,952.56 million for the F.Y. 2024 from ₹ 21,901.77 million for the F.Y. 2023, primarily due to strong growth momentum across regulated as well as emerging markets.

Revenue from Operations: Our revenue from operations increased by 5.6% to ₹ 22,832.14 million for the F.Y. 2024 from ₹ 21,612.20 million for the F.Y. 2023, primarily due to an increase in sale of products. Our revenue from the sale of products increased by 6.7% to ₹ 21,847.70 million for the F.Y. 2024 from ₹ 20,478.40 million for the F.Y. 2023, majorly due to strong growth momentum across regulated as well as emerging markets. Our other operating revenue decreased by 13.2% to ₹ 984.44 million for the F.Y. 2024 from ₹ 1,133.80 million for the F.Y. 2023, primarily due to lower production linked incentive (PLI) in the current year as compared to previous year.

Other Income: Our other income decreased to ₹ 120.42 million for the F.Y. 2024 from ₹ 289.57 million for the F.Y. 2023, primarily due to exchange loss (net) and lower interest income in the current year.

Expenses:

Cost of Materials: Cost of materials decreased by 1.2% to ₹ 10,020.10 million for the F.Y. 2024 from ₹ 10,140.88 million for the F.Y. 2023. This decrease was primarily on account of product mix.

Employee Benefits Expenses: Employee benefits expenses increased by 43.3% to ₹ 2,581.56 million for the F.Y. 2024 from ₹ 1,801.80 million for the F.Y. 2023, primarily due to one-time performance bonus awarded to the Senior Management, annual increment and rise in headcount.

Depreciation and Amortization Expense: Our depreciation and amortization expenses increased by 27.0% to ₹ 534.52 million for the F.Y. 2024 from ₹ 420.94 million for the F.Y. 2023, primarily due to commissioning of new manufacturing capacities at our Dahej and Ankleshwar site.

Other Expenses: Other expenses increased by 7.4% to ₹ 3,488.02 million for the F.Y. 2024 from ₹ 3,246.59 million for the F.Y. 2023, primarily due to an increase in labour charges by 28.8% to ₹ 736.65 million for the F.Y. 2024 from ₹ 571.84 million for the F.Y. 2023, an increase in Sales Promotion expenses by 27.8% to ₹ 115.47 million for the F.Y. 2024 from

₹ 90.07 million for the F.Y. 2023 and an increase in Repairs and Maintenance by 15.5% to ₹ 379.05 million for the F.Y. 2024 from ₹ 327.62 million for the F.Y. 2023.

Total Tax Expense: Our total tax expenses decreased to ₹ 1,604.02 million for the F.Y. 2024 from ₹ 1,616.48 million for the F.Y. 2023, primarily in line with profit before tax.

Profit for the Year: As a result of the foregoing, our net profit increased to ₹ 4,708.88 million for the F.Y. 2024 from ₹ 4,669.61 million for the F.Y. 2023.

3. DIVIDEND:

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), the Board has approved and adopted a Dividend Distribution Policy. The Dividend Distribution Policy is available on the Company's website at <https://www.glenmarklifesciences.com/pdf/Dividend-distribution-policy.pdf>

Pursuant to the approval of the Board on 09 October 2023, your Company paid an interim dividend of ₹ 22.50 per equity share of face value of ₹ 2/- each, to shareholders whose names were appearing in the register of members as on 17 October 2023, being the record date fixed for this purpose, after deduction of applicable taxes. The total net cash outflow was of ₹ 2,756.86 million.

The interim dividend of ₹ 22.50 per equity share, declared by the Board on 09 October 2023 shall be the final dividend for the financial year 2023-24. Your Company is in compliance with its Dividend Distribution Policy as approved by the Board.

4. TAXATION ON DIVIDEND:

As per the provisions of the Income Tax Act, 1961, as amended by and read with the provisions of the Finance Act, 2020, with effect from 01 April 2020, dividend declared and paid by the Company is taxable in the hands of shareholders. The Company shall, therefore, be required to calculate deduction of tax at source (TDS) at the time of payment of dividend at the applicable rates.

5. INTEGRATED REPORT:

The Company has voluntarily provided the Integrated Report, which includes both financial and non-financial information.

The Integrated Report also covers aspects such as materiality assessment, forward looking strategy, value creation model, corporate governance, risk management, performance and prospects of value creation based on the six forms of capitals viz. Financial, Manufactured, Intellectual, Human, Social and Relationship and Natural.

6. AMOUNT PROPOSED TO BE CARRIED TO ANY RESERVES:

The Company has not transferred any amount to general reserves for the F.Y. 2023-24.

7. CORPORATE GOVERNANCE:

The Company is committed to follow the best Corporate Governance practices, including the requirements under the Listing Regulations and the Board is responsible to ensure the same from time to time. The Company has duly complied with the Corporate Governance requirements. Further, a separate section on Corporate Governance in compliance with the provisions of Regulation 34 of the Listing Regulations read with Schedule V of the said regulations, along with a certificate from a Practicing Company Secretary confirming that the Company is and has been compliant with the conditions stipulated under aforesaid Regulations forms part of the Annual Report.

8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint Venture or Associate Company as defined in the Act during the F.Y. under review.

9. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

In terms of the provisions of Investor Education and Protection / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, there was no unpaid / unclaimed dividends to be transferred during the F.Y. to the Investor Education and Protection Fund.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Change in Management:

During the year, the promoter Glenmark Pharmaceuticals Limited ("GPL"), and Nirma Limited ("Nirma") entered into share purchase agreement ("Share Purchase Agreement") for the sale of 91,895,379 equity shares representing 75% of the current issued and paid-up equity share capital of the Company to Nirma Limited.

The said transaction was consummated on 06 March 2024 and 12 March 2024, pursuant to which 91,895,379 equity shares representing 75% of the issued and paid-up equity share capital of the Company have been transferred by GPL to Nirma Limited. Accordingly, Nirma stands designated as a

new promoter of the Company. The Nirma had obtained all statutory approvals.

As there was a change in ownership pursuant to share purchase agreement, Mr. Glenn Saldanha (DIN: 00050607) – Chairman, Non-executive Director and Mr. V. S. Mani (DIN: 01082878) - Non-Executive Director have resigned from the Board with effect from closure of Business hours on 06 March 2024 and the following new Directors were appointed on the Board as Additional Directors based on the recommendation of Nomination and Remuneration Committee:

Mr. Hireen K. Patel (DIN: 00145149) - Chairman & Additional Director -Non- Executive

Mr. Kaushikbhai N Patel (DIN: 00145086) - Additional Director - Independent

Mr. Vijaykumar Ratilal Shah (DIN: 00376570) - Additional Director – Independent.

Resignation of Mr. Sridhar Gorthi (DIN: 00035824) - Independent Director:

Mr. Sridhar Gorthi (DIN: 00035824) ceased to be the Independent Director with effect from the closure of business hours on 06 March 2024. The Board placed on record its appreciation for his valuable contribution during his tenure.

Resignation of Ms. Gita Nayyar (DIN: 07128438), Independent Director:

Ms. Gita Nayyar (DIN: 07128438) ceased to be the Independent Director with effect from the closure of business hours on 22 April 2024. The Board placed on record its appreciation for her valuable contribution during her tenure.

Appointment of Dr. Savan Godialwala (DIN 07874111):

Dr. Savan Godialwala (DIN: 07874111) was appointed as an Additional Director, Independent of the Company with effect from 25 April 2024 subject to approval of the Shareholders.

Retirement by Rotation:

Dr. Yasir Rawjee (DIN: 01965174) will retire by rotation and being eligible, offers himself for re- appointment at the ensuing 13th AGM of the Company. A detailed profile(s) of Dr. Yasir Rawjee seeking re-appointment at the forthcoming AGM as required under Secretarial Standard on General Meetings issued by ICSI is provided separately by way of an Annexure to the Notice of the AGM.

Independent Directors:

All Independent Directors have declared that they meet the criteria of Independence as laid down under Section 149(6) of the Act and Regulation 16(b) of Listing Regulations.

In terms of Regulation 25(8) of the Listing Regulations, all the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended. They have also affirmed compliance to the Conduct for Independent Directors as prescribed in Schedule IV of the Act.

During the year, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending Meetings of the Board/Committees of the Company.

Independent Directors of the Company are not liable to retire by rotation.

A note on the familiarisation programme adopted by the Company for orientation and training of the Director in compliance with the provisions of the Act and Listing Regulation is provided in the Report on Corporate Governance, which forms Part of this Report.

Key Managerial Personnel:

In terms of Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel (KMP) of the Company:

Dr. Yasir Rawjee - Managing Director & CEO

Mr. Vinod Naik - Executive Director

Mr. Tushar Mistry - Chief Financial Officer

Mr. Rudolf Corriea - Company Secretary & Compliance Officer

11. APPLICATION FOR RECLASSIFICATION UNDER LISTING REGULATION 31A:

The Company is in receipt of a request from Glenmark Pharmaceuticals Limited and Mr. Glenn Saldanha (collectively as "Outgoing Promoters") for reclassification from the 'Promoter and Promoter Group' category to 'Public' category shareholder in accordance with Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), pursuant to the disclosure

in relation to intent of Outgoing Promoters to reclassify to public shareholders of the Company.

Application for reclassification of promoter as public under Regulation 31A of Listing Regulations has been made to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed. The Approval is awaited till date of this report.

12. BOARD AND COMMITTEE MEETINGS:

Details of composition, attendance of the Board of Directors and other details of the Board & its Committees are provided in the Corporate Governance Report. The Intervening gap between the Meetings was within the period prescribed under the Act and Listing Regulations.

13. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Directors confirm that:

- a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b) appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2024 and of the profit of the Company for the year ended 31 March 2024;
- c) proper and sufficient care has been taken for 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 annual accounts have been prepared on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively;
- f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

14. BOARD PERFORMANCE EVALUATION:

The Company has devised a Performance Evaluation Framework and Policy, which sets out a mechanism for the evaluation of the Board, Committees of the Board and the individual Directors.

Pursuant to the provisions of the Act and Listing Regulations, the Board had carried out an annual evaluation of its own performance and the performance of its Committees as well as the individual Directors.

15. MEETINGS OF THE MEMBERS:

During the year under review, the shareholders met once. Twelfth Annual General Meeting of the members was held on 26 September 2023.

16. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

One meeting of Independent Directors was held during the year.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report on the operations of the Company, is presented in a separate section forming part of this Annual Report.

18. AUDITORS AND AUDITORS' REPORT:

A. Statutory Auditors:

M/s. Walker Chandio & Co LLP, (Firm Registration no. 001076N/N500013) Chartered Accountants were appointed as Statutory Auditors of the Company at the Shareholders Meeting held on 25 July 2018, for a term of five consecutive years i.e. upto the conclusion of ensuing 12th AGM. Further as per the provisions of Section 139 of the Act, the Board of Directors of the Company, on the recommendation of the Audit Committee, recommended the re-appointment of M/s. Walker Chandio & Co LLP, Chartered Accountants for a further period of five years i.e. upto the conclusion of 17th AGM and at annual general meeting held on 26 September 2023, the shareholders had approved re-appointment of M/s. Walker Chandio & Co LLP, Chartered Accountants for a further period of five years i.e. upto the conclusion of 17th AGM.

Auditor's Report for the year under review forms part of this annual report. It does not contain any qualifications, reservations or adverse remarks.

Further, there are no instances of any fraud reported by the Auditors to the Audit Committee or to the Board pursuant to Section 143(12) of the Act.

B. Secretarial Auditor:

Pursuant to provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board had appointed M/s. Bhadresh Shah and Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the F.Y. 2023 - 24.

Secretarial Audit Report in prescribed Form No. MR-3 is annexed to this report as "Annexure I". There are no qualifications or reservations or adverse remarks in the Secretarial Audit Report.

C. Cost Auditor:

The Company maintains cost records as per the provisions of Section 148(1) of the Act and the same are audited by the Cost Auditors.

The Board, on recommendation of Audit Committee, has appointed M/s. Kirit Mehta & Associates, Practicing Cost Accountants to audit the cost records of the Company for the F.Y. 2024 - 25 at a remuneration of ₹ 0.45 million plus applicable taxes and reimbursement of actual travel and out of pocket expenses. Their remuneration is subject to ratification by shareholders at the ensuing Annual General Meeting. Accordingly, resolution seeking Members' ratification of their remuneration, forms part of the Notice convening the 13th Annual General Meeting. Board recommends the same for approval of Members.

The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Act and that they are not disqualified from appointment within the meaning of the said Act.

D. Internal Auditor:

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, the Board of the Company has appointed M/s. Sridhar & Associates, to conduct internal audit for the Company.

The Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

19. INTERNAL FINANCIAL CONTROL (IFC) AND ITS ADEQUACY:

The Company has established an adequate system of internal controls, policies, and procedures to ensure the orderly and efficient conduct of the business. This includes adherence to the Company's policies / procedures, safeguarding its assets, preventing and detecting fraud and errors, ensuring the accuracy and completeness of accounting records, and the timely preparation of reliable financial disclosures, as required under the Act.

The current system of Internal Financial Controls (IFC) is aligned with statutory requirements, is adequate considering the size of the company, and is operating effectively. The effectiveness of IFC is ensured through controlled self-assessment, management reviews, and independent testing by the Internal and Statutory Auditors.

20. RISK MANAGEMENT POLICY:

The Company has a Risk Management Policy with the objective to formalise the process of identification of potential risk and adopt appropriate risk mitigation measures through a risk management structure. The Risk Management Policy is a step taken by the Company towards strengthening the existing controls. The details of risk management have been included in the Management Discussion and Analysis Report, which forms part of this report.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

22. CAPITAL STRUCTURE:

There was no change in paid-up share capital in the F.Y. 2023-24.

23. UTILISATION OF ISSUE PROCEEDS:

The net proceeds of the fresh issue were / will be utilised for payment of outstanding purchase consideration to Glenmark Pharmaceuticals Limited ("the Promoter") for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated 09 October 2018, funding the Capital Expenditure requirements and General Corporate purposes. The details of utilization of proceeds by the Company are set out in following table and there was no deviation in utilization of the proceeds of IPO:

(₹ in million)

Particular	Estimated net proceeds as per Prospectus	Revised net proceeds	Utilisation upto 31 March 24	Unutilised amount as at 31 March 24
Payment of outstanding purchase consideration to the Promoter for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated 9 October 2018	8,000.00	8,000.00	8,000.00	-
Funding the capital expenditure requirements	1,527.64	1,527.64	1,466.19	61.45
General corporate purposes	576.75	494.40	494.40	-
Total	10,104.39	10,022.04	9,960.59	61.45

24. EMPLOYEE STOCK OPTION SCHEME (ESOP):

In compliance with the provisions of Sections 62 of the Act and Rules made thereunder and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("the SEBI SBEB Regulations"), the Company has formulated an employee stock option scheme, namely, Glenmark Life Sciences Limited Employee Stock Option Plan, 2021, (the "ESOP Scheme"). The ESOP scheme has been implemented in accordance with the SEBI SBEB Regulations and in accordance with the resolution passed by the shareholders at the Extraordinary General Meeting held on 09 April 2021, approving such scheme.

ESOP Scheme of the Company aims to reward employees for their performance as well as to attract and retain talent in the organization. The Company views the ESOP as an instrument that would enable the Employees to get a share in the value, they create for the Company in the years to come. 9,51,734 ESOP options have been granted to the eligible Employees/Directors at Nomination and Remuneration Committee meeting held on 17 May 2021.

As of 31 March 2023, 8,77,712 options were outstanding. During the F.Y. 2023-24, 4,190 options were cancelled and no options were exercised under Employees Stock Options Scheme viz. ESOS' 2021. As of 31 March 2024, 8,73,522 options were outstanding and are due for exercise.

During the year, NRC and Board, in adherence to ESOP Scheme and on conclusion of the sale of 75% shareholding from Glenmark Pharmaceuticals Limited to Nirma Limited, approved the acceleration of vesting of the granted options that have not vested i.e. 6,11,465 options under ESOP 2021, with effect from 16 March 2024, subject to compliance with the minimum statutory vesting period of one year from the date of grant.

The information in compliance with Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, is attached as Annexure-II and forms part of this Annual Report.

25. RELATED PARTY TRANSACTIONS:

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in the prescribed Form AOC-2 is appended as Annexure III to this report. The disclosure of transactions with related party for the year is given in the Notes to the Balance Sheet as on 31 March 2024.

All transactions with related parties were reviewed and approved by the Audit Committee and were in accordance with the Policy on dealing with and materiality of related party transactions and the related party framework, formulated and adopted by the Company. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature.

Related Party Transactions and its materiality Policy is available on the Company's website at <https://www.glenmarklifesciences.com/pdf/GLS%20RPT%20Policy.pdf>

In terms of Regulation 23 of the SEBI Listing Regulations, the Company submits details of related party transactions as per the format specified in the relevant accounting standards/SEBI notification to the stock exchanges on a half yearly basis.

Pursuant to the provisions of Regulation 23 (4) of Listing Regulations, approval of the Members was obtained in the last AGM and a resolution proposing to approve Material Related Party Transactions with Glenmark Pharmaceuticals Limited along with the explanatory statement, forms part of the Notice of 13th AGM.

26. THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is appended herewith as Annexure IV to this report.

27. CORPORATE SOCIAL RESPONSIBILITY:

The report on the CSR in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 including the composition of the CSR Committee is appended herewith as Annexure V to this Report.

CSR Policy is available on Company's website at: <https://www.glenmarklifesciences.com/pdf/Glenmark-Life-Sciences-CSR-Policyb.pdf>

28. ANNUAL RETURN:

Pursuant to Section 92 read with Section 134(3)(a) of the Act, the Annual Return as on 31 March 2024 is available on the Company's website at <https://www.glenmarklifesciences.com/>

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place a policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

The policy has set guidelines on the redressal and enquiry process that is to be followed by complainants and the ICC, whilst dealing with issues related to sexual harassment at the work place. All women employees (permanent, temporary, contractual and trainees) are covered under this policy.

There were no complaints reported under the Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013 during F.Y. 2023-24.

The Company is committed to providing safe and conducive work environment to all of its employees and associates.

30. VIGIL MECHANISM:

The Company, as required under Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, has established a Vigil Mechanism for their Directors and employees to report their genuine concerns or grievances.

The Audit Committee of the Company shall oversee the vigil mechanism, which provides for adequate safeguards

against victimization of employees and Directors who avail of the vigil mechanism.

All the employees and Directors of the Company are provided direct access to the Chairman of the Audit Committee.

The details of the Policy are available on the Company's website at https://www.glenmarklifesciences.com/pdf/Whistle_Blower_Policy_22.pdf

31. HUMAN RESOURCES:

Company's industrial relations continued to be harmonious during the year under review.

32. PARTICULARS OF EMPLOYEES & REMUNERATION:

Information required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in Annexure VI to this report.

Information required under Section 197(12) of the Act read with rule 5(2) and rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended herewith and forming part of this report.

33. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

In compliance with the provisions of Regulation 34 of the Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) to be submitted by top 1,000 listed entities based on their market capitalization as on 31 March 2024 is appended herewith as Annexure VII to this Report.

34. OTHER DISCLOSURES:

During the F.Y. under review:

- the Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.
- the Company did not accept any deposit within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and accordingly no amount on account of principal or interest on public deposits was outstanding as on 31 March 2024.
- the Company has not issued shares with differential voting rights and sweat equity shares during the year under review.

- d) Neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from any of its subsidiaries.
- e) no significant or material orders were passed by the regulators or courts or tribunals which could impact the going concern status of the Company and its future operations.
- f) no material changes and commitments have occurred after the close of the year till the date of this report which may affect the financial position of the Company.
- g) There was no change in the nature of business of the Company;
- h) No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable;

35. APPRECIATION AND ACKNOWLEDGEMENTS:

Your Directors express their gratitude to the Company's customers, business partners' viz. distributors and suppliers, medical profession, Company's bankers, financial institutions including investors for their valuable sustainable support and co-operation.

Your Directors commend the continuing commitment and dedication of employees at all levels.

For and on behalf of the Board of Directors

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

Vinod Naik
Executive Director
DIN: 03635487

Place: Mumbai
Date: 25 April 2024

ANNEXURE I

FORM NO. – MR-3

Secretarial Audit Report

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

To,
The Members
Glenmark Life Sciences Limited
(CIN: L74900PN2011PLC139963)
Plot No 170-172 Chandramouli Industrial Estate,
Mohol Bazarpath Solapur 413213.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Glenmark Life Sciences Limited (hereinafter called "The Company")**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company, during the audit period covering the Financial Year ended on **31 March 2024 ("Audit Period")**, 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2024 according to the provisions of:

- I. The Companies Act, 2013 and Amendments made from time to time (hereinafter collectively referred to as the ("the Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and Amendments made from time to time and the Rules made thereunder;
- III. The Depositories Act, 1996 and Amendments made from time to time and the Regulations and Bye-laws framed thereunder;
- IV. During the Audit period, there was no transaction relating to Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings observed under Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;

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 as amended from time to time;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- e. During the Audit period the Company has not issued or allotted any debt securities under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- 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 as the Company is not registered as Registrar to Issue and Share Transfer Agent;
- g. During the audit Period the Company has not applied/delisted any Securities, under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- h. During the audit Period the Company has not bought back any Securities, under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreement entered into by the Company with BSE Limited and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 and as amended from time to time.

During the Financial Year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company and have obtained proper licences and their timely renewals:

- i. The Factories Act, 1948
- ii. Drugs and Cosmetics Act, 1940
- iii. Narcotics Drugs and Psychotropic Substances Act, 1985
- iv. Drugs (Control) Act, 1950
- v. The Environment (Protection) Act, 1986
- vi. Air (Prevention and Control of Pollution) Act, 1981, Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the Maharashtra Pollution Control Board
- vii. Labour laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation, etc.
- viii. Labour Welfare Acts of respective state
- ix. Acts prescribed under Direct Tax and Indirect Tax
- x. Laws prescribed under Patent Acts
- xi. Local laws as applicable to various offices and plants

I further report that on the basis of information received and records maintained by the Company that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and Detailed Notes on Agenda were sent at least seven days in advance, and in case of Meetings convened at shorter notice, requisite consent for holding such meetings at shorter notice was obtained by the Company and a system exists for seeking and obtaining further information and clarifications

on the agenda items before the meeting and for meaningful participation in the meeting.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes of the Board of Directors or Committee of the Board, as the case may be.

I further report that as per the explanation and clarification given to me, 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.

I report that the Company has filled all the forms and returns as required under the Companies Act, 2013. The Company is generally regular in filing the forms and returns within the prescribed time, where there were delays in filing of e-form, the said e-forms were filled with additional fees;

I further report that during the Audit period under review, the Company has not undertaken any event/action except those as mentioned hereunder, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

I further report that during the audit period the Company has the following specific events:

- 1) The Board of Directors of the Company at its meeting held on 21 September 2023, inter-alia, considered and have approved the Share Purchase agreement dated 21 September 2023 among the Company, Glenmark Pharmaceuticals Limited ("GPL") and Nirma Limited (the "Buyer") for the sale of 91,895,379 equity shares representing 75.00% of the current issued and paid-up equity share capital of the Company, by GPL to the Buyer, subject to the receipt of applicable approvals, customary conditions precedent, and other ancillary agreements (the "Transaction").

Accordingly, 91,895,379 equity shares representing 75.00% of the current issued and paid-up equity share capital of the Company, were transferred by GPL to Nirma Limited as follows:

- A. As on 06 March 2024, 6,73,89,944 equity shares representing 55% of the issued and paid-up equity share capital of the Company were transferred by GPL to Nirma Limited.
- B. As on 12 March 2024, 2,45,05,435 equity shares representing 20% of the issued and paid-up equity share capital of the Company were transferred by GPL to Nirma Limited.

Accordingly, Nirma Limited stands designated as a new promoter of the Company and the Company vide application dated 22 March 2024 has applied

for the reclassification of Glenmark Pharmaceuticals Limited and Mr. Glenn Saldanha from 'promoter and promoter group' to 'public shareholders' to National Stock Exchange of India Limited and BSE Limited for approval of such reclassification.

- 2) Pursuant to the Open Offer for acquisition of up to 2,12,77,736 (Two Crore Twelve Lakh Seventy Seven Thousand Seven Hundred and Thirty Six) equity shares of face value of ₹2/- (Rupees Two only) each ("equity shares") representing 17.33% of the voting share capital of the Company, at a price of ₹631.20/- per equity share from the public shareholders of the company by Nirma Limited ("Acquirer") in accordance with the SEBI (SAST) Regulations ("offer" or "open offer"), 906 equity shares were acquired by Nirma Limited at a price of ₹631.20/- per equity share from the public shareholders.

For **Bhadresh Shah and Associates,**

Bhadresh Shah

Proprietor

Membership No.: A23847

COP No.:15957

PR Certificate No.: 1917/2022

UDIN: A023847F000240932

Place: Mumbai

Date: 25 April 2024

Note: This Report is to be read with my letter annexed as Annexure-A which forms an integral part of this report.

ANNEXURE A

To,
The Members
Glenmark Life Sciences Limited
Plot No 170-172 Chandramouli Industrial Estate,
Mohol Bazarpath Solapur 413213.

*My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the management of the company. My responsibility is to make a report based on the secretarial records produced for my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my report.
3. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances.
4. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
5. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, wherever required.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

Disclaimer:

- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 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 **Bhadresh Shah and Associates,**

Bhadresh Shah

Proprietor

Membership No.: A23847

COP No.:15957

PR Certificate No.: 1917/2022

UDIN: A023847F000240932

Place: Mumbai

Date: 25 April 2024

ANNEXURE II

DISCLOSURE PURSUANT TO REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

Glenmark Life Sciences Limited - Employee Stock Option Scheme, 2021

The Board, at its Meeting held on 06 April 2021 had approved the Glenmark Life Sciences Limited - Employee Stock Option Scheme, 2021 (ESOS). Further, the Shareholders' of the Company also approved the ESOS at the Extra-Ordinary General Meeting held on 09 April 2021.

The said ESOS has been formulated under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, or any statutory modification or re-enactment thereof, for the purpose of granting options to the permanent employees (including employees of the holding and subsidiaries whether Indian or foreign), Directors of the Company whether whole-time or not (excluding Independent Directors) and its holding and subsidiaries, as applicable to participate in the future growth and financial success of the Company.

The ESOS aims at achieving the twin objectives (i) to attract and retain critical and key talents and alignment with shareholders interest through Employee Stock Options; and (ii) to offer an opportunity of sharing the wealth created with those Employees who have contributed or are expected to contribute to the growth and development of the Company. The Scheme contemplates fresh/ new issue of shares by the Company.

The ESOS are administered by the Nomination and Remuneration Committee of the Board constituted by the Company pursuant to the provisions of Section 178 of the Act. The Nomination and Remuneration Committees decisions, determinations and interpretations will be final and binding on all eligible employees and participants under ESOS.

At the Extra-Ordinary General Meeting held on 09 April 2021, the ESOS was approved for issue of stock options up to 1% of the paid up share capital of the Company i.e. 10,78,050 equity shares of ₹ 2/- each.

The maximum number of Employee Stock Options that may be granted per Employee and in aggregate shall vary depending upon the designation and the appraisal / assessment process, however, shall not exceed 1% of the equity share capital of the Company.

The vesting of options will commence after a minimum period of 1 (one) year from the date of the grant, and may extend up to a maximum period of 6 (six) years from the date of the grant, with such lock in period as may be decided by the Board/ Nomination and Remuneration Committee. Further, the Nomination and Remuneration Committee may on merits of the case relax/ extend the vesting period.

During the year, NRC and Board, in adherence to ESOP Scheme and on conclusion of the sale of 75% shareholding from Glenmark Pharmaceuticals Limited to Nirma Limited, approved the acceleration of vesting of the granted options that have not vested i.e. 6,11,465 options under ESOP 2021, with effect from 16 March 2024, subject to compliance with the minimum statutory vesting period of one year from the date of grant.

The exercise price per option shall be determined by the Nomination and Remuneration Committee at the time of Grant of such Option, subject to conforming to the accounting policies under the applicable law.

The number of stock options and the exercise price payable by the option grantees under the Scheme shall automatically stand augmented or reduced in the same proportion as the present face value bears to the revised face value of the equity shares of the Company after any split/ consolidation/ bonus issue without affecting any other rights or obligations of the said grantees.

Further details/ disclosures in respect of Employee Stock Options forms a part of the Notes to accounts of financial statements in this Annual Report and disclosures in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014, are available on the website of the Company at www.glenmarklifesciences.com

For **Glenmark Life Sciences Limited**

Yasir Rawjee Managing Director & CEO DIN: 01965174	Vinod Naik Executive Director DIN: 03635487
-----------------------------------------------------------------	----------------------------------------------------------

Place: Mumbai
Date: 25 April 2024

ANNEXURE III

AOC 2

(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

- No contracts or arrangements or transactions were entered into by the Company with related parties during the year ended 31 March, 2024, which were not at arm's length basis.
- Details of material contracts or arrangement or transactions at arm's length basis:

Name of the related party and nature of relationship	Glenmark Pharmaceuticals Limited (Holding Company upto 6 March 2024)
Nature of contracts/ arrangements/ transactions	Sale/Purchase-Materials & Services
Duration of the contracts/ arrangements/ transactions	Ongoing (Regular basis)
Salient terms of the contracts or arrangements or transactions including the value, if any: Based on Transfer Pricing Guidelines	Sale: ₹ 7,164.70 million Purchase: ₹ 167.31 million
Date(s) of approval by the Audit Committee/ Board	Not applicable, since the contract was entered in the ordinary course of business and is on arm's length basis.
Amount paid as advances	Nil

Transactions having value of more than 10% of the turnover have been identified as material.

