GlaxoSmithKline Consumer Healthcare Ltd.
24-25 Floor, One Horizon Center
Sector 43, DLF Phase 5, Golf Course Road
Gurugram (Haryana), India - 122002

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E contact.4.gsk@gsk.com
www.gsk.com

June 27, 2019

Corporate Relations (Listing Department)
BSE Limited
Stock Exchange Towers
Dalal Street, Fort
Mumbai - 400 023

Manager - Listing Department
National Stock Exchange of India Ltd.
C – 1, Block G, Exchange Plaza
Bandra-Kurla Complex
Bandra (East)
Mumbai - 400 05

Dear Sir,

Sub: Notice of Book Closure, Record Date and Intimation of Board Meeting.

This is to inform you that pursuant to the provisions of Section 91 of the Companies Act, 2013, and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Book of the Company will remain closed from Saturday, July 27, 2019 to Friday, August 2, 2019 {both days inclusive) for the purpose of 60th Annual General Meeting and for taking on record the Shareholders for the purpose of payment of Dividend, if approved at the Annual General Meeting, for the year ended March 31, 2019. We are also attaching Annual Report of the Company for Financial Year 2018 -19 and Notice of Annual General Meeting which is to be held on August 02, 2019.

Dividend, if approved at the Annual General Meeting, will be paid to all those Members whose names appear in the Company's Register of Members and to those persons whose names appear as beneficial owner (as per the details to be furnished by the Depositories in respect of shares held in dematerialized form) as at the close of business hours on Friday, July 26, 2019.

Pursuant to Regulation 29 of SEBI {Listing Obligations and Disclosure Requirements) Regulations, 2015, Notice is hereby given that a meeting of the Board of Directors of the Company will be held on Thursday, August 1, 2019 at Conference Room, GlaxoSmithKline Consumer Healthcare Limited, Patiala Road, Nabha -147201 to, inter-alia, consider and take on record the unaudited Financial Results for the quarter ended June 30, 2019 with Limited Review by Auditors.

Please take the above on your records.

Thanking You,

For GlaxoSmithKline
Consumer Healthcare Limited

(Shanu Saksena)
Company Secretary

Encl: as above

do more
feel better
live longer

GLAXOSMITHKLINE CONSUMER HEALTHCARE LIMITED

Annual Report

FOR THE YEAR ENDED MARCH 31, 2019

Horlicks
gsk
WHEN MUSIC IS ON,
EXAM FEAR IS GONE.
Horlicks
FEARLESS
SONGS
#FearlessExams
YouTube
Horlicks is a nourishing beverage to be taken as part of regular daily diet.
CHIN/CHHORK/0034/19

GLAXOSMITHKLINE
CONSUMER HEALTHCARE LIMITED

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Registrars And Transfer Agents
Karvy Fintech Private Limited
Karvy Selenium Tower B,
Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda,
Serilingampally Hyderabad – 500 008

Website: www.gsk-ch.in

Investor Email ID: investor.2.co@gsk.com

Corporate Identity Number: L24231PB1958PLC002257

Chairman
Zubair Ahmed (till 30.06.2018)
P. Dwarakanath (appointed Chairman w.e.f. 01.07.2018)

Managing Director
Navneet Saluja

Directors
Kunal Kashyap
Naresh Dayal
Sangeeta Talwar
S. Madhavan (w.e.f. 25.09.2018)
Joaquin B Mascaro (till 25.06.2018)
Vivek Anand
Anup Dhingra

Company Secretary
Shanu Saksena

Bankers
State Bank of India
HDFC Bank
HSBC Bank
Deutsche Bank A.G.
DBS Bank
Standard Chartered Bank
Citi Bank
Bank of America
BNP Paribas
ICICI
Barclays Bank

Auditors
Deloitte Haskins & Sells LLP

Registered Office
Patiala Road, Nabha – 147 201 (Punjab)

Head Office
24 & 25 Floor, One Horizon Centre, DLF Phase - V,
Gurugram – 122 002 (Haryana)

Financial Statistics

Ten Year Financial Statistics

(Rs. Lakhs)

	2009	2010	2011*	2012*	2013-14* (15 Months)	2014-15**	2015-16**^	2016-17**^	2017-18**^	2018-19**^
SOURCES AND APPLICATIONS OF FUNDS										
SOURCES OF FUNDS										
Share Capital	42,06	42,06	42,06	42,06	42,06	42,06	42,06	42,06	42,06	42,06
Reserves & Surplus	8,63,04	9,17,98	11,02,12	13,18,92	17,70,79	20,70,98	27,56,65	30,80,61	34,43,06	40,52,66
Total Shareholders' Funds	9,05,10	9,60,04	11,44,18	13,60,98	18,12,85	21,13,04	27,98,71	31,22,67	34,85,12	40,94,71
Funds Employed	**9,05,10**	**9,60,04**	**11,44,18**	**13,60,98**	**18,12,85**	**21,13,04**	**27,98,71**	**31,22,67**	**34,85,12**	**40,94,71**
Total	**9,05,10**	**9,60,04**	**11,44,18**	**13,60,98**	**18,12,85**	**21,13,04**	**27,98,71**	**31,22,67**	**34,85,12**	**40,94,71**
Application Of Funds										
Property, Plant and Equipment (Gross)	5,96,26	7,07,29	7,85,82	8,53,47	8,93,07	11,01,59	6,20,82***	6,87,02***	6,89,10***	7,14,49***
Accumulated Depreciation/ Impairment	3,64,00	3,96,71	4,35,97	4,62,40	5,14,71	5,67,53	88,16***	1,41,93***	1,75,32***	2,34,69***
Property, Plant and Equipment (Net)	2,32,26	3,10,58	3,49,85	3,91,07	3,78,36	5,34,06	5,32,66***	5,45,09***	5,13,78***	4,79,80***
Investments	0.05	0.05	-	-	-	-	-	-	-	-
Deferred Tax Asset	11,01	26,73	39,89	61,63	90,30	1,04,34	1,13,13	1,27,80	1,15,45	1,13,89
Net Assets (Current And Non Current)	6,61,83	6,22,73	7,54,44	9,08,28	13,44,19	14,74,64	21,52,91	24,49,77	28,55,89	35,01,02
Total Application	**9,05,10**	**9,60,04**	**11,44,18**	**13,60,98**	**18,12,85**	**21,13,04**	**27,98,71**	**31,22,67**	**34,85,12**	**40,94,71**

** 2011, 2012 and 2013-14 based on Revised Schedule VI*
*** 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19 based on Schedule III*
**** For 2015-16, 2016-17, 2017-18 and 2018-19, the Company has availed the deemed cost exemption and used the previous GAAP net carrying amount of property, plant and equipment including capital work in progress as deemed cost.*
^ 2015-16, 2016-17, 2017-18 and 2018-19 are stated as per Ind AS

Ten Year Track Record

(Rs. Lakhs)

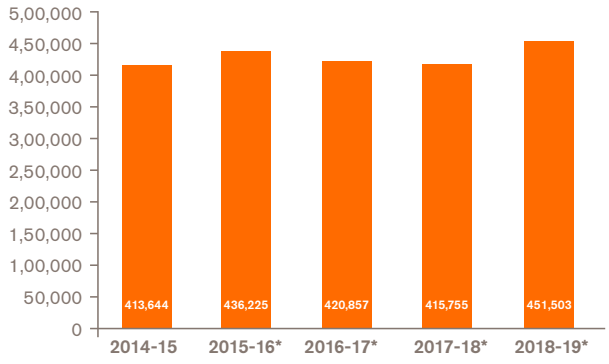
	2009	2010	2011	2012	2013-14 (15 Months)	2014-15	2015-16*	2016-17*	2017-18*	2018-19*
Turnover	19,21,50	23,06,12	26,85,51	30,79,36	46,82,92	41,36,44	43,62,25	42,08,57	41,57,55	45,15,03
Profit Before Tax	3,53,86	4,51,80	5,40,26	6,48,69	10,16,07	8,89,14	10,55,95	10,10,42	10,74,36	15,12,29
Net Profit	2,32,78	2,99,85	3,55,21	4,36,76	6,74,75	5,83,60	6,87,28	6,56,68	7,00,10	9,82,80
Other Comprehensive Income (Net)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	(3,91)	21,60	16,67	7,04
Total Comprehensive Income	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	6,83,37	6,78,28	7,16,77	9,89,85
Dividend	75,70	2,10,28	1,47,19	1,89,25	1,89,25	2,31,31	2,31,31**	2,94,39**	2,94,39**	3,15,42**
Corporate Dividend Tax	12,87	34,92	23,88	30,70	32,16	47,09	47,09**	59,93**	59,93**	64,83**
Retained Earnings	1,44,22	54,65	1,84,13	2,16,80	4,51,87	3,05,21	4,04,98**	3,23,96**	3,62,45**	6,09,60**
Dividend - %	1,80	5,00	3,50	4,50	4,50	5,50	5,50	7,00	7,00	7,50
Earnings Per Share (Rs.)	55.35	71.30	84.46	103.85	160.44	138.77	163.42	156.15	166.47	233.69
Number Of Share Holders	22,443	22,867	25,639	27,020	26,423	27,288	33,352	41,916	47,243	56,785

** 2015-16, 2016-17 ,2017-18 and 2018-19 are stated as per Ind AS*
*** For 2015-16, 2016-17, 2017-18 and 2018-19, the company has reported Dividend, CDT & Dividend % on actual payment basis as per Ind AS.*

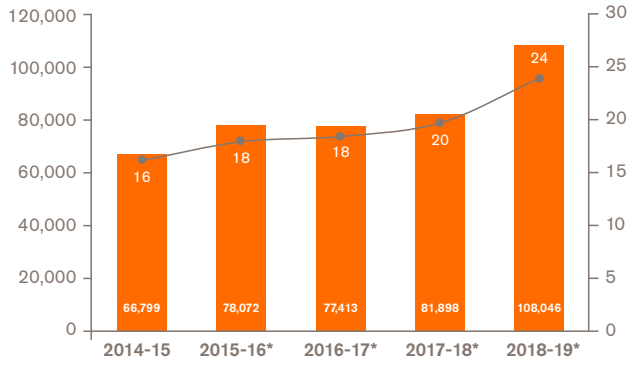
Financial Highlights

FINANCIAL			
Revenue from Operations 2018-19 **Rs 47,82,01 Lakhs** Growth vs LY: **9%** (Comparable growth: **12%**)	PBT 2018-19 **Rs 15,12,29 Lakhs** Growth vs LY: **41%**	EPS 2018-19 **Rs 233.69** per share Growth vs LY: **40%**	Cash from operations 2018-19 **Rs 11,70,58 Lakhs**