For **Glenmark Life Sciences Limited**

Yasir Rawjee Managing Director & CEO DIN: 01965174	Vinod Naik Executive Director DIN: 03635487
-----------------------------------------------------------------	----------------------------------------------------------

Place: Mumbai
Date: 25 April 2024

ANNEXURE IV

(A) CONSERVATION OF ENERGY

I. THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY:

Following steps have been taken in the area of lighting, pump & motors, power factor, automation, refrigeration, fuel and water.

LIGHTING

Automation in operation of Plant lighting & Canteen ACs through the Timer circuit. Annual saving of 1.42 lacs KWH.

Replacement of conventional lighting with LED lamp (60 W lamp replaced by 9W), Annual saving of 0.15 lacs KWH.

Total Saving of 1.57 Lacs in KWH & ₹ 16.64 Lacs/ annum.

PUMPS-MOTORS & BLOWERS

Trimming of pumps as per flow and head requirement. Annual saving of 0.46 lacs KWH & ₹ 3.82 Lacs.

AUTOMATION

Provision of VFD on AHU blower to reduce the RPM on the basis of required ACPH 20. Annual saving of 4.19 lacs KWH.

On/ Off Controller for raw water pump and level sensor installed in new plant raw water overhead tank to cut off pump w.r.t raw water tank level. Annual saving of 0.43 lacs KWH.

Total Saving of 4.62 Lacs in KWH & ₹ 37.73 Lacs/ annum.

REFRIGERATION / HEATING SYSTEM / UTILITY

Replacement of old reciprocating brine compressor (2 X 19 Tr) with energy efficient screw type brine compressor (43 Tr). Annual saving of 3.25 lacs KWH.

Optimization of AHU chilled water plant by setting the temperature 5 deg C to 10 deg C as part of seasonal benefits. Annual saving of ₹ 2.42 lacs KWH.

Optimization of breathing air compressor by reducing pressure from 5 Kg/ cm² to 3 Kg/ cm² to meet the requirement. Annual saving of 0.22 lacs KWH.

Total Saving of 5.89 Lacs in KWH & ₹ 48 Lacs/ annum.

II. THE STPES TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY (FUEL)

Total annual Power consumption of FY24 was 4,81,85,820 kWh out of which we used 21% of Hybrid Power (Wind + Solar) i.e., 1,00,49,106 kWh.

Water conservation

Saving of 2,772 KL water in 2023-24 amounting ₹ 2.01 Lacs by the way of recycling the RO reject water in utility & by reduced flow at various user points.

III. THE CAPITAL INVESTMENT OF ENERGY CONSERVATION EQUIPMENT

Total capital invested in FY 2023-24 on energy conservation is ₹ 32.9 Lacs.

(B) TECHNOLOGY ABSORPTION

I. EFFORTS MADE TOWARDS TECHNOLOGY ADOPTION:

Our efforts in the area of technology absorption, adoption and innovation are based on our own efforts in R&D and Process research and development laboratory. They include improvement in yield and quality, efficacy, improvements of processes and development of new processes with validation studies.

Specific areas in which R&D is carried out by the Company and its subsidiaries and benefits derived as a result of new platform technologies and products to create competitive advantage, better safety, efficacy and sustained performance during life cycle of products.

Apart from these, we have taken the following initiatives:

- Start of hybrid power of 1 MW & increasing the contribution for green energy to the extent of 20.9 %.
- Replacement of old reciprocating chiller with high efficiency screw Chiller of 43 TR.
- Automation in Lighting system & ACs.
- Automation with VFD for optimization of AHU system.

II. Information Regarding Technology Imported during the Last Five Years: NIL

III. Expenditure Incurred on R & D:

(₹ Million)

Sr. No.	Particulars	31 March 2024	31 March 2023
1.	Capital Expenditure	80.32	181.36
2.	Revenue Expenditure	752.97	651.77
3.	Total	833.29	833.13
4.	R & D Expenditure as percentage of Total Turnover	3.65%	3.85%

IV. Foreign Exchange Earnings & Outgo:

(₹ Million)

Sr. No.	Particulars	31 March 2024	31 March 2023
1.	Foreign Exchange Inflow	10,351.39	9,690.65
2.	Foreign Exchange Outflow	4,681.77	5,001.24

For Glenmark Life Sciences Limited

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

Vinod Naik
Executive Director
DIN: 03635487

Place: Mumbai
Date: 25 April 2024

ANNEXURE V

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT - FY 2023-24

1. Brief outline on CSR Policy of the Company:

We strive to serve our communities by creating substantive social changes that reflect in our core values and culture. Our Corporate Social Responsibility (CSR) interventions build replicable, sustainable solutions that actively contribute to both community and environment. We believe in a long term perspective that focuses on understanding, incorporating, and seeding real change through developmental interventions that improve the lives of communities around us.

Our Vision is to actively contribute to the community and environment in which we operate through our initiatives, services and conduct so as to enable sustained growth for the society and communities in our role of being a socially and environmentally responsible organization.

Our emphasis is on understanding the outcomes and impact of our interventions and ensuring our projects deliver meaningful value to the societies we serve. All our projects and interventions are in alignment with the Companies Act 2013 and the Sustainable Development Goals.

Corporate Social Responsibility Focus Areas

Access to Healthcare:

Support initiatives in holistic healthcare focusing on research, quality, accessibility, awareness and upgradation based on community need, emerging requirements.

Access to Education:

Glenmark Life Sciences believes that a scientific, logical and experimental education system helps to develop both creative mindset & logical reasoning among the children. To support a holistic transformation and upgradation of the education system in India, Glenmark Life Sciences is nurturing scientific mindset in students as well as building capacity of the teachers & students.

Environmental Sustainability:

To protect, conserve and preserve the environment by reduce, reuse, recycle, recover, repair and disposal methodology to save our natural resources and planet at large by adopting the traditional and new techniques to save the planet. This includes:

- **Water Stewardship:**
 - Support innovative technologies for improving quality and accessibility of water at community level.
 - Support and implement initiatives on water conservation, rejuvenation and rain water harvesting as well as provide safe drinking water.
- **Carbon Neutrality:**
 - Tree plantation by Miyawaki and the traditional method.
 - Energy conservation by saving electricity and generating energy through greener ways.

Community Development:

Support local community initiatives with holistic approach focusing on rural and urban development, sustainable livelihood, skill development and other identified need based interventions.

Any activities or subjects specified in Schedule VII of the Act.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sridhar Gorthi*	Independent Director (Chairperson)	3	3
2	Dr. Yasir Rawjee	Managing Director & CEO	3	3
3	Mr. V. S. Mani**	Non-Executive Director	3	3
4	Ms. Gita Nayyar**	Independent Director	3	3
5	Mr. Kaushikbhai Patel [#]	Independent director (Chairperson)	NA	NA
6	Mr. Vijaykumar Shah [#]	Independent Director	NA	NA

*ceased to be a chairperson and member with effect from 06 March 2024.

**ceased to be a member with effect from 06 March 2024.

[#]Appointed as a chairperson and member with effect from 06 March 2024.

[#]Appointed as a member with effect from 06 March 2024.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company:

Composition of CSR Committee: <https://www.glenmarklifesciences.com/pdf/List%20of%20directors%20and%20Committee%20as%20on%2007.03.2024.pdf>

CSR Policy: <https://www.glenmarklifesciences.com/pdf/Glenmark-Life-Sciences-CSR-Policyb.pdf>

CSR Projects: <https://www.glenmarklifesciences.com/pdf/Annual%20Action%20Plan%20FY%2023-24a.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

NA

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 5,554.55 million
- (b) Two percent of average net profit of the company as per sub-section(5) of section 135: ₹ 111.09 million
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set-off for the financial year, if any: ₹ 0.38 million
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 110.71 million
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 109.19 million
- (b) Amount spent in Administrative Overheads: ₹ 1.55 million
- (c) Amount spent on Impact Assessment, if applicable.: Nil
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 110.74 million
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹ million)	Amount Unspent (in ₹ million)				
	Total Amount transferred to Unspent CSR Account as per sub- section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
110.74	NA	NA	NA	NA	NA

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹ million)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	111.09
(ii)	Total amount spent for the Financial Year	111.12
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.03
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.03

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not Applicable

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

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

For **Glenmark Life Sciences Limited**

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

Kaushikbhai Patel
Chairman of CSR Committee
DIN: 00145086

Place: Mumbai

Date: 25 April 2024

ANNEXURE VI

DISCLOSURES REQUIRED WITH RESPECT TO SECTION 197(12) OF THE COMPANIES ACT, 2013

The ratio of the remuneration of each Director to the Median Employee's Remuneration (MRE) and such other details in terms of Section 197(12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration of Whole-time Directors:

Name	Title	% increase in the remuneration in the year ended 31 March 2024	Ratio to MRE of the Employees
Dr. Yasir Rawjee#	Managing Director & CEO	31.6	121
Mr. Vinod Naik#	Executive Director	6.8	53

#excludes onetime bonus payment

Remuneration to Non-Executive Directors:

Name	Title	Ratio to MRE of the employees
Mr. Hireen K. Patel*	Chairman & Non-Executive Director	Not Applicable
Mr. Kaushikbhai N Patel*	Non-Executive Independent Director	Not Applicable
Mr. Vijaykumar Ratilal Shah*	Non-Executive Independent Director	Not Applicable
Mrs. Manju Agarwal	Non-Executive Independent Director	2.8
Mr. T L Easwar	Non-Executive Independent Director	3.0
Mr. Glenn Saldanha#	Chairman & Non-Executive Director	-
Mr. V S Mani#	Non-Executive Director	-
Mr. Sridhar Gorthi#	Non-Executive Independent Director	3.5
Ms. Gita Nayyar##	Non-Executive Independent Director	2.7

*Appointed with effect from 06 March 2024.

#ceased to be a Director with effect from closing of business hours on 06 March 2024.

ceased to be a director from 22 April 2024.

Remuneration to other Key Managerial Personnel (KMP)

Name	Title	% increase in the remuneration in the year ended 31 March 2024
Mr. Tushar Mistry#	Chief Financial Officer	20.3
Mr. Rudolf Corriea	Company Secretary & Compliance Officer	14.3

#excludes onetime bonus payment

i. **The ratio of remuneration of each director to the median remuneration (MRE) of the employees of the Company for the financial year:**

The MRE of the employees of the Company during the year ended 31 March 2024 was ₹ 0.6 million. The details are laid out in the tables above.

The remuneration of the Non-Executive Independent Directors comprises only sitting fees paid to them for attending the meetings of the Board and other Committee meetings. Hence, the percentage increase of their remuneration has not been considered for the above purpose.

ii. **The percentage increase in remuneration of each director and KMP in the financial year:**

The percentage increase is mentioned in the tables above.

iii. **The percentage increase in median remuneration of the employees in the financial year:**

The percentage increase in the median remuneration of the employees was 9.09%.

iv. **Number of Permanent employees on the rolls of the Company:**

As on 31 March 2024, the Company had 2,014 permanent employees on the rolls of the Company.

v. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile increase in the remuneration for all employees other than managerial personnel was 8.61%, while the average increase in the managerial remuneration was 15.85%.

vi. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

We affirm that the remuneration paid is as per the remuneration policy of the Company.

For **Glenmark Life Sciences Limited**

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

Vinod Naik
Executive Director
DIN: 03635487

Place: Mumbai
Date: 25 April 2024

ANNEXURE VII

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT 2023-2024

SECTION A: GENERAL DISCLOSURES

I. **Details of the listed entity:**

- Corporate Identity Number (CIN) of the Listed Entity** - L74900PN2011PLC139963
- Name of the Listed Entity** – Glenmark Life Sciences Ltd.
- Year of incorporation** – 23rd June, 2011
- Registered office address** – Plot No 170-172 Chandramouli Industrial Estate, Mohol Bazarpath Solapur MH 413213
- Corporate address** - 4th Floor, OIA House, 470, Cardinal Gracious Road, Andheri East Mumbai 400099 MH IN
- E-mail** - complianceofficer@glenmarklifesciences.com
- Telephone** – 022-4018-9999; 022-6829-7979
- Website** - www.glenmarklifesciences.com
- Financial year for which reporting is being done** – 2023-24
- Name of the Stock Exchange(s) where shares are listed :**

Name of the Exchange	Stock Code
BSE Ltd.	543322
National Stock Exchange of India Ltd.	GLS

- Paid-up Capital** - ₹ 245.05 million
- Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report –**
Name: Rudolf Corriea
Tel No. 022-6829-7979
Email address: complianceofficer@glenmarklifesciences.com
- Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).** – The disclosures under this report are made on Standalone basis.
- Name of assurance provider** – Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/ CIR/2023/122 dt. 12 July, 2023’.
- Type of assurance obtained** – Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/ CIR/2023/122 dt. 12 July, 2023’

II. **Products/services**

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products	100.00

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

S. No.	Product/ Service	NIC Code	% of Turnover contributed
1	API	21002	100.00

III. **Operations**18. **Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	1. Ankleshwar, Bharuch, Gujarat; 2. Dahej, Bharuch, Gujarat; 3. Mohol, Solapur, Maharashtra*; 4. Kurkumbh, Pune, Maharashtra; 5. Mahape, Navi Mumbai R&D Site	1. Andheri East, Mumbai Corporate Office 2. Registered Office at Mohol, Solapur*	6
International	Nil	Nil	Nil

* Registered Office and one of the manufacturing units have the same address.

19. **Markets served by the entity:**a. **Number of locations**

Locations	Number
National (No. of States & UTs)	18+
International (No. of Countries)	75+

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

48.91% for Financial Year 2023-24

c. **A brief on types of customers:**

GLS primarily serves end formulators, which are typically pharmaceutical companies responsible for producing finished pharmaceutical products using the Active Pharmaceutical Ingredients (APIs) provided by GLS. These finished formulations are subsequently marketed, distributed, and sold worldwide. Today GLS has over 700 customers and works with 20 largest generic companies globally.

IV. **Employees**20. **Details as at the end of Financial Year:**a. **Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	2014	1870	92.85	144	7.15
2.	Other than Permanent (E)	0	0	0.00	0	0.00
3.	Total employees (D + E)	2014	1870	92.85	144	7.15
WORKERS						
4.	Permanent (F)	0	0	0.00	0	0.00
5.	Other than Permanent (G)	1455	1448	99.52	7	0.48
6.	Total workers (F + G)	1455	1448	99.52	7	0.48

b. **Differently abled Employees and workers:**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	3	3	100.00	0	0.00
2.	Other than Permanent (E)	0	0	0.00	0	0.00
3.	Total differently abled employees (D + E)	3	3	100.00	0	0.00
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0.00	0	0.00
5.	Other than permanent (G)	0	0	0.00	0	0.00
6.	Total differently abled workers (F + G)	0	0	0.00	0	0.00

21. **Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25.00
Key Management Personnel	4	0	0.00

22. **Turnover rate for permanent employees and workers (in percent)**

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	26.14	16.85	21.50	29.93	21.19	29.34	22.32	18.85	22.11
Permanent Workers	The Company does not have any permanent workers in place								

V. **Holding, Subsidiary and Associate Companies (including joint ventures)**23. (a) **Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether 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.	Nirma Limited	Holding	75.00	No

VI. **CSR Details**

24. (i) **Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes
- (ii) **Turnover (in ₹) – 22,832.14 Million**
- (iii) **Net worth (in ₹) – 23,323.22 Million**

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes	3	Nil	All the complaints were resolved	2	Nil	All the complaints were resolved
Employees and workers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Customers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners	Yes	Nil	Nil	Nil	Nil	Nil	Nil

26. Overview of the entity's material responsible business conduct issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications¹

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Affordability & Pricing	Opportunity	Supplying APIs to pharmaceutical companies plays a crucial role in enhancing accessibility and affordability of medications for patients. This is particularly notable in numerous low- and middle-income countries where access to medicines is significantly improved.	Not Applicable	Positive

¹ Material issues identified are referred from the Sustainability Accounting Standards Board (SASB) 2023-24 version. SASB Standards are maintained and enhanced by the International Sustainability Standards Board (ISSB); this follows the SASB's merger with the International Integrated Reporting Council (IIRC) into the Value Reporting Foundation (VRF) and subsequent consolidation into the IFRS® Foundation in 2022.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Access to Medicines	Opportunity	Product pricing strategies that consider the diverse economic conditions and healthcare requirements across different countries. Initiatives aimed at enhancing access to medications can lead to growth prospects, innovation, and the formation of distinctive partnerships, ultimately boosting shareholder value.	Not Applicable	Positive
3	Safety of Clinical Trial Participants	Opportunity	Ensuring the safety of clinical trial participants is vital for the successful market approval of a product. Supervising these trials is significant due to the large number conducted by third-party contract research organizations through which shareholder value can also be increased by generating additional revenue from new products.	Not Applicable	Positive
4	Drug Safety	Risk	Safety concerns regarding individuals, manufacturing defects, or insufficient disclosure of product-related risks can result in substantial product liability claims, exposing companies to financial ramifications associated with adverse events and product recalls. Biotechnology and pharmaceutical companies that effectively reduce the occurrence of product recalls, safety issues, and regulatory enforcement actions are better positioned to safeguard shareholder value.	The company adopts a proactive approach towards ensuring the quality and safety of its products. Annually, it allocates a considerable amount of capital expenditure and operational expenditure for research and development, aiming to stay ahead in innovation and maintain high-quality products. This proactive stance aids in decreasing the occurrence of product recalls, safety issues, and regulatory enforcement actions related to manufacturing problems.	Negative. There has been no negative impact in the reporting period of 2023-2024.
5	Employee Recruitment, Development & Retention	Opportunity	Businesses face intense competition in recruiting and retaining staff. The industry relies on highly qualified workers for various tasks like developing new products and ensuring quality manufacturing processes, including product development, clinical trials, regulatory compliance, and product commercialization. Companies that excel in attracting and retaining employees within a restricted talent pool are better positioned to protect and enhance shareholder value.	Not Applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Supply Chain-Management	Risk	Ensuring the quality of the supply chain is crucial for safeguarding consumer health and maintaining corporate value. Transparency regarding the implementation of supply chain audit programs can offer investors insight into the measures taken by companies in this sector to preserve shareholder value.	GLS has successfully collaborated with its supply chain partners using various engagement models to ensure timely delivery of products to clients as promised. GLS is an important Supply Chain Partner to its over 700 customers in pharmaceutical industry. Disruptions to our own supply chain thereby is detrimental.	Negative. There has been no negative impact in the reporting period of 2023-2024.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1.	a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	There are few Policies present on the Company's website (glenmarklifesciences.com) (refer to the table below) and few HR related policies are also available on the intranet.								

S. No.	Name of policy	Link to Policy	Which Principles each policies goes into
1	Policy for Determining Material Subsidiaries (P1)	Policy_for-Determining-Material-Subsidiaries.pdf	P1
2	Policy for Determination of Legitimate Purpose (P7)	Policy-for-determination-of-legitimate-purpose (1).pdf	P7
3	Policy on Determination of Materiality for Disclosures	Policy_on-Determination-of-Materiality-for-Disclosures.pdf	P1, P4
4	Policy Preservation of Documents Regulation 9 of LODR	Policy-Preservation-of-Documents-Reg-9-of-LODR.pdf	P1
5	Archival Policy	Archival_Policy.pdf	P1
6	Board diversity policy	Board-diversity-policy.pdf	P1
7	Dividend distribution policy	Dividend-distribution-policy.pdf	P1, P3
8	Nomination and remuneration policy	Nomination-and-remuneration-policy.pdf	P5
9	Policy for the Evaluation of the performance of the Board of Directors	Policy-for-the-Evaluation-of-the-performance-of-the-Board-of-Directors(1).pdf	P1
10	Policy on related party transactions and its materiality	GLS RPT Policy.pdf	P1, P7
11	Policy on Succession planning	Policy-on-Succession-planning.pdf	P6
12	Policy for Familiarization Programme for Independent Directors	Policy-for-Familiarisation-Programm-for-Independent-Directors.pdf	P1
13	Whistle Blower Policy	(Whistle_Blower_Policy.pdf	P1, P5

S. No.	Name of policy	Link to Policy	Which Principles each policies goes into
14	Code of Conduct	Code-of-Conduct.pdf	P1, P3, P5
15	Code of practices for fair disclosure	Code-of-practices-for-fair-disclosure.pdf	P1
16	CSR Annual Action Plan FY 2023-24	Annual Action Plan FY 23-24.pdf	P8
17	Letter of appointment of Independent Directors	https://www.glenmarklifesciences.com/pdf/Letter-of-appointments-of-Independent-Directors.pdf	P1
18	Criteria for Making Payments to Non-Executive Directors	Criteria for Payment of NED.pdf	P1

Few policies HR related policies are also available on the intranet

2. Whether the entity has translated the policy into procedures. (Yes / No) Yes

3. Do the enlisted policies extend to your value chain partners? (Yes/No) No

4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. The policies as mentioned above are based on Principles of NGRBC. Some of the international certifications obtained by GLS are: ISO 14001:2015 (On effective environmental management system-EMS) and ISO 45001:2018 (to improve occupational health and safety-OHS)

5. Specific commitments, goals and targets set by the entity with defined timelines, if any. In its pursuit of advancing Environmental, Social, and Governance (ESG) objectives, GLS is dedicated to crafting comprehensive strategies that encompass short, medium, and long-term targets across various sustainability metrics. These encompass critical areas such as climate change mitigation, optimizing energy consumption, promoting efficient water usage, enhancing waste management practices, curbing air pollutants, reducing greenhouse gas emissions, and safeguarding biodiversity.

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. Through proactive planning and implementation, GLS is committed to fostering sustainability across its operations and supply chain, thereby contributing positively to environmental preservation and societal well-being. GLS aims to establish targets across short, medium, and long-term horizons to enhance sustainability. These targets will encompass key performance indicators (KPIs) pertaining to the all the three ESG parameters.

Governance, leadership and oversight

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

Glenmark Life Sciences Limited is dedicated to upholding high standards of integrity, both professionally and financially, as well as ethical conduct in its business operations and is deeply committed to actively addressing environmental concerns beyond mere compliance, demonstrated through robust governance systems and meticulous risk management processes. This dedication includes implementing effective policies and procedures to uphold ethical principles, internal guidelines, and relevant legal regulations.

Central to GLS's ethos is a steadfast respect for human rights, shaping interactions with employees, suppliers, customers, and communities. The company prioritizes creating safe and healthy workplaces and surpassing contributions to the United Nations Sustainability Goals through comprehensive CSR initiatives. Upholding high standards of integrity and ethical conduct, GLS fosters a harassment-free workplace and integrates ESG principles into daily operations to drive sustainable growth and build stakeholder confidence.

The company embeds multiple sustainability practices across its core business and manufacturing functions to achieve these goals. It strives to maximize benefits for communities and contribute to global sustainability objectives, aiming to make a positive impact on the environment and society.

To drive business growth while ensuring continuity, GLS continues to invest significantly in new technologies for:

- A) Reducing carbon footprint through cleaner energy, water and solvent recycling and reuse.
- B) Backward integration and manufacturing automation.
- C) Enhancing waste treatment technology for solid, liquid, and gaseous waste streams.
- D) Training at all levels to ensure safe operations in compliance with cGMP norms.
- E) Implementing a Safety Pyramid structure with a focus on leading indicators and a robust safety management system emphasizing process safety, workplace safety, and industrial hygiene.

Environmental goals include achieving water neutrality by 2027, zero waste to landfill by 2027, and carbon neutrality by 2030. Social objectives encompass improving access to healthcare, water stewardship, holistic community development, access to education, and promoting employee volunteering.

The company aims to comply with health and safety regulations and other requirements, guided by its Environmental, Health, and Safety (EHS) policy. Regular assessments of employee working conditions are conducted to ensure a safe environment at manufacturing facilities.

Governance-wise, GLS has a robust corporate governance structure overseen by an experienced and diversified Board. The company upholds high standards of ethical business conduct, transparency, and accountability. Reporting directly to the Board, GLS operates as an independent and professionally managed organization, with governance mechanisms continuously monitored to ensure compliance with legal requirements, financial integrity, and timely disclosures.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Directors, comprised of individuals with diverse backgrounds and expertise, offers strategic guidance and assesses the overall performance of the organization in terms of Environmental, Social, and Governance (ESG) considerations. Through its existing corporate structure and various committees, the Board ensures alignment with the long-term interests of stakeholders and promotes responsible business practices.
9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Sustainable development forms the foundation of GLS operations, as articulated in its Environment, Health, and Safety (EHS) practices. GLS diligently adheres to robust environmental management protocols at its manufacturing facilities to identify and mitigate potential environmental hazards. In addition to obligatory statutory committees, GLS has introduced an ESG committee voluntarily established by the Board. This committee is dedicated to taking a more targeted approach to Environmental, Social, and Governance (ESG) matters, overseeing associated action plans with precision and attentiveness.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was under taken by Director / Committee of the Board/ Any other Committee									Frequency (Annually / Half yearly / Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yearly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yearly								
11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.										P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
										Yes, independent assessment / evaluation of the working of the policies were carried out by Dhir & Dhir Associates, an eminent law firm, wherein the implementation and sufficiency of policies, focusing on their adequacy and effectiveness was assessed. The Internal evaluation included regular reviews and updates of policies by department heads and business leaders, with final approval from management or the board. Additionally, internal auditors and regulatory bodies may scrutinize processes and compliance to ensure adherence to relevant standards and regulations.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

NGRBC PRINCIPLES



Disclosures under Section C are based on the 9 Principles of National Guidelines on Responsible Business Conduct (NGRBC) that provides guidance for businesses to integrate responsible business practices into their operations, ensuring they contribute positively to society, the environment, and the economy.

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

Essential Indicators

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

Segment	Total Number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	Business Updates, Risk Management, Governance, Compliance and Regulatory updates, CSR Updates	100.00
Key Managerial Personnel	1*	ESG Awareness programmes	100.00
Employees other than BoD and KMPs	Training program constitutes many modules as per the job role requirement at work. Essential four trainings for all encompass on Code of Conduct, Anti-Corruption Anti Bribery, Conflict of Interest, and Data protection and POSH. 2906 hours of training delivered across these areas.	Code of Conduct, Anti-Corruption Anti Bribery, Conflict of Interest, Data protection and POSH are mandatory training delivered to all employees. Training coverage is more than 85% & no complaint received in FY 23-24.	> 85.00
Workers	Depends on the department, role and responsibility of the workers	All the necessary trainings provided to the workers	100.00

*In addition to the ESG awareness programmes conducted, every board meeting covers an agenda on regulatory updates, corporate governance updates, and industry and competitive landscape.

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 (basis the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

The Company, its Directors and/or KMPs have not been subjected to any thresholds of the materiality policy to pay any fines, penalties, punishments, awards, compounding fees, or settlement amounts in the financial year.

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine					
Settlement			Nil		
Compounding Fee					
Non-Monetary					
Imprisonment					
Punishment			Nil		

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
	Not Applicable

4. 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. The Company has adopted Anti-Corruption Anti-Bribery policy and is available on its intranet which prohibits bribery and corruption in all forms. This includes offering or accepting bribes, kickbacks, or any other undue advantage to government officials, suppliers, or customers, whether directly or indirectly. At GLS, we recognize that bribery, corruption, and unethical practices not only harm business operations by eroding good governance and distorting fair competition but also have broader negative consequences on the economy and society. Therefore, it is imperative for every employee to fully comply with the Anti-Corruption and Anti-Bribery policy. Failure to adhere to this policy will result in severe disciplinary actions.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2023-24	FY 2022-23
Directors		
KMPs		Nil
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors				
Number of complaints received in relation to issues of Conflict of Interest of the KMPs			Nil	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No complaints were filed with regard to conflict of interest, therefore no corrective action undertaken for the same

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	100	116

9. Open-ness of Business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from Trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases and made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	NA	NA
	b. Number of dealers/distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	0.3	0.3
	b. Sales (Sales to related parties/Total Sales)	34.9	36.00
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	NA	NA
	d. Investments (Investments in related parties/Total Investments made)	NA	NA

Leadership Indicators

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

Total number of awareness programmes held	Topic/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) that were assessed
-------------------------------------------	---------------------------------------------	---------------------------------------------------------------------------------------------------------

Conducting awareness programmes for value-chain partners on Principles is under consideration. Nevertheless, we're committed to adhering to the protocols and audits delineated in AVD (Alternate Vendor Development). This presentation file outlines the systematic process for selecting, appointing, and auditing vendors or alternate vendors.

2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.

Yes. The Conflict of Interest Policy is readily available on our company's intranet. Additionally, all GLS employees are mandated to undergo comprehensive Conflict of Interest training. This ensures that every member of our organization is equipped with the knowledge and understanding necessary to identify and manage potential conflicts of interest effectively. By providing accessible resources and training, we prioritize transparency, integrity, and ethical conduct across all levels of our workforce, thereby safeguarding the integrity of our operations and upholding our commitment to responsible business practices.