Turnover
(Rs. Lakhs)

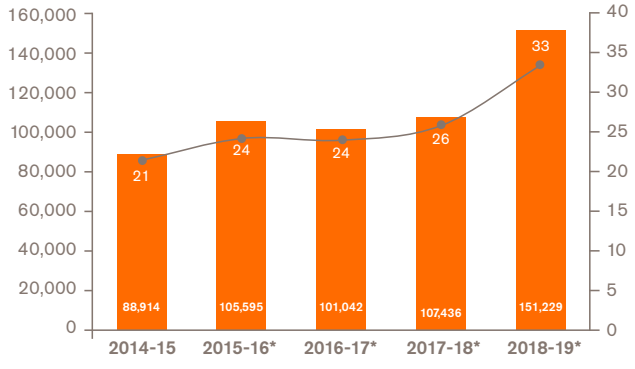


EBIT
(Rs. Lakhs)



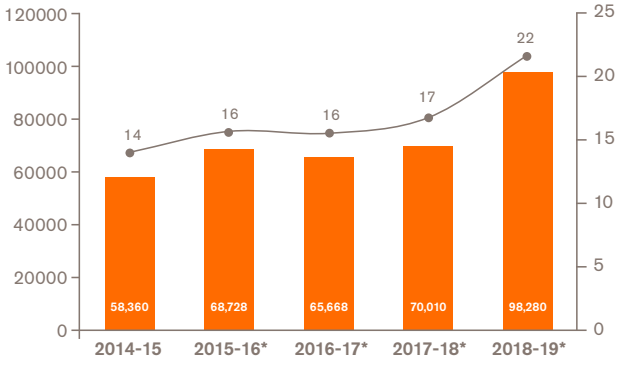
EBIT as a % to Sales

Profit Before Tax
(Rs. Lakhs)



PBT as a % to Sales

Net Profit
(Rs. Lakhs)



Net Profit as a % to Sales

*2015-16, 2016-17, 2017-18 and 2018-19 stated as per Ind AS

OTHER METRICS		
Distribution outlets - **1.96 MN** Highest ever with a 10% YOY growth	**Reduced water consumption** by **11%** at sites to 554,212 KL in 2018-19	**13%** reduction in Carbon Emissions (Absolute Carbon (Kg))
Nutrition & WASH ("water, sanitation and hygiene") programme reaching out to over **2,35,000** beneficiaries (PAN India covering 5 states)	**Horlicks Swasthya Abhiyan** reached **7,000 villages** through 15,000 Rural Medical Practitioners	Created livelihood for rural women in **216,000 households** through the Village Level Entrepreneurs programme

KEY FINANCIAL RATIOS

Particulars	2016-17	2017-18	2018-19
Return on Net Worth (%)	22%	21%	**24%**
Return on Capital Employed (%)	24%	26%	**36%**
Operating Profit Margin (%)	18%	20%	**24%**
Net Profit Margin (%)	16%	17%	**22%**
Basic EPS	156.15	166.47	**233.69**
Current Ratio	2.59	2.62	**2.90**

Detailed explanation of ratios

1. **Return on Net Worth**

   Return on Net Worth is a measure of profitability of a Company expressed in percentage. It is calculated by dividing total comprehensive income for the year by average capital employed during the year.

2. **Return on Capital Employed**

   Return on Capital Employed is a financial ratio that measures a Company's profitability and the efficiency with which its capital is used. It is calculated by dividing profit before exceptional items and tax by average capital employed during the year.

3. **Operating Profit Margin (%)**

   Operating Profit Margin is a performance ratio used to calculate the percentage of profit a Company produces from its operations. It is calculated by dividing the EBIT by turnover.

4. **Net Profit Margin (%)**

   The net profit margin is equal to how much net profit is generated as a percentage of revenue. It is calculated by dividing the profit for the year by turnover.

5. **Basic EPS**

   Earnings Per Share (EPS) is the portion of a Company's profit allocated to each share. It is calculated by dividing Profit for the year by Weighted average number of shares outstanding during the year.

6. **Current Ratio**

   The Current Ratio indicates the extent to which current liabilities can be paid off through current assets. It is calculated by dividing the current assets by current liabilities.

Directors' Report

Your Directors are pleased to present the Annual Report on the business and operations of your Company and the audited Financial Statements of your Company for the year ended March 31, 2019. These statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.

Financial Results

(Rs. Lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from Operations	47,82,00.53	43,77,05.34
Profit before Depreciation, Amortisation and Tax	15,72,79.56	11,38,73.38
Less: - Depreciation and Amortisation	6,050.49	64,37.39
Profit before Tax	15,12,29.07	10,74,35.99
Income Tax Expense :		
- Current Tax	5,27,92.91	3,61,90.58
- Deferred Tax	1,55.76	12,35.19
	5,29,48.67	3,74,25.77
Profit after Tax for the Year	9,82,80.40	7,00,10.22
Other Comprehensive Income for the year, net of tax	7,04.24	16,66.78
Total Comprehensive Income for the year	9,89,84.64	7,16,77.00
Appropriations		
Dividend Paid	(3,15,41.65)	(2,94,38.88)
Tax on Dividend	(64,83.48)	(59,93.06)
	(3,80,25.13)	(3,54,31.94)
Earnings per Equity Share		
Basic and Diluted Earnings per Equity Share (INR)	233.69	166.47
Dividend per Share (Rs.)	105.00*	75.00

*Dividend is recommended by the Directors and is subject to the approval of the Shareholders.

Performance of your Company

Your Company continued its journey of being a leading Fast-moving consumer healthcare Company, delivering a healthy sustainable growth which is reflective of the trust that consumers have in your products. This year witnessed a strong performance in terms of volume led profitable growth. In the year ended March 31, 2019, net revenue from operations grew by 9.3% vs last year to Rs. 47,82,00.53 Lakhs and Profit after Tax grew by 40% vs last year to Rs. 9,82,80.40 Lakhs. The strong track record of cash generation was sustained. Your Company accelerated its growth momentum and further strengthened the competitive position in HFD ("Health Food Drinks") category with volume and value market share at 63.8% and 53.8% respectively.

During the year, your Company continued to focus on strengthening the core portfolio, driving premiumisation, creating new engines of growth with expansion in existing and new markets and embracing digital and e-commerce.

Your Company strengthened its business through science-based innovation and brand building initiatives. It focused on building a consumer preferred and expert recommended brand which is differentiated by science and insight driven innovation.

Your Company continued to build momentum behind its high science range with **Horlicks Growth+** and **Horlicks Protein+.** The high science range continues to drive Horlicks equity. Horlicks protein offers a "Better Protein" proposition to its consumers with an excellent taste that keeps the brand share in the protein segment.

Innovation continues to be the key focus for your Company. The new Horlicks campaign "Badhne ki Bhookh Rag Rag mein" aims to create awareness around nutrient absorption. The campaign highlights that Horlicks contains B10 nutrients which gets absorbed in blood and hence makes children tall, strong and sharp.

Junior Horlicks embarked on a new journey of becoming the most preferred brand for brain development. The restage involved a new pack and formulation change with 2 times more DHA content, one of the key ingredients in driving cognitive development amongst toddlers. High impact on TV and surround media helped the brand further strengthens its credentials.

Boost forayed into the ready to drink segment with Boost ON-THE-GO, marking yet another innovation. The launch catalyses consumption on Boost to cold and out of home occasions positioned as a tasty refreshing drink with energy and stamina supporting nutrients. The launch leverages the equity of brand Boost on energy, taste and one which the children love.

Your brand - Boost continued to grow in double digit in the core market of South India. The launch of "play the pros" gave a chance to the core audience to play with their sporting hero "MS Dhoni". Boost sachets helped in driving incremental consumption and penetration during the year.

Your Company has further strengthened its distribution base, sales capabilities and execution skills for enhanced customer service across channels. The visibility led retail activation programs like Orange Stores helped in driving on-shelf availability.

Supply chain continued its relentless focus on driving quality, customer service and cost effectiveness across the value chain. Customer service levels reached upwards of 95% while cost savings were at a record high, which helped the business to invest behind growth and still deliver a healthy margin improvement. Your Company took steps to further reduce waste, water consumption, energy usage and carbon emissions in factories and offices.

It was an outstanding year of high performance with considerable achievements across the business. Sustainable, profitable growth can only be achieved in an organisation when employees are engaged and empowered. The employee engagement scores were at an all-time high. Your Company has put in continuous efforts to develop the right capabilities for different ways of working and leadership qualities in people.

Dividend

The Board of Directors recommend a total dividend of Rs. 105 per equity share of Rs. 10 each for the year ended March 31, 2019. If approved by the members at the ensuing Annual General Meeting to be held on August 2, 2019, it will be paid on or before, September 2, 2019 to those members whose names appear in the Company's Register of Members and to those persons whose names appear as beneficial owners (as per the details to be furnished by the depositories in respect of the shares held in dematerialised form) as at the close of business hours on July 26, 2019.

Dividend Policy

The equity shares of GlaxoSmithKline Consumer Healthcare Limited (the "Company") are listed at the Bombay Stock Exchange Limited ("BSE Ltd.") and the National Stock Exchange of India Limited ("NSE Ltd.").

As per the Regulations, your Company is required to formulate a policy regarding distribution of dividend to its Shareholders and/ or retaining its profits ("Dividend Distribution Policy") and shall disclose the same on its website and in the Annual Report. The Board of Directors (the "Board") has formulated the Dividend Distribution Policy of your Company which reflects the intent of your Company to reward you by sharing a portion of its profits after retaining sufficient funds for growth of your Company. Your Company will pursue this Policy to pay dividends to you.

The general considerations of your Company for taking decisions about dividend pay-out or retention of profits shall be as following:

A. Circumstances under which the shareholders may or may not expect dividend:
   i. Magnitude of earnings of the Company
   ii. Inadequacy of profits
   iii. Operating cash flow of the Company
   iv. Obligations to creditors
B. Financial Parameters that shall be considered while declaring dividends:
   i. Company Performance
   ii. Statutory requirements including those with respect to mandatory transfer of a certain portion of profits to any specific reserve such as Capital Redemption Reserve
   iii. Proposals for capital expenditures
   iv. Working capital management
   v. Cost of borrowings: The Board will analyze the requirement of necessary funds considering the long term or short-term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from outsiders such as bankers or lending institutions.
C. Internal and External factors that shall be considered while declaring dividend:
   i. Product/ market expansion plan
   ii. Macroeconomic conditions
   iii. Taxation and other regulatory concerns

The decision of dividend pay-out shall, majorly be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

The complete policy is also available under investor relations section at www.gsk-ch.in

Management Discussion and Analysis Report

In fiscal year 2018-19, the Indian economy regained momentum after a slowdown due to demonetisation and the implementation of GST (Goods and Services Tax). Sustained GDP growth is likely to continue though there is a decline in growth projections. Budget focus over rural and unorganised sector will stimulate the demand and boost rural growth.