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

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	2023-24	2022-23	Details of Improvements in environmental and social impacts
R&D	9.00	6.00	R&D investments are not only on new product developments but also pertains to spending on several initiatives to make the processes more sustainable which include evaluating lower energy consumption alternatives for manufacture of Products, reduction in effluent generation and lower usage of solvents. GLS has achieved a reduction of about 50% effluent in FY-24 through life cycle management on identified products. 24 % in FY24 and 36% in FY23 of CAPEX R&D spends were towards such sustainable process improvements. R&D is also working on developing new technologies for early stage intermediates and challenging batch processes through process intensification and flow chemistry such as CSTR, Fixed bed reactor for catalytic reaction.
Capex	6.00	9.00	These projects pertains to improving environment footprint i.e. waste reduction, energy and water conservation, reducing carbon footprint, etc.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)

GLS has established an Alternate Vendor Development (AVD) program aimed at incorporating ethical and environmental considerations into its sourcing process with value-chain partners. The AVD document outlines the procedures, steps, and vendor commitments necessary to ensure sustainable sourcing of products. GLS selects vendors or alternate vendors based on factors such as return on sales (ROS), price, lead time, quality, regulatory/GMP certificates, FEI, DUNS, QMS, and plant capacity. Clearance from Regulatory Affairs (RA) and Intellectual Property (IP) is obtained by circulating the CMC document and addressing related queries. Regular vendor audits are conducted to assess compliance with these standards.

- If yes, what percentage of inputs were sourced sustainably?

GLS endeavors to source input materials in to its manufacturing process in alignment with principles of sustainability.

- 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.

Not applicable. GLS operates within the B2B (Business-to-Business) sector, supplying its products directly to business entities, which serve as its customers. These customers utilize GLS products in the manufacturing of finished pharmaceutical goods, which are subsequently distributed and sold within the retail market.

- 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.

GLS have successfully obtained Extended Producer Responsibility (EPR) registration under the Brand Owner category, and are currently in the process of obtaining registration under the import category. Our EPR target has been set at 687 metric tons, and this quantity is currently in the pipeline.

Leadership Indicators

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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Considering the nature of operations and business activities of GLS, Life Cycle Assessment is not being conducted

- If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

- Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Fresh Solvent	66.00	69.00
Recovered Solvent	34.00	31.00

Note: The Company took significant efforts to recover solvents in its manufacturing process and reuse it.

- Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	704	0	0	566	0
E-waste	0	0	39 Desktop + 16 Printer	0	0	58 Desktop + 20 Printers
Hazardous Waste	4023	5696	2078	7098	3614	1654
Other waste (Paper)	0	0	741	0	0	809

Note: Except for E-waste all other numerical are in Metric Tonne

- Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials (as percentage of products sold) for each product category
Not Applicable	

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

1. a. Details of measures for the well-being of employees:

	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1870	1870	100.00	1870	100.00	0	0.00	1870	100.00	0	0.00
Female	144	144	100.00	144	100.00	144	100.00	0	0.00	0	0.00
Total*	2014	2014	100.00	2014	100.00	144	7.15	1870	92.85	0	0.00
Other than Permanent Employees											
Male	No other than permanent employees identified for GLS										
Female	No other than permanent employees identified for GLS										
Total	No other than permanent employees identified for GLS										

* Percentage of (D) – Maternity benefit is calculated as 100% as per FAQ's on BRSR issued by NSE dt. May 10, 2024

- b. Details of measures for the well-being of workers:

	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Insurance		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	No permanent workers identified for GLS										
Female	No permanent workers identified for GLS										
Total	No permanent workers identified for GLS										
Other than Permanent Workers											
Male	1448	1448	100.00	1448	100.00	0	0.00	0	0.00	0	0.00
Female	7	7	100.00	7	100.00	7	100.00	0	0.00	7	100.00
Total*	1455	1455	100.00	1455	100.00	7	0.48	0	0.00	7	100.00

* Percentage of (D) – Maternity benefit is calculated as 100% as per FAQ's on BRSR issued by NSE dt. May 10, 2024

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company	0.07	0.06

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	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	100.00	0	Yes	100.00	0	Yes
Gratuity	100.00	0	Yes	100.00	0	Yes
ESI	12.00	0	Yes	12.00	0	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

At GLS, we have established the essential infrastructure to ensure accessibility for employees and workers with disabilities. This includes accessible entrances and fixtures like push/lever-operated wash basins, as well as well-lit corridors to facilitate ease of movement.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The given legislation/rights of the disables under the legislation are covered under various policies, however currently there is no separate policy for the same.

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

Gender	Permanent Employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00	100.00	100.00	100.00
Female	100.00	100.00	100.00	100.00
Total	100.00	100.00	100.00	100.00

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	None (No permanent workers identified)
Other than Permanent Workers	Yes, <ul style="list-style-type: none"> At all our units and locations, a drop box is set up to enable employees or workers to raise their concerns or issues related to human rights. They have the option to submit written documents anonymously. Our Safety Committee, comprising 50.00 workers, convenes to discuss and resolve safety-related concerns.
Permanent Employees	Yes, <ul style="list-style-type: none"> Mood-o-meter: An online survey tool that collects real-time employee engagement data confidentially, providing a platform for open expression. Our Leadership Connect and Leadership Site Connect platforms allow employees to exchange ideas, address concerns, seek clarification, and discuss future plans with company leaders, including the MD & CEO and the leadership team. Gemba Walk: As part of our safety culture, site leadership conducts inspections throughout the plant to assess various safety aspects, including the safety and working conditions of employees. Tete-a-Tea: A platform for select employees from different locations to interact with senior leadership in a closed group setting over a cup of tea. GEN Y Program: Designed to enhance our understanding of Generation Y employees and ensure their engagement for a mutually beneficial work experience.
Other than Permanent Employees	None (No other than permanent employees identified)

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

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	Presently, none of our employees or workers are members of any associations or unions. However, the company does not restrict or prohibit the formation of associations or unions by its employees and workers.					
Male						
Female						
Total Permanent Worker						
Male						
Female						

8. Details of training given to employees and workers:

	FY 2023-24				FY 2022-23					
	Total (A)	On Health and Safety measures		On Skill upgradation	Total (D)	On Health and Safety measures		On Skill upgradation		
		No. (B)	% (B/A)	No. (C)		% (C/A)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1870	1870	100.00	1870	100.00	1695	1695	100.00	1695	100.00
Female	144	144	100.00	144	100.00	129	129	100.00	129	100.00
Total	2014	2014	100.00	2014	100.00	1824	1824	100.00	1824	100.00
Workers*										
Male	1448	1448	100.00	1448	100.00	1451	1451	100.00	1451	100.00
Female	7	7	100.00	7	100.00	10	10	100.00	10	100.00
Total	1455	1455	100.00	1455	100.00	1461	1461	100.00	1461	100.00

*“Other than Permanent Workers” are considered, as the Company has no permanent workers.

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1870	1870	100.00	1695	1695	100.00
Female	144	144	100.00	129	129	100.00
Total	2014	2014	100.00	1824	1824	100.00
Workers*						
Male	1448	1448	100.00	0	0	0.00
Female	7	7	100.00	0	0	0.00
Total	1455	1455	100.00	0	0	0.00

*“Other than Permanent Workers” are considered, as the Company has no permanent workers.

10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?
Yes. We have occupational health and safety management system (ISO 45001). It covers both our employees and workers.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
We have implemented a comprehensive system for identifying hazards and assessing risks associated with both routine and non-routine activities. Routine activities undergo HAZOP studies and Hazard Identification and Risk Assessment (HIRA), while non-routine tasks are managed through Job Safety Analysis (JSA) and a permit-to-work system.
- Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)
We have established both online and offline reporting systems for employees to report work-related hazards and track compliance with safety measures.
- Do the employees / worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)
Yes. At the Dahej Plant, we adhere to the Workmen’s Compensation Policy, while at the Ankleshwar Plant, we offer the ESIC scheme. All our employees are enrolled in the EPF and Pension scheme, and we provide safety and technical training to enhance skills, including on-the-job training for workers. Additionally, we facilitate benefits through E-Shram card registration, with over 300 manpower currently registered under this scheme at the Ankleshwar Plant. We also provide incentive allowances, which encompass food and work allowances.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0.11
	Workers	0	27.93
Total recordable work-related injuries	Employees	10	9
	Workers	23	41
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

We have adopted an Environment, Health, and Safety Management system to guarantee a secure and healthy workplace. New employee orientation sessions are conducted to provide safety-related information. Additionally, we have established a clear audit framework to conduct both internal and external audits pertaining to Environment, Health, and Safety (EHS) standards

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	4	0	All the complaints were resolved

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

Note: The Health and safety assessment is been conducted by OSHA (Occupational Health and Safety Administration) and a few insurance service providers. Working conditions assessments is being internally assessed.

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.

The Company has taken corrective measures to address safety-related incidents and significant risks identified from assessments of health and safety practices and working conditions. These measures include implementing reverse charging for all products and utilizing conductive hose pipes for solvent charging.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

Employee: Yes
Worker: Yes (Through ESIC or Workmen’s Compensation Act)

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

In our downstream value chain, our channel partners are obligated to ensure legal compliance, including adherence to regulations such as GSTIN portal compliance, Invoice Running Number (IRN) control, e-way bill control, and compliance with TDS provisions outlined in the Income Tax Act. We have implemented various internal controls to verify that vendors are meeting the relevant statutory obligations.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil			
Workers				

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)

Currently there is no such operating procedure in the Company.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	The quantification in percentage is not evaluated currently. However, we comply to set procedures and steps as per our AVD document.
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.

Nil, as the quantification is not done. However, the Company comply to set procedures and steps as per our AVD document.

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

Essential Indicators

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

At GLS, we adhere to the following criteria when interacting with our stakeholders:

Anyone who:

- (i) Holds legal, financial, or social interests;
- (ii) Plays a role in shaping our business; or
- (iii) Adds value or forms an integral part of our business value chain, is recognized as a key stakeholder.

These key stakeholders encompass employees, customers, suppliers, investors, shareholders, communities in proximity to our operational areas, and regulatory bodies.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Emails, SMSs, Website, Meetings	Daily	These are both top down and bottom up communication approach through which we intend to create an inclusive and empowering workplace that encourages transparent engagement and the freedom to act, raise question and grow as professionals and individuals. We also ensure regular health check-ups for employee well-being and conduct Annual Day, Family Day and other Sports activities.
Employees	No	Emails, SMSs, Website, Intranet, Pamphlets, Meetings, Leadership Meets, Town halls, Employee feedback and redressal	Frequent and as and when required	
Suppliers	No	Emails, SMSs, Website, Meetings	Daily	
Investors	No	Emails, Website, SMSs, Virtual and Physical Meetings, Conferences, Press Releases, Annual Reports, Presentation, News Paper Publications, Quarterly earnings Calls.	As per statutory requirements, as well as, as and when required	
Communities around our plants including school going children, village youths and family belonging to underprivileged section	Yes	Physical meetings and visits	Frequent and as and when required	
Shareholders	No	Emails, Website, SMSs, Virtual and Physical Meetings, Conferences, Press Releases, Annual Reports, Presentation, News Paper Publications	As per statutory requirements, as well as, as and when required	

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.

Even though ESG aspects are part of day to day operations, a formal process for stakeholder consultation on ESG is yet to be established. Nonetheless, consultation with relevant stakeholder groups is conducted by the respective business and functional leaders. Feedback obtained from these consultations is subsequently shared with the Board during quarterly meetings.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics

(Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation is used to support the identification and management of environmental, and social topics. Social consultation has been taken to identify social and critical needs of the community for creating larger and sustainable impact.

For example:

- Consultation with local collectors helped us identify drought prone areas in and around our facilities in Gujarat and Maharashtra for water stewardship project. We have initiated the water stewardship project with the aim to reduce and replenish water usage through Water Harvesting and Conservation efforts. We are actively involved in creating new water recharging structures, revamping the existing water bodies and ensuring clean drinking water through water purification system. Towards this we have implemented various techniques like deepening of existing water bodies (Nalas, Lakes, and Ponds), creating farm recharge ponds, farm bunding, percolation tanks, and check dams in rural, semi-urban, and urban areas to conserve rainwater. We have also carried out projects to create small urban and rural forest and initiated green initiatives around solar energy, solar water pump and street light.
- We also identified schools along with the local administration for Integrated School development through creation of science labs and ensured capacity building of teachers and students.
- We also provide access to healthcare for women and children and have upgraded several healthcare facilities (PHCs and Day Care units) through need assessment with the local community and administration

Similarly for Community Development we support local community initiatives focusing on Sustainable livelihood, Skill Development, Integrated rural/village/slum development, supporting farm and non-farm families for economic activity and creating an ecosystem for multiple livelihood opportunities and employment enhancing vocational skills. We also extend support for any research & development, need based intervention or in instances of disaster management. All these are done in consultation with our plants and the local collectors and most importantly in accordance to the community needs.

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

Our Corporate Social Responsibility initiatives aim to develop sustainable solutions that positively impact both the community and the environment. Our vision is to actively contribute to the betterment of society and the environment in which we operate, fostering sustained growth as a socially responsible organization.

Through our CSR endeavors, we aspire to enrich lives and promote a healthier and happier world for the weaker and marginalized stakeholders in our community. Our activities encompass various initiatives across Gujarat and Maharashtra, including supporting of quality education for children, providing healthcare access for women and children, implementing environmental sustainability projects through water harvesting and carrying out Carbon Neutrality through tree plantation and energy conservation. We also work on community development through sustainable livelihood projects.

- Access to Education (Project ViGyasa) - To nurture young scientific minds through Integrated School Development and Capability Building of teachers and students in government and government aided schools. This includes developing integrated and mini science labs and school infrastructure, instituting mentorship, training and exposure visits.
- Access to Healthcare (Project Sampurna) – To ensure holistic healthcare for women and children through upgradation of primary healthcare centers and day care facilities, health and awareness camps, kitchen garden and nutritional support.
- Environmental Sustainability – We have initiated the Water Stewardship project with the aim to reduce and replenish water usage through Water Harvesting and Conservation efforts. We are actively involved in creating new water recharging structures, revamping the existing water bodies and ensuring clean drinking water through water purification system. We have also carried out Carbon Neutrality projects to create small urban and rural forest and initiated green initiatives around solar energy, solar water pump and street light.
- Community Development - We support the local marginalized community by focusing on Sustainable livelihood and Skill Development initiatives, Integrated rural/village/slum development, support farm and non-farm families for economic activity and create an ecosystem for multiple livelihood opportunities and employment enhancing vocational skills. We also extend support for any need based intervention or in instances of disaster management.

PRINCIPLE 5: Businesses should respect and promote human rights

Essentials Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	2014	2014	100.00	1824	1824	100.00
Other than permanent	0	0	0.00	0	0	0.00
Total Employees	2014	2014	100.00	1824	1824	100.00
Workers						
Permanent	0	0	0.00	0	0	0.00
Other than permanent	1455	1455	100.00	1461	1461	100.00
Total Workers	1455	1455	100.00	1461	1461	100.00

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	2014	0	0.00	2014	100.00	1824	4	0.20	1820	99.8
Male	1870	0	0.00	1870	100.00	1695	4	0.20	1691	99.8
Female	144	0	0.00	144	100.00	129	0	0.00	129	100.00
Other than Permanent	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Male	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Workers										
Permanent	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Male	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Female	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Other than Permanent	1455	238	16.97	1217	83.50	1461	244	16.7	1227	83.3
Male	1448	231	15.95	1217	84.0	1451	234	16.1	1217	83.9
Female	7	7	100.00	0	0.00	10	10	100.00	0	0.00

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category	Number	Median remuneration/ Salary/ Wages of respective category
Board of Directors (BoD)	4*	2,93,30,118	2	16,50,000
Key Managerial Personnel	4	5,38,17,097	0	-
Employees other than BoD and KMP	1868	515470	142	616469
Workers	1448	228096	7	228096

*Excludes Non-Executive Directors who have not received any remuneration/sitting fees or received only part remuneration/sitting fees during FY 2023–24.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Safety Incident/Number	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	6.10	6.71

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/No)

At GLS, we have established a specialized Safety Committee tasked with addressing and resolving issues pertaining to human rights. This committee is committed to promptly resolving any concerns raised, ensuring that all employees feel heard and valued throughout their tenure with our company.

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

The principles of human rights outlined in the United Nations Global Compact (UNGC) are integral to our core values and organizational structure. We have established a framework centered on good governance, adherence to all laws, timely payment of employee salaries, and the provision of equal opportunities to all individuals without discrimination. Any grievances are directed to the Human Resources department, where appropriate action is taken in accordance with relevant policies and workplace regulations. Closure of grievances is communicated to the concerned individual.

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	No such concerns identified in the current and previous FY					
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other Human Rights related issues						

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	No such complaints have been filed for the Current as well as Previous FY	
Complaints on POSH as a % of female employees / workers		
Complaints on POSH upheld		

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

At GLS, we prioritize educating our stakeholders about harassment and discrimination issues through various channels, including our Prevention of Sexual Harassment (POSH) Policy, specialized trainings, sensitization programs, and awareness campaigns. These initiatives are designed to foster a culture of respect, inclusivity, and equality within our organization. By providing comprehensive education and resources, we aim to empower our stakeholders to recognize, prevent, and address instances of harassment and discrimination effectively.

9. Do human rights requirements form part of your business agreements and contracts?

GLS is currently in the process of updating its standard agreement templates, with a focus on incorporating provisions related to human rights. This initiative aims to ensure that human rights requirements are integrated into GLS's business agreements, even in cases where the company doesn't utilize its standard agreement templates.

10. Assessments for the year:

	% of your plants and Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100.00 of its offices
Forced/involuntary labour	
Sexual Harassment	
Discrimination at workplace	
Wages	

Note: Every second year, an independent third-party assessor appointed by DISH will conduct the evaluation.

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable. Since, there were no complaints for any audits.

Leadership Indicators

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

In addition to addressing human rights grievances through direct communication methods and digital channels, we have incorporated human rights principles into our policies and Standard Operating Procedures (SOPs), accessible to all employees via our intranet platform. Policies such as the Global Grievance Redressal Policy, Employee Insurance Policy, Prevention of Discrimination and Sexual Harassment Policy, Crisis Communication Policy, Gifts and Hospitality Policies, etc., are designed to ensure that any issues related to human rights grievances are promptly and ethically addressed within statutory timelines.

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

As an equal opportunity employer, we uphold a commitment to non-discrimination based on factors such as race, color, caste, gender, or origin. We are dedicated to protecting and respecting human rights, including the prevention of forced labor, child labor, and ensuring freedoms such as association and collective bargaining, as well as equal remuneration. While we do not conduct formal Due Diligence, we integrate these principles into our policies and procedures, ensuring their adherence throughout our operations.

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?

At GLS, we have implemented comprehensive measures to ensure that our workplaces are fully accessible to differently abled visitors. From the moment they enter our buildings, they encounter accessible entrances designed to accommodate various mobility aids. Inside, they find facilities equipped with push or lever-type washbasins for ease of use. Additionally, our corridors are well-lit to provide sufficient illumination for safe navigation. These infrastructure enhancements reflect our commitment to inclusivity and creating an environment where everyone feels welcome and valued.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Currently GLS is not assessing the value chain partners on the aforesaid parameters. However, GLS continuously seeks commitment on the same from its value chain partners
Discrimination at workplace	
Child Labour	
Forced Labour / Involuntary Labour	
Wages	

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

Not Applicable. Since, the assessment is not being currently done.

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, in the following format:

Parameter	FY 2023-24 (In Gigajoules)	FY 2022-23 (In Gigajoules)
From renewable sources		
Total electricity consumption (A)	27,571.98	24,109.00
Total fuel consumption (B)*	88,906.41	32,624.00
Energy consumption through other sources (C)	-	-
Total Energy consumption from renewable sources (A+B+C)	1,16,478.39	56,733.00
From non-renewable sources		
Total electricity consumption (D)	2,73,225.06	2,24,443.00
Total fuel consumption (E)	69,49,588.52	6,05,447.00
Energy consumption through other sources (F)	-	-
Total Energy consumption from non-renewable sources (D+E+F)	72,22,813.58	8,29,890.00
Total energy consumed (A+B+C+D+E+F)	73,39,291.97	8,86,623.00
Energy intensity per rupee of turnover (Total energy consumption/ Revenue from Operations)- GJ/Rs	0.00032	0.000041
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)- GJ/Rs.	0.0072	0.0009
Energy intensity in terms of physical output- GJ/MT	10,116.88	1,471.42
Energy intensity (optional) – the relevant metric may be selected by the entity- GJ/ MT of Product	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

* For FY 23-24, bio briquettes are being considered as a fuel source, while for FY 22-23, natural gas and steam generation were utilized.

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? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Our facilities at GLS are not included within the ambit of the Perform, Achieve, and Trade (PAT) Scheme initiated by the Government of India. This means that our sites are not subject to the regulations and requirements set forth by the PAT Scheme, allowing us flexibility in our operations while ensuring compliance with relevant energy efficiency and conservation standards.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	3,24,062.00	3,08,001.00
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,24,062.00	3,08,001.00
Total volume of water consumption (in kilolitres)	3,24,062.00	3,08,001.00
Water intensity per rupee of turnover (Water consumed / Revenue from operations)	0.000014	0.000014
Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)- MT/Rs.	0.00031	0.00031
Water intensity in terms of physical output- KL/MT	446.70	424.56
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

4. Provide the following details related to water discharged

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	531.00
- No treatment	-	-
- With treatment – please specify level of treatment	-	531.00
(iv) Sent to third-parties	52,495.00	44,656.00
- No treatment	-	-
- With treatment – please specify level of treatment	52,495.00	44,656.00
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	52,495.00	45,187.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

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

GLS has installed comprehensive Effluent Treatment Plants (ETPs) equipped with primary, secondary, and tertiary treatment facilities, followed by a Reverse Osmosis (RO) plant to treat low COD effluents. High COD streams are processed through a stripper and then a Multiple Effect Evaporator (MEE). The resulting process residue waste is sent for pre-processing or co-processing, while solid inorganic waste is sent to a CHWTSDF for secure landfill disposal.

All RO permeate waste is reused in utilities. Additionally, GLS has installed sewage treatment plants (STPs) to treat generated sewage, followed by an RO plant. The treated sewage effluent is then used for gardening purposes.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	µg/m ³	29.00	16.13
SOx	µg/m ³	15.00	9.46
Particulate matter (PM)	µg/m ³	40.00	49.67
Persistent organic pollutants (POP)	-	NIL	-
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		
Others	-		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes, the Ankleshwar & Dahej plants are assessed by **Shree Green Consultancy** and Mohol & Kurkumbh plants are assessed by **Green EnviroSAFE**

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)*	Metric tonnes of CO ₂ equivalent	6,67,131.59	12,798.00
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	59,703.28	50,407.40
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent/₹	0.000031	0.0000029
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent/₹	0.000071	0.000064
Total Scope 1 and Scope 2 emissions intensity in terms of physical output	Metric tonnes of CO ₂ equivalent/MT	82.29	69.48
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

*For FY 23-24 steam purchased from common coal fired boiler is considered (For Ankleshwar plant) the same category was not considered for FY 22-23

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company has implemented several initiatives aimed at reducing greenhouse gas (GHG) emissions and promoting sustainability. Key projects include the installation of solar lights, which has led to a monthly power consumption reduction of 48 to 50 KWH, and the replacement of conventional lighting with energy-efficient LED lights, resulting in a 173 KWH reduction per month. Additionally, the installation of a pressure limit switch on the air compressor has significantly reduced power consumption by 1041.6 KWH monthly. The introduction of a drip irrigation system for greenery has conserved 20KL of raw water per month, emphasizing water resource management. Through the automation of plant lighting and canteen ACs using timer circuits, and the replacement of old brine compressors with energy-efficient models, the Company has achieved substantial energy savings, amounting to ₹ 16.64 lakhs and ₹ 48 lakhs annually, respectively. Furthermore, optimizing the AHU chilled water plant and the breathing air compressor has contributed to energy conservation. In water conservation efforts, recycling RO reject water has saved 2772 KL of water in 2023-24, equating to ₹ 2.01 lakhs. These initiatives highlight the Company's commitment to reducing its environmental footprint and contributing to the fight against climate change.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	704.00	566.00
E-waste (B)	1.08	-
Bio-medical waste (C)	0.99	6.00
Construction and demolition waste (D)	-	-
Battery waste (E)	0.13	3.00
Radioactive waste (F)	-	-
Other Hazardous waste. Please Specify, if any. (G)	11,797.00	11,791.00
Other Non-hazardous waste generated (H). Please specify, if any.	741.00	809.00
Total (A + B + C + D + E + F + G + H)	13,244.20	13,175.00
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)- MT/₹	0.00000058	0.00000060
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)- MT/₹	0.000012	0.000013

Parameter	FY 2023-24	FY 2022-23
Waste intensity in terms of physical output- MT/MT	18.25	18.16
Waste intensity (optional) - the relevant metric may be selected by the entity	-	-
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 (Oil and Plastic)	5,696.00	3,614.00
(ii) Re-used	4,023.00	7,098.00
(iii) Other recovery operations	0.00	2,463.00
Total	9,719.00	13,175.00
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	19.00	440.00
(ii) Landfilling	1,583.00	2,022.00
(iii) Other disposal operations	5876.00	10,712.00
Total	7,478.00	13,174.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

10. 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

We have a facility for collecting, treating, and recycling effluents. The recycled water produced from industrial processes and domestic use is reused, while a portion of the treated effluent is sent to a government-approved common effluent treatment plant (CETP). Solvents are recovered and reused in the process, with some sent to authorized recyclers. Solid waste is managed through disposal in landfills and co-processing units. Spent oils and process residues are incinerated, and plastic waste is directed to authorized recyclers. Bio-medical waste is sent to an authorized disposal facility.

11. 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, please specify details in the following format:

S. No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	GLS does not carry its operations in any ecologically sensitive areas		

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. 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, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Serial Number	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
Yes, we have complied all applicable environmental laws/regulations.				

Leadership Indicators

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

For each facility / plant located in areas of water stress, provide the following information:

- (i) **Name of the area** - Nil
- (ii) **Nature of operations** – Not Applicable
- (iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water		Our plants are situated in regions where water stress is not a concern. This deliberate choice of locations is part of our commitment to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas.
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		Not Applicable
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not Assessed for both the reporting years	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

3. With respect to the ecologically sensitive areas reported at Question 11 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.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installation of Solar lights	Installation of 05 Nos solar lights (40 W)	Power Consumption Reduction 48 to 50 KWH/ Month
2	Installation of LED Lights	Replace the 07 Nos LED lights (20 W) instead of Normal lights (120 W) which beneficial to reduces the power consumption.	Power Consumption Reduction 173 KWH/ Month
3	Installation of Pressure Limit switch	Installation of pressure Limit switch to Air compressor.	After Installation reduces the power consumption 1041.6 KWH/ Month.
4	Drip Irrigation System to Greenery	Provided the drip Irrigation system to greenery (trees) which is beneficial to reduce the loss of raw water.	Reduces the Raw water consumption 20KL/ Month.
5.	Conservation of Energy	Automation in operation of Plant lighting & Canteen ACs through the Timer circuit. Replacement of conventional lighting with LED lamp (60 W lamp replaced by 9W)	Total savings of ₹ 16.64 Lacs/ annum
6.	Conservation of Energy	Replacement of old reciprocating brine compressor (2 X 19 Tr) with energy efficient screw type brine compressor (43 Tr) Optimization of AHU chilled water plant by setting the temperature 5 deg C to 10 deg C as part of seasonal benefits Optimization of breathing air compressor by reducing pressure from 5 Kg/ cm ² to 3 Kg/ cm ² to meet the requirement	Total Saving of 5.89 Lacs in KWH & ₹ 48 Lacs/ annum
7.	Water conservation	By recycling the RO reject water in utility & by reduced flow at various user points.	Saving of 2772 KL water in 2023-24 amounting ₹ 2.01 Lacs

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

At GLS, we've developed a comprehensive Business Continuity Plan (BCP) aimed at ensuring uninterrupted service provision despite potential disruptions caused by disasters or unforeseen circumstances. We prioritize assessing all conceivable disruptions, understanding their impacts, and devising corresponding recovery strategies. This plan is regularly updated and rigorously tested. Crucial information necessary for business recovery is meticulously documented within the BCP. Our primary goal is to safeguard the continuity of critical business services by minimizing the adverse effects of disruptions on staff availability, IT systems, equipment, records, and third-party services. The BCP includes detailed risk assessments, impact analyses, and evaluations based on a risk matrix. It encompasses preventive measures, mitigation strategies, and well-defined recovery procedures. In the event of any incident, adherence to SOP QA09, which is specifically tailored for incident management, is mandatory.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

There is no significant adverse impact to the environment arising from the value chain of the entity. The Company ensures that it takes adequate measures to ensure that no operation arising from value chain impacts the environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

We have implemented a system to assess our value chain partners on environmental impacts. Periodic Vendor Requalification Audits are conducted, with Environmental, Health, and Safety (EHS) criteria integrated into this Vendor Audit Program. By the end of March 2024, we have completed assessments for 25% of our regular suppliers.

General Note: The numerical figures for FY 23-24 show a notable difference compared to FY 22-23, primarily because, in FY 22-23, not all units of GLS were included in the quantification. However, in the FY 23-24 disclosures, all units (1 Corporate Office and 4 Factories) have been considered.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a) Number of affiliations with trade and industry chambers/ associations.

GLS is affiliated with one trade and industry chambers/ associations.

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Bombay Chamber of Commerce and Industry	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective active taken
	Nil	

Leadership Indicators

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

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available
					Not Applicable

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and Brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
Considering the operations, SIA is not applicable to our entity					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	5 of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
We have no ongoing projects on R&R						

3. Describe the mechanisms to receive and redress grievances of the community.

As a responsible corporate citizen we always work with human centric approach for the betterment of the community surrounding our facilities, adjoining areas and the aspirational districts. We believe in nurturing our relationship with the community as an important stakeholder. Therefore we assess the community needs on the basis of the baseline data, at the very beginning of undertaking any corporate social responsibility initiative. Subsequently after assessing the need we work with the community to redress any specific grievances and address their issues with our interventions, which in turn are aligned to Schedule VII of the Companies Act, 2013 and the Sustainable Development Goals.

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

	FY 2023-24 (In Crs.)	FY 2022-23 (In Crs.)
Directly sourced from MSMEs/ small producers	560	376
Sourced directly from within India	157	302

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	22.00	25.00
Semi-Urban	0.00	0.00
Urban	53.00	59.00
Metropolitan	25.00	16.00

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Gujarat	Narmada	62,96,631.00

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Considering the nature of operations and activities of GLS, we are required to adhere strictly to regulatory restrictions and quality standards. Operating within a highly regulated industry, we are governed by USFDA regulations, and our procurement processes are limited to suppliers within certain classifications. However, it is important to note that we uphold a commitment to ensuring that no preferential treatment or discrimination occurs on any other basis.

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective Action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Giving back to the society and helping to make it stronger is an important facet of our business. We are committed to creating maximum positive impact by envisioning a better tomorrow for the communities we operate in. At Glenmark Life Sciences our commitment to social development is deeply rooted in our culture and policies and therefore the programs are aligned to the national priorities and the UN Sustainable Development Goals. In line with this, the Company has identified 4 areas under which it carries out its interventions: Access to Healthcare, Access to Education, Environmental Sustainability & Community Development. Overall: 3, 72,839 beneficiaries

Sr. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Access to Healthcare for Women and Children: Project Sampurna Holistic healthcare for women and children encompassing the entire spectrum from girls in their adolescence to women in their post pregnancy stage and children till 5 years of age.	Impact Outreach: 3, 37,157 Beneficiaries 1. 10 Healthcare Facilities Upgraded 2. Over 3,18,829 beneficiaries	100.00
2.	Access to Education: "Project ViGyasa" (Vigyan Ki Jigyasa) To nurture young scientific minds in Government, Municipal and other schools funded by the State Government, Central Government and Trust.	Overall Beneficiaries: 23,014 Beneficiaries Break-up: 47 Schools 7 Colleges; 22,314 School Students 503 College students benefitted and 197 Teachers trained	100.00

Sr. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
3	Environmental Sustainability - We are committed to protect, conserve and preserve the environment through reduce, reuse, recycle, recover, repair and disposal methodology to save our natural resources and planet at large. This includes: <ul style="list-style-type: none"> Water Stewardship: <ul style="list-style-type: none"> Support innovative technologies for improving quality and accessibility of water at community level. Support and implement initiatives on water conservation, rejuvenation and rain water harvesting as well as provide safe drinking water. Carbon Neutrality: <ul style="list-style-type: none"> Tree plantation by Miyawaki and the traditional method. Energy conservation by saving electricity and generating energy through greener ways. 	Overall Impact Outreach: 9,208 beneficiaries Beneficiaries of Water Stewardship: 46 Water Structures created 5,35,942 KL of Water Recharged Beneficiaries of Carbon Neutrality: 35,000 Trees planted 52,500 Tonnes of Carbon sequestration (Lifespan)	100.00
4	Community Development – Support local community initiatives with holistic approach focusing on rural and urban development, sustainable livelihood, skill development and other identified need based interventions. <ul style="list-style-type: none"> Sustainable Livelihoods: Our projects aim to increase the livelihood incomes of tribal, farmers and local communities by improving agricultural practices and allied livelihood practices, animal husbandry, as well as supporting solar lift irrigation & developing irrigation facilities. We support farming and non-farming families through various economic activities and create a veritable ecosystem for multiple livelihood generation opportunities. By integrating traditional and modern methods, we enhance the value of farming practices and support the overall economic well-being of the communities. Skill Development: We support the local community and youth by identifying critical needs and job opportunities and providing employment-oriented vocational skills training. We completed training for the making of Basket, Supada, Tray, Lamp, and Decorative show pieces etc and imparted 3 vocational trainings each on bamboo craft making. In addition, exposure visits were undertaken where farmers were taken to other districts. We also support the Attendant Operators for Chemical Plant (AOCP's) and provide them the extensive training and support as per industry requirement. Support for Senior Citizens and Differently-abled Individuals: We extend support to senior citizens and differently-abled individuals near our manufacturing facilities through various initiatives to provide care. These include providing them with assistance through wheelchairs, standing sticks, diapers, spectacles, medicines, beds and care services. 	Overall Impact Outreach: 3,451 Beneficiaries 1. Over 1,304 Farmers Families benefitted 2. 147 AOCP Trainees 3. 2000 Elderly benefitted	100.00

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has established a robust procedure to handle customer complaints effectively. According to our Standard Operating Procedure (SOP), upon receipt of a complaint, we ensure acknowledgment is provided within 2 working days. Subsequently, a thorough investigation is conducted, with detailed findings provided within 30 working days. In cases where the investigation extends beyond this timeframe, an interim investigation report is prepared and shared with the customer to maintain transparency and communication.

In addition to this procedure, we have a dedicated Customer Experience (CX) team comprising professionals who specialize in analyzing customer queries, feedback, and data. The insights gathered by the CX team are then disseminated across the organization to ensure continuous improvement in our customer service. The CX team focuses on nurturing the relationship between our business and our customers, emphasizing personalized attention and a seamless experience.

Moreover, our Customer Experience department has established a "Single Point of Contact" for each customer, simplifying the interaction process and ensuring that every customer receives personalized attention. We prioritize providing a seamless and holistic experience to our customers, striving to make their submission process as effortless as possible. *[Note: Since the Company is into B2B business it does not directly interact with retail consumers.]*

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year	Pending resolution at end of year	
Data Privacy			Nil			
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						
Total						

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

	Number	Reasons for recall
Voluntary recalls	0	Not Applicable
Forced recalls	0	Not Applicable

*No recall in last 10 years.

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

At GLS, we have adopted a number of information security technologies and products to safeguard our intellectual property and to ensure data security. Further, we comply with the highest standards of data privacy through our privacy policy. Data privacy policy is available on intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

7. Provide the following information relating to data breaches:**a. Number of instances of data breaches**

While there have been no instances of theft, malware, social manipulation, threats from within, physical attacks, etc., procedures are in place to promptly identify and investigate any such occurrences.

b. Percentage of data breaches involving personally identifiable information of customers

Not Applicable

c. Impact, if any, of the data breaches

Not Applicable

Leadership Indicators**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

GLS disseminates product information through various platforms, including its website, annual reports, social media channels, and advertisements. Comprehensive details regarding all products can be accessed on the official website: <https://www.glenmarklifesciences.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

To ensure consumers are well-informed and educated about the safe and responsible usage of our products and services, we take several proactive steps. Firstly, we provide comprehensive material safety data sheets (MSDS) that outline crucial safety information, handling procedures, and potential hazards associated with our products. Additionally, we submit Drug Master Files/Applicant documents to customers, accompanied by all necessary supporting documents. These measures not only prioritize consumer safety but also empower them with the knowledge needed to use our products responsibly and effectively.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

To ensure transparency and maintain trust with our consumers, we have implemented effective mechanisms to inform them of any potential risk of disruption or discontinuation of essential services. In the event of a quality impacting matter, we promptly communicate with our customers, providing detailed information about the issue and its potential impact on service delivery. Additionally, we proactively engage in agreements with our customers, outlining contingency plans and strategies to mitigate any disruptions effectively. By fostering open communication and collaborative partnerships, we strive to ensure that our consumers are always informed and prepared for any potential challenges, thus enhancing their overall experience and satisfaction.

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. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not applicable. GLS is in regulated B2B business where product information on the product is as mandated by regulatory of various countries.

SUSTAINABLE DEVELOPMENT GOALS



UN SDG INITIATIVES



As part of its CSR efforts, the Company has supported pregnant women and new mothers by implementing programs aimed at improving nutrition, promoting proper hygiene practices, and ensuring children receive full immunization.



The Company provides facilities like:

- Group Medclaim Insurance– It is a pre-defined insurance coverage to all employees & their dependents for expenses related to hospitalization due to illness, disease or injury.
- Gold Plan – Companies employees can choose to double their existing Group Medclaim Policy cover (i.e. the Base Plan) by enrolling in the GOLD Plan and bearing an additional nominal contribution.

Risk Benefits:

- Group Term Life Insurance
- Group Personal Accident Insurance

The Company conducted health screenings, and the introduction of a wellness program, all aimed at enhancing the overall health and well-being of its remarkable women

The Company is committed to fostering an inclusive society by investing in women. Therefore, extending beyond its employees, it has positively impacted over 300,000 women through Sampurna project, a comprehensive healthcare initiative designed for women and children.



- The Company selects villages based on sustainability parameters and introduces initiatives in education, women empowerment & skill development, disability, and infrastructure development, which are implemented through various types of activities and programmes.
- The company has taken initiatives to nurture scientific education in various government schools.
- The company supports sustainable livelihood initiatives that teach the youth useful vocational skills and provide tools, training, and access to improve their standard of living.
- Glenmark Life Sciences observed National Science Day through its “ViGyasa” project, engaging over 2000 students from 30+ schools in Maharashtra and Gujarat over the course of a week. The initiative aimed to foster curiosity and nurture young scientific minds, particularly among underprivileged children. The Company facilitated exposure visits to Science Centers and R&D Labs, conducted career orientation sessions, science quizzes, experiments, and exhibitions to unveil students’ creative potential and innovative ideas.



- The Company celebrates International Women’s with a range of initiatives focused on the financial and career discussions, health screenings, and the introduction of a wellness program, all aimed at enhancing the overall health and well-being of our remarkable women. At Glenmark Life Sciences, we deeply value the significant contributions made by women to our achievements.



6 CLEAN WATER AND SANITATION



- The Company uses technologies that reduce water footprint and align its workforce with the values of water conservation. Its facilities have zero liquid discharge capabilities, which contributes to a substantial reduction in water wastage.
- Water harvesting and Water Shed Management projects has been undertaken through CSR Activities

7 AFFORDABLE AND CLEAN ENERGY



The Company has started utilizing renewable energy sources like Hybrid Power (Wind and Solar energy) at Ankleshwar Plant.

8 DECENT WORK AND ECONOMIC GROWTH



- GLS Initiated a flagship onboarding program called "Aarambh", which is a highly curated model that seeks to bridge the gap between learning and knowledge assimilation. Aarambh was recognised with a silver award by the Economic Times Human Capital Awards.
- GLS has a dedicated AUP policy in place that ensures full cyber security, in their corporate network.
- The Company's concentrated efforts in leadership development have led to a 67% increase in the hours dedicated to learning and development for our female employees this fiscal year.
- The Company is dedicated to nurturing future leaders who can steer us towards a brighter, sustainable future. One of our platforms, 'GROW' (Get Ready for Opportunities at Work), is designed for identifying and developing these leaders through a rigorous 9-month journey aimed at unlocking potential. Recently, 19 leaders from various departments participated in a 3-day offsite program led by industry experts.



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



- The Company has built four state-of-the-art multi-purpose manufacturing facilities at Ankleshwar, Dahej, Mohol, and Kurkumbh, complying with cGMP standards and ensuring reliable, high quality and advanced manufacturing operations. Three of these facilities have been inspected by the US-FDA and other global regulatory bodies.
- Our combined reactor capacity stands at 1,198 KL and is poised for further expansion projected to reach capacity of 1500 KL in FY24. This substantial increase will enable us to manufacture over 140 APIs each year at commercial scale, aggregating approximately 750 MT.

10 REDUCED INEQUALITIES



- 3, 37,157 Women and children were provided with effective healthcare and antenatal care services in a timely manner.
- 23,014 students and teachers benefitted through our ViGyasa program having provided access to education through creation of science labs, other school infrastructure and capability building through training, exposure visits and mentorships

11 SUSTAINABLE CITIES AND COMMUNITIES



- To ensure the health, well-being and sustainability of our communities, we support local community initiatives focusing on holistic development of the villages, and work in slum and backward areas by identifying the critical needs focusing on education, women empowerment, skill development, disability, infrastructure support. Our environmental sustainability initiatives include water stewardship and carbon neutrality initiatives and we generate sustainable livelihood and develop skills for the community around our facilities.
- We generated livelihood for 1,304 farmer families through our sustainable livelihood initiatives, by building an ecosystem for multiple livelihood opportunities and ensuring skill development through vocational training
- We extended support to 2,000 senior citizens with multiple community initiatives and programs near our manufacturing facilities
- Benefitted 9,208 community people through several Environmental Sustainability initiatives of water stewardship and carbon neutrality
- In FY24, 5,35,942 KL potential rain water recharging structures work was completed by building 46 new water structures to reduce water usage and replenish water across Gujarat and Maharashtra
- 35,000 trees were planted with the MiyaWaki system to create a small forest with local species to maintain the ecological balance, and ensuring 68,700 Tonnes Carbon Sequestration (in lifespan)
- Installed 4 Solar Lift Irrigation, and brought 45 acres of land of 36 farmers from Chhatwada, Mahudipada and Dochaki villages under irrigation

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- The Company has started utilizing renewable energy sources like Hybrid Power (Wind and Solar energy) at Ankleshwar Plant.
- The Company has switched to a bio-briquette boiler at the Dahej facility in FY23 and plans to take the same approach at their Ankleshwar facility in FY24.

13 CLIMATE ACTION



- GLS has Shifted to a bio-briquette-based boiler from a bio-diesel-based boiler at the Mohol plant
- GLS has installed solar-powered LED lights at the Kurkumbh and Mohol facilities.
- GLS has switched to a bio-briquette boiler at Dahej facility in FY23 and plans to take the same approach at their Ankleshwar facility in FY24
- GLS manufacturing facilities at Ankleshwar and Dahej are ISO 14001:2015 and ISO 45001:2018 certified for environment management and occupational health and safety management systems.
- GLS, prioritize sustainability in its operations by implementing various environmental management initiatives. These include transitioning to renewable energy sources, establishing carbon sinks through tree planting, implementing water conservation practices, and improving energy efficiency to bolster the resilience of our operations. On World Environment Day, aligned with the theme of Beat Plastic Pollution, we commit to safeguarding the environment, aiming to create a healthier, safer, and greener planet for all.



15 LIFE ON LAND



- The key facets of GLS environment sustainability initiatives include shifting to renewable sources of energy, creating carbon sinks through tree plantations, improving water conservation practices, enhancing energy efficiency and enhancing the resilience of their operations.
- In the financial year 2023, GLS reused and recycled 10,712 MT of hazardous waste through co-processing at its manufacturing facilities, thereby reducing emissions.
- Hazardous Waste is being disposed of for Co-Processing in the Cement Industry as per Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016





16 PEACE AND JUSTICE
STRONG INSTITUTIONS



The Company's Global Anti-Corruption Policy covers the Company, the group and all the Business Partners (which includes vendors, suppliers, joint venture partners, formal Business Partners, or agents, Consultants, and any other Business Partners acting on Company's behalf.

GLS received the TISS LeapVault CLO Awards at the CLO Chief Learning Officers Summit, India, 2023, securing a silver award in the 'Best Leadership Development Programme (Pharma)' category. This recognition underscores GLS's dedication to fostering a robust leadership pipeline, essential for strengthening its position as a trusted API Partner to pharmaceutical clients globally. The Company remains committed to delivering sustainable, long-term growth and generating value for its stakeholders.



REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance is given below

1. THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Glenmark Life Sciences Limited ("the Company") believes in continuous good corporate governance and always strives to improve performance at all levels by adhering to corporate governance practices, such as managing its affairs with diligence, transparency, responsibility and accountability.

Good Corporate Governance brings about sustained growth and long term benefits for the stakeholders. It is a system by which the organization will be driven and controlled by its commitment to values and ethical business conduct, voluntary practices and compliance with laws and regulations paving way to preserving shareholders' trust while maximizing long-term corporate value.

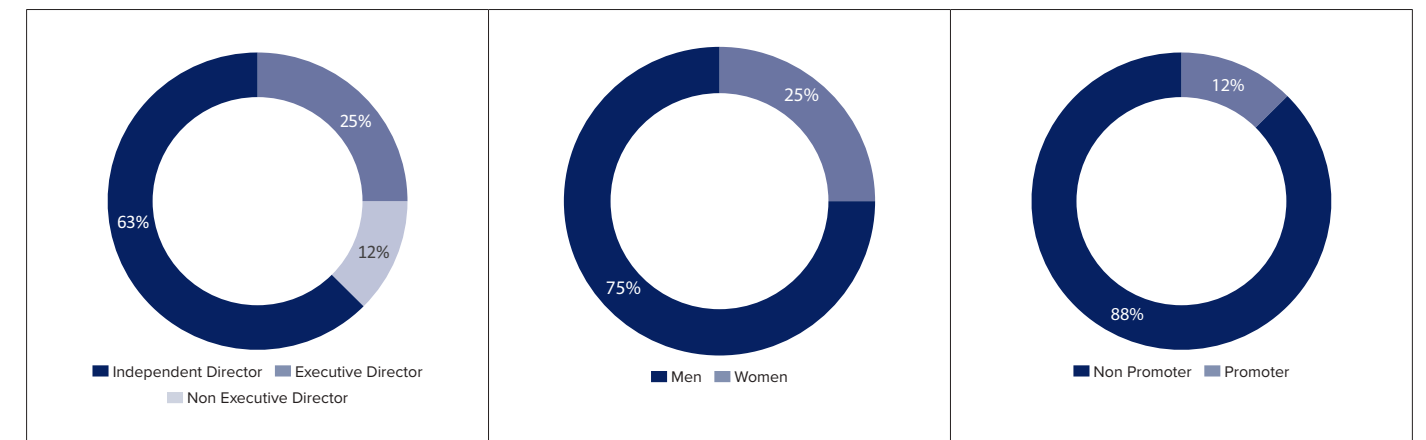
The Compliance Report on Corporate Governance herein signifies compliance of all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("the Listing Regulations").

2. BOARD OF DIRECTORS:

• COMPOSITION:

The Board of Directors of the Company (the Board) consists of an optimal combination of Executive, Non-Executive and Independent Directors including Independent Woman Director. The composition of the Board is in conformity with the Listing Regulations and the Companies Act, 2013 (the Act). As on 31 March 2024, the Board comprised Eight Directors, of whom, two are Executive, one is Non-Executive and five are Non-Executive Independent Directors. The Chairman of the Board is Non - Executive Director.

Details of the Composition and Categories in terms of percentage is given below:



The Board fulfils the criteria laid down under the Board's policy on diversity. The Non-Executive Directors are professionals with experience in management, pharmaceutical industry, finance, marketing and general administration who bring in a wide range of skills and experience to the Board.

a) Details of the Board:

Sr. No.	Name of Directors & DIN	Category	No. of Board meetings attended	No. of directorship held in other Indian companies as on 31 March 2024 [#]	No. of Committee memberships/ Chairpersonships held in other Indian public companies as on 31 March 2024 ^{**}		Other listed entities in which person acting as director & category of Directorship
					Chairman	Member	
1	Mr. Hiren Patel ¹ Chairman DIN: 00145149	Additional Director Non-Executive Promoter Group	1	2	-	-	1. Managing Director- Nirma Limited 2. Non Executive Non Independent Director - Nuvoco Vistas Corporation Limited.
2	Mr. Glenn Saldanha ² Chairman DIN: 00050607	Non-Executive Promoter Group	7	1	-	-	Chairman & Managing Director - Glenmark Pharmaceuticals Limited
3	Mr. V. S. Mani ² DIN: 01082878	Non-Executive	7	1	-	-	Executive Director & Global CFO - Glenmark Pharmaceuticals Limited
4	Dr. Yasir Rawjee DIN: 01965174	Managing Director & CEO	8	-	-	-	-
5	Mr. Vinod Naik DIN: 03635487	Executive	8	-	-	-	-
6	Mr. Kaushikbhai Patel ¹ DIN: 00145086	Additional Non-Executive Independent	2	2	3	4	1. Non - executive Director- Nuvoco Vistas Corporation Limited. 2. Non - executive Independent Director-Nirma Limited
7	Mr. Vijaykumar Shah ¹ DIN: 00376570	Non-Executive Independent	2	2	1	3	Non- Executive and Independent Director 1. Vadilal Chemicals. 2. Shree Rama Multi-tech Limited.
8	Mr. Sridhar Gorthi ² DIN: 00035824	Non-Executive Independent	6	5	1	5	Non-Executive and Independent Director: 1. Glenmark Pharmaceuticals Limited 2. Hathway Cable and Datacom Limited 3. Piramal Pharma Limited 4. Exide Industries Limited
9	Mrs. Manju Agarwal DIN: 06921105	Non-Executive Independent	8	6	3	6	Non-Executive and Independent Director: 1. Gulf Oil Lubricants India Limited 2. Polycab India Ltd.
10	Mr. T. L. Easwar DIN: 03135959	Non-Executive Independent	8	-	-	-	-
11	Ms. Gita Nayyar ³ DIN: 07128438	Non-Executive Independent	8	5	4	5	Non-Executive and Independent Director: 1. Oriental Hotels Limited 2. Transport Corporation of India Limited 3. PNB Housing Finance Limited

¹ appointed on the Board with effect from 06 March 2024.

² resigned from the Board from the close of business hours of 06 March 2024.

³ resigned from the Board with effect from 22 April 2024.

[#] Includes Directorship(s) in Indian Companies. The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies.

^{**} Membership/ Chairmanship of the Audit Committee and Stakeholders Relationship Committee of listed and unlisted Indian public companies.

Note: None of the Directors are related to any other Director.

b) Details of Board Meetings and Attendance:

During the Financial Year (F.Y.) ended 31 March 2024; Eight (8) Board Meetings were held on the following dates:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1	27 April 2023	8	7
2	21 July 2023	8	8
3	21 September 2023	8	8
4	09 October 2023	8	8
5	20 October 2023	8	8
6	23 January 2024	8	8
7	06 March 2024	11	11
8	12 March 2024	8	7

The gap between two meetings did not exceed one hundred and twenty days.

- A. None of the Non-Executive Directors of the Company has any pecuniary relationship or transactions with the Company other than sitting fees paid for attending Board meetings/Committee meetings.
- B. Mr. Glenn Saldanha, Ms. Gita Nayyar, Mrs. Manju Agarwal, Mr. T.L. Easwar, Mr. V S Mani, Dr. Yasir Rawjee, Mr. Sridhar Gorthi and Mr. Vinod Naik attended the last Annual General Meeting of the Company held on 26 September 2023.

Appointment and Tenure:

There was a change in ownership pursuant to share purchase agreement, Mr. Glenn Saldanha (DIN: 00050607) – Chairman, Non-executive Director and Mr. V. S. Mani (DIN: 01082878) - Non-Executive Director have resigned from the Board with effect from closure of Business hours on 06 March 2024 and the following new Directors were appointed on the Board as Additional Directors based on the recommendation of Nomination and Remuneration Committee:

- I. Mr. Hiren K. Patel (DIN: 00145149) - Chairman & Additional Director -Non- Executive
- II. Mr. Kaushikbhai N Patel (DIN: 00145086) - Additional Director - Independent
- III. Mr. Vijaykumar Ratilal Shah (DIN: 00376570) - Additional Director - Independent.

Dr. Savan Godialwala (DIN: 07874111) was appointed as an Additional Director, Independent of the Company with effect from 25 April 2024 subject to approval of the Shareholders.

Resignation of Independent Director:

Mr. Sridhar Gorthi (DIN: 00035824) ceased to be the Independent Director with effect from the closure of business hours on 06 March 2024 citing professional commitments and in-inability to devote the required time to discharge the role and responsibilities.

Ms. Gita Nayyar (DIN: 07128438) ceased to be the Independent Director with effect from the closure of business hours on 22 April 2024 citing pre-occupation and other personal commitments.

None of the Independent Director(s) of the Company except Mr. Sridhar Gorthi and Ms. Gita Nayyar, resigned before the expiry of their tenure. The Company has also obtained confirmation from Mr. Sridhar Gorthi and Ms. Gita Nayyar that there was no material reason for their resignation other than as mentioned above.

c) Information flow to the Board Members:

The Board has complete access to all Company related information. The agenda along with the explanatory notes are sent well in advance to the Directors to ensure meaningful participation in the meetings. However, in case of business exigencies or urgency, meetings are convened at a shorter notice with appropriate approvals or resolutions passed by way of circulation, as permitted by law, which are noted in the subsequent meeting. The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration.

With a view to ensure high standards of confidentiality of agenda and other Board papers and reduce paper consumption and maximum utilisation of technology, the Company circulates to its Directors, notes for Board/Committee meetings through a web-based application which can be securely accessed by the Directors through their iPads /laptop and browsers. This application meets high standards of security that are required for storage and transmission of documents for Board/Committee meetings.

At the Board Meeting, Managing Director apprises the Board on the overall performance of the Company. The Board also, inter-alia, reviews the strategy, annual business plan and capital expenditure budgets, compliance reports of the laws applicable to the Company, review of major legal issues, review of foreign exchange exposure, internal financial controls and financial reporting systems, adoption of quarterly/half-yearly/annual results, related party transactions, major accounting provisions, corporate restructuring, minutes of the Meetings of the Audit and other Committees of the Board.

In addition to the Information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, the Board is kept informed of major events and approvals are taken wherever necessary. The Board is also presented with the operating plans of the businesses for its review, inputs and approval. Likewise, the quarterly Financial Statements and Annual Financial Statements are first presented to the Audit Committee and subsequently to the Board for its approval. In some instances, documents are tabled during the course of the Board Meetings. The management makes concerted efforts to continuously upgrade the information available to the Board for decision making and the Board members are updated on all key developments relating to the Company.

The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings. The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standard on Meetings of the Board of Directors ("SS – 1") issued by the Institute of Company Secretaries of India. Thereafter, the minutes are entered in the minutes book within 30 (thirty) days of conclusion of the meetings, subsequent to incorporation of the comments, if any, received from the members.

The Company has adopted the Code of Conduct for Executive Directors, Senior Management Personnel and other Executives of the Company. The Company has received confirmations from the Managing Director as well as Senior Management Personnel regarding compliance of the Code during the year under review. It has also adopted the Code of Conduct for Non-Executive Directors of the Company. The Company has received confirmations from the Non-Executive Directors regarding compliance of the Code for the year under review.

Post-meeting follow-up system:

The important decisions taken at the Board and Board committee meetings are tracked till their closure and review/ follow up details is placed before each Board and Board committee meetings for their noting.

Independent Directors:

All the Independent Directors of the Company have been appointed as per the provisions of the Act and Listing Regulations. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment have been disclosed on the website of the Company at <https://www.glenmarklifesciences.com/pdf/Letter-of-appointments-of-Independent-Directors.pdf>

Each Independent Director, at the time of appointment, and thereafter at the beginning of each financial year, submits a declaration confirming their independence under Section 149(6) of the Act read with the rules made thereunder and Schedule IV and Regulation 16(1)(b) of the Listing Regulations. The declarations of independence received from the independent directors are noted and taken on record by the Board. Further, all the Independent Directors have registered themselves at the databank maintained by Indian Institute of Corporate Affairs (IICA).

None of the Independent Directors of the Company serves as an independent director in more than seven listed companies or as a whole-time director in any listed company.

Meetings of Independent Directors:

The Company's Independent Directors meet at least once in every Financial Year without the presence of Executive Directors or management personnel. Such meetings are conducted in an informal environment to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views.

Schedule IV of the Act, the Listing Regulations and SS - 1 mandate that the Independent Directors of the Company should hold at least 1 (one) meeting in a year without the attendance of Non-Independent Directors.

One meeting of the Independent Directors was held during the year.

Familiarisation Programmes for Board Members:

Familiarisation program for Directors is key to getting best contribution from them in every aspect of Board management. The Board members are provided with the necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. All the Directors are made aware of their roles and duties at the time of their appointment/re-appointment through a formal letter of appointment which also stipulates other terms and conditions of their appointment. It aims to provide the Independent Director/s an insight into the Company's functioning and to help them to understand its business in depth so as to enable them to contribute significantly during the deliberations at the Board and Committee meetings.

The Company has an orientation process which includes interactive sessions with the Management members. The directors are apprised about the nature of industry, business model, group structure. Periodic presentations are made at the Board and Committee Meetings on business and performance updates of the Company, global business environment, business strategy and risks involved, etc.

Quarterly updates on relevant statutory changes are presented to the Board.

The policy on familiarisation programmes as stated above is available on the website of the Company and can be accessed at the web link: <https://www.glenmarklifesciences.com/pdf/Policy-for-Familiarisation-Programm-for-Independent-Directors.pdf>

Re-appointment of Director:

As required under Regulation 36(3) of Listing Regulations and Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of Director seeking re-appointment at this AGM are given in the Notice of the AGM which forms part of this Annual Report.

Confirmation from Directors:

The Company annually obtains from each Director, disclosure under Section 184 of the Act details of the Board and Board Committee positions he/she occupies in other Companies, and changes, if any, regarding their Directorships are taken on note by the Board.

Chart or Matrix setting out skills/expertise/competence of Board of Directors:

The Board provides leadership, strategic guidance, objective and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board of the Company comprises eminent personalities and leaders in their respective fields to ensure effective functioning of the Company.