Over the years, your Company has built a strong rural foothold that reaches over 24,000 villages directly. Its rural business has been working with the vision of building a strong connect with the communities it serves. This has helped your Company build categories and brands and create a positive social impact by building awareness on nutrition & promoting good health practices.

Your Company has continued to focus on two key growth drivers in the Rural Programme namely, Horlicks Swasthya Abhiyan("HSA") and Village Level Entrepreneurs ("VLE"); HSA program aims to improve the standards of hygiene & health in the rural areas, engaging with rural medical practitioners and community workers, thus creating awareness, education and relevance for the brands. HSA now reaches over 7,000 villages through 15,000 Rural Medical Practitioners and connects with over a million consumers. VLE has reached more than 3,000 villages by which your Company is reaching out to the bottom of the income pyramid (direct reach of 216,000 households). In this process, your Company creates livelihood for rural women while enhancing the access of your products in small villages. Mobile Sakhi, a mobile based advisory service for pregnant mothers, delivers vital information pertaining to pregnancy and is currently being used by over 63,000 rural women.

Further, your Company has continued to address the issue of malnutrition under Mission Health, working with strategic partners as part of CSR ("Corporate Social Responsibility") initiatives during the year. Your Company formulated a clear philosophy on the CSR. Further details are provided in CSR section of this Annual Report.

Your Company continued to strengthen its business through focus on delivering high science-based innovation. Your Company continued to drive brand building activities through diversified platforms of online and offline advertising and consumer-connect activities.

R&D constantly explores opportunities for a robust Innovation pipeline to address new cohorts and consumption occasions.

Your Company has made significant investments to accelerate E-commerce sales especially for the high science portfolio and new launches.

Your Company recognizes the importance of different channels including E-Commerce and Modern trade which is helping to promote and build advocacy for your premium products – Protein+, Women's Horlicks, Growth+, etc. To support all the channels, your Company has also engaged with subject matter experts to assess and build capabilities that can help accelerate and deliver sustainable growth for Health Drinks.

Your Company's sincere efforts on cost efficiency, cash flow management, value engineering, quality, compliance, rationalised consumer promotion spending's continued to deliver positive results in supporting profitable growth.

Reserves

The total reserves as on March 31, 2019 stood at Rs. 40,52,65.85 Lakhs representing an increase of 17.71% over March 31, 2018.

Compliance with Laws and Regulations

As per the provisions of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH"), your Company has a robust mechanism in place to redress complaints reported. Your Company has complied with provisions relating to the constitution of Internal Complaints Committee ("ICC") as per the guidelines laid down in the Act for each of its locations. The ICC comprised of internal members and an external member as required under the Act. During the year 2018-19, three cases of sexual harassment were reported in your Company which were addressed within the legal framework. To enhance awareness the details of ICC members have been widely communicated with all employees. Besides this all employees are required to go through mandatory online training module to enhance awareness and knowledge of biases that may influence thinking and actions. Your Company also organizes several workshops for its employees to build a culture of zero tolerance on sexual harassment and discrimination.

Research and Development (R&D)

Your Company's R&D vision is to improve the lives of people by creating and sustaining consumer-led science-based innovation. Science remains the core of your product portfolio that addresses the nutritional needs of consumers. The R&D team continues to focus on new product innovation in new formats, supporting different platforms to build an Innovation pipeline. The team successfully launched 3 new products this year.

- **Boost RTD:** With this launch in May 2018, Boost expanded its reach to consumers in a new format of Ready to Drink Beverage with the first launch in the State of Tamil Nadu. The innovation aims to cater to additional demand spaces / consumption occasions and enter "On the Go / Out of Home consumption" through a new format.

- **Junior Horlicks Restage:** A successful relaunch of Junior Horlicks portfolio with 40 mg DHA and reduced sugar (Nov 2018). This was a multifaceted innovation of Horlicks' largest extension where changes were done across product, packaging and claims, delivering better claim to consumer (Now with 2X DHA), superior taste versus previous product, healthier choice (reduced sugar) and better pack design.

- **Mother's Horlicks-** No added Sugar: Launched in May 2018 in India in 2 flavors i.e. Vanilla and Kesar, to meet the daily nutritional requirements of the consumers.

The R&D function continues to focus on regulatory compliance with local food laws, and proactively engages with the regulatory authorities and industry associations to shape the regulatory environment for science-based innovation in food and nutrition.

You will be pleased to know your Company's R&D function has adopted best practices as mentioned below:

- Rigorous consumer understanding/insight/validation work was conducted. Mapping of the Fundamental insight work with the Consumer Experience Journey, by identifying the Desired Consumer Experience and laying out the strategic framework for short, medium and long-term innovation opportunities for Family Nutrition. New breakthrough opportunities on new consumer segments, benefit areas, channels, platform extensions, product, packaging, claims, communications and digital innovations were identified to shape the pipeline and drive business growth.

- Working closely with the cross functional teams including NPD("New Product Development"), Sensory and Product Understanding, CDMA("Clinical Development and Medical Affairs") and Quality to develop products translating insights to ideal product models, to deliver holistic product design and superior product experience to delight your consumers.

- Structuring of Value Engineering Program that helps to mitigate the increasing cost of raw materials. Designing to value remains an integral part of R&D product development process to provide most efficient cost advantage to end consumer.

You will be glad to know that your Company's R&D is significantly involved in building and defining new science and benefits through modern technology that would give cutting edge advantage to customer offerings along with scientific research to drive differentiated claims, enabling your Company to sustain category leadership. Some of the high science differentiated products are in advance stage of development for launches in short, medium, and long term, and thus making the innovation pipeline robust.

ISO Certification

Your Company's manufacturing facilities at Nabha, Rajahmundry and Sonepat continue to be certified to ISO 9001: 2015, ISO 22000: 2005, ISO 14001: 2015, ISO 18001: 2007 and OHSAS 18001 by SGS, a leading International Certification Company. These certifications indicate your Company's commitment in meeting in a sustainable manner Global Quality, Environment, Health, and Safety Standards.

Technology

Your Company delivered on various aspects of technology for business efficiencies. During the year, your Company completed simplification projects like E-forms for requisition, GST Enhancements and new VITTRAK Distributor Management System. This function delivered Innovation projects like iStore predictive analytics for sales force, ChatBot for Compliance and several initiatives on Digital, Data and Analytics. CH Tech roadshow is a regular quarterly feature to augment Tech Quotient of the employees by showcasing the technologies readily available and future innovations to enhance productivity.

Internal Control System and Adequacy

Your Company has established and maintained adequate internal controls including financial controls over financial reporting. Your Company has ensured the operating effectiveness of these internal controls as follows:

- Establishment of well-documented standard operating procedures, policies, risk and control matrices for all material processes. These processes are regularly tested for operating effectiveness, reviewed and updated frequently so as to align with global best practices.

- Any material variances from the budget are reviewed monthly and approved by the senior management. All major policy changes are approved by the Managing Director.

- Self-assessment by process/ control owners is also used as the basis of CEO/CFO certification as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange. This self-certification is reviewed by the Audit Committee on a half yearly basis.

- Your Company has a Risk Management Committee ("RMC") comprising of the Managing Director, the Finance Director and the Operations Director. The role of RMC is to ensure a comprehensive risk management framework is in place. The RMC also ensures that the risks are reviewed on an ongoing basis. Your Company has developed appropriate risk management framework for identification, assessment, monitoring and mitigation of various risks to ensure smooth flow of operations which acts as an integral function to the creation, protection and enhancement of shareholder value. Your Company has developed and implemented risk mitigation plans to manage the identified risks. The RMC reviews the risk mitigation plans quarterly. The meetings were held on May 31, 2018, August 22, 2018, October 23, 2018 and January 24, 2019 during the year ended March 31, 2019.

Your Company has a robust internal audit function, that reports into the Audit Committee and carries out comprehensive reviews of operations, systems and functions based on the plans approved by Audit Committee. Significant Audit observations and follow-up actions thereon are reported to the Audit Committee. The Audit Committee reviews the adequacy and effectiveness of your Company's internal controls and monitors the implementation of audit recommendations including those relating to strengthening of your Company's risk management policies and systems.

Human Resource Development

Your Company aspired to become one of the world's most innovative, best performing and trusted healthcare companies. In this year, your Company continued to strive towards this goal, by enabling a new performance system and by changing the GSK values including Courage, Accountability, Development & Teamwork. Workshops, learning sessions & kiosks were held to train the employees on the new performance system & embed the new GSK values system.

In the current year, a key priority was to enhance engagement levels of the workforce, thereby enabling high performance. A key initiative was to launch a series of interventions on 'Managing Change', particularly in the context of the announcement of the Strategic Review of the Nutrition (HFD) category business. Workshops on Managing Change were conducted for all managers in the organization, enabling them to build resilience & enhance performance. Your Company's focus on employee engagement resulted in exceptional engagement scores. For the first time ever, the workforce from all factories and sites were also included in the engagement survey.

The employees are the cornerstone of your organization and your Company continued to invest significantly in developing talent across levels, leveraging processes such as integrated talent management to accelerate development and ensure robust succession pipelines for all critical roles. This resulted in robust and differentiated development for

employees at all levels, thereby building capability to facilitate career progression and deliver enhanced performance. The talent continued to attract developmental opportunities through global assignments & global talent acceleration programmes.

Your Company leveraged fresh talent pipeline by hiring & onboarding talent from the best educational institutes in the country. Your Company significantly scaled up engagement levels with these institutes through the Orange Run initiative. This healthcare-based engagement programme aimed to connect better to millennials by projecting GSK as a Modern Employer through diverse events on campuses, with a 2 km "Orange Run" as the highlight.

There was significant focus on Health & Wellbeing of employees through various initiatives. Fitness and energy management were key themes underlying programmes like Wellness Connection, featuring in-house sessions on yoga & fitness and increased offerings of the flagship Energy & Resilience training programmes, like Energy for Performance. Your Company has continued to embed the Partnership for Prevention programme, launched in 2016, focusing on preventive healthcare services for employees & their dependents.

Your Company remains strongly committed to the principles of Inclusion & Diversity (I&D). The third edition of the Inclusion & Diversity week featured diverse events to facilitate discussions and enhance awareness on the benefits of inclusion & diversity, including a campaign to encourage employees to champion the cause in their own teams. Your Company engaged in external I&D forums to share best practices and to gather useful insights. Your Company launched its first ever Child Care Support policy across the organization to create a comfortable environment for returning mothers & empowering them to contribute to their full potential.

Your Company also signed a progressive 3-year Long-Term Wage Settlement for the Rajahmundry factory in December 2018. This settlement was concluded without any relationship damage and the site was able to deliver higher volumes over the forecast.

Awards and Recognitions

Your Company aspires to deliver the best product with high nutritional value and best quality. During the year, efforts were appreciated and recognised by various forums and agencies, some being:

- Horlicks' Fearless Kota, a campaign focusing on the exam stress won at the 4th edition of the Ind International Advertising Association Awards in the Foods and Beverages category.
- Your Company was awarded a gold award for the Long-term rural engagement program. ACEF ("Artificial Intelligence Forum& Awards") awards recognize and celebrate the best of the best in marketing & communication and strong consumer connect at an Asia level.
- Horlicks Swasthya Abhiyan won a Gold award by the Rural Marketing Association of India.
- Horlicks won a Gold at WOW awards Asia in June 2018 for the best campaigns, events, talents, work and venues in the experiential domain.
- Mother Horlicks won silver award for Real Time Marketing case study at Lighthouse Digital Campaign Awards
- Horlicks Oats won a Gold for Branded Content Series at Lighthouse Digital Campaign Awards
- Boost won silver for Best Tech Innovation and bronze for Best use of medium length video at Lighthouse Digital Campaign Awards
- Boost won bronze for Best ROI, for Most effective use of AI for a campaign and business optimization, silver for Best SEO for website. universal search ranking and silver for Best effective use of digital analytics by Indian Drugs Manufacturers' Association.
- Horlicks won bronze for Best Integrated Media (Beverages) by Advertising agencies Association of India
- Horlicks won bronze for Mobile Audio by Smarties India and Smarties APAC
- Boost won bronze for Digital Strategy by International Data Centre Authority

Directors

Mr. Joaquin B Mascaro resigned from the Board of Directors as Non-Executive Director of the Company with effect from June 25, 2018 and Mr. Zubair Ahmed resigned as Non-Executive Director and Chairman of the Company with effect from June 30, 2018. The Board of Directors placed on record its sincere appreciation for the valuable advice and guidance rendered by Mr. Joaquin B Mascaro and Mr. Zubair Ahmed during their respective tenure.

Mr. P. Dwarakanath ceased to be the Independent Director of the Company with effect from June 30, 2018 and was nominated as Director by Horlicks Limited under Article 126 of the Articles of Association of the Company w.e.f. July 1, 2018. Mr. Dwarakanath was appointed as Non-Executive Chairman by the Board of Directors in its meeting held on June 30, 2018.

Subject to the approval of shareholders, the Board of Directors via Circular Resolution dated September 25, 2018 appointed Mr. S. Madhavan as Independent Director of the Company with effect from September 25, 2018 for a term of 3 years i.e. from September 25, 2018 to September 24, 2021.

The present term of Mr. Anup Dhingra, Executive Director of the Company designated as Director – Operations, who was appointed for a period of 3 years by the members of the Company effective September 1, 2016 up to the date of Annual General Meeting in 2019 is coming to an end. Subject to the approval of shareholders, the Board of Directors in its meeting held on May 10, 2019 re-appointed Mr. Anup Dhingra for another term of 3 years as Executive Director effective from the date of Annual General Meeting in 2019.

The present term of Mr. Vivek Anand, Executive Director of the Company designated as Director – Finance and Chief Financial Officer, who was appointed for a period of 3 years by the members of the Company effective August 5, 2016 up to the date of Annual General Meeting in 2019 is coming to an end. Subject to the approval of shareholders, the Board of Directors in its meeting held on May 10, 2019 re-appointed Mr. Vivek Anand for another term of 3 years as Executive Director effective from the date of Annual General Meeting in 2019.

The present term of Ms. Sangeeta Talwar, Independent Director of the Company who was appointed for a period of 3 years by the members of the Company effective August 5, 2016 up to the date of Annual General Meeting in 2019 is coming to an end. Subject to the approval of shareholders, the Board of Directors in its meeting held on May 10, 2019 re-appointed Ms. Sangeeta Talwar for another term of 3 years as Independent Director effective from the date of Annual General Meeting in 2019.

The Board of Directors in its meeting held on May 10, 2019 also appointed Mr. P. V. Bhide as an Independent Director of the Company with effect from May 10, 2019 for a term of 3 years i.e. from May 10, 2019 to May 9, 2022.

Performance Evaluation of the Board

A regular process of evaluating the Board's performance helps it in validating the relevance of its processes and provides insights for strengthening its overall efficiency and effectiveness. As part of this process, an evaluation was done for the Directors, the Committees, the Board and the Chairperson of the Board through a survey that takes place annually and the process that was followed. This is explained below:

1. In February 2019, the survey questionnaire was sent to all Directors through a secured online survey portal.
2. The questions were drawn from the guidelines circulated by SEBI on board evaluation.
3. Post completion of the survey by the directors, the third party appointed compiled the results and shared the analysis with the NRC Chairperson and Chairperson of the Board.

4. The Chairperson of the Board then individually discussed the results and shared feedback with all Directors.
5. The NRC Chairperson discussed the results & shared the feedback with the Chairperson of the Board.
6. Based on the report of performance evaluation, it was determined whether to extend or continue the term of appointment of the Independent Directors.

Criteria for Appointment of Directors:
The success of the Board of Directors depends on the composition, structure, resources, diligence, and authority of the entire Board, as well as its working relationships with other participants of corporate governance, including management. Your Company is committed to corporate governance best practices.

Key Responsibilities:
The Board of Directors is ultimately responsible for the Company's business affairs and governance. A director would be expected to:
- Represent organization's shareholders' interests and create value for them.
- Align the interests of management with those of shareholders while protecting the interests of other stakeholders (customers, creditors, suppliers).
- Oversee the Company's performance by setting objectives, establishing short-term and long-term strategies to achieve these objectives.
- Provide counsel to the Company's senior executives on material strategic decisions and risk management. Establish or approve strategic plans and decisions to achieve these goals.
- Oversee the sustainability of the Company in creating long-term shareholder value and protecting interests of other stakeholders.

Pre-requisites for consideration:
- The candidate to acknowledge that she/he has sufficient time to effectively discharge her/his duties.
- The candidate should have skill sets and expertise area which is complementary to the current Board. The Board assesses the needs of the current Board to ensure that there is a range of skills, experience and diversity represented, including an understanding of:
  - The industry and markets in which the Company operates.
  - Accounting, finance and legal matters
  - Other key areas of business operations
- The candidate should have experience and depth of knowledge in her/his area of work to contribute meaningfully to the operations of the Board
- There should be no conflict of interest between the candidate and the Company. The individual should not be in relation to any current employee of the Company and should not be holding more than 2% of the Company's shares at the time or during the appointment.
- The candidate should not be employed or related to another organization/body which can directly/indirectly influence the operations of the Company or is in direct competition with the Company.
- The Candidate has not been convicted of any offence, whether involving moral turpitude or otherwise and sentenced to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of sentence.

Remuneration Policy

Remuneration Policy for Non-Executive Directors

Your Company believes that its Board Members bring immense value in their independent evaluation and oversight of the operations of your Company. It is therefore expected that they will devote significant time and provide an unbiased point of view.

The remuneration paid to each Non-Executive Director is as per the structure determined by the Nomination & Remuneration Committee and the Board. This is reviewed periodically and compared to other peer organizations. It is ensured that the remuneration paid to them is in accordance with the provisions of the Companies Act and any other applicable law.

The remuneration structure for the Non-Executive Directors comprises of annual Commission and sitting fees for attending meetings.

Remuneration Policy for Employees

Philosophy
Your Company recognizes that reward is important in engaging employees and motivating them to do their best work to deliver strategic priorities and mission. Your Company rewards high performance and recognizes outstanding achievements of employees in a way that is consistent with your Company's values and behaviours.

Principles
- Competitive – Your Company provides competitive rewards in line with GSK global best practices.
- Differentiated - Your Company differentiates reward to attract and retain skilled employees; reward the greatest contributors and recognize employees who evolve their skills to enhance their individual contribution to GSK's success
- Alignment - Your Company's reward programs and practices are transparent and focus on ensuring alignment at several levels
- Business alignment - Your Company's reward program considers the common and business-specific skill/ performance requirements across various business units.
- Country alignment - Reward aims at meeting the needs of the diverse workforce and enabling them to live your Company's mission - to do more, feel better and live longer.
- Individual alignment - Individual objectives are set and reviewed annually to ensure employees have a clear understanding of the link between the business value they deliver and their own performance-based reward.

The remuneration policy is also available under investor relations section at www.gsk-ch.in

Managerial Remuneration

Your Company believes its employees are its biggest assets and aligns its compensation and benefits towards rewarding employees in line with its Rewards policy. Your Company focuses on being market aligned as well as differentiate basis performance to drive a high-performance culture.

Your Company has 3,844 permanent workers, including workmen. The remuneration for the workmen at two of the factories is governed by Long Term Wage Settlement (LTWS) which is done in consultation with the unions. For the remaining employees, the targeted salary increase was 10% for all employees including KMP.

The remuneration comparison of these to that of median employee is mentioned below:

Name	Designation	Remuneration for the year ended March 31, 2019 (Rs.)*	Remuneration for the year ended March 31, 2018 (Rs.)*	Salary Change	Ratio of Salary to Median Employee Salary
Navneet Saluja[1]	Managing Director	111,305,833	33,747,105	NC**	147
Vivek Anand	Director – Finance	41,302,586	30,361,631	36%	55
Anup Dhingra	Director – Operations	64,784,069	48,326,878	34%	86
Shanu Saksena	Company Secretary & Area Ethics and Compliance Officer	15,551,874	11,174,000	39%	21

*Remuneration is calculated on accrual basis.
**Not Comparable.

[1] Appointed in the role with effect from January 01, 2018, salary increase & ratio to median salary not comparable.

Your Company believes that by means of the variable pay plan the Company can link a portion of compensation to the individual and business performance, as applicable, which creates a strong positive reinforcement. It also ensures that the employees of the Company are rewarded only when the shareholders' goals are met.

The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the fiscal year is not applicable. It is also, affirmed that the remuneration is as per the Remuneration Policy of your Company.