The following skills/expertise/competencies as fundamental for the effective functioning of the Company have been identified:

Pharmaceuticals, Science and Technology	Significant background and experience in pharmaceuticals sector, science and technology domain.
Strategy	Experience in developing long-term strategies to grow API business, consistently, profitably, competitively and in a sustainable manner in changing economic conditions.
Finance & Accounts	Leadership experience in handling financial management of a large organization alongwith an understanding of accounting and financial statements.
Corporate Governance	Protection of stakeholders interest, observing best governance practices, identifying key governance risks.
IT Skills	Understanding the use of digital/Information Technology and ability to anticipate technological driven changes.
Human Resource and General Management	General know-how of business management, talent management and development, workplace health & safety.
Risk Management	Experience of identifying, assessing and controlling financial, legal, strategic and business risks.

Name	Pharmaceuticals, Science and Technology	Strategy	Finance & Accounts	Corporate Governance	IT Skills	Human Resource and General Management	Risk Management
Mr. Hiren Patel ^f	✓	✓	✓	✓	✓	✓	✓
Dr. Yasir Rawjee	✓	✓	✓	✓	✓	✓	✓
Mr. Kaushikbhai Patel ^f		✓	✓	✓	✓	✓	✓
Mr. Vijaykumar Shah ^f		✓	✓	✓	✓	✓	✓
Mrs. Manju Agarwal		✓	✓	✓	✓	✓	✓
Mr. T. L. Easwar	✓	✓		✓	✓	✓	✓
Mr. Vinod Naik	✓	✓		✓	✓	✓	✓
Ms. Gita Nayyar ^{##}		✓	✓	✓	✓	✓	✓
Mr. Glenn Saldanha [*]	✓	✓	✓	✓	✓	✓	✓
Mr. V.S. Mani [*]	✓	✓	✓	✓	✓	✓	✓
Mr. Sridhar Gorthi [*]		✓	✓	✓	✓	✓	✓

^f with effect from 06 March 2024.

^{##} upto 22 April 2024.

^{*} upto 06 March 2024.

Particulars of Senior Management:

Below is the list of Senior Management Personnel of the Company as on 31 March 2024:

Sr. No.	Name	Designation
1.	Dr. Yasir Rawjee	Managing Director and CEO
2.	Mr. Vinod Naik	Executive Director & Head Technical Operation
3.	Mr. Tushar Mistry	Chief Financial Officer
4.	Mr. Sumantra Mitra	Senior Vice President - Human Resources
5.	Dr. Palle V R Acharyulu	Group Vice President - Research Development
6.	Mr. Navin Kumar Agrawal	Vice President - Quality
7.	Mr. Mathew George	Senior Vice President - Regulatory Affairs
8.	Mr. Mihir Doshi	Vice President - Sales & Marketing
9.	Mr. Gautam Arora	Vice President- Sales & Marketing
10.	Mr. Amol Kirtani	Senior General Manager - Sales & Marketing
11.	Ms. Anshu Razdan	Senior General Manager - Sales & Marketing
12.	Mr. Sachin Uttekar	Senior General Manager - Procurement

There has been no change in the list of senior management personnel since the close of the previous financial year except due to change in the definition of Senior Management in the Nomination and Remuneration Policy of the Company pursuant to amendment to the Listing Regulations.

3. BOARD COMMITTEES:

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable rules and regulations.

The Board has formed the following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

Each Committee of the Board is guided by its terms of reference, which defines the scope, powers, responsibilities and composition of the Committee. The minutes of the meetings of all Committees are placed before the Board for its review and noting.

During the year, all recommendations of the Committees of the Board have been accepted by the Board.

1. AUDIT COMMITTEE:

The Company has a qualified and independent Audit Committee in line with the provisions of the Listing Regulations and the Act.

• Terms of Reference:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the board of directors of the Company (the "Board") the appointment, remuneration and terms of appointment of the auditor of the Company;
- Reviewing and monitoring the statutory auditor's independence, performance and effectiveness of audit process;
- Approving payments to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - 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;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Modified opinion(s) in the draft audit report.
- Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- Reviewing 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 utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- Approval or any subsequent modifications of transactions of the Company with related parties;
- Scrutinizing of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- Reviewing with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 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;
- Discussing with internal auditors on any significant findings and follow up thereon;

16. Reviewing the findings of any internal investigations 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;
17. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. Looking 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;
19. Reviewing the functioning of the whistle blower mechanism;
20. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act (including Section 177), the Listing Regulations or by any other regulatory authority; and
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law.

All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations are covered in the terms of reference of the Audit Committee. The current Charter of the Audit Committee is in line with international best practices and the regulatory changes formulated by the Listing Regulations.

Any other duties/ terms of reference for the Audit Committee which are incidental / necessary for the fulfillment of the above mentioned terms of reference would be deemed to be under the purview of the Audit Committee.

During the year, Four (4) Meetings of the Audit Committee were held on the following dates:

27-Apr-23	21-July-23	20-Oct-23	23-Jan-24
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Details of the composition and attendance of Members of the Audit Committee during the F.Y. ended 31 March 2024 are as follows:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Kaushikbhai Patel*	NA	NA	Chairperson	Independent Director
Mrs. Manju Agarwal**	4	4	Chairperson	Independent Director
Mr. T.L. Easwar [#]	1	1	Member	Independent Director
Mr. Sridhar Gorthi***	4	4	Member	Independent Director
Mr. V. S. Mani***	4	4	Member	Non-Executive Director

*Appointed as Member and Chairperson with effect from 06 March 2024

**Chairperson upto 06 March 2024

***Member upto 06 March 2024

[#] Appointed as Member with effect from 20 October 2023

The gap between two meetings did not exceed one hundred and twenty days.

All members of the Audit Committee are financially literate and have accounting and related financial management expertise.

The Managing Director & CEO and Chief Financial Officer are permanent invitees to the Audit Committee Meetings. The Statutory Auditors & Internal Auditors of the Company were present in the Audit Committee meetings held during the year. The Company Secretary officiates as the Secretary to the Committee.

2. STAKEHOLDERS RELATIONSHIP COMMITTEE:

As on 31 March 2024, the Committee consists of four (4) Directors. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations.

Terms of reference:

1. Consider and resolve grievances of 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.;

2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. To approve, register, refuse to register transfer or transmission of shares and other securities;
7. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. To authorise affixation of common seal of the Company;
9. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
10. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
11. To dematerialize or rematerialize the issued shares;
12. Ensure proper and timely attendance and redressal of investor queries and grievances;
13. Carrying out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements, as and when amended from time to time; and
14. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

The Committee has the mandate to review and redress Shareholder grievances including complaints related to, non-receipt of securities, non-receipt of balance sheet, non-receipt of dividend, etc. The Committee reviews Shareholders' complaints and resolution thereof.

During the year, Two (2) Meetings of the Committee were held on the following dates:

20-Oct-2023	22-Jan-2024
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Details of composition and attendance of the Members of the Stakeholders Relationship Committee Meetings during the F.Y. ended 31 March 2024 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. T. L. Easwar	2	2	Chairman	Independent Director
Dr. Yasir Rawjee	2	2	Member	Executive Director
Mrs. Manju Agarwal	2	2	Member	Independent Director
Mr. Vijaykumar Shah*	NA	NA	Member	Independent Director

*Appointed as a Member with effect from 06 March 2024

The Details of complaints received and resolved during the year ended 31 March 2024 were as follows:

No. of complaints	2023-24
Complaints as on 01 April 2023	NIL
Received	3
Resolved	3
Pending as on 31 March 2024	NIL

Name and Designation of Compliance Officer:

Mr. Rudolf Corriea, Company Secretary & Compliance Officer

Ph. No. +91 22 6829 7979

E-mail ID: complianceofficer@glenmarklifesciences.com

The Company's Registrars & Transfer Agent KFin Technologies Limited (KFin) had received letters/complaints during the financial year, all of which were replied/resolved to the satisfaction of the Shareholders.

3. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee functions in accordance with Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations and its policies adopted by the Company.

The role of the Committee is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The Committee evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. The Committee also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company. The Committee has the overall responsibility of approving and evaluating the nomination and remuneration plans, policies and programs for Executive/Non-Executive Directors, Senior Management and Key Managerial Personnel.

Terms of Reference:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board of Directors of the Company ("Board") a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the performance of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance and specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance;
5. Determining 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;
6. Analysing, monitoring and reviewing various human resource and compensation matters;
7. Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.

12. Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act (including Section 178), the Listing Regulations or by any other regulatory authority; and

13. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

During the year, Five (5) Meetings of the Nomination and Remuneration Committee were held on the following dates:

26-Apr-23	19-Jul-23	18-Sep-23	02-Mar-24	06-Mar-24
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Details of composition and attendance of the Members of Nomination and Remuneration Committee during the F.Y. ended 31 March 2024 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Kaushikbhai Patel*	NA	NA	Chairman	Independent Director
Mr. Hiren Patel**	NA	NA	Member	Non-Executive Director
Mr. Glenn Saldanha [#]	5	5	Member	Non-Executive Director
Mr. Sridhar Gorthi ^{##}	5	5	Chairman	Independent Director
Ms. Gita Nayyar ^{###}	5	5	Member	Independent Director

*Appointed as Chairman and Member with effect from 06 March 2024.

** Appointed as a Member with effect from 06 March 2024.

[#] Member up to 06 March 2024

^{##} Chairman and Member up to 06 March 2024

^{###} Member up to 22 April 2024

Note: 1. Mrs. Manju Agarwal is appointed as a Member with effect from 22 April 2024.

2. Dr. Savan Godiawala is appointed as a Member with effect from 25 April 2024

The Company follows a market linked remuneration policy, which is aimed at enabling the Company to attract and retain the best talent. Compensation is also linked to individual and team performance as they support the achievement of Corporate Goals. The Company has formulated an Employee Stock Option Scheme for rewarding & retaining performers.

4. RISK MANAGEMENT COMMITTEE:

The Committee is responsible for oversight on overall risk management processes of the Company and to ensure that key strategic and business risks are identified and addressed by the management.

Terms of Reference:

1. Frame Risk Management Plan and Policy;
2. Oversee implementation / Monitoring of Risk Management Plan and Policy;
3. Periodically review and evaluate the Risk Management Policy and Practices with respect to risk assessment and risk management processes;
4. Review of development and implementation of a Risk Management Policy including identification therein of element of risk;
5. Review of cyber security and related risks;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
7. Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

During the year, Two (2) Meetings of the Risk Management Committee were held on the following dates:

26-Apr-23	19-Oct-23
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Details of composition and attendance of the Members of Risk Management Committee during the F.Y. ended 31 March 2024 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Vijaykumar Shah*	NA	NA	Chairman	Independent Director
Dr. Yasir Rawjee	2	2	Member	Executive Director
Mr. T. L. Easwar	2	2	Member	Independent Director
Mr. V. S. Mani**	2	2	Chairman	Non- Executive Director
Mr. Sridhar Gorthi***	2	1	Member	Independent Director

* Appointed as Chairman and Member with effect from 06 March 2024

** Chairman and Member upto 06 March 2024

***Member upto 06 March 2024

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee constituted in line with the provisions of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"). The Committee has been entrusted with the specific responsibility of reviewing corporate social responsibility programmes.

Terms of Reference:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The CSR Policy is available on the Company's website at <https://www.glenmarklifesciences.com/pdf/Glenmark-Life-Sciences-CSR-Policya.pdf>

A CSR Report giving details of the CSR activities undertaken by the Company during the year under review, along with the amount spent forms part of the Board's Report.

During the year, Three (3) Meetings of the Committee were held on the following dates:

26-Apr-23	19-Jul-23	22-Jan-24
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Details of Composition and Attendance of the Members of the CSR Committee during the F.Y. ended 31 March 2024 are as under:

Name	No. of meetings		Remarks	Category of Directorship
	Held	Attended		
Mr. Kaushikbhai Patel*	NA	NA	Chairman	Independent Director
Dr. Yasir Rawjee	3	3	Member	Executive Director
Mr. Vijaykumar Shah**	NA	NA	Member	Independent Director
Mr. Sridhar Gorthi***	3	3	Chairman	Independent Director
Mr. V. S. Mani [#]	3	2	Member	Non-Executive Director
Ms. Gita Nayyar [#]	3	3	Member	Independent Director

* Chairman and Member with effect from 06 March 2024

** Member with effect from 06 March 2024

***Chairman and Member upto 06 March 2024

[#] Member upto 06 March 2024

6. OTHER NON-STATUTORY COMMITTEES:

Considering the Corporate governance led world of Companies, the Board besides the above mentioned statutory committees; have also constituted the following non-statutory committees in order to enhance the level of governance and to meet the specific business needs. The below Committees report to the Board of the Company.

i) Environmental, Social and Governance (ESG) Committee:

The ESG Committee is established to ensure effective and consistent engagement of the senior management in emerging ESG risks and opportunities. The Committee's objective is to inculcate a long-term time horizon in business decision making and a panoramic approach to risk management.

During the year, the focus is on incorporating ESG considerations across business functions spanning stakeholder interactions, risk management, manufacturing operations, workforce engagement and supply chain management among others.

The Committee will play a key role in apprising progress on the Company's ESG strategy encompassing goals and targets curated to unlock positive outcomes for our economy, environment and the society.

During the year, one (1) Meeting of the Committee was held on the following date:

22-Jan-24

Details of the composition and other details of the members of the Committee during the F.Y. ended 31 March 2024 are as under:

Name	No. of Meetings		Remarks	Category of Directorship
	Held	Attended		
Dr. Yasir Rawjee	1	1	Chairman	Executive Director
Mr. T. L. Easwar	1	1	Member	Independent Director
Mrs. Manju Agarwal	1	1	Member	Independent Director

ii) Operations Committee:

The Operations Committee of the Board was operational till 06 March 2024 to oversee matters and operations arising in the normal course of business. The matters includes decision with respect to banking operations, issuing of Power of Attorney or granting authorization to a Company's personnel for operational matters, etc. The Committee comprised of three Executive/non- executive Directors of the Board. The Committee stands dissolved with effect from 06 March 2024. All matters are now directly addressed to the Board.

4. REMUNERATION OF DIRECTORS:

REMUNERATION POLICY

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees forms an integral part of Board's Report. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

- The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to the Directors. All Board-level compensation is approved by the Shareholders and separately disclosed in the financial statements. Remuneration of the Executive Directors consists of a fixed component and a performance incentive. The annual compensation of the Executive Directors is approved by the Nomination and Remuneration Committee, within the parameters set by the Shareholders at the Shareholders' meetings.
- The remuneration of the Executive and Non-Executive Directors of your Company is decided by the Board on the terms and conditions as per the recommendation by the Nomination and Remuneration Committee.

- Details of remuneration/ fees/ commission paid to Directors during the F.Y. ended 31 March 2024 are as under:

(₹ In Million)

Sr. No.	Name of Director	Salaries	Retirement benefits/other reimbursements	Commission	Sitting Fees	Total
		Amount	Amount	Amount	Amount	Amount
1	Mr. Hiren Patel**	-	-	-	-	-
2	Dr. Yasir Rawjee*	270.17	2.18	-	-	272.35
3	Mr. Vinod Naik*	54.47	2.09	-	-	56.56
4	Mr. Kaushikbhai Patel**	-	-	-	0.2	0.2
5	Mr. Vijaykumar Shah **	-	-	-	0.2	0.2
6	Mrs. Manju Agarwal	-	-	-	1.7	1.7
7	Mr. T. L. Easwar	-	-	-	1.6	1.6
8	Ms. Gita Nayyar***	-	-	-	1.8	1.8
9	Mr. Glenn Saldanha*	-	-	-	-	-
10	Mr. V. S. Mani*	-	-	-	-	-
11	Mr. Sridhar Gorthi*	-	-	-	2.1	2.1
	TOTAL	324.64	4.27	-	7.6	336.51

**appointed with effect from 06 March 2024.

* includes payment of one time bonus.

* up to 06 March 2024.

*** upto 22 April 2024.

Note:

- The Company pays ₹ 1 lac as sitting fees per meeting to the Non-Executive Independent Directors for attending the Board and the Committee Meetings. The Criteria for making payment to Non- Executive Directors is made available on the website of the Company.
- Service Contract: The Service Contract can be terminated with a notice of four months and three months by Managing Director and Executive Director respectively.

Shareholding of the Non-Executive/Independent Directors in the Company as on 31 March 2024 is given below:

Name of the Director	Equity Shares (Nos.)
Mr. Hiren Patel	NIL
Mr. Kaushikbhai Patel	NIL
Mr. Vijaykumar Shah	NIL
Mrs. Manju Agarwal	1,000
Ms. Gita Nayyar	NIL
Mr. T. L. Easwar	NIL

5. DISCLOSURES BY MANAGEMENT:

- No material, financial and commercial transactions were reported by the management to the Board, in which the management had personal interest having a potential conflict with the interest of the Company at large.
- There are no transactions with the Director or Management, their associates or their relatives, etc. that may have potential conflict with the interest of the Company at large.
- There was no non-compliance during the last three years by the Company on any matter relating to capital market. Consequently, there were neither penalty imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any Statutory Authority.

- The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism/ Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.
- Company has complied with and disclosed all the mandatory corporate governance requirements prescribed under Regulation 17 to 27 and Regulation 46(2) under Listing Regulations.
- There are no non-compliances of any requirement of corporate governance report and all the required disclosures are made to stock exchanges and other regulatory bodies as and when required.
- The Chairman of the Board is a Non -Executive director and his position is separate from that of Managing Director & CEO. Further the Chairman of the Company is not related to the Managing Director & CEO.

6. GENERAL BODY MEETINGS:

- The details of last three Annual General Meeting are as under:

Financial Year Ended	Date & Time	Venue	Special Resolution Passed
31 March 2021	12 July 2021 at 11:00 a.m.	Glenmark House, B. D. Sawant Marg, Chakala, Off Western Express Highway, Andheri (E), Mumbai- 400 099.	No
31 March 2022	26 September 2022 at 02:00 p.m	Video Conferencing / other audio-visual means.	No
31 March 2023	26 September 2023 at 03:00 p.m	Video Conferencing / other audio-visual means.	No

- All resolutions moved at the last Annual General Meeting were passed by requisite majority of members by way of remote e-voting and e-voting through electronic voting system during the meeting.
- No Extraordinary General Meeting of the Members has been convened by the Company during the financial year 2023-24. Further, none of the business proposed to be transacted at the ensuing AGM require passing of resolution through postal ballot.

7. GENERAL SHAREHOLDERS INFORMATION:

Financial Year:

1 April to 31 March

Dematerialisation of Shares and Liquidity:

As of 31 March 2024, all the Equity Shares were held in dematerialized form. The shares of the Company are permitted to be traded only in dematerialised form. All shares of the Company are liquid and traded in normal volume on BSE and NSE.

Relevant data for the average daily turnover for the F.Y. 2023-24 is given below: -

BSE	BSE	NSE	BSE + NSE
In no. of shares	19,059	2,05,265	2,24,324
In value terms Rs.	1,26,43,833	13,63,10,734	14,89,54,567

Shareholding Pattern as at 31 March 2024:

Description	No. of Shareholders	Shares held	% to Equity
Mutual Funds/Alternative Investment Fund	20	17,20,746	1.40
Qualified Institutional Buyer	1	377	0.00
Foreign Portfolio Investors	67	61,41,906	5.01
Trusts	7	4,468	0.00
Resident Individuals	1,50,626	1,11,43,969	9.10
Non Resident Indians	1,916	6,46,886	0.53
Company Promoters	3	10,15,13,656	82.85
Clearing Members	1	20	0.00
Banks/NBFC	0	0	0.00
Director	1	1,000	0.00
Bodies Corporates/HUF	3,541	13,54,144	1.11
TOTAL	1,56,183	12,25,27,172	100.00

Distribution Schedule as on 31 March 2024:

Sr. No.	Category From - To	No. of Shareholders	% of Shares	No. of Shares	% of Total Equity
1	1 - 5000	1,55,907	99.82	98,40,464	8.03
2	5001 - 10000	151	0.10	10,77,219	0.88
3	10001 - 20000	63	0.04	8,97,680	0.73
4	20001 - 30000	10	0.01	2,34,787	0.19
5	30001 - 40000	11	0.01	3,97,998	0.32
6	40001 - 50000	1	0.00	44,893	0.04
7	50001 - 100000	19	0.01	12,95,962	1.06
8	100001 - 200000	14	0.01	18,26,184	1.49
9	200001 and above	7	0.01	10,69,11,985	87.26
	Total	1,56,183	100.00	12,25,27,172	100.00

Date, Time and Venue of the ensuing Annual General Meeting:

Day and Date	Wednesday, 25 September 2024
Venue	Through Video Conferencing/other Audio Visual Means Facility
Time	3.00 PM IST
Record date for final dividend	Not Applicable

Dividend:

The interim dividend of ₹ 22.50 per equity share, declared by the Board on 09 October 2023 for the financial year 2023-24 shall be the final dividend for the financial year 2023-24.

OTHER DISCLOSURES:

Disclosures on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large: None

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Notes of Financial Statements, forming part of the Annual Report.

All the Related Party Transactions are dealt with in accordance with the provisions of the Companies Act, 2013 and Regulation 23 of the Listing Regulations.

The Company's major related party transactions are generally with its erstwhile Holding Company and subsidiaries of erstwhile Holding Company. All related party transactions are negotiated on an arm's length basis and are intended to further the Company's interests.

The policy on Related Party Transactions as stated above is available on the website of the Company and can be accessed at the web link <https://www.glenmarklifesciences.com/pdf/GLS%20RPT%20Policy.pdf>

Pursuant to Regulation 23(9) of the Listing Regulations, the Company also submits with the Stock Exchanges on a half yearly basis, the disclosure of Related Party Transactions.

Disclosure of foreign exchange risk and hedging activities:

The Company is exposed to foreign exchange risks emanating from business, assets and liabilities denominated in foreign currency.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, the Company has constituted Internal Complaints Committee (ICC). While maintaining the highest governance norms, external independent persons who worked in this area and have the requisite experience in handling such matters have been appointed.

Complaints during the F.Y. 2023-24:

Particulars	Complaints
Number of complaints filed during the F.Y.	0
Number of complaints disposed of during the F.Y.	0
Number of complaints pending as on 31 March 2024	0

Certificate from Practicing Company Secretary regarding Non-Debarment and Non-Disqualification of Directors:

Company has received certificate from Mr. Bhadresh Shah of M/s. Bhadresh Shah & Associates, Practicing Company Secretaries stating that none of the Directors on the Board of the Company have been debarred or disqualified by the Board/ Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as directors of companies.

Fees paid to Statutory Auditors:

Total fees for all services paid by the Company to the Statutory Auditor is as under:

Particulars	FY24	FY23
Audit Fees and limited review	10.50	10.50
Certification and other services	2.60	1.95
Out of pocket expenses	0.56	0.38
Total	13.66	12.83

(₹ Million)

Adoption of Mandatory and Non-Mandatory Requirements:

The Company has complied with all the mandatory requirements of the Listing Regulations.

The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing regulations are as under:

- During the year under review, there was no audit qualification in the Company's Financial Statements.
- The Internal Auditor reports directly to the Audit Committee in all functional matters.
- The Company follows a robust process of communicating with the Shareholders which has been explained later in the Report under "Means of Communication."

- **Other Information:**

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend, which remains unclaimed for a period of seven years, will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

With effect from 07 September 2017, Investors / Depositors whose unpaid dividends, matured deposits or debentures etc. were transferred to IEPF under Companies Act, 1956 and/or Companies Act, 2013 can claim the amounts as per the procedures/ guidelines available at the website of Ministry of Corporate Affairs: <http://www.iepf.gov.in/>

Shareholders who have not so far encashed their dividend Demand Drafts/warrant(s) are requested to contact KFin immediately.

- **Reconciliation of Share Capital Audit Report:**

A qualified practicing Company Secretary has carried out Audit every quarter to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The Audit confirms that the total issued/paid-up capital is in agreement with the aggregate total number of shares, shares in physical form, shares allotted and advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL.

Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

- **Disclosure of certain types of agreements binding listed entities under Clause 5A of Paragraph A of Part A of Schedule III of Listing Regulations:**

The Company ensures timely disclosure of all information required to be disclosed as per the provisions of Listing Regulations.

The Board of Directors of the Company at its meeting held on 21 September 2023, inter-alia, considered and, approved the share purchase agreement dated 21 September 2023 among the Company, Glenmark Pharmaceuticals Limited ("GPL") and Nirma Limited (the "Buyer") for the sale of 91,895,379 equity shares representing 75.00% of the current issued and paid-up equity share capital of the Company, by GPL to the Buyer. Details of the Transaction under Clause 5A of Paragraph A of Part A of Schedule III of Listing Regulations and circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13 July 2023 were disclosed on the Stock Exchanges and are displayed on Company's website: www.glenmarklifesciences.com

8. MEANS OF COMMUNICATION:

- **Quarterly/ Half-yearly/ Annual Results:**

The quarterly/half-yearly/annual results are published within the timeline stipulated under SEBI Listing Regulations. The results are also uploaded on NEAPS and BSE online portal of NSE and BSE respectively. The financial results are published within the time stipulated under the Listing Regulations in newspapers viz. Financial Express (in English) and Loksatta (in Marathi). The Financial Statements as stated above are also available on the website of the Company and can be accessed at the web link: <https://www.glenmarklifesciences.com/financial-results.php>

As a part of the Green initiative, the Annual Reports are sent by E-mail to Shareholders whose e-mail ids are registered with the Depositories/ KFin.

- **Analyst/Investor Meets:**

The Managing Director & CEO and Chief Financial Officer periodically have conference calls with institutional investors and analysts. Official press releases and presentations made to institutional investors and analysts are uploaded on BSE and NSE and posted on the Company's website. The recording and transcripts of the call with analysts for quarterly/half-yearly/annual results are uploaded on BSE and NSE and available on the Company's website at www.glenmarklifesciences.com

- **Press releases, presentations, etc.:**

Official press and media releases are sent to Stock Exchanges and are displayed on Company's website: www.glenmarklifesciences.com

- **Management Discussion & Analysis Report:**

The Management Discussion & Analysis Report forms a part of the Board's Report. All the matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

- **Company's Corporate Website:**

Company has its own website www.glenmarklifesciences.com which contains all the vital information relating to the Company and its products. Website also has separate dedicated section 'Investors' wherein information relevant for shareholders is available.

Your Company also regularly provides information to the stock exchanges as per the requirements of the Listing Regulations. The Company's website is updated periodically to include information on new developments and business opportunities pertaining to your Company.

- **SCORES (SEBI Complaint Redress System):**

The investor complaints are processed in a centralised web-based complaints redress system. It also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities, from lodging of a complaint to disposal, are carried out online automatically and the status of every complaint can be checked online at any time.

SEBI has requested the shareholder to approach the Company directly at the first instance for their grievance. If the Company does not resolve the complaint of the shareholders within stipulated time, then they may lodge the complaint with SEBI/Stock Exchanges for further action.

Further, SEBI vide its Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated 20 September 2023 read with Circular No. SEBI/HO/OIAE/IGRD/ CIR/P/2023/183 dated 01 December 2023 has notified the revised framework for handling and monitoring of investor complaints received through SCORES platform by the Company and designated Stock Exchanges effective from 01 April 2024. The shareholders can access the new version of SCORES 2.0 at <https://scores.sebi.gov.in>.

- **Online Dispute Resolution Portal:**

SEBI vide its Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated 31 July 2023 (subsumed as part of the SEBI Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated 28 December 2023) have issued a Circular for online resolution of disputes in the Indian securities market.

With the said Circular, the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market.

The shareholders can access the ODR Portal at <https://smartodr.in/login>

9. COMPANY'S SCRIP INFORMATION:

- **Listing on Stock Exchanges:**

- The shares of the Company are listed on BSE Ltd. (BSE) & The National Stock Exchange of India Ltd. (NSE).

Stock Exchange	Stock Codes/ Symbols	ISIN
BSE Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	543322	INE03Q201024
NSE Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	GLS	INE03Q201024

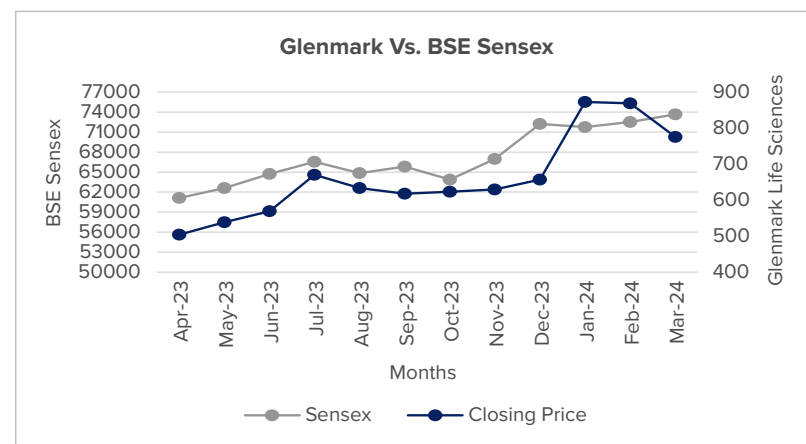
- The Company has paid the requisite listing fees to the Stock Exchanges.

- Market Information:

Market Price Data: High and low (based on closing price) during each month in last financial year.

Month	BSE		NSE	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
Apr-23	524.75	391.60	525.00	390.20
May-23	563.65	495.10	560.10	503.00
Jun-23	619.30	531.20	619.65	533.00
Jul-23	673.20	560.05	674.2	564.30
Aug-23	674.00	597.80	675.00	596.00
Sep-23	672.50	612.75	672.25	611.00
Oct-23	675.00	608.55	674.90	611.20
Nov-23	642.15	610.05	642.00	616.10
Dec-23	663.20	626.65	664.65	626.95
Jan-24	878.00	652.25	878.30	652.10
Feb-24	904.20	821.00	906.00	810.00
Mar-24	873.00	666.05	899.65	676.50

Performance in comparison to broad based incidences namely, BSE Sensex.