Name	Designation	Remuneration of KMP as a percentage of Revenue	Remuneration of KMP as a percentage of PBT
Navneet Saluja	Managing Director	0.23%	0.74%
Vivek Anand	Director – Finance	0.09%	0.27%
Anup Dhingra	Director – Operation	0.14%	0.43%
Shanu Saksena	Company Secretary & Area Ethics and Compliance Officer	0.03%	0.10%
		0.49%	1.54%

Total KMP Remuneration as a percentage of Revenue: 0.49%
Total KMP Remuneration as a percentage of PBT: 1.54%

Your Company believes in balancing the competitiveness of pay as well as sustainability of the associated costs for the organization. The salary increases for this year were aimed at maintaining the pay competitiveness with market as well as performance of your Company.

Policy on Board Diversity

As stated in the policy for appointment of Directors, your Company recognizes that the success of the Board of Directors depends on the composition, structure, resources, diligence, and authority of the entire board, as well as their working relationships with other participants of corporate governance, including management. GSK is committed to build a truly diverse board which brings with its diversity of expertise, skills, regional and industry experience, gender and demographics. GSK believes that such a Board will enhance the quality of decisions by utilizing the diversity of its members.

The Nomination and Remuneration Committee (NRC) is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy board positions. At the time of appointment, the candidate must bring with him/her skill sets and expertise area which is complementary to the current Board composition. The Board will have an optimum combination of Executive, Non-executive and Independent Directors with at least one women director in compliance with all statutory provisions. The Board of Directors shall maintain an appropriate mix of diversity, skill, experience and expertise on the Board.

The NRC and the Board of Directors shall refer to this Policy on Board Diversity at the time of appointment of persons as a Board Member.

Particulars of Employees

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rules, 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided to members upon request in writing made before the Annual General Meeting where in Financial Statements for the relevant fiscal year are proposed to be adopted. In terms of Section 136 of the Act, the copy of the Annual Report is being sent to the Members and others entitled thereto and is also available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

The Annual Report of your Company is also available on your Company's website- www.gsk-ch.in.

Particulars of Loans, Guarantee, Investment U/S 186

There are no Loans, Guarantees, Investments to be reported u/s 186 of Companies Act 2013.

Details of Board Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors.

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

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information required as per the Companies Accounts Rules, 2014 is given in the Annexure I to this Report.

Auditors

Messrs Deloitte Haskins & Sells LLP will continue to hold the position as the statutory auditors till next year.

Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Secretarial Audit Report and Compliance Report is annexed herewith as Annexure II to this Report duly certified by S.N. Ananthasubramanian & Co., a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company.

Composition of Audit Committee

Please refer corporate governance report for composition of audit committee.

Risk Management Policy

The Company has a Risk Management policy and an internal control framework, which is used to manage risks.

Vigil Mechanism for Directors and Employees of Company

The detailed policy for Vigil Mechanism and Whistle blower is available at www.gsk-ch.in

Extract of Annual Report

Information required under this clause is given in the Annexure III to this report.

Related Party Transaction

Disclosures as required under Form AOC 2 are contained in Note 28 to the Financial Statements. There are no transactions, which are not at arm's length and all the Related Party transactions are at arm's length basis.

The detailed policy for Related Party Transactions is available at www.gsk-ch.in

Fixed Deposits

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Information on Company's Share Performance

The market capitalisation of your Company increased by 19% (Rs 3,03,30,50 lakhs) Vs March 31, 2018 (Rs 2,56,33,27 lakhs). The EPS

stands at Rs. 233.69 vs Rs.166.47 as on closing date of last fiscal year. The PE ratio as on March 29, 2019 (last trading day) was at 30.9 vs 36.6 as on last trading day of fiscal year 2018-19.

Environment and Social Commitment

Your Company is on a mission "to help people to do more, feel better, live longer". Your Company has revamped its CSR programme and launched its "Mission Health" programme which is aligned with United Nations' (UN) Sustainable Development Goals (SDG) and Government of India's National Health Policy. Mission Health is a national movement, which is in line with the Company's philosophy and goals to address the need of the country, engaging with key stakeholders and linking brands with purpose, cause and focus.

Mission Health programme is implemented in 8 states viz Bihar, UP, MP, Karnataka, AP, Haryana, Punjab and Assam where Nutrition & WASH ("water, sanitation and hygiene") programme is being implemented in 408 anganwadi centres and 265 government schools, reaching out to 2,35,000 beneficiaries.

The Mission Health programme is planned to focus on thematic areas of micronutrient deficiency, tackling dengue and eradicating lymphatic Filariasis (elephantiasis).

Your Company has spent 2% of the average net profit of last three fiscal years as part of your CSR in the reporting period.

Your Company undertakes these activities in the following different ways:

a) Nutrition: Your Company has started three key programs to address the nation's issue of malnutrition with strategic partners. Following are the programs initiated during the reporting period:
   - Mid-day meal program for 50,000 children with The Akshaya Patra Foundation in Karnataka
   - Mass outreach through schools and anganwadi centres, on nutrition, in Karnataka; Madhya Pradesh; Uttar Pradesh; and Bihar
   - Improve awareness about malnutrition with NGO Sakshi for 200 children in Haryana
b) Skill development: Your Company has an ongoing program with Confederation of Indian Industry focussing on Capacity building of FBOs including Mid-Day Meal Organisers, Self Help Groups, Mass and Railways Catering, Food Storage Locations on how to prepare, produce and serve Safe Food.
c) Water Sanitation & Hygiene programme (WASH): In partnership with Save the Children, SHARP and Sakshi, your Company is implementing the WASH programme in Haryana, Punjab and AP to create awareness on sanitation and hygiene among communities. This programme will link with Government of India's Swachh Bharat Mission.
d) Healthcare: Your Company supported the GSK Global program for eradicating Lymphatic Filariasis (elephantiasis) & deworming through Albendazole donation to World Health Organization (WHO).
e) Allied against Dengue: This programme is being implemented in 5 districts of UP by WISH Foundation. Programme is in line with National Vector Control Programme and focuses on continuous medical education for Doctors & Pharmacists and community awareness on prevention and management of Dengue.

For other details regarding CSR, please refer Annexure IV to Directors' report.

Significant Material Orders Passed by the Court/ Regulator/ Tribunal Impacting Going Concern Status and Company's Operations in Future

Your Company has not received any material Show cause under the Companies Act / SEBI Regulations. Notices received from other regulatory/ statutory authorities are being suitably dealt with.

There are no significant legal /arbitral proceedings against your Company. All such matters are being brought to the notice of the Audit Committee / Board.

Director's Responsibility Statement

To the best of their knowledge and belief and according to the information and explanation obtained, your Directors make the following statement in terms of Section 134 (3) (c) and 134(5) of the Companies Act, 2013 for the year ended March 31, 2019:

a) The Financial Statements of the Company for the period ended March 31, 2019, have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standard) Rules, 2015 (as amended)] and other relevant provisions of the Act. There have been no material departures in the adoption and application of these accounting standards.
b) All Financial Statements have been prepared on historical cost convention, as a going concern and on the accrual basis.
c) The estimates and judgements relating to Financial Statements have been made on a prudent and reasonable basis to ensure that the Financial Statements reflect, in a true and fair manner, the form and substance of the transactions and reasonably present the Company's state of affairs and profits for the year.
d) The Directors of the Company have taken care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
e) The Company has established and maintained adequate internal controls including financial controls over financial reporting and these controls are operating effectively.
f) Systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.

Declaration of Independent Directors

Pursuant to Sections 149(6) & 149(7) of Companies Act, 2013, the Independent Directors of your Company have given a declaration that they have complied with the criteria of independence as set out under sub section (6) of Section 149 of the Companies Act, 2013.

Strategic Business Development

GlaxoSmithKline plc initiated a strategic review of the nutrition portfolio in March 2018. After conducting a strategic review of the nutrition portfolio, in December 2018, it announced the sale of Horlicks and other consumer nutrition brands to Unilever. As part of this transaction, it announced that it will merge your Company with Hindustan Unilever Limited. The proposed merger includes a distribution arrangement, which will allow Hindustan Unilever Limited to leverage its scale and strong reach to sell and distribute the OTC and oral health brands of GSK. The transaction is expected to be completed by the end of 2019, subject to the fulfilment of certain conditions, regulatory approvals and the approval of the merger by the shareholders of your Company and Hindustan Unilever Limited

Cautionary Statement

Statements in this report, particularly those that the assertion pertain to the Management Discussion and Analysis section may contain that might be considered forward looking. The actual operating results may differ materially from those indicated in these statements as important factors could influence your Company's operations such as Government policies, local, political and economic developments, risks inherent to the Company's growth and such other factors.

Acknowledgements

Directors wish to extend their thanks and appreciation to all the employees of the Company at all levels, agents and other business associates for their commitment, dedication and respective contributions to the Company's operations during the year under review.

Directors would also like to acknowledge the valuable guidance, technical assistance and advice being received from the Associate Company in the U.K. Your Directors look forward to the future with confidence.

For and on behalf of the Board

P. Dwarakanath
(DIN: 00231713)
Chairman

Navneet Saluja
(DIN: 002183350)
Managing Director

Vivek Anand
(DIN: 06891864)
Director

Kunal Kashyap
(DIN: 00231891)
Director

Place : Gurugram
Dated : May 10, 2019

Annexure I to the Directors' Report for the year ended March 31, 2019

Regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo.

(A) Conservation of Energy –

(i) The steps taken or impact on conservation of energy;

As in the past, your Company continues to stress upon conservation measures and optimizing the utilization of energy in all the areas of operations with effective usage of sources/equipment.

With your Company's continues efforts towards a clean & sustainable environment, many energy conservation initiatives were taken during the year 2018-19 & a few significant ones are summarised below:

- All the sites have increased the usage of Agri-waste bio-mass (briquettes/pellets) for steam generation. This has offset 65 KT of CO_2 emissions by end of financial year 2018-19 thus significantly reducing carbon foot print in generating steam and reinforces your resolve towards a clean and sustainable environment.
- The steam system's have been improved to reduce steam consumption.
- Replacement of water-ring vacuum pump with dry vacuum pump (oil lubricated).
- Your Company continued its initiative of installations of Electronically commuted (EC) direct drive fans in Ventilation systems and Air Handling Units and installed the same which will reduce the energy consumption overall.
- Your Company continued its initiative of installations balance requirement of LED lights identified & implemented.
- Site effluent treatment plant (ETP) upgradation was done by replacing surface aeration with diffused aeration to save energy.
- Temperature controlled flow rate regulation implemented to reduce energy consumption.
- Segregation of low pressure (LP) & high pressure (HP) compressed air lines to reduce energy consumption.