10. CORPORATE IDENTITY NUMBER (CIN):

The Corporate Identity Number (CIN), allotted by Ministry of Company Affairs, Government of India is L74900PN2011PLC139963.

11. PLANT LOCATIONS:

The Company's Manufacturing plants are located at:

Manufacturing Facility

- Plot No. 3102 to 3109, 3103, GIDC Industrial Estate, Ankleshwar - 393 002, Gujarat.
- A-80, MIDC, Kurkumbh, Taluka-Daund, Dist. Pune - 413 802
- Plot No.141-143, 160-165, 170-172, Chandramouli Sahakari Audyogik Vasahat, Pune - Hyderabad Highway, Mohol, Solapur - 413 213.
- Z-103/I, SEZ, Phase II, District Bharuch, Dahej - 392 130, Gujarat.

R & D Centre

- Plot No. A-607, TTC Industrial Area, MIDC, Mahape, Navi Mumbai, Dist. Thane - 400 709, Maharashtra.
- Plot No. 3102 to 3109, 3103, GIDC Industrial Estate, Ankleshwar - 393002, Gujarat.
- Z-103/I, SEZ, Phase II, District Bharuch, Dahej - 392 130, Gujarat.

12. CREDIT RATINGS:

- India Ratings and Research (Ind-Ra) has affirmed Long-Term Issuer rating and Short Term Rating as 'AA-', Outlook 'Developing' and 'A1+' respectively, as on date of this report.

13. OUTSTANDING GDR'S/ADR'S/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS EXERCISED, DATE AND LIKELY IMPACT ON EQUITY:

Employee Stock Options Scheme 2021:

The Board, at its Meeting held on 06 April 2021 had approved the Glenmark Life Sciences Limited - Employee Stock Option Scheme, 2021 (ESOS). Further, the Shareholders' of the Company also approved the ESOS at the Extra-Ordinary General Meeting held on 09 April 2021. 9,51,734 ESOP options had been issued/granted to the eligible employees/Directors at Nomination and Remuneration Committee meeting held on 17 May 2021.

As of 31 March 2023, 8,77,712 options were outstanding. During the Financial Year 2023-24, 4,190 options were cancelled and no options were exercised under Employees Stock Options Scheme viz. ESOS' 2021. As of 31 March 2024, 8,73,522 options were outstanding and are due for exercise. During the year, NRC and Board approved the acceleration of vesting of the granted options that have not vested i.e. 6,11,465 options under ESOP 2021, with effect from 16 March 2024, subject to compliance with the minimum statutory vesting period of one year from the date of grant.

On exercising the convertible options so granted under the ESOS of the Company, the paid-up equity share capital of the Company will increase by a like number of shares.

14. NATIONAL AUTOMATED CLEARING HOUSE (NACH):

To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided NACH facility to the members for the remittance of dividend.

Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or KFin cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the depository participant of the members.

15. CODE FOR PREVENTION OF INSIDER TRADING:

The Company has comprehensive guidelines on Prevention of insider trading. The guidelines are in compliance with the SEBI Regulation on prevention of Insider Trading.

The Company has also adopted a software and adhered to the System Driven Disclosure for regulating, monitoring and reporting of trading by Designated Persons to deter the insider trading in the securities of the Company based on the Unpublished Price Sensitive Information which are in compliance with the SEBI Regulation on prevention of Insider Trading.

16. INVESTOR HELPDESK: FOR CLARIFICATIONS / ASSISTANCE, IF ANY, PLEASE CONTACT:

	Corporate Office	Registrars & Transfer Agents
Persons to contact	Mr. Rudolf Corriea	Ms. Krishna Priya Maddula
Address	Glenmark Life Sciences Limited 4th Floor, OIA House, 470, Cardinal Gracious Road, Andheri (E), Mumbai - 400 099	KFin Technologies Limited Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 008
Telephone	+91 22 6829 7979	+91-40-67161500
Fax No.	+91 22 4018 9986	+91-40-23420814
Email	complianceofficer@glenmarklifesciences.com	priya.maddula@kfintech.com
Website	www.glenmarklifesciences.com	www.kfintech.com
Investor Redressal	complianceofficer@glenmarklifesciences.com	einward.ris@kfintech.com

Declaration regarding affirmation of Code of Conduct:

In accordance with Regulation 26(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all the members of the Board and the senior management personnel have affirmed compliance with the Code of Conduct for the F.Y. ended 31 March 2024.

For and on behalf of the Board of Directors

Yasir Rawjee

Managing Director & CEO

DIN: 01965174

Place: Mumbai

Date: 25 April 2024

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) ON FINANCIAL STATEMENTS OF THE COMPANY

We, Yasir Rawjee, Managing Director & CEO and Tushar Mistry, Chief Financial Officer, of Glenmark Life Sciences Ltd., certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31 March 2024 and that to the best of our knowledge and belief:
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining the internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
- i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 - iii) During the year there were no instances of fraud which we have become aware. The management and its employees have a significant role in the Company's internal control system over financial reporting.

For and behalf of the Board of Directors

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

Tushar Mistry
Chief Financial Officer

Place: Mumbai
Date: 25 April 2024

PRACTISING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
Glenmark Life Sciences Limited
Plot No 170-172, Chandramouli Industrial Estate,
Mohol Bazarpath, Solapur - 413 213.
CIN: L74900PN2011PLC139963

I have examined the compliance of the conditions of Corporate Governance by Glenmark Life Sciences Limited ('the Company') for the year ended on 31 March 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C & D 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 responsibility of the management. My examination was limited to a review of procedures and implementation thereof, as adopted by the Company for ensuring compliance to the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations for the year ended on 31 March 2024.

I 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.

Bhadresh Shah
Proprietor
Bhadresh Shah and Associates
Membership No.: A23847
CP No.:15957
PR Certificate No.: 1917/ 2022
UDIN: A023847F000241064

Place: Mumbai
Date: 25 April 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Glenmark Life Sciences Limited
Plot No 170-172, Chandramouli Industrial Estate,
Mohol Bazarpath, Solapur - 413 213.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Glenmark Life Sciences Limited having CIN L74900PN2011PLC139963 and having registered office at Plot No 170-172 Chandramouli Industrial Estate, Mohol Bazarpath Solapur 413 213 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below as on 31 March 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	DIN	Name of Director	Date of Appointment in Company
1.	00145149	Mr. Hiren Patel	06 March 2024
2.	01965174	Dr. Yasir Rawjee	13 August 2019
3.	03635487	Mr. Vinod Naik	21 October 2022
4.	00145086	Mr. Kaushikbhai N Patel	06 March 2024
5.	00376570	Mr. Vijaykumar Shah	06 March 2024
6.	03135959	Mr. Taruvai Laxminarayanan Easwar	08 January 2021
7.	06921105	Mrs. Manju Agarwal	30 October 2020
8.	07128438	Ms. Gita Nayyar	17 February 2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Bhadresh Shah

Proprietor

Bhadresh Shah and Associates

Membership No.: A23847

CP No.:15957

PR Certificate No.: 1917/ 2022

UDIN: A023847F000241011

Place: Mumbai

Date: 25 April 2024

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Glenmark Life Sciences Limited

Report on the Audit of the Financial Statements

Opinion

- We have audited the accompanying financial statements of **Glenmark Life Sciences Limited** ('the Company'), which comprise the Balance Sheet as at **31 March 2024**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

- We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 matters to be communicated in our report.

Key audit matter

The Company's revenue principally comprises of sales of active pharmaceutical ingredients and is recognised in accordance with the accounting policy described in Note 2.4 to the accompanying financial statements. Refer Note 17 for details of revenue recognised during the year.

The Company recognises revenue when control of the goods is transferred to the customer, which is determined in accordance with the arrangement with the customers but generally occurs on delivery to the customer. The Company records revenue net of discounts and allowances given and accruals for estimated future returns and rebates.

We have identified recognition of revenue as key audit matter since

- The Company and its external stakeholders focus on revenue as a key performance measure, Which could create an incentive for revenue to be overstated or recognised before control has been transferred.
- Due to the aforesaid factors and as per the requirements of Standards of Auditing, Revenue is determined to be an area involving significant risk and hence, required significant auditor attention.

How our audit addressed the key audit matter

Our key audit procedures around revenue recognition included, and not limited to, the following:

- Obtained an understanding of and assessed the design, implementation and operating effectiveness of management's key internal financial controls in relation to revenue recognition;
- Assessed the appropriateness of the revenue recognition accounting policy and its compliance with Ind AS 115, Revenue from Contracts with Customers;
- Performed substantive testing by selecting samples of revenue transactions pertaining to sale of products during the year, and verified the underlying supporting documents including contracts, agreements, sales invoices and dispatch/shipping documents;
- Performed cut-off testing procedures by testing samples of revenue transactions recorded during the year in specific periods before and after year end to conclude there has not been overstatement / understatement of revenue recorded for the year;
- Performed analytical review procedures on revenue recognised during the year to identify any unusual and/or material variances;
- Evaluated the adequacy of disclosures in the financial statements.

Based on audit procedures performed, we determined that the revenue recognition and measurement is appropriate in the context of the financial statements taken as a whole.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

7. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, the Board of Directors 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.

9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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; and

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

c) The financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(b) above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company, as detailed in note 29 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 37 to the

financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 37 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that

has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The interim dividend declared and paid by the Company during the year ended 31 March 2024 and until the date of this audit report is in compliance with section 123 of the Act.
- vi. Based on examination which included test checks, the Company in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was not enabled at database level for accounting software to log any direct data change, as described in note 37 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail features being tampered with in respect of the accounting software where such feature was enabled.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 24504662BKGEB51307

Place: Mumbai
Date: 25 April 2024

Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Glenmark Life Sciences Limited on the financial statements for the year ended 31 March 2024

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 report 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 relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment, capital work in progress and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 3 to the financial statements, are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment including right-of-use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of Statutes	Nature of Dues	Gross Amount (₹ In Millions)	Amount Paid under protest (₹ In Millions)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise duty on domestic Clearance	0.68	-	2009-2010	Bombay High Court
	Excise duty on domestic Clearance	7.99	0.60	2010-2011	Commissioner CGST Appeal, Vadodra
	Excise duty on domestic Clearance	2.40	2.40	2008-2012	CESTAT, Mumbai
	Excise duty on domestic Clearance	36.23	2.72	2011-2016	CESTAT, Ahmedabad
	Excise duty on domestic Clearance	0.24	0.02	2021-2022	Commissioner CGST Appeal, Pune
	Excise duty on domestic Clearance	0.62	0.06	2021-2022	Commissioner CGST Appeal, Solapur

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.
- (x) (a) In our opinion and according to the information and explanations given to us, money raised by way of initial public offer were applied for the purposes for which these were obtained, though idle funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with
- the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act 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. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management 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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xx) of the Order is not applicable in respect of audit of Standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN : 24504662BKGEB51307

Place: Mumbai
Date: 25 April 2024

Annexure B to the Independent Auditor's Report of even date to the members of Glenmark Life Sciences Limited on the financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Glenmark Life Sciences Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as

at 31 March 2024, based on the internal financial controls with reference to 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.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 24504662BKGEBS1307

Place: Mumbai
Date: 25 April 2024

FINANCIAL STATEMENTS

BALANCE SHEET

as at 31 March 2024

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	7,950.12	7,748.90
Capital work-in-progress	3	1,011.85	493.54
Intangible Assets	3	100.52	57.39
Intangible Assets under development	3	48.01	122.62
Financial Assets	4		
(i) Investments		0.77	0.77
(ii) Other financial assets		110.30	82.14
Income Tax Assets (Net)	5	36.72	-
Other non-current assets	7	85.84	12.72
Total non-current assets		9,344.13	8,518.08
Current assets			
Inventories	8	6,665.91	6,041.71
Financial Assets	9		
(i) Trade receivables		7,654.32	8,067.66
(ii) Cash and cash equivalents		3,014.14	2,838.23
(iii) Bank Balance other than cash and cash equivalents		1.80	255.74
(iv) Other financial assets		903.68	709.40
Other current assets	10	920.14	590.65
Total current assets		19,159.99	18,503.39
Total assets		28,504.12	27,021.47
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11&12	245.05	245.05
Other Equity		23,078.17	21,137.02
Total Equity		23,323.22	21,382.07
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
(i) Lease Liabilities	31	147.61	170.92
Provisions	15	157.71	78.70
Deferred tax liabilities (net)	6	487.85	424.34
Total non-current liabilities		793.17	673.96
Current liabilities			
Financial Liabilities			
(i) Lease Liabilities	31	23.87	22.65
(ii) Trade payables	13		
(a) Total outstanding dues of Micro and Small enterprises		93.82	174.33
(b) Total outstanding dues of other than Micro and Small enterprises		3,592.79	4,097.94
(iii) Other current financial liabilities	13	402.68	226.30
Other current liabilities	14	154.23	296.76
Provisions	15	120.34	76.68
Income tax liabilities (net)	16	-	70.78
Total current liabilities		4,387.73	4,965.44
Total liabilities		5,180.90	5,639.40
Total equity and liabilities		28,504.12	27,021.47
Summary of material accounting policies and other explanatory information	2		

The accompanying notes form an integral part of the financial statements
This is the balance sheet referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership Number - 504662

Place: Mumbai
Date: 25 April 2024

For and on behalf of the Board of Directors
Glenmark Life Sciences Limited

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

Tushar Mistry
Chief Financial Officer
Place: Mumbai
Date: 25 April 2024

Vinod Naik
Executive Director
DIN: 03635487

Rudalf Corriea
Company Secretary & Compliance Officer

FINANCIAL STATEMENTS

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2024

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	17	22,832.14	21,612.20
Other income	18	120.42	289.57
Total income		22,952.56	21,901.77
Expenses			
Cost of materials consumed	19	10,585.80	10,985.25
Changes in inventories of finished goods and work-in-progress	20	(565.70)	(844.37)
Employee benefits expense	21	2,581.56	1,801.80
Finance costs	22	15.46	5.47
Depreciation and amortisation expense	3	534.52	420.94
Other expenses	23	3,488.02	3,246.59
Total expenses		16,639.66	15,615.68
Profit before Tax		6,312.90	6,286.09
Tax expense:	6		
Current tax		1,522.14	1,506.11
Deferred tax		81.88	110.37
Total tax expense		1,604.02	1,616.48
Profit for the year		4,708.88	4,669.61
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
- Remeasurement of the post-employment benefit obligation	24	(72.99)	(3.88)
- Income tax relating to the above		18.37	0.98
Other comprehensive income / (loss) for the year		(54.62)	(2.90)
Total comprehensive income for the year		4,654.26	4,666.71
Earnings per equity share of ₹ 2 each	27		
Basic (in ₹)		38.43	38.11
Diluted (in ₹)		38.38	38.11
Summary of material accounting policies and other explanatory information	2		

The accompanying notes form an integral part of the financial statements
This is the statement of profit and loss referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership Number - 504662

Place: Mumbai
Date: 25 April 2024

For and on behalf of the Board of Directors
Glenmark Life Sciences Limited

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

Tushar Mistry
Chief Financial Officer
Place: Mumbai
Date: 25 April 2024

Vinod Naik
Executive Director
DIN: 03635487

Rudalf Corriea
Company Secretary & Compliance Officer

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2024

(All amounts in million of Indian Rupees, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at 31 March 2022	245.05
Add: Equity shares issued	-
Balance as at 31 March 2023	245.05
Add: Equity shares issued	-
Balance as at 31 March 2024	245.05

Refer notes 11 and 12 for details on equity share capital

B. OTHER EQUITY

Particulars	Other Equity			Total
	Securities Premium	Employee Stock Option Reserves	Retained Earnings	
Balance as at 31 March 2022	10,049.56	34.98	10,213.53	20,298.07
Add: Profit for the year	-	-	4,669.61	4,669.61
Add: Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax)	-	-	(2.90)	(2.90)
Less: Dividend on Equity Shares	-	-	(3,859.61)	(3,859.61)
Less: Bonus Issue	-	-	-	-
Add: Share Based payment	-	31.85	-	31.85
Add: Issue of Share Capital	-	-	-	-
Balance as at 31 March 2023	10,049.56	66.83	11,020.63	21,137.02
Add: Profit for the year	-	-	4,708.88	4,708.88
Add: Other comprehensive income - Remeasurement of the net defined benefit plans (net of tax)	-	-	(54.62)	(54.62)
Less: Dividend on Equity Shares	-	-	(2,756.86)	(2,756.86)
Less: Bonus Issue	-	-	-	-
Add: Share Based payment	-	43.75	-	43.75
Add: Issue of Share Capital	-	-	-	-
Balance as at 31 March 2024	10,049.56	110.58	12,918.03	23,078.17

2

Summary of material accounting policies and other explanatory information

The accompanying notes form an integral part of the financial statements

This is the statement of changes in equity referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Ashish Gupta

Partner

Membership Number - 504662

For and on behalf of the Board of Directors

Glenmark Life Sciences Limited

Yasir Rawjee

Managing Director & CEO

DIN: 01965174

Tushar Mistry

Chief Financial Officer

Place: Mumbai

Date: 25 April 2024

Vinod Naik

Executive Director

DIN: 03635487

Rudolf Corriea

Company Secretary & Compliance Officer

Place: Mumbai

Date: 25 April 2024

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

for the year ended 31 March 2024

(All amounts in million of Indian Rupees, unless otherwise stated)

Sr. No.	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A.	Cash flow from operating activities		
	Profit before tax	6,312.90	6,286.09
	Adjustments for:		
	Depreciation and amortisation expenses	534.52	420.94
	Finance costs	15.46	5.47
	Interest income	(120.21)	(157.66)
	Loss on sale of Property, plant and equipments (Net)	7.04	5.58
	Provision for gratuity and compensated absence	78.00	34.43
	Share Based Payment Expense	43.75	31.85
	Allowance for Doubtful debts	3.07	-
	Trade Receivable written-off	31.66	3.71
	Provision for Inventory	202.06	93.00
	Unrealised foreign exchange loss/ (gain)	(2.67)	8.90
	Operating profit before working capital changes	7,105.58	6,732.31
	Adjustments for changes in working capital:		
	- (Increase)/Decrease in trade receivables	378.60	(1,336.49)
	- (Increase)/Decrease in other receivables	(551.93)	(735.63)
	- (Increase) in inventories	(826.26)	(972.27)
	- Increase in trade and other payables	(341.21)	907.79
	Cash generated from operations	5,764.78	4,595.71
	- Income Taxes paid (net of refunds)	(1,629.63)	(1,535.65)
	Net cash generated from operating activities	4,135.15	3,060.06
B.	Cash flow from investing activities		
	Purchase of Property, plant and equipment and Intangible assets (including Capital work in progress)	(1,289.69)	(1,627.98)
	Proceeds from sale of Property, plant and equipment and Intangible assets	4.65	1.74
	Redemption in Fixed deposit (net)	-	1.11
	Interest received	120.21	157.66
	Net cash used in investing activities	(1,164.83)	(1,467.47)

(All amounts in million of Indian Rupees, unless otherwise stated)

Sr. No.	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
C.	Cash flow from financing activities		
	Dividend Paid	(2,756.86)	(3,859.18)
	Principal repayment of Lease Liabilities	(22.09)	(11.28)
	Interest payment of Lease Liabilities	(15.24)	(5.15)
	Finance cost paid	(0.22)	(0.32)
	Net cash used in financing activities	(2,794.41)	(3,875.93)
	Net Increase/(Decrease) in cash and cash equivalents	175.91	(2,283.34)
	Opening balance of cash and cash equivalents	2,838.23	5,121.57
	Closing balance of cash and cash equivalents	3,014.14	2,838.23
	Cash and cash equivalents comprise of :		
	Cash on hand	0.36	0.93
	Balances with banks in current accounts	317.82	556.70
	Balances with Banks in Deposits (original maturity less than 3 months)	2,695.96	2,280.60
		3,014.14	2,838.23

Note :

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.
- Figures in bracket indicate cash outflow.

Summary of material accounting policies and other explanatory information 2
The accompanying notes form an integral part of the financial statements
This is the cash flow statement referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership Number - 504662

Place: Mumbai
Date: 25 April 2024

For and on behalf of the Board of Directors
Glenmark Life Sciences Limited

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

Tushar Mistry
Chief Financial Officer
Place: Mumbai
Date: 25 April 2024

Vinod Naik
Executive Director
DIN: 03635487

Rudalf Corriea
Company Secretary & Compliance Officer

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2024

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 1 – BACKGROUND INFORMATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

1 COMPANY INFORMATION

Glenmark Life Sciences Limited (the "Company") is a public limited company incorporated in Pune, India. The registered office of the Company is at Plot No 170-172 Chandramouli Industrial Estate, Mohol Bazarpath, Solapur - 413213, Maharashtra, India.

The Company is primarily engaged in the business of development, manufacture and marketing of active pharmaceutical ingredients. The Company's research and development facilities are located at Mahape, Ankleshwar and Dahej in India and manufacturing facilities are located at Ankleshwar, Dahej, Mohol, and Kurkumbh.

NOTE 2 - BASIS OF PREPARATION AND MEASUREMENT AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 These financial statements have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act and it requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or area where assumptions and estimates are significant to these financial statements are disclosed in section 2.20.

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including investments), defined benefit plans, plan assets and share-based payments.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act and Ind AS 1, Presentation of Financial Statements.

The material accounting policies that are used in the preparation of these financial statements are summarised below. These accounting policies are consistently used throughout the years presented in the financial statements.

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. Amounts in figures presented have been rounded to INR million unless otherwise stated.

2.2 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

2.3 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the exchange rates prevailing at the date of such transactions. Monetary assets and liabilities as at the balance sheet date are translated at the rates of exchange prevailing at the date of the balance sheet. Gain/loss arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities are recognised in the statement of profit and loss, unless they are considered as an adjustment to borrowing costs, in which case they are classified along with the borrowing cost, if any.

2.4 REVENUE RECOGNITION

The Company applies principles provided under Ind AS 115 'Revenue from contracts with customers' which provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognised when or as those performance obligations are satisfied.

Company receives revenue for supply of goods to external customers against orders received. The majority of contracts that Company enters into relate to sales orders containing single performance obligations for the delivery of Active pharmaceutical products. The average duration of a sales order is less than 12 months.

Revenue (other than sale)

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Export benefits

Income in respect of entitlement towards export incentives is recognised in accordance with the relevant scheme on recognition of the related export sales. Such export incentives are recorded as part of other operating revenue.

Revenue from Sale of Products

Revenue from sale of products is recognised when the Company satisfies a performance obligation upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers as per the terms of the underlying contracts. Invoices are issued as per the general business terms and are payable in accordance with the contractually agreed credit year.

Revenues are measured based on the transaction price allocated to the performance obligation, which is the consideration, net of taxes or duties collected on behalf of

the government and applicable discounts and allowances. A receivable is recognised by the Company when control of the goods and services is transferred and the Company's right to an amount of consideration under the contract with the customer is unconditional, as only the passage of time is required. The company has opted practical expedient and there are no significant financing component to be considered while determining the transactions price.

2.5 PROPERTY, PLANT AND EQUIPMENT

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have significant cost in relation to total cost and different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Profits and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within "other income/expense in the statement of profit and loss".

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, its cost can be measured reliably and it has a useful life of at least twelve months. The costs of other repairs and maintenance are recognised in the statement of profit and loss as incurred.

Depreciation

Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term or their useful lives, unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The below given useful lives best represent the useful lives of these assets based on internal assessment and supported by technical advice where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The estimated useful lives are as follows:

Factory and other buildings 26 - 61 years

Plant and machinery 1 – 21 years

Furniture, fixtures and office equipment 1 – 10 years

Vehicles 1– 8 years

Leasehold land is amortised over the year of respective leases.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

2.6 BORROWING COSTS

Borrowing costs primarily comprise interest on the Company's borrowings. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the year that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the year in which they are incurred and reported under 'finance costs'. Borrowing costs are recognised using the effective interest rate method.

2.7 INTANGIBLE ASSETS

Research and development

Expenses on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised in the statement of profit and loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, the assets are controlled by the Company and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the statement of profit and loss as incurred.

The Company's internal drug development expenditure is capitalised only if they meet the recognition criteria as mentioned above. Where uncertainties exist that the said criteria may not be met, the expenditure is recognised in the statement of profit and loss as incurred. Where the recognition criteria are met, intangible assets are recognised. Based on the management estimate of the useful lives, indefinite useful life assets are tested for impairment and assets with limited life amortised on a straight-line basis over their useful economic lives from when the asset is available for use. During the years prior to their launch (including years when such products have been out-licensed to other companies), these assets are tested for impairment on an annual basis, as their economic useful life is indeterminable till then.

De-recognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from

their use or disposal. Losses arising on such de-recognition are recorded in the statement of profit and loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are subject to impairment testing at each reporting date. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable. Any impairment losses are recognised immediately in the statement of profit and loss.

Other intangible assets

Other intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which they relate.

Software for internal use, which is primarily acquired from third-party vendors, including consultancy charges for implementing the software, are capitalised. Subsequent costs are charged to the statement of profit and loss as incurred. The capitalised costs are amortised over the estimated useful life of the software.

Amortisation

Amortisation of intangible assets, intangible assets not available for use and intangible assets having indeterminable life, is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives from the date that they are available for use.

The estimated useful lives of intangible assets are 1 - 10 years.

2.8 IMPAIRMENT TESTING OF PROPERTY, PLANT AND EQUIPMENT, AND INTANGIBLE ASSETS

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets that have indefinite lives or that are not yet available for use are tested for impairment annually; their recoverable amount is estimated annually each year at the reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of

the cash inflows of other assets or groups of assets (“cash-generating unit”). The recoverable amount of an asset or cash-generating unit is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Intangibles with indefinite useful lives are tested for impairment individually.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.9 INVESTMENTS AND FINANCIAL ASSETS

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not

at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at the Transaction Price.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Measurement of debt instruments

Subsequent measurement of debt instruments depends on the Company’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other income/expenses. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit and loss and presented net in the statement of profit and loss within other income/expenses in the year in which it arises. Interest income from these financial assets is included in other income.

Measurement of equity instruments

The Company subsequently measures all equity investments at fair value other than those elected to be at cost under Ind AS 27. Where the Company’s management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company’s right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/expenses in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised, if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Interest income from financial assets

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

2.10 FINANCIAL LIABILITIES

Non derivative financial liabilities include trade and other payables.

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit and loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting year. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting year with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting year and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Trade payables are recognised initially at their transaction values which also approximate their fair values and subsequently measured at amortised cost less settlement payments.

2.11 INVENTORIES

Inventories of finished goods, stock in trade, work in process, consumable stores and spares, raw material, packing material are valued at cost or net realisable value, whichever is lower. Cost of inventories is determined on a weighted moving average basis. Cost of work-in-process and finished goods include the cost of materials consumed,

labour, manufacturing overheads and other related costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory includes estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a yearic basis.

2.12 ACCOUNTING FOR INCOME TAXES

Income tax expense consists of current and deferred tax. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised in other comprehensive income, in which case it is recognised in other comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the temporary differences arising due to initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

2.13 LEASES

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is yearically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal year if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.14 EQUITY

Share capital is determined using the nominal value of shares that are issued. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Securities premium includes any premium received on the issue of share capital. Any transaction costs associated with the issue of shares is deducted from Securities premium, net of any related income tax benefits.

Retained earnings include all current and prior year results, as disclosed in the statement of profit and loss.

2.15 EMPLOYEE BENEFITS

Short-term benefits

Short-term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to recognised provident funds, approved superannuation schemes and other social securities, which are defined contribution plans, are recognised as an employee benefit expense in the statement of profit and loss as incurred.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of an approved gratuity plan, which is a defined benefit plan, and certain other defined benefit plans is calculated separately for each material plan by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior years. This requires an entity to determine

how much benefit is attributable to the current and prior years and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation performed annually by a qualified actuary using the projected unit credit method.

The benefit is discounted to determine the present value of the defined benefit obligation and the current service cost. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The fair value of any plan assets is deducted from the present value of the defined benefit obligation to determine the amount of deficit or surplus. The net defined benefit liability/ (asset) is determined as the amount of the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The net defined benefit liability/(asset) is recognised in the balance sheet.

Defined benefit costs are recognised as follows:

- Service cost in the statement of profit and loss
- Net interest on the net defined benefit liability (asset) in the statement of profit and loss
- Remeasurement of the net defined benefit liability/ (asset) in other comprehensive income

Service costs comprise of current service cost, past service cost, as well as gains and losses on curtailment and settlements. The benefit attributable to current and past years of service is determined using the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, the benefit is attributed on a straight-line basis. Past service cost is recognised in the statement of profit and loss in the year of plan amendment. A gain or loss on the settlement of a defined benefit plan is recognised when the settlement occurs.

Net interest is calculated by applying the discount rate at the beginning of the year to the net defined benefit liability (asset) at the beginning of the year, taking account of any changes in the net defined benefit liability/(asset) during the year as a result of contribution and benefit payments.

Remeasurement comprises of actuarial gains and losses, the return on plan assets (excluding interest), and the effect of changes to the asset ceiling (if applicable). Remeasurement recognised in other comprehensive income is not reclassified to the statement of profit and loss.

Compensated leave of absence

Eligible employees are entitled to accumulate compensated absences up to prescribed limits in accordance with the Company's policy and receive cash in lieu thereof. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the date of the balance sheet. Such measurement is based on actuarial valuation as at the date of the balance sheet carried out by a qualified actuary.

Termination benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

2.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when present obligations as a result of past events will probably lead to an outflow of economic resources from the Company and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the best estimate of expenditure required to settle the present obligation at the reporting date, based on the most reliable evidence, including the risks and uncertainties and timing of cashflows associated with the present obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the balance sheet.

Any amount that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset up to the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets are not recognised.

2.17 SHARE BASED COMPENSATION

All employee services received in exchange for the grant of any equity-settled share-based compensation are measured

at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based compensation is ultimately recognised as an expense in the statement of profit and loss with a corresponding credit to equity (Stock compensation reserve). If vesting years or other vesting conditions apply, the expense is allocated over the vesting year, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to expense recognised in prior years if fewer share options are ultimately exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as Securities premium.

2.18 EARNINGS PER SHARE:

Basic earnings per share is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.19 STATEMENT OF CASH FLOW

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- (i) changes during the year in inventories and operating receivables and payables, transactions of a non-cash nature;
- (ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- (iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

2.20 CRITICAL ACCOUNTING ESTIMATES AND SIGNIFICANT JUDGEMENT IN APPLYING ACCOUNTING POLICIES

When preparing these financial statements, management undertakes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

In the process of applying the Company's accounting policies, the following judgments have been made apart from those involving estimates, which have the most significant effect on the amounts recognised in the financial statements. Judgments are based on the information available at the date of balance sheet.

Leases

Ind AS 116 requires Company to make certain judgements and estimations, and those that are significant are disclosed below.

Critical judgements are required when an entity is,

- determining whether or not a contract contains a lease
- establishing whether or not it is reasonably certain that an extension option will be exercised
- considering whether or not it is reasonably certain that a termination option will not be exercised

Key sources of estimation and uncertainty include:

- calculating the appropriate discount rate
- estimating the lease term

Estimation Uncertainty

The preparation of these financial statements is in conformity with Ind AS and requires the application of judgment by management in selecting appropriate assumptions for calculating financial estimates, which inherently contain some degree of uncertainty. Management estimates are based on historical experience and various other assumptions that are believed to be reasonable in the circumstances, the results of which form the basis for making judgments about the reported carrying values of assets and liabilities and the reported amounts of revenues and expenses that may not be readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Estimates of life of various tangible and intangible assets, and assumptions used in the determination of employee-related obligations and fair valuation of financial and

equity instrument, impairment of tangible and intangible assets represent certain of the significant judgements and estimates made by management.

Useful lives of various assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Company. The useful life are specified in note 2.5 and 2.7

Post-employment benefits

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty.

Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Current and deferred income taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time years. The recognition of taxes that are subject to certain legal or

economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Expected credit loss

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i Trade receivables.
- ii Financial assets measured at amortised cost other than trade receivables.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. In case of other assets (listed as ii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

The financial statements have been prepared using the measurement basis specified by Ind AS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the

revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

2.21 RECENT ACCOUNTING PRONOUNCEMENTS

New and amended standards adopted by the Company:

All the Ind AS issued and notified by the Ministry of Corporate Affairs ('MCA') under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statements.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

The company adopted Disclosure of Accounting (amendment to Ind AS 1) from 01st April, 2023. Although the amendment did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the standalone financial statements.

The amendment requires the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that users need to understand other information in the standalone financial statements.

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

PROPERTY, PLANT AND EQUIPMENT COMPRISE THE FOLLOWING:

Particulars	Leasehold land* (ROU)	Factory building	Other building	Plant and equipment	Furniture and fixture	Office equipment	Vehicles	Building & Machinery (ROU)	Total	Capital work-in-progress
Cost										
Balance as at 31 March 2022	274.38	2,142.57	92.50	4,223.64	147.84	51.63	3.29	40.51	6,976.36	916.88
- Acquisitions	-	781.71	-	1,209.15	11.56	2.70	-	191.10	2,316.22	409.38
- Disposals/ Transfers/ adjustments	-	(0.24)	-	(19.28)	(3.89)	(3.68)	(0.37)	-	(27.46)	(832.73)
Balance as at 31 March 2023	274.38	2,924.04	92.50	5,413.51	255.51	70.65	2.92	231.61	9,265.12	493.54
- Acquisitions	-	147.90	-	500.54	34.74	25.09	2.39	-	710.66	839.08
- Disposals/ Transfers/ adjustments	-	-	-	(29.14)	-	(2.92)	-	-	(32.06)	(320.77)
Balance as at 31 March 2024	274.38	3,071.94	92.50	5,884.91	290.25	92.82	5.31	231.61	9,943.72	1,011.85
Accumulated Depreciation										
Balance as at 31 March 2022	13.21	126.76	1.96	888.51	58.32	27.66	0.24	13.22	1,129.88	-
- Depreciation charge for the year	4.72	45.37	1.69	309.26	19.84	9.35	0.53	15.72	406.48	-
- Disposals/ Transfers/ adjustments	-	(0.04)	-	(12.19)	(3.86)	(3.68)	(0.37)	-	(20.14)	-
Balance as at 31 March 2023	17.93	172.09	3.65	1,185.58	74.30	33.33	0.40	28.94	1,516.22	-
- Depreciation charge for the year	4.72	55.72	1.69	370.52	28.17	13.19	0.55	23.22	497.78	-
- Disposals/ Transfers/ adjustments	-	-	-	(17.48)	-	(2.92)	-	-	(20.40)	-
Balance as at 31 March 2024	22.65	227.81	5.34	1,538.62	102.47	43.60	0.95	52.16	1,993.60	-
Carrying value										
As at 31 March 2023	256.45	2,751.95	88.85	4,227.93	181.21	37.32	2.52	202.67	7,748.90	493.54
As at 31 March 2024	251.73	2,844.13	87.16	4,346.29	187.78	49.22	4.36	179.45	7,950.12	1,011.85

Note:

Addition to Property, Plant and Equipment for the year ended 31 March 2024 includes capital expenditure of ₹ 80.32 million (31 March 2023 - ₹ 181.36 million) incurred at approved R&D centres. (Refer Note 26)

There are no immovable properties whose title deeds are not held in the name of the Company.

*Upfront lease premium paid to respective Industrial Development Corporations at the time of execution of lease deed represents the present value of total consideration related to lease payments for the entire tenure of lease.

(All amounts in million of Indian Rupees, unless otherwise stated)

Capital work-in-progress ageing schedule for the year ended March 31, 2024 is as follows:

Particulars	Amount in Capital work in progress for a year of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	783.27	193.65	34.93	-	1,011.85

Capital work-in-progress ageing schedule for the year ended March 31, 2023 is as follows:

Particulars	Amount in Capital work in progress for a year of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	432.28	61.26	-	-	493.54

NOTE 3 - INTANGIBLE ASSETS

Intangible assets comprise the following

Particulars	Computer software	Product development/ Brands	Total	Intangible Assets under development
Cost				
Balance as at 31 March 2022	53.29	25.64	78.93	52.67
- Additions	7.11	13.61	20.72	69.95
- Disposals/ Transfers/ adjustments	(0.02)	-	(0.02)	-
Balance as at 31 March 2023	60.38	39.25	99.63	122.62
- Additions	19.86	60.04	79.90	-
- Disposals/ Transfers/ adjustments	-	-	-	(74.61)
Balance as at 31 March 2024	80.24	99.29	179.53	48.01
Amortisation and impairment				
Balance as at 31 March 2022	27.76	0.04	27.80	-
- Amortisation for the year	9.46	5.00	14.46	-
- Disposals/ Transfers/ adjustments	(0.02)	-	(0.02)	-
Balance as at 31 March 2023	37.20	5.04	42.24	-
- Amortisation for the year	11.13	25.61	36.74	-
- Disposals/ Transfers/ adjustments	-	0.04	0.04	-
Balance as at 31 March 2024	48.33	30.69	79.02	-
Carrying value				
Balance as at 31 March 2023	23.18	34.21	57.39	122.62
Balance as at 31 March 2024	31.91	68.61	100.52	48.01

The expected useful life of product development/brands is determined based on the management's best estimates of their expected usage, the product life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to the company.

There are no additions that are acquired through business combinations.

Intangible Assets under development ageing schedule for the year ended March 31, 2024 is as follows:

Particulars	Amount in Intangible Assets under development for a year of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	8.78	12.68	15.43	11.12	48.01

Intangible Assets under development ageing schedule for the year ended March 31, 2023 is as follows:

Particulars	Amount in Intangible Assets under development for a year of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	69.95	27.19	5.12	20.35	122.62

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 4 - NON-CURRENT FINANCIAL ASSETS

(I) INVESTMENTS

Particulars	As at 31 March 2024	As at 31 March 2023
Unquoted		
Equity shares (FVTPL)		
76,800 shares of Narmada Clean Tech (March 2023- 76,800 shares)	0.77	0.77
Total	0.77	0.77
Aggregate amount of unquoted investments	0.77	0.77
Aggregate amount of impairment in value of investment	-	-

(II) OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Security deposits*	110.30	82.14
Total	110.30	82.14

*Security deposits represent utility deposit given in the normal course of business realisable after twelve months from the reporting date.

NOTE 5 - INCOME TAX ASSETS (NET)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provision for tax ₹ 6,776.34 million)	36.72	-
Total	36.72	-

NOTE 6 - TAXES

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current income tax expense	1,522.14	1,506.11
Deferred income tax expense	81.88	110.37
Total	1,604.02	1,616.48

The relationship between the expected tax expense based on the applicable tax rate of the Company and the tax expense actually recognised in the statement of profit and loss can be reconciled as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit before Tax	6,312.90	6,286.09
Tax rate applicable [#]	25.17%	25.17%
Income tax expense at tax rates applicable	1,588.83	1,582.08
Tax adjustments		
- Disallowance of donation/corporate social responsibility expenses	27.87	24.55
- Other (Allowances)/ Disallowance	(12.68)	9.85
Actual tax expense (net)	1,604.02	1,616.48

[#] The Company has opted to pay tax at a reduced rate of 22% plus surcharge of 10% and cess of 4% in accordance with section 115BAA as per Income Tax Act, 1961.

(All amounts in million of Indian Rupees, unless otherwise stated)

The tax effect of significant temporary differences that resulted in deferred income tax assets and liabilities and a description of the items that create those differences are given below:

For the year ended 31 March 2024:

Particulars	As at 31 March 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2024
Deferred tax assets				
Other items	18.12	9.02	18.37	45.50
Total	18.12	9.02	18.37	45.50
Deferred tax liabilities				
Difference in depreciation on Property, plant and equipment	442.46	90.90	-	533.36
Other taxable temporary differences	-	-	-	-
Total	442.46	90.90	-	533.36
Net deferred income tax asset / (liabilities)	(424.34)	(81.88)	18.37	(487.85)

For the year ended 31 March 2023:

Particulars	As at 31 March 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2023
Deferred tax assets				
Other items	10.74	6.40	0.98	18.12
Total	10.74	6.40	0.98	18.12
Deferred tax liabilities				
Difference in depreciation on Property, plant and equipment	325.44	117.02	-	442.46
Other taxable temporary differences	0.25	(0.25)	-	-
Total	325.69	116.77	-	442.46
Net deferred income tax asset / (liabilities)	(314.95)	(110.37)	0.98	(424.34)

NOTE 7 - OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
Capital advances	85.84	12.72
Total	85.84	12.72

NOTE 8 - INVENTORIES

Particulars	As at 31 March 2024	As at 31 March 2023
Raw material	1,735.83	1,680.39
Packing material	12.86	12.08
Work-in-progress	4,082.56	3,709.07
Stores and spares	150.69	148.41
Finished goods	683.97	491.76
Total	6,665.91	6,041.71

(All amounts in million of Indian Rupees, unless otherwise stated)

Inventory write downs are accounted, considering the nature of inventory, ageing of inventory as well as provisioning policy of the Company. The Company recorded inventory write down of ₹ 202.06 million (2023 - ₹ 93.00 million). This is included as part of cost of materials consumed and changes in inventories of finished goods, work-in-progress in the statement of profit and loss as the case may be.

NOTE 9 - CURRENT FINANCIAL ASSETS

(I) TRADE RECEIVABLES

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Considered good* (Refer note 32)	7,657.39	8,067.66
Less: Loss Allowance	(3.07)	-
Total	7,654.32	8,067.66
*Includes amount receivable from related parties (Refer Note 25)	2,826.16	3,733.29

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to be realised within 12 months from the date of balance sheet. All of the Company's trade receivables have been reviewed for indications of impairment.

There are no debts due by Directors or other Officers of the Company or any of them either severally or jointly with any other person or debtors due by firms or private companies respectively in which any Director is a Partner or a Director or a Member except as disclosed in note 25.

Ageing schedule for the year ended as on March 31, 2024

Particulars	Not due	Outstanding for following years from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade Receivable - considered good	4,030.22	3,375.01	152.67	96.42	-	-	7,654.32
(ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivable - credit impaired	-	-	-	3.07	-	-	3.07
(iv) Disputed Trade Receivable - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivable - credit impaired	-	-	-	-	-	-	-

Ageing schedule for the year ended as on March 31, 2023

Particulars	Not due	Outstanding for following years from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade Receivable - considered good	3,885.41	4,140.62	41.00	0.63	-	-	8,067.66
(ii) Undisputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivable - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivable - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivable - credit impaired	-	-	-	-	-	-	-

(All amounts in million of Indian Rupees, unless otherwise stated)

(II) CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks		
In current accounts	317.82	556.70
Deposit with original maturity less than 3 months	2,695.96	2,280.60
Cash on hand	0.36	0.93
Total	3,014.14	2,838.23

(III) BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2024	As at 31 March 2023
Earmarked Balances with Bank- Unpaid dividend	1.80	255.74
Total	1.80	255.74

(IV) OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Incentives/benefits receivable from government	523.68	440.12
Receivable from related parties (Refer note 25)	380.00	269.28
Total	903.68	709.40

NOTE 10 - OTHER CURRENT ASSETS

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with government authorities	761.55	405.99
Advance to vendors	145.35	176.85
Prepaid expenses	8.06	1.38
Others	5.18	6.43
Total	920.14	590.65

NOTE 11 - EQUITY AND RESERVES

a) Ordinary shares

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

The Company has an authorised share capital of 200,000,000 equity shares of ₹ 2 each (31 March 2023 - 200,000,000 of ₹ 2 each).

b) Preference shares

The Company has an authorised share capital of 600,000 Cumulative Convertible Preference Shares of ₹ 100 each (31 March 2023 - 600,000 of ₹ 100 each).

(All amounts in million of Indian Rupees, unless otherwise stated)

c) Reserves

Securities premium reserve – The amount received by the Company over and above the face value of shares issued is shown under this head.

Retained Earnings – Accumulated earnings include all current and prior years profits as disclosed in the statement of profit and loss.

Stock compensation reserve - Stock compensation reserve consists of employee compensation cost allocated over the vesting year of options granted to employees. Such cost is recognised in statement of profit and loss and is credited to the reserve. Upon exercise of options, such reserves are reclassified to equity share capital and security premium.

d) Dividends

The company declares and pays dividends in Indian rupees. Dividends are taxable in the hands of the shareholders and tax is deducted by the Company at applicable rates.

The Board of Directors declared an interim dividend of ₹ 22.5/- per equity share of face value of each ₹ 2 each at its meeting held on October 9, 2023. The interim dividend of ₹ 22.5 per equity share, declared by the Board on October 9, 2023 shall be the final dividend for the financial year 2023-24.

NOTE 12 - EQUITY SHARE CAPITAL

(a) Share capital	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of ₹ 2 each (31 March 2023- ₹ 2 each)	20,00,00,000	400.00	20,00,00,000	400.00
Cumulative Convertible Preference Shares of ₹ 100 each	6,00,000	60.00	6,00,000	60.00
Issued, subscribed and fully paid-up equity shares				
At the beginning of the year of ₹ 2 each (31 March 2022- ₹ 2 each)	12,25,27,172	245.05	12,25,27,172	245.05
Add:	-	-	-	-
- Fresh issue	-	-	-	-
At the end of the year of ₹ 2 each (31 March 2023 - ₹ 2 each) (A)	12,25,27,172	245.05	12,25,27,172	245.05
Other equity (B)		23,078.17		21,137.02
Total Equity (A+B)		23,323.22		21,382.07

(b) List of shareholders holding more than 5% shares	As at 31 March 2024		As at 31 March 2023	
	% of Holding	No. of Shares	% of Holding	No. of Shares
Nirma Limited	75.00%	9,18,96,285	-	-
Glenmark Pharmaceuticals Limited	7.84%	96,09,571	82.84%	10,15,04,950

(c) Right, Preference and restriction on shares

The Company presently has only one class of ordinary equity shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary equity shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

(All amounts in million of Indian Rupees, unless otherwise stated)

(d) Shares held by promoters at March 31, 2024

	No. of Shares	% of Total Shares	% change during the year
Nirma Limited- Promoter (Holding Company)	9,18,96,285	75.00%	100.00%

Shares held by promoters at March 31, 2023

	No. of Shares	% of Total Shares	% change during the year
Glenmark Pharmaceuticals Limited - Promoter (Holding Company)	10,15,04,950	82.84%	0.00%
Glenn Mario Saldanha - Promoter Group	7,800	0.0%	0.00%

The Board of Directors of the Company at its meeting held on September 21, 2023, inter-alia, considered and approved the Share Purchase agreement dated September 21, 2023 among the Company, Glenmark Pharmaceuticals Limited ("GPL") and Nirma Limited (the "Buyer") for the sale of 91,895,379 equity shares representing 75% of the current issued and paid-up equity share capital of the Company, by GPL to the Buyer.

Accordingly, 91,895,379 equity shares representing 75% of the current issued and paid-up equity share capital of the Company, were transferred by GPL to Nirma Limited as follows:

- A. As on March 6, 2024, 6,73,89,944 equity shares representing 55% of the issued and paid-up equity share capital of the Company were transferred by GPL to Nirma Limited.
- B. As on March 12, 2024, 2,45,05,435 equity shares representing 20% of the issued and paid-up equity share capital of the Company were transferred by GPL to Nirma Limited.

Post completion of the Transaction, Nirma Limited stands designated as a new promoter of the Company and the Company vide application dated March 22, 2024 has applied for the reclassification of Glenmark Pharmaceuticals Limited and Mr. Glenn Saldanha from 'promoter and promoter group' to 'public shareholders' to NSE Limited and BSE Limited for approval of such reclassification.

Nirma Limited also acquired 906 shares through Open Offer which was concluded on March 05, 2024.

(e) Employees Stock options Schemes 2021

i) Scheme details

The Board, at its meeting held on 6 April 2021 had approved the Glenmark Life Sciences Limited - Employee Stock Option Scheme, 2021 (ESOS). Further, the Shareholders' of the Company also approved the ESOS at the Extra-Ordinary General Meeting held on 9 April 2021.

9,51,734 ESOP options have been granted to the eligible employees/Directors at Nomination and Remuneration Committee meeting held on May 17, 2021. During the Financial Year 2023-2024, 4,190 (2022-23- 67,039) options were cancelled and no options were issued or exercised under Employees Stock Options Scheme viz. ESOS' 2021. As of 31 March 2024, 873,522 (31 March 2023, 877,712) options were outstanding and are due for exercise.

On exercising the options so granted under the ESOS of the Company, the paid-up equity share capital of the Company will increase by a like number of shares. Employee stock compensation charged during the year is ₹ 43.75 million (31 March 2023, ₹ 31.85 million) (Refer Note 21)

The aggregate share options and weighted average exercise price under the above mentioned plan are as follows:

Scheme	Grant	No. of Options	Vest 1 10%	Vest 2 20%	Vest 3 30%	Vest 4 40%	Grant Date	Exercise price	Weighted Average Fair value of option at grant date
ESOS 2021	Grant I	5,39,025	Jul-22	Jul-23	Jul-24	Jul-25	17-May-21	461.0	153.0
ESOS 2021	Grant II	4,12,709	Jul-22	Jul-23	Jul-24	Jul-25	17-May-21	716.0	84.0

(All amounts in million of Indian Rupees, unless otherwise stated)

ii) Movement in Options during the year

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	8,77,712	9,44,751
Granted during the year	-	-
Terminated / Cancelled	(4,190)	(67,039)
Balance at the end of the year	8,73,522	8,77,712

iii) Fair Value of Options

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs

Particulars	ESOS 2021 Scheme
Dividend Yield (%)	0%
Expected Volatility (%)	32.9% to 34.7%
Risk free Interest Rate (%)	5% to 5.5%
Weighted average share price (₹)	444
Exercise Price (₹)	461 (Grant I), 716 (Grant II)
Expected life of Options granted in years	3.21 to 4.71

(f) Initial Public Offering (IPO)

The Company during the financial year ended March 2022 completed the IPO of 21,022,222 equity shares comprising a fresh issue of 14,722,222 equity shares and offer for sale of 6,300,000 equity shares of face value of ₹ 2 each at premium of ₹ 718 per share aggregating to ₹ 15,136 million. Pursuant to the IPO, the equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited with effect from August 06, 2021.

Details of Utilisation of IPO Proceeds is as under:

Particulars	Estimated net proceeds as per Prospectus	Revised Net Proceeds	Utilised up to 31 Mar'24	Unutilised as on 31 Mar'24	Unutilised as on 31 Mar'23
Payment of outstanding purchase consideration to the Promoter for the spin-off of the API business from the Promoter into our Company pursuant to the Business Purchase Agreement dated October 9, 2018	8,000.00	8,000.00	8,000.00	-	-
Funding the capital expenditure requirements	1,527.64	1,527.64	1,466.19	61.45	401.71
General corporate purposes	576.75	494.40	494.40	-	-
Total	10,104.39	10,022.04	9,960.59	61.45	401.71

NOTE 13 - CURRENT FINANCIAL LIABILITIES

(I) TRADE PAYABLES

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables outstanding dues to Micro and small enterprises under MSMED Act, 2006 (Refer Note (i) below)	93.82	174.33
Trade payables outstanding dues to creditors other than micro and small enterprises	3,507.25	4,046.68
Trade payables to related party (Refer note 25)*	85.54	51.26
Total	3,686.61	4,272.27

*These are outstanding dues to other than micro and small enterprises

(All amounts in million of Indian Rupees, unless otherwise stated)

Ageing Schedule**As on 31 March 2024**

Particulars	Unbilled	Not due	Outstanding for following years from due date of payment*				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	91.99	1.83	-	-	-	93.82
(ii) Others	417.55	2,173.78	875.64	82.01	13.63	30.18	3,592.79
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

*Ageing calculated from date of transaction where due date was not available

As on 31 March 2023

Particulars	Unbilled	Not due	Outstanding for following years from due date of payment*				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	174.33	-	-	-	-	174.33
(ii) Others	395.55	1,902.36	1,747.82	29.25	10.20	12.76	4,097.94
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

*Ageing calculated from date of transaction where due date was not available

Note (i)

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows :

Particulars	As at 31 March 2024	As at 31 March 2023
a) The principal amount remaining unpaid to any supplier at the end of the year	93.82	174.33
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on request made by the Company. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance sheet date. The Company has generally paid all the MSME vendors by the due date as per the time period stipulated in the MSME Act. There were minor instances of delay where the underlying interest is negligible and hence rounded off to zero.

(All amounts in million of Indian Rupees, unless otherwise stated)

(II) OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Employee dues	163.92	7.09
Sundry creditors for capital goods	221.03	203.33
Deposits Payable	15.93	14.93
Unpaid Dividends	1.80	0.95
Total	402.68	226.30

NOTE 14 - OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory dues	101.65	277.33
Revenue received in advance	52.58	19.43
Total	154.23	296.76

NOTE 15 - PROVISIONS

Particulars	As at 31 March 2024	As at 31 March 2023
A. Non Current		
Provisions for employee benefits :		
Provision for gratuity (Refer note 24)	157.71	78.70
Provision for compensated absences (Refer note 24)	-	-
Total	157.71	78.70
B. Current		
Provision for gratuity (Refer note 24)	10.75	11.38
Provision for compensated absences (Refer note 24)	109.59	65.30
Total	120.34	76.68

NOTE 16 - INCOME TAX LIABILITIES (NET)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for income tax (net of advance tax & TDS FY 2023 - ₹ 5,183.42 million)	-	70.78
Total	-	70.78

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 17 - REVENUE FROM OPERATIONS

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products	21,847.70	20,478.40
Other operating revenue*	984.44	1,133.80
Total	22,832.14	21,612.20

*Other Operating revenue primarily comprises of Export incentives of ₹ 129.99 million (31 March 2023 - ₹ 130.96 million), Production Linked Incentive ₹ 470.00 million (31 March 2023- ₹ 640.00 million) and Sale of scrap and others of ₹ 384.45 million (31 March 2023 - ₹ 362.84 million).

Disaggregation of revenue :

The Company's revenue disaggregated by primary geographical markets is as follows:

Geographical area	Year ended 31 March 2024	Year ended 31 March 2023
Within India	11,664.85	11,330.26
Outside India	11,167.29	10,281.94
Total	22,832.14	21,612.20

Reconciliation of the amount of revenue recognised in the income statement with the contracted price

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue as per contracted price	22,898.65	21,726.98
Less: Trade discounts, sales and expiry returns	66.51	114.78
Revenue from contract with customers	22,832.14	21,612.20

Contract liabilities from contracts with customers :

The Company records a contract liability when cash payments are received or due in advance of its performance.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue received in advance	52.58	19.43

There are no contract assets other than Trade Receivables , disclosure of which are given in note 9.

NOTE 18 - OTHER INCOME

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest income*	120.21	157.66
Exchange gain (net)	-	130.23
Miscellaneous income	0.21	1.68
Total	120.42	289.57

*Interest income on financial assets carried at amortized cost

NOTE 19 - COST OF MATERIALS CONSUMED

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Consumption of raw material and packing material	10,252.06	10,685.61
Consumption of stores and spares	333.74	299.64
Total	10,585.80	10,985.25

(All amounts in million of Indian Rupees, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening Stock	1,840.88	1,805.98
Add: Purchases	10,644.30	11,020.15
Less: Closing Stock	1,899.38	1,840.88
Total	10,585.80	10,985.25

NOTE 20 - CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(Increase)/Decrease in stock of finished goods, work-in-progress	(565.70)	(844.37)
Total	(565.70)	(844.37)
(Increase)/Decrease in stocks		
At the year end		
Finished goods	683.97	491.76
Work-in-progress	4,082.56	3,709.07
	4,766.53	4,200.83
At the beginning of the year		
Finished goods	491.76	251.92
Work-in-progress	3,709.07	3,104.54
	4,200.83	3,356.46
Changes	(565.70)	(844.37)

NOTE 21 - EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	2,352.26	1,650.25
Contribution to provident and other funds and retirement benefits (Refer note 24)	161.32	106.48
Share Based Payments to Employees (Refer Note 12(e))	43.75	31.85
Staff welfare expenses	24.23	13.22
Total	2,581.56	1,801.80

NOTE 22 - FINANCE COSTS

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses on		
- Lease Liabilities (Refer Note 31)	15.24	5.15
- Others	0.22	0.32
Total	15.46	5.47

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 23 - OTHER EXPENSES

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Power, fuel and water charges	1,124.60	1,155.98
Labour charges	736.65	571.84
Stores and spares consumed	155.20	147.77
Repairs and maintenance - plant and machinery	79.04	67.42
Repairs and maintenance - building	34.99	42.51
Repairs and maintenance - others	265.02	217.69
Rent (Refer note - 31)	3.80	4.24
Other manufacturing expenses	31.71	24.80
Selling and Marketing expenses	2.83	4.72
Sales promotion expenses	115.47	90.07
Export commission	144.82	204.84
Travelling expenses	76.39	67.32
Freight outward	122.10	151.39
Telephone expenses	0.97	0.79
Rates and taxes	20.54	40.62
Insurance premium	65.49	42.63
Auditors remuneration		
- Audit and limited review fees	10.50	10.50
- Certification and other services	2.60	1.95
- Out of pocket expenses	0.56	0.38
Loss on sale of assets	7.04	5.58
Exchange loss (net)	6.37	-
Corporate Social Responsibility Activities and Donations (Refer Note 34)	110.74	97.43
Legal & professional expenses	75.09	35.25
Other expenses	295.50	260.87
Total	3,488.02	3,246.59

NOTE 24 - EMPLOYEE POST- RETIREMENT BENEFITS

The following are the employee benefit plans applicable to the employees of the Company.

a) Gratuity (defined benefit plan)

In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment of amounts that are based on salary and tenure of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation.

Plan is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age.

(All amounts in million of Indian Rupees, unless otherwise stated)

The Company recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	31 March 2024	31 March 2023
Current service cost	15.05	13.78
Net interest on defined benefit schemes	6.68	5.72
Net cost for the year	21.73	19.50

The remeasurement components recognised in other comprehensive income for the Company's defined benefit plans comprise the following:

Particulars	31 March 2024	31 March 2023
Actuarial (gains)/losses		
Based on adjustment of financial assumptions	67.90	(3.53)
Based on adjustment of demographic assumptions	-	-
Due to liability experience adjustment	5.91	6.46
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	(0.82)	0.95
Total remeasurement gain recognised in the statement of other comprehensive income	72.99	3.88

The following table shows the change in present value of defined benefit obligations, the change in plan assets and the funded status recognised in the financial statements for the Company's defined benefit plans.