(ii) The step taken by your Company for utilising alternate sources of energy
- Usage of biodiesel instead of HSD in boiler.

(iii) The capital investment on energy conservation equipments;
- Your Company constructed a biomass based combined heat and power plant at one of sites, to reduce CO_2 emission substantially during the year and installation of 800KW solar PV plant. Your Company has spent close to INR 10 crores on various energy conservation equipment and initiatives last year.

(iv) Total energy consumption and energy consumption per unit of production as per Form "A" of the Annexure in respect of industries specified in Schedule there to:

FORM "A"

		Year ended March 31, 2019	Year ended March 31, 2018
A.	**Power and Fuel Consumption**		
1.	**Electricity**		
a)	Purchased Units (in Lacs)	**443.94**	439.67
	Total amount (Rs. Lacs)	**3,396.96**	3,367.27
	Rate/Unit (Rs.)	**7.65**	7.66
b)	Own Generation		
	1) DG Sets Units (in Lacs)	**30.79**	34.55
	Units per litre of Diesel oil	**3.55**	3.49
	Cost/Unit (Rs.)	**18.52**	15.85
	2) Turbine Units (in Lacs)	**45.18**	7.31
2.	**Coal Used in Boilers**		
	Quality (Calorific value ranging between 2500 to 3500 BTU) Quantity (Tonnes)*	**12,336.37**	18,366.84
	Total Cost (Rs. Lacs)	**837.63**	1,085.13
	Average Rate (Rs.)	**6,789.95**	5,908.08
3.	**Bio-mass used in Boilers**		
	Quality (Tonnes)	**50,601.05**	38,177.45
	Total Cost (Rs. Lacs)	**2,657.53**	1,962.34
	Average Rate (Rs.)	**5,251.92**	5,140.05

*Includes coal consumed to produce steam for generating electricity from turbine

B. Consumption per unit of production

		Year Ended March 31, 2019		Year Ended March 31, 2018	
		Coal/ Bio-mass	Power	Coal/ Bio-mass	Power
		MT	Units	MT	Units
1.	Malt based Food/ Energy and Protein health Food/ Cereal based Food/ Powdered Milk (Per Ton)	**0.36**	**339**	0.60	515
2.	Ghee & Butter (Per Ton)	**0.55**	**123**	0.55	123

(B) Technology Absorption –

(i) The efforts made towards technology absorption;
- Continued efforts to replace water-ring vacuum pump with dry vacuum pump.

(ii) In case of imported technology (imported during the last three years reckoned from the beginning of the fiscal year)-
(a) The details of technology imported;
- Energy efficient electronically commutated (EC) fan
- Dry Vacuum Pumps

(b) The year of import;
- 2016 & 2018
- 2016 & 2017 & 2018

(c) Whether the technology been fully absorbed;
- Yes

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;
- NA

(C) Research & Development (R&D)

(i) Specific areas in which R&D was carried out

A robust innovation pipeline based on principles of deep consumer insights and differentiated science has been developed as part of your Company's vision to deliver consumer winning propositions and ultimately improving their lives. R&D is actively working to build a strong pipeline of consumer relevant propositions while addressing new cohorts and consumption occasions, new products that ultimately drive penetration, scientific claims (including clinically led claims), while enhancing product relevance and consumption. The key focus areas continue to be exploration of new scientific areas, product innovation, new claims development, new product research, clinical research, packaging development, continuous cost optimization & value engineering, quality compliance, speed to market, regulatory compliance and regulatory strategy while successfully defending competition activity.

Key Product launches in 2018: Horlicks Protein+, Mother Horlicks - No Added Sugar, Boost RTD, Junior Horlicks- 2X DHA - New Claim, Horlicks Bio Available Nutrients (New claim) and Malaysia Horlicks.

(ii) Benefits Derived as a Result of the Above R&D

New and differentiated claims, new communication, new product launches, re-launches and new packaging together enabled business to keep the relevance of your products and delivered solutions to meet consumer needs. R&D has actively supported business growth and penetration for your products and new product launches in 2018. The differentiated science of your products has also enabled the business to effectively manage competition thereby growing value and volume share as well as successfully challenging both incorrect claims & communication as required. R & D constantly explores the opportunities for a robust Innovation pipeline, setting the platform for new launches in the future. Value Engineering efforts have helped the business deliver profitable growth and reinvest in brands. All the efforts have been carried out to ensure all your products comply to frequent changing regulations.

(iii) Further Plan of Action

Your Company's R&D has a key role to play in achieving the vision of transforming the future of health and self-care. Cutting edge innovations based on consumer preferences without shifting focus on profitability would help R&D contribute and achieve this vision.

In the R&D organization, the focus will be to drive science led innovation and sustainability driven initiatives to build in the future pipeline. Your R&D will continue to address HFSS (High Fat, Sugar and salt) with a proactive approach to reformulate Nutrition portfolio making it future ready in the dynamic regulatory environment. There is significant focus on Best in Class clinical research in the Nutrition arena with certain clinical studies underway to validate scientific evidence of your products / claims.

(iv) Expenditure on R&D

(Rs. Lacs)

		Year ended March 31, 2019	Year ended March 31, 2018
a)	Capital	**41.77**	4,24.73
b)	Recurring	**47,42.52**	53,90.45
	Total	**47,84.30**	58,15.18
	R&D Expenditure as a percentage of turnover	**1.1%**	1.4%

(D) Foreign Exchange Earnings and Outgo

(i) Activities relating to exports: Initiatives taken to grow exports: Development of new export methods for products and services and export plans

The Foreign exchange earnings in the current year include exports to Bangladesh, Sri Lanka, Middle East, Myanmar, Kenya, Mauritius and Pakistan. During the year, your Company started exporting to Malaysia and continues to put efforts to broaden the export base to new and existing countries are continuing.

(ii) Total Foreign Exchange used and earned:

(Rs. Lacs)

	Year ended March 31, 2019	Year ended March 31, 2018
Foreign Exchange Earnings	**3,17,08.94**	3,01,39.62
Foreign Exchange Outgo	**1,77,00.55**	18,55.68

For and on behalf of the Board

P. Dwarakanath
(DIN: 00231713)
Chairman

Navneet Saluja
(DIN: 002183350)
Managing Director

Vivek Anand
(DIN: 06891864)
Director

Kunal Kashyap
(DIN: 00231891)
Director

Place : Gurugram
Dated : May 10, 2019

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2019

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

To,
The Members,
GlaxoSmithKline Consumer Healthcare Limited
CIN L24231PB1958PLC002257
Patiala Road,
Nabha 147201
Punjab.

We have conducted secretarial audit of compliance of the applicable statutory provisions and the adherence to good corporate practices by **GlaxoSmithKline Consumer Healthcare Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2019,** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **31st March, 2019** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable to the extent of Overseas Direct Investment and External Commercial Borrowings as there were no reportable events**;
v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015;
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto 10th November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11th November, 2018) - **Not Applicable as there was no reportable event during the financial year under review;**
   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not applicable as the Company has not issued any shares/ options to Directors/ employees under the said Guidelines/ Regulations, during the financial year under review;**
   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable as the Company has not issued and listed any debt securities during the financial year under review;**
   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 during the financial year under review;**
   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable as the Company has not delisted / proposes to delist its equity shares from any stock exchange, during the financial year under review and**
   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto 10th September 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (with effect from 11th September 2018) **- Not applicable as the Company has not bought back/proposes to buy-back any of its securities during the financial year under review.**
vi. The Company has identified and confirmed the following laws as being specifically applicable to the Company:
   1. Food Safety and Standards Act, 2006 and Rules and Regulations thereunder.
   2. Legal Metrology Act, 2009 and Rules and Regulations thereunder.

We have also examined compliance with the applicable clauses of the following:
(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

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

We further report that: -

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors and a woman Director. The changes in composition of 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 of the schedule of the Board/Committee Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, except where consent of directors was received for receipt of notice and circulation of the Agenda and notes on Agenda at a shorter notice.
- There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- All decisions of the Board and Committee meetings were carried with requisite majority.

We further report that based on the review of the Compliance mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Company Secretary, and taken on record by the Board of Directors, at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which are commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

- As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the financial year under review, following events/ actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc., have occurred:

- Subject to approval of the National Company Law Tribunal and other authorities as may be required, the Board at its meeting held on 3rd December, 2018 considered and approved a Scheme of Amalgamation between the Company and Hindustan Unilever Limited under Sections 230-232 of the Companies Act, 2013.

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

For S. N. ANANTHASUBRAMANIAN & CO.
Company Secretaries
Firm Registration No. P1991MH040400
S. N. Ananthasubramanian
Partner
FCS : 4206
COP No. : 1774
Date : 2nd May, 2019
Place : Thane

ANNEXURE - A

To,
The Members,
GlaxoSmithKline Consumer Healthcare Limited
CIN L24231PB1958PLC002257
Patiala Road,
Nabha 147201,
Punjab.

Our Secretarial Audit Report for the Financial Year ended 31st March, 2019, of even date, is to be read along with this letter.

Management's Responsibility.

1. It is responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. 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 affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For S. N. ANANTHASUBRAMANIAN & CO.
Company Secretaries
Firm Registration No. P1991MH040400
S .N. Ananthasubramanian
Partner
FCS : 4206
COP No. : 1774
Date : 2nd May, 2019
Place : Thane

Annexure III to Directors Report for the year ended March 31, 2019

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2019

(i) REGISTRATION AND OTHER DETAILS:

1.	CIN	L24231PB1958PLC002257
2.	Registration Date	October 30,1958
3.	Name of the Company	GlaxoSmithKline Consumer Healthcare Limited
4.	Category/Sub-Category of the Company	Company limited by shares
5.	Address of the Registered office and contact details	Patiala Road, Nabha-147201, Punjab Investor.2.co@gsk.com
6.	Whether listed Company (Yes/No)	Yes
7.	Name, Address and Contact details of Registrar and transfer agents, if any:	Karvy Fintech Private Limited, Karvy Selenium Tower-B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 008

(ii) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated: -

Name and Description of main	NIC Code of the product/service	% to total turnover of the Company
Malt Based Food	10794	96 %

(iii) OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

a. Horlicks Limited, UK b. GlaxoSmithKline Pte Limited., Singapore

(iv) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

S. No.	Description	Shareholders	Equity Shares (in lacs)	% Equity
1	ALTERNATIVE INVESTMENT FUND	7	48,767	0.12
2	BANKS	17	6,609	0.02
3	CLEARING MEMBERS	95	66,300	0.16
4	EMPLOYEES	3	106	0.00
5	FOREIGN INSTITUTIONAL INVESTORS	1	274	0.00
6	FOREIGN PORTFOLIO - CORP	125	1,797,392	4.27
7	FOREIGN PROMOTERS	2	30,471,992	72.46
8	H U F	740	78,668	0.19
9	I E P F	1	18,323	0.04
10	INDIAN FINANCIAL INSTITUTIONS	6	1,217,563	2.90
11	BODIES CORPORATES	1,050	1,173,593	2.79
12	BENEFICIAL HOLDINGS UNDER MGT-4	5	2,157	0.01
13	MUTUAL FUNDS	24	1,809,692	4.30
14	NBFC	5	1,852	0.00
15	NON RESIDENT INDIANS	1,348	64,066	0.15
16	NON RESIDENT INDIAN NON REPATRIABLE	785	101,817	0.24
17	NON RESIDENT INDIAN REPATRIABLE	9	2,300	0.01
18	OVERSEAS CORPORATE BODIES	1	280	0.00
19	RESIDENT INDIVIDUALS	50,628	5,166,633	12.29
20	TRUSTS	15	27,154	0.06
	Total:	**54,867**	**42,055,538**	**100.00**

*The above data is as per PAN and actual number of folios as on March 31, 2019 were 56,785

(ii) Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% change in share-holding during the year
		No. of Shares	% Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Horlicks Limited	1,81,52,243	43.16	-	1,81,52,243	43.16	-	-
2	GlaxoSmithKline Pte Limited	1,23,19,749	29.29	-	1,23,19,749	29.29	-	-
		3,04,71,992	**72.45**	**-**	**3,04,71,992**	**72.45**	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change): There is no change in the promoter's Shareholding

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters, Holders of GDRs and ADRs)

S. No.	Name	Shares	% Equity	Category
1	LIFE INSURANCE CORPORATION OF INDIA	8,03,581	1.91	IFI
2	KOTAK FUNDS - INDIA MIDCAP FUND	3,05,994	0.73	FPC
3	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	3,02,164	0.72	IFI
4	HDFC LIFE INSURANCE COMPANY LIMITED	2,78,947	0.66	LTD
5	SBI MAGNUM GLOBAL FUND	2,00,294	0.48	MUT
6	THE NOMURA TRUST AND BANKING CO., LTD AS THE TRUST EE OF NOMU-RA INDIA STOCK MOTHER FUND	1,94,582	0.46	FPC
7	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VAN-GUARD INTERNATIONAL EQUITY INDEX FUNDS	1,79,265	0.43	FPC
8	GOLDMAN SACHS INDIA LIMITED	1,78,898	0.43	FPC

9	FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA PRIMA FUND	1,67,964	0.40	MUT
10	BAJAJ ALLIANZ LIFE INSURANCE COMPANY LTD.	1,60,127	0.38	LTD

(v) Shareholding of directors and key Managerial Personnel
Nil

(vi) Indebtedness
Indebtedness of the Company including interest outstanding/accrued but not due for payment:
The Company does not have any loans, interest outstanding.

(v) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time Directors and/or Manager:

(Amt. In INR)

S. No.	Particulars of Remuneration	Navneet Saluja	Vivek Anand	Anup Dhingra
1	Gross Salary			
	(a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961*	7,96,08,112	3,20,85,390	4,87,99,195
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	1,35,770	1,25,743	92,895
	(c) Profits in lieu of salary under section 17(3) Income Tax Act,1961			
2	Stock Option**	96,37,007	42,85,184	12,25,330
3	Sweat Equity			
4	Commission			
5	others, please specify			
	Total (A)	**8,93,80,889**	**3,64,96,317**	**5,01,17,420**
	Ceiling as per the Act	**10% of Net Profits**		

*Includes Basic Salary, Bonus and Retiral Benefits on Payment Basis. Remuneration is calculated on payment Basis (Pursuant to Section 92(1) of The Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014.
** Includes Cash settled stock-based awards of GSK Plc on Payment Basis.

B. Remuneration to other directors:

(Amt. In INR)

Particulars of Remuneration	Mr. Kunal Kashyap	Mr Subodh Bhargava	Mr. Mukesh H. Butani	Mr. Naresh Dayal	Mr. P Dwarakanath	Ms. Sangeeta Talwar	Mr. Zubair Ahmed	Mr. S. Madhavan
Independent Directors								
Fees for attending Board & Committee meetings Paid	14,25,000	1,25,000	1,50,000	11,25,000	12,25,000	15,00,000	1,75,000	5,50,000
Commission Paid	10,00,000	13,00,000	10,00,000	10,00,000	10,00,000	10,00,000		
Total (1)	**24,25,000**	**14,25,000**	**11,50,000**	**21,25,000**	**22,25,000**	**25,00,000**	**1,75,000**	**5,50,000**
Other Non- Executive Directors								
Fees for attending Board & Committee meetings	-	-	-	-	-	-	-	-
Commission	-	-	-	-	-	-	-	-
Total (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (B) (1)+ (2)	**24,25,000**	**14,25,000**	**11,50,000**	**21,25,000**	**22,25,000**	**25,00,000**	**1,75,000**	**5,50,000**

* Amounts have been disclosed on payment basis.

C. Remuneration to key Managerial Personnel other than MD/Manager/WTD:

(Amt. In INR)

S. No.	Particulars of Remuneration	Shanu Saksena
1	Gross Salary	
	(a) Salary as per provision contained in section 17(1) of the Income Tax Act, 1961*	1,17,78,238
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	54,886
	(C) Profits in lieu of salary under section 17(3) Income Tax Act,1961	-
2	Stock Option**	10,27,190
3	Sweat Equity	-
4	Commission	-
5	Others, please specify	-
	Total	**1,28,60,314**

*Includes Basic Salary, Bonus and Retiral Benefits on payment Basis. Remuneration is calculated on payment Basis (Pursuant to Section 92(1) of The Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014.
** Includes Cash settled stock-based awards of GSK Plc on payment Basis.

(vi) PENALTIES/ PUNISHMENT/COMPOUNDING OF OFFENCES;

The Company has not received any material Show cause under the Act / SEBI Regulations. Notices received from other regulatory/statutory authorities are being suitably dealt with.

There are no significant legal /arbitral proceedings against the Company. All such matters are being brought to the notice of the Audit Committee / Board.

Annexure IV to Directors Report for the year ended March 31, 2019

Annual Report on Corporate Social Responsibility (CSR) Activities

1) **Outline of the CSR Policy**

GSK-CH India's CSR mission is called **"Mission Health"** which is to help people to do more, feel better, live longer. **Mission Health** will improve access to health, education and sustainable livelihood opportunities for vulnerable sections of society.

CSR Activities: To achieve Mission Health, the CSR Activities will focus on the following areas:

a. **Nutrition -** Improving micro-nutrient status of children and mothers by creating awareness, better access to micronutrients, nutritional assessment and linkages with government nutrition programmes.
b. **Health -** Create awareness, build skills and implement programmes on hygiene, sanitation, safe food and water leading to good health.
c. **Ensuring Environmental Sustainability, ecological balance etc. -** Implement programmes leading to conservation of natural resources through Natural Resource Management (NRM) activities like watershed, water harvesting etc.
d. **Improving Employment enhancing vocational skills and income generation activities for women -** Conduct skill development programmes for vulnerable and marginalized communities to improve livelihoods leading to better health

In addition to this your Company will also participate in -:

e. **Disaster Support -** to provide relief to disaster affected communities.
f. **Volunteering -** to create a culture of shared value for employees by encouraging them to participate in community work and skill-based volunteering.
g. **Any other** in line with schedule VII of CSR Rules under Companies Act

The objective in each of the interventions is to create sustainable and community owned projects

Please follow the link below for a copy of the CSR Policy:

http://www.gsk-ch.in/downloads/GSK-CH_Corporate_Social_Responsibility_Policy.pdf

2) **Composition of the CSR Committee**

- Ms. Sangeeta Talwar, Chairperson
- Mr. P Dwarakanath
- Mr. Naresh Dayal
- Mr. S Madhavan
- Mr. Vivek Anand
- Ms. Shanu Saksena, Secretary

3) **Average Net Profit for the last three years** : INR 1,05,254.28 Lakhs

4) **Prescribed CSR Expenditure** : INR 2,105.09 Lakhs

5) **Details of CSR activities / projects undertaken during the year**

a. **Total amount to be spent for the year** : INR 2,121.98 Lakhs
b. **Amount unspent, if any** : Nil
c. **Manner in which the amount spent** : Provided in Format A (as per the Companies Act, 2013) below

All Figures in INR Lakhs

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects / programs 1.Local Area/ Others 2.State / District where project/ program was undertaken	Amount Outlay (Budget) project / programme wise	Amount spent on the project / programme 1.Direct expenditure on project or programmes 2.Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct / Through implementation agency
1	Support for eradication of Lymphatic Filiarasis	Healthcare {Schedule VII – (I) }	Pan India	9,95 Lakhs	Direct: 880 lakhs Overheads: Nil	8,80 Lakhs	Through implementation partner: World Health Organization (WHO)

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects / programs 1.Local Area/ Others 2.State / District where project/ program was undertaken	Amount Outlay (Budget) project / programme wise	Amount spent on the project / programme 1.Direct expenditure on project or programmes 2.Overheads	Cumulative expenditure up to the reporting period	Amount spent Direct / Through implementation agency
2	360 degree nutrition program	Health & Nutrition {Schedule VII – (I) }	Hubli, Karnataka	5,26 Lakhs	Direct: 526 lakhs Overheads: Nil	5,27 Lakhs	Through implementation partner: The Akshay Patra Foundation
3	Mass outreach through schools	Health & Nutrition {Schedule VII – (I) }	Madhya Pradesh, Uttar Pradesh, Assam and Bihar	1,50 Lakhs	Direct: 150 lakhs Overheads: Nil	1,50 Lakhs	Through implementation partner: SHARP NGO
4	Improve awareness about malnutrition	Health & Nutrition {Schedule VII – (I) }	Haryana	27 lakhs	Direct: 27 lakhs Overheads: Nil	27 Lakhs	Through implementation partner: SAKSHI NGO
5	Surakshit Khadya Abhiyan	Skill Development {Schedule VII – (II) }	Pan India	92 Lakhs	Direct: 92 lakhs Overheads: Nil	92 Lakhs	Through implementation partner: CII Foundation
6	WASH project	Healthcare {Schedule VII – (I) }	Haryana, Punjab and Andhra Pradesh	2,23 Lakhs	Direct: 223 Lakhs Overheads: Nil	2,24 Lakhs	Through implementation partner: Multiple partners
7	Dengue prevention and management	Healthcare {Schedule VII – (I) }	Uttar Pradesh	1,25 Lakhs	Direct: 125 lakhs Overheads: Nil	1,25 Lakhs	Through implementation partner: Lords Education & Health Society
8	Disaster relief – Kerala Floods	Healthcare {Schedule VII – (I) }	Kerala	8 Lakhs	Direct: 8 lakhs Overheads: Nil	8 Lakhs	Through implementation partner: CENDECT
9	Admin expenses					88 Lakhs	
	Total					**21,21 Lakhs**	