Particulars	31 March 2024	31 March 2023
Present value of funded obligations	195.08	114.11
Fair value of plan assets	(26.62)	(24.03)
Net defined benefit liability	168.46	90.08
Being:		
Retirement benefit assets	(26.62)	(24.03)
Retirement benefit liabilities	195.08	114.11

The movements in the net defined benefit liability recognised within the balance sheet are as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance	90.08	81.75
Cost recognised in statement of profit and loss	21.73	19.50
Remeasurement (gains) / losses recognised in other comprehensive income	72.99	3.88
Actual employer contributions	-	-
Benefits paid	(16.34)	(15.05)
Closing balance	168.46	90.08

The change in the present value of defined benefit obligations is as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance	114.11	105.10
Current service cost	15.05	13.78
Interest cost on the defined benefit obligations	8.46	7.35
Actual benefit payments	(16.34)	(15.05)
Actuarial (gains)/losses	73.80	2.93
Closing balance	195.08	114.11

(All amounts in million of Indian Rupees, unless otherwise stated)

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2024	31 March 2023
Beginning balance	24.03	23.35
Interest income on plan assets	1.78	1.63
Actual employer contributions	-	-
Actual return on assets (excluding interest income on plan assets)	0.81	(0.95)
Closing balance	26.62	24.03

The principal actuarial assumptions used for the defined benefit obligations are as follows:

Particulars	31 March 2024	31 March 2023
Discount Rate	7.15%	7.40%
Salary Escalation rate (%)	8.00%	3.00%

Mortality rates have been set in accordance with current best practices. The average remaining working life in years on the balance sheet date is as follows:

Particulars	31 March 2024	31 March 2023
Average remaining working life (years)	25.35	25.35

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2024	31 March 2023
Assets administered by respective insurance companies	100%	100%

A breakup of the defined benefit plan related balance sheet amounts is shown below.

Particulars	31 March 2024	31 March 2023
Present value of funded obligations	195.08	114.11
Fair value of plan assets	(26.62)	(24.03)
Net defined benefit liability	168.46	90.08

A feature all plans have in common is that the discount rate has a significant impact on the present value of obligations. The other assumptions have varying impacts on the different plans in different geographic regions. In the breakup presented below, the varying impact of changes in the key assumptions is shown as below.

Particulars	31 March 2024	31 March 2023
Discount rate +0.5 % p.a.	(8.81)	(4.19)
Discount rate - 0.5 % p.a.	9.47	4.46
Rate of compensation increase + 0.5 % p.a.	8.91	4.39
Rate of compensation decrease - 0.5 % p.a.	(8.39)	(4.15)

Maturity Profile of Defined Benefit Obligation	31 March 2024	31 March 2023
Weighted average duration (based on discounted cashflows)	10 years	8 years

Expected cash flows over the next (valued on undiscounted basis):	31 March 2024	31 March 2023
1 year	10.74	11.40
2 to 5 years	50.36	41.29
6 to 10 years	76.70	44.60
More than 10 years	291.67	126.80

(All amounts in million of Indian Rupees, unless otherwise stated)

b) Compensated leave of absence plan (other long term benefit plan)

The Company permits encashment of leave accumulated by their employees on retirement and separation. The liability for encashment of privilege leave is determined and provided on the basis of actuarial valuation performed by an independent actuary at the date of the balance sheet.

The Company recognised total retirement benefit costs related to all retirement plans as follows:

Particulars	31 March 2024	31 March 2023
Current service cost	8.49	9.12
Personnel expenses	8.49	9.12
Net interest on long term benefit schemes	4.84	4.38
Actuarial (gains)/losses		
Based on adjustment of financial assumptions	41.75	(2.23)
Based on adjustment in demographic assumptions	-	-
Due to liability experience adjustment	1.77	4.06
Return on plan assets (excluding amounts in net interest on defined benefit schemes)	(0.10)	0.13
Net cost for the year	56.75	15.46

The following table shows the change in present value of long term benefit obligations, the change in plan assets and the funded status recognised in the financial statements for the Company's long term benefit plans.

Particulars	31 March 2024	31 March 2023
Present value of funded obligations	112.95	68.33
Fair value of plan assets	(3.36)	(3.03)
Net long term benefit liability	109.59	65.30
Being:		
Retirement benefit assets	(3.36)	(3.03)
Retirement benefit liabilities	112.95	68.33

The movements in the net long term benefit liability recognised within the balance sheet are as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance	65.30	62.60
Cost recognised in the statement of profit and loss	56.75	15.46
Actual employer contributions	-	-
Benefits paid	(12.46)	(12.76)
Closing balance	109.59	65.30

The change in the present value of long term benefit obligations is as follows:

Particulars	31 March 2024	31 March 2023
Beginning balance	68.33	65.55
Current service cost	8.49	9.12
Interest cost on the long term benefit obligations	5.07	4.59
Actual benefit payments	(12.46)	(12.76)
Actuarial (gains)/losses - Financial assumptions	41.75	(2.23)
Actuarial (gains)/losses - Demographic assumptions	-	-
Actuarial (gains)/losses - Liability experience adjustment	1.77	4.06
Closing balance	112.95	68.33

(All amounts in million of Indian Rupees, unless otherwise stated)

The following table shows the change in the fair value of plan assets:

Particulars	31 March 2024	31 March 2023
Beginning balance	3.03	2.95
Actual employer contributions	-	-
Interest income on plan assets	0.22	0.21
Actual return on assets (excluding interest income on plan assets)	0.11	(0.13)
Closing balance	3.36	3.03

The principal actuarial assumptions used for the long term benefit obligations are as follows:

Particulars	31 March 2024	31 March 2023
Discount rate (weighted average)	7.15%	7.40%
Rate of compensation increase (weighted average)	8.00%	3.00%

Mortality rates have been set in accordance with current best practices. The average remaining working life in years on the balance sheet date is as follows:

Particulars	31 March 2024	31 March 2023
Average remaining working life (in years)	25.35	25.35

The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	31 March 2024	31 March 2023
Assets administered by respective insurance companies	100%	100%

A breakup of the long term benefit plan related balance sheet amounts, is shown below.

Particulars	31 March 2024	31 March 2023
Present value of obligations	112.95	68.33
Fair value of plan assets	(3.36)	(3.03)
Net long term benefit liability	109.59	65.30

A feature all plans have in common is that the discount rate has a significant impact on the present value of obligations. The other assumptions have varying impacts on the different plans in different geographic regions. In the breakup presented below, the varying impact of changes in the key assumptions is shown below.

Particulars	31 March 2024	31 March 2023
Discount rate + 0.5 % p.a.	(5.28)	(2.63)
Discount rate - 0.5 % p.a.	5.69	2.81
Rate of compensation increase + 0.5 % p.a.	5.61	2.92
Rate of compensation decrease - 0.5 % p.a.	(5.26)	(2.75)

c) Provident fund and others (defined contribution plan)

Apart from being covered under the gratuity plan described earlier, employees participate in a provident fund plan; a defined contribution plan. The Company makes annual contributions based on a specified percentage of salary of each covered employee to a government recognised provident fund. The Company does not have any further obligation to the provident fund plan beyond making such contributions. Upon retirement or separation an employee becomes entitled for this lump sum benefit, which is paid directly to the concerned employee by the fund. During the year ended 31 March 2024, the Company contributed ₹ 83.32 million (31 March 2023 - ₹ 72.09 million) towards the provident fund plan.

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 25 - RELATED PARTY DISCLOSURES

a) Parent entity

Name	Type	Place of incorporation	Ownership interest	
			31 March 2024	31 March 2023
Nirma Limited (w.e.f 06/03/2024)	Immediate and ultimate parent entity	India	75.00%	-
Glenmark Pharmaceuticals Ltd #	Immediate and ultimate parent entity	India	-	82.84%

b) Entities under common control (Fellow subsidiary companies) (with whom the Company has transactions)

Glenmark Pharmaceuticals Europe Ltd., U.K. (upto 6 March 2024)

Glenmark Pharmaceuticals Inc., USA (upto 6 March 2024)

Glenmark Farmaceutica Ltda., Brazil (upto 6 March 2024)

Viso Farmaceutica S.L.U., Spain (upto 6 March 2024)

c) Enterprise over which key managerial personnel exercise significant influence (with whom the Company has transactions)

Glenmark Foundation (upto 6 March 2024)

d) Other Related Entity in which directors are interested

Piramal Pharma Limited (with effect from 1 April 2022 and upto 6 March 2024)

e) Entities holding more than 10% of the paid up capital in the preceeding financial year (with whom the Company has transactions) #

Glenmark Pharmaceuticals Limited

Glenmark Pharmaceuticals Europe Ltd., U.K.

Glenmark Pharmaceuticals Inc., USA

Glenmark Farmaceutica Ltda., Brazil

Viso Farmaceutica S.L.U., Spain

Glenmark Healthcare Limited (w.e.f 12 May, 2023)

Glenmark Pharmaceuticals Limited (GPL) sold 75 percent stake of the Company to Nirma Limited pursuant to Share Purchase Agreement dated 21 September 2023 and ceased to be holding company with effect from 6 March 2024, however, GPL and its affiliates will be considered as related party for the Company pursuant to regulation 2(1)(zb) of SEBI (LODR) Regulations, 2015 which mandates any entity to be considered as related party where such entity is holding more than of ten per cent or more, at any time, during the immediate preceding financial year.

f) Key Management Personnel

Mr. Glenn Saldanha (Chairman & Non-executive Director upto 6 March 2024)

Mr. V S Mani (Non-executive Director upto 6 March 2024)

Mr. Hiren Karsanbhai Patel (Chairman & Non Executive Director w.e.f 6 March 2024)

Dr. Yasir Rawjee (Managing Director & CEO)

Mr. Kaushikbhai N. Patel (Non Exceutive Independent Director w.e.f 6 March 2024)

Mr. Vijay Kumar Shah (Non Executive Independent Director w.e.f 6 March 2024)

(All amounts in million of Indian Rupees, unless otherwise stated)

Mr. Sumantra Mitra (Executive Director upto 21 October 2022)
 Mr. Vinod Naik (Executive Director with effect from 21 October 2022)
 Mr. Sridhar Gorthi (Non-executive Independent Director upto 6 March 2024)
 Ms. Manju Agarwal (Non-executive Independent Director)
 Mr. Taruvai Laxminarayanan Easwar (Non-executive Independent Director)
 Ms. Gita Nayyar (Non-executive Independent Director)
 Mr. Tushar Mistry (Chief Financial Officer with effect from 1 June 2022)
 Mr. Rudolf Corriea (Company Secretary & Compliance Officer)
 Mr. Bhavesh Pujara (Chief Financial Officer upto 22 April 2022)

g) Related party transaction

	Year ended 31 March 2024	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2023
1 Sale of materials & services		7,632.73		7,364.53
Glenmark Pharmaceuticals Inc., USA	404.76		412.43	
Glenmark Pharmaceuticals Ltd., India	7,164.70		6,904.62	
Piramal Pharma Ltd	63.04		47.48	
Glenmark Healthcare Limited	0.23			
2 Purchase of materials & services		269.66		242.41
Glenmark Pharmaceuticals Ltd., India	167.31		165.31	
Viso Farmaceutica S.L.U., Spain	30.29		12.24	
Glenmark Pharmaceuticals Europe Ltd., U.K.	-		3.35	
Glenmark Farmaceutica Ltda., Brazil	72.06		61.51	
3 Expenses Reimbursed		19.42		42.72
Glenmark Pharmaceuticals Europe Ltd., U.K.	1.83		0.90	
Glenmark Farmaceutica Ltda., Brazil	-		1.18	
Glenmark Pharmaceuticals Ltd., India	0.46		-	
Glenmark Pharmaceuticals Inc., USA	17.13		40.64	
4 Expenses Recovered		18.60		7.02
Glenmark Pharmaceuticals Ltd., India	11.24		7.02	
Glenmark Pharmaceuticals Europe Ltd., U.K.	7.36		-	
5 Expenditure incurred for CSR activities to		-		25.50
Glenmark Foundation	-		25.50	
6 Key management personnel Remuneration*		389.93		106.19
Dr. Yasir Rawjee (Managing Director & CEO)	272.35		54.97	
Mr. Sumantra Mitra (Executive Director upto 21 October 2022)	-		10.31	
Mr. Bhavesh Pujara (Chief Financial Officer upto 22 April 2022)	-		6.18	
Mr. Tushar Mistry (Chief Financial Officer with effect from 1 June 2022)	51.07		14.59	
Mr. Vinod Naik (Executive Director with effect from 21 October 2022)	56.56		12.88	
Mr. Rudolf Corriea (Company Secretary & Compliance Officer)	2.35		2.05	
Sitting Fees paid to the Non Executive Directors	7.60		5.20	
7 Dividend Paid		2,283.86		3,197.40
Glenmark Pharmaceuticals Ltd., India	2,283.86		3,197.40	

*In the case of key management personnel, remuneration does not include gratuity and leave encashment benefits which are determined for the Company as a whole.

(All amounts in million of Indian Rupees, unless otherwise stated)

h) Related party balances

	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
1 Receivable/(Payable) from/ (to) Fellow Subsidiaries / Holding Company		3,120.78		3,958.15
Glenmark Farmaceutica Ltda., Brazil	(26.39)		(3.30)	
Glenmark Pharmaceuticals Europe Ltd., U.K.	(0.38)		(5.64)	
Glenmark Pharmaceuticals Inc., USA	306.25		451.73	
Viso Farmaceutica S.L.U., Spain	(2.10)		(2.67)	
Glenmark Pharmaceuticals Ltd., India	2,843.14		3,518.04	
Glenmark Foundation	-		-	
Glenmark Healthcare Limited	0.27		-	

Note : The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. The settlement for these balances occurs through payment. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 26 - RESEARCH AND DEVELOPMENT EXPENSES

During the year ended, the Company's expenses on research and development ("R&D") is:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employee Benefits expense	441.73	380.62
Consumption of material, stores and spares	178.46	160.52
Administrative Expenses	93.97	80.31
Others	38.81	30.32
	752.97	651.77

NOTE 27 - EARNINGS PER SHARE ("EPS")

The basic earnings per share has been calculated using the net profits attributable to equity shareholders.

Calculation of basic and diluted EPS is as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit attributable to equity shareholders, for basic and diluted	4,708.88	4,669.61
Weighted average number of shares outstanding during the year end	12,25,27,172	12,25,27,172
Weighted average number of shares outstanding during the year for basic EPS	12,25,27,172	12,25,27,172
Weighted average number of shares outstanding during the year for diluted EPS	12,26,80,969	12,25,27,172
Basic (in ₹)	38.43	38.11
Diluted (in ₹)	38.38	38.11

NOTE 28 - SEGMENT REPORTING

Business segment:

The Chief Operating Decision Maker ("CODM") reviews the financial performance, has been identified as the Board of Directors of the Company. The Company has identified only one segment i.e. API as reporting segment based on the information reviewed by CODM.

(All amounts in million of Indian Rupees, unless otherwise stated)

Geographical information:

Geographical segment disclosure given below are based on location of the company's customers in case of revenue. The disclosure of carrying amount of segment assets are based on geographical location of segment assets.

- 1 Within India
- 2 Outside India

Information about revenues by geography :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Revenue from external customers		
Within India	11,664.85	11,330.26
Outside India	11,167.29	10,281.94
	22,832.14	21,612.20

Analysis of assets by geography:

As at 31 March 2024	India	Total
Tangible Assets	7,950.12	7,950.12
Intangible Assets	100.52	100.52
Total	8,050.64	8,050.64

As at 31 March 2023	India	Total
Tangible Assets	7,748.90	7,748.90
Intangible Assets	57.39	57.39
Total	7,806.29	7,806.29

Major customer

Revenues from one customer of the company represented ₹ 7,164.70 million (31 March 2023: ₹ 6,904.62 million) of the Company's total revenues.

NOTE 29 - COMMITMENTS AND CONTINGENCIES

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Contingent Liabilities		
Claims against the Company not acknowledged as debts		
Disputed taxes and duties*	48.16	22.16

*This pertains to Liability of excise duty on domestic clearance of Amiodarone pending with CESTAT Mumbai under The Central Excise Act, 1944

(ii) Commitments

Estimated amount of contracts remaining to be executed on capital account, net of advances, not provided for as at 31 March 2024 aggregate ₹ 293.85 million (31 March 2023 ₹ 106.13 million).

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 30 - FAIR VALUE MEASUREMENTS

Financial instruments by category

Particulars	As at 31 March 2024				As at 31 March 2023			
	FVTPL	Amortised cost	Total carrying value	Total fair value	FVTPL	Amortised cost	Total carrying value	Total fair value
Financial assets								
Non-current financial assets	-	110.30	110.30	110.30	-	82.14	82.14	82.14
Trade receivables	-	7,654.32	7,654.32	7,654.32	-	8,067.66	8,067.66	8,067.66
Cash and cash equivalents	-	3,014.14	3,014.14	3,014.14	-	2,838.23	2,838.23	2,838.23
Bank Balance other than cash and cash equivalents	-	1.80	1.80	1.80	-	255.74	255.74	255.74
Investments	0.77	-	0.77	0.77	0.77	-	0.77	0.77
Other current financial assets	-	903.68	903.68	903.68	-	709.40	709.40	709.40
Total	0.77	11,684.24	11,685.01	11,685.01	0.77	11,953.17	11,953.94	11,953.94
Financial Liabilities								
Trade payables	-	3,686.61	3,686.61	3,686.61	-	4,272.27	4,272.27	4,272.27
Lease Liabilities	-	171.48	171.48	171.48	-	193.57	193.57	193.57
Other current financial liabilities	-	402.68	402.68	402.68	-	226.30	226.30	226.30
Total		4,260.77	4,260.77	4,260.77		4,692.14	4,692.14	4,692.14

During the years mentioned above, there has been no transfers amongst the fair value hierarchy.

The fair value of all the Financial instrument measured at amortised cost are based on discounted cash flow using a discount rate. They has been classified at level 2 in fair value hierarchy due to the use of valuation techniques which measured the use of observable market data.

Trade receivables comprise amounts receivable from the sale of goods and services.

The management considers that the carrying amount of trade and other receivables approximates their fair value.

Bank balances and cash comprise cash and short-term deposits held by the Company. The carrying amount of these assets approximates their fair value.

Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. The management considers that the carrying amount of trade payables approximates to their fair value.

Fair value hierarchy :

Level 1 : Category includes financial assets and liabilities, that are measured in whole or in significant part by reference to published quotes in an active market.

Level 2 : Category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes and assets that are valued using the Company's own valuation models whereby the material assumptions are market observable.

Level 3 : Category includes financial assets and liabilities measured using valuation techniques based on non market observable inputs. This means that fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price from the perspective of the Company. The main asset classes in this category are unlisted equity investments as well as unlisted funds.

Valuation Technique used to determine Fair Value :

The fair value of all the Financial instrument measured at amortised cost are based on discounted cash flow using a discount rate determined considering the borrowing rate charged by the bank.

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 31 - LEASES

Company as lessee

The Company has applied short term and low value exemption for leases and accordingly are excluded from Ind AS 116. The leases includes non cancellable years and renewable option at the discretion of lessee which has been taken into consideration for determination of lease term.

(i) The following are the amounts recognised in profit or loss for the year:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Expense relating to short-term leases and low value assets	3.80	4.24

(ii) The following are the changes in the carrying value of right of use assets

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance as at 1st April	459.12	288.46
Additions	-	191.10
Depreciation	(27.94)	(20.44)
Balance as at 31st March	431.18	459.12

(iii) The movement in lease liabilities during the year

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance as at 1st April	193.57	28.84
Additions	-	176.01
Finance cost accrued	15.24	5.15
Payments	(37.33)	(16.43)
Balance as at 31st March	171.48	193.57

(iv) The following is the break-up of current and non-current lease liabilities*

Particulars	As at 31 March 2024	As at 31 March 2023
Current Lease Liabilities	23.87	22.65
Non-Current Lease Liabilities	147.61	170.92
Total	171.48	193.57

* It consists of building and machinery

(v) The following is contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than 1 Year	37.32	37.32
1 to 5 Years	118.10	136.32
More than 5 Years	76.43	95.54
Total	231.85	269.18

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 32 - RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks which results from the Company's operating and investing activities. The Company focuses on actively securing its short to medium term cash flows by minimising the exposure to financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Financial assets that potentially subject the Company to concentrations of credit risk consist principally of cash equivalents, accounts receivables, other receivables, investment securities and deposits. By their nature, all such financial instruments involve risk including the credit risk of non-performance by counter parties.

The Company's cash equivalents and deposits are held in reputed banks, which management believes are of high credit quality and hence no impairment allowances has been recognized.

The Company's trade and other receivables are actively monitored to review credit worthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

Foreign Currency sensitivity

The foreign currency sensitivity analysis has been performed in relation to US Dollar (USD) , Euro (EUR),GBP and Russian Ruble(RUB). These are unhedged foreign currency.

Considering the volatility in direction of strengthening dollar upto 10%, the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into USD at the closing rate, are as follows.

Particulars	31 March 2024		31 March 2023	
	USD (million)	INR	USD (million)	INR
Short-term exposure				
Financial assets-Trade receivables	50.83	4,236.55	44.70	3,672.26
Financial liabilities- Trade payables	(11.43)	(945.16)	(12.34)	(996.88)
Total	39.40	3,291.39	32.36	2,675.38

If the INR had strengthened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	INR	INR
Effect on Profit before tax and Pre-tax equity	(329.14)	(267.54)

If the INR had weakened against the US Dollar by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	INR	INR
Effect on Profit before tax and Pre-tax equity	329.14	267.54

Considering the volatility in direction of strengthening EUR upto 10% , the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into EUR at the closing rate, are as follows.

Particulars	31 March 2024		31 March 2023	
	EUR (million)	INR	EUR (million)	INR
Short term exposure				
Financial assets-Trade receivables	1.64	147.09	0.68	60.77
Financial liabilities- Trade payables	(0.05)	(4.16)	(0.08)	(6.60)
Total	1.59	142.93	0.60	54.17

(All amounts in million of Indian Rupees, unless otherwise stated)

If the INR had strengthened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	INR	INR
Effect on Profit before tax and Pre-tax equity	(14.29)	(5.42)

If the INR had weakened against the EUR by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	INR	INR
Effect on Profit before tax and Pre-tax equity	14.29	5.42

Considering the volatility in direction of strengthening RUB upto 10% , the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Foreign currency denominated financial assets and liabilities, translated into RUB at the closing rate, are as follows.

Particulars	31 March 2024		31 March 2023	
	RUB (million)	INR	RUB (million)	INR
Short term exposure				
Financial assets-Trade receivables	177.94	159.82	37.16	39.40
Financial liabilities- Trade payables	-	-	-	-
Total	177.94	159.82	37.16	39.40

If the INR had strengthened against the RUB by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	INR	INR
Effect on Profit before tax and Pre-tax equity	(15.98)	(3.94)

If the INR had weakened against the RUB by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	INR	INR
Effect on Profit before tax and Pre-tax equity	15.98	3.94

Considering the volatility in direction of strengthening GBP upto 10% , the sensitivity analysis has been disclosed at 10% movements on strengthening and weakening effect for presenting comparable movement due to currency fluctuations.

Particulars	31 March 2024		31 March 2023	
	GBP (million)	INR	GBP (million)	INR
Short term exposure				
Financial assets-Trade receivables	0.07	7.29	-	-
Financial liabilities- Trade payables	(0.06)	(5.92)	(0.06)	(5.91)
Total	0.01	1.37	(0.06)	(5.91)

If the INR had strengthened against the GBP by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	INR	INR
Effect on Profit before tax and Pre-tax equity	(0.14)	0.59

(All amounts in million of Indian Rupees, unless otherwise stated)

If the INR had weakened against the GBP by 10% then this would have the following impact:

Particulars	31 March 2024	31 March 2023
	INR	INR
Effect on Profit before tax and Pre-tax equity	0.14	(0.59)

Credit risk analysis

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the date of the balance sheet, as summarised below:

Particulars	31 March 2024	31 March 2023
Cash & cash equivalents	3,014.14	2,838.23
Bank Balance other than cash and cash equivalents	1.80	255.74
Trade receivables	7,654.32	8,067.66
Current financial assets	903.68	709.40
Non current financial assets	110.30	82.14
Total	11,684.24	11,953.17

The Company's cash equivalents and deposits are held in reputed banks, which management believes are of high credit quality and hence no impairment allowances has been recognized.

Trade receivables are usually due within 60-180 days. Generally and by practice most customers enjoy a credit year of approximately 180 days and are not interest bearing, which is the normal industry practice. All trade receivables are subject to credit risk exposure. However, the Company does not identify specific concentrations of credit risk with regard to trade and other receivables, as the amounts recognised represent a large number of receivables from various customers.

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. However, As there were no material bad debts in past years and there is no material receivables outstanding for more than 6 months, company does not have any expected credit loss assesment.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The Company's management considers that all the above financial assets that are not impaired for each of the reporting dates and are of good credit quality, including those that are past due. None of the Company's financial assets are secured by collateral or other credit enhancements.

In respect of trade and other receivables, the Company's credit risk exposure towards any single counterparty or any group of counterparties having similar characteristics is considered to be negligible. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk analysis

The Company manages its liquidity needs by carefully monitoring cash-outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout year are identified monthly.

The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day years. Funding in regards to long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

(All amounts in million of Indian Rupees, unless otherwise stated)

The Company's liabilities have contractual maturities which are summarised below:

As at 31 March 2024

	Current	Non-Current
	Within 1 year	More than 1 year
Trade payable	3,686.61	-
Lease Liabilities	37.32	194.53
Other current financial liabilities	402.68	-
Total	4,126.61	194.53

As at 31 March 2023

	Current	Non-Current
	Within 1 year	More than 1 year
Trade payable	4,272.27	-
Lease Liabilities	37.32	231.86
Other current financial liabilities	226.30	-
Total	4,535.89	231.86

NOTE 33 - CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns to shareholders and benefits for other stakeholders, and maintain an optimal structure to reduce the cost of capital. In order to maintain or adjust the Capital structure, the Company may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell new assets to reduce debt.

Net Debt = total borrowings less cash and cash equivalent. Total 'equity' as shown in the balance sheet.

	31 March 2024	31 March 2023
Total debt [#]	-	-
Less: Cash & cash equivalents	3,014.14	2,838.23
Net debt	(3,014.14)	(2,838.23)
Total Equity	23,323.22	21,382.07

[#] Does not include lease liabilities

NOTE 34 - NOTE ON EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

Following is the information regarding projects undertaken and expenses incurred on CSR activities during the year is as follow:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) Amount required to be spent by the company during the year	111.09	97.3
(ii) Surplus of previous financial year available for set off	0.38	0.25
(iii) Amount of expenditure incurred during the year	110.74	97.43
(iv) Shortfall at the end of the year	-	-
(v) Total of previous years shortfall	-	-
(vi) Reason for shortfall	NA	NA
(vii) Nature of CSR activities	Promoting education, Promoting health care including preventive health care, Eradicating hunger, poverty and malnutrition, Disaster Response (including COVID 19), Promoting Skill Development, Community Development and Training to promote Olympic Sports	
(viii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard (Refer Note 24)	0.00	25.50
(ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	NA
(x) Excess amount available for set-off in succeeding financial years	0.03	0.38

There are no amounts spent separately for construction/acquisition of any asset.

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 35 - COMPARATIVES

Certain prior year amounts have been reclassified for consistency with the current year presentation. As a result, certain line items have been amended in the financial statements. These reclassifications had no effect on the reported results of operations. Comparative figures have been adjusted to conform to the current year's presentation.

NOTE 36 - RATIOS

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	% Variance
Current Ratio	Current Assets	Current Liabilities	4.37	3.73	17.16%
Return on Equity (ROE)	Net Profit	Average Shareholder's Equity	21.07%	22.28%	-5.43%
Inventory Turnover Ratio	Cost of Goods Sold(1)	Average Inventory	1.58	1.81	-12.88%
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivable	2.90	2.92	-0.68%
Trade Payables Turnover Ratio	Purchases of Materials	Average Trade Payables	2.67	2.89	-7.45%
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	1.55	1.61	-3.73%
Net Profit Ratio	Net Profit	Revenue from Operations	20.62%	21.61%	-4.56%
Return on Capital Employed (ROCE)	Earning before interest and taxes	Capital Employed(2)	26.74%	29.09%	-8.06%

- Cost Materials Consumed + Changes in inventories of finished goods and work-in-progress
- Tangible Net Worth + Total Debt + Deferred Tax Liability

NOTE 37

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory year,
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 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
- No funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
- No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company has audit trail enabled at SAP application level and not at database levels because enabling this will have direct impact on the space utilization at OS level.

(All amounts in million of Indian Rupees, unless otherwise stated)

NOTE 38 - AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors at their meeting held on 25th April, 2024

As per our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership Number - 504662

Place: Mumbai
Date: 25 April 2024

For and on behalf of the Board of Directors

Glenmark Life Sciences Limited

Yasir Rawjee
Managing Director & CEO
DIN: 01965174

Tushar Mistry
Chief Financial Officer

Place: Mumbai
Date: 25 April 2024

Vinod Naik
Executive Director
DIN: 03635487

Rudalf Corriea
Company Secretary & Compliance Officer



Glenmark Life Sciences Limited

Registered Office

Plot No. 170-172,
Chandramouli Industrial Estate,
Mohol Bazarpeth,
Solapur 413 213
Maharashtra, India

Corporate Office

4th Floor, OIA House,
470, Cardinal Gracious Road,
Andheri (E),
Mumbai 400 099
Maharashtra, India

www.glenmarklifesciences.com