6) Reasons for not spending

Not applicable

7) Responsibility Statement

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Navneet Saluja
Managing Director

Sangeeta Talwar
Chairperson CSR Committee

Place : Gurugram
Dated : May 10, 2019

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S. No.	Activity	Details
1.	Corporate Identity Number (CIN) of the Company	L24231PB1958PLC002257
2.	Name of the Company	GlaxoSmithKline Consumer Healthcare Limited
3.	Registered address	Patiala Road, Nabha – 147 201 (Punjab)
4.	Website	www.gsk-ch.in
5.	E-mail id	investor.2.co@gsk.com
6.	Financial Year reported	April 01, 2018 to March 31, 2019
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Food Processing Sector *Product* / *ITC (HS) Code* / *NIC Code* Malt Based Foods / 19019090 / 10794 Protein Rich Food / 19019090 / 10797 Cereal Based Beverage / 19019090 / 10502
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	a. Malt Based Food b. Protein Rich Food c. Cereal Based Beverage
9.	Total number of locations where business activity is undertaken by the Company: i. Number of International Locations: (Provide details of major 5) ii. Number of National Locations:	- Gurugram, Chennai, Mumbai, Kolkata, Nabha, Rajahmundry, Sonepat
10.	Markets served by the Company– Local/State/ National/International	PAN India, Sri Lanka, Bangladesh, Nepal, Middle East (Bahrain, Qatar, Oman, Saudi Arabia & Kuwait), Myanmar, Pakistan, Kenya, Mauritius and Malaysia.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

S. No.	Activity	Details
1.	Paid up Capital (INR)	42,05.55 lacs
2.	Total Turnover (INR)	47,82,00.53 lacs
3.	Total profit after taxes (INR)	9,82,80.40 lacs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.16% of Profit after Tax
5.	List of activities in which expenditure in 4 above has been incurred	1) **Nutrition Programme:** a) Facilitating access to nutrition services in schools and anganwadi centers b) Mid-day meal programme c) Skill building on nutrition 2) **Allied against Dengue-** This programme is being implemented in 5 districts of UP. The programme is building capacities of doctors, pharmacist and healthcare providers on early testing and treatment of dengue. Further, community members are made aware of dengue symptoms and practices to prevent dengue breakout. 3) **Community Development Projects-** The Company is working closely with district administration and the community to improve access to health services, clean drinking water, proper sanitation and hygiene facilities. 4) **Disaster Relief-** The Company has provided relief and rehabilitation to families affected by floods in Assam, Bihar and Kerala. Our NGO partners helped in identifying the needy communities and provided them with dry ration, water, clothes, torches and plastic sheets.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies? – **No**
2. Do the Subsidiary Company/Companies participate in the Business Responsibility Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) – **Not Applicable**
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the Business Responsibility initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] – **No**

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/Directors responsible for Business Responsibility

a) Details of the Director responsible for implementation of the Business Responsibility policy/policies
- DIN Number : 07602670
- Name : Mr. Anup Dhingra
- Designation : Director- Operations

b) Details of the Business Responsibility head:
- DIN Number (if applicable) : Not Applicable
- Name : Ms. Shanu Saksena
- Designation : Company Secretary & Area Ethics and Compliance Officer, ISC
- Telephone number : +91 124 4336500
- e-mail id : investor.2.co@gsk.com

2. Principle-wise (as per National Voluntary Guidelines) Business Responsibility Policy/policies

(a) Details of Compliance (Reply in Y/N)

S. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for….	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified Committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed https://india-consumer.gsk.com/en-in/investor-relations/gsk-policies/brr-related-policies/	Y	Y	Y	Y	Y	Y	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to the question at Serial No. 1 against any principle, is 'No', please explain why: NOT APPLICABLE

3. Governance related to Business Responsibility:

(a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the Business Responsibility performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The Company has set up a cross functional team consisting members from Commercial, Legal, Human Resources, Finance, Environment Health & Safety, Quality, Regulatory, Communications and External Affairs to monitor and ensure compliance with the mandated Business Responsibility Reporting.

This internal cross functional team monitors this on periodic basis. The report was prepared for half year & for quarter three ended December 31, 2018 by the team and was reviewed by Director Operations on February 1, 2019. Thereafter, the report was prepared for financial year and reviewed by Director Operations on May 10, 2019.

This report is presented to the Board for their review and approval every year.

(b) **Does the Company publish a Business Responsibility or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Yes, the Company publishes the Business Responsibility Report annually and the same can be viewed at the Company's website i.e. https://india-consumer.gsk.com/en-in/investor-relations/investor-information/business-responsibility-report/

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes /No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

   Yes, the Anti Bribery and Corruption Policy covers the Company and all its third party vendors.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   Fifteen (15) stakeholders' complaints were received during the financial year ended March 31, 2019 related to ethics, transparency and accountability and all the them have been resolved satisfactorily by the management.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycles

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**
   a. Horlicks and its variants
   b. Boost and its variants

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   i. **Water & Energy Consumption in 2018-19 (April 2018- March 2019)**

S. No	Parameter	Unit	Total
1.	Water Consumption (with recharge)	KL	5,54,212
2.	Carbon Emissions	Absolute CO_2 (Kg)	55,257

   ii. **Raw Material Consumption in 2018-19 (April 2018 - March 2019)**

S. No	Description of Raw Material	Unit	Total
1.	Milk Powder	MT	11,016
2.	Liquid Milk	MT	38,821
3.	Malt and Malt Extract	MT	91,040
4.	Flour (Wheat)	MT	36,003

   iii. **Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**
   In our endeavor towards supporting a clean & sustainable environment, various energy reduction initiatives have been progressed. These include increased usage of Agri-waste based bio-mass fuel (briquettes/pellets) for steam generation, construction of a biomass based combined heat and power plant, 800KW Solar PV plant, boiler condensate recovery & usage of biodiesel instead of High Speed Diesel at one of the site which all reduced CO_2 emission substantially.

   Water conservation initiatives included recycling of waste water. The Company has implemented projects for automated Clean-in-Place system (CIP), Effluent Treatment Plant (ETP) treated water recycling and enhancement of ground water recharge through development of a pond in community at one of the sites.

   Key projects implemented during this financial year:

   - 1.4 MW Combined heat and power plant (CHP) successfully commissioned at Rajahmundry. The benefits include in house captive power generation of 1 MW with the usage of Bio Mass along with high pressure steam generation which will result in cost saving and Co_2 emission reduction of 6 KT/annum.
   - 800 KW Solar PV plant (Roof top + Ground mounted) installed at Sonepat site to generate renewable energy. This will deliver electricity saving of approx.10 Lakh KWH/Annum and 0.8KT Tons/annum CO_2 reduction.
   - Installation of customized software at Sonepat & Nabha in coal fired (FBC) boilers to optimize & control operational parameters for enhancing boiler efficiency. This will deliver Co_2 reduction of approx.0.42KT.
   - Water resource development & management (waste water management & aquifer recharge) was implemented in Icchewal village near Nabha site with support from local community. This initiative will result into total potential benefit of approx. 92332 KL/Annum.
   - Tertiary RO treatment plant is successfully commissioned. ETP water is recycled through tertiary RO and it is reused in boiler and cooling towers. This has given reduction in use of fresh water approx. 60000 KL/annum.
   - Installation of centralized CIP with automation along with Pigging system to recover the product before cleaning, this is leading to Water & Energy conservation & less effluent load on the ETP. This has given reduction in use of fresh water approx. 6360 KL/annum.

iv. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**
Not applicable.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company has been increasing sourcing and usage of bio fuel (waste bio mass) with replacement of coal over the years thus enhancing sustainability of our sourcing of fuels. 79.2% biomass sourced and blended by end of financial year out of total fuel consumed for steam generation.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, the Company sources significant share of our milk requirements in Punjab from farmers in nearby villages. Further, to improve their capability and productivity of dairy operations the Company provide active support in the areas of animal health care, breed improvement and guidance on good animal husbandry practices & clean milk production.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

All three sites have well defined system to recycle waste and recycling of products waste is more than 10%, details of the waste utilisation is as follows:

Process:

Husk (Barley) : Sold as cattle feed.

Product waste : Bio composting used as manure

Ash from electrostatic precipitator: Reused in manufacture of ash-based bricks, mud-based bricks and for road construction.

Principle 3: Businesses should promote the wellbeing of all employees

S. No.	Particulars	Details
1.	Please indicate the Total number of employees	3844
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis	1475
3.	Please indicate the Number of permanent women employees.	153
4.	Please indicate the Number of permanent employees with disabilities	4
5.	Do you have an employee association that is recognised by management	Yes. Rajahmundry : 1 Nabha : 1
6.	What percentage of your permanent employees is members of this recognised employee association?	Nabha : 91%, Rajahmundry : 85%

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

S. No.	Category	No. of complaints filed	No. of complaints closed	No. of complaints pending
1.	Child labour/forced labour/involuntary labour	0	0	0
2.	Sexual harassment	3	2	1
3.	Discriminatory Employment	0	0	0

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- Permanent Employees : 68%
- Permanent Women Employees : 63%
- Casual/Temporary/Contractual Employees : 100%
- Employees with Disabilities : 68%

Principle 4: Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1. **Has the Company mapped its internal and external stakeholders? Yes/No**

Yes, the Company has mapped its internal and external stakeholders. All the programmes recognizes its employees, business associates, customers, shareholders/investors and communities surrounding its operations and regulatory authorities as key stakeholders.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?**

The Corporate Social Responsibility programme of the Company has identified women, children, migrants and other backward communities around its operational areas as disadvantaged, vulnerable and marginalized. Through its various community development initiatives on nutrition and health, the company continuously engages with these stakeholders and works towards improving their quality of life. In addition to its operational areas, the company also engages with the marginalized population of some of the districts which have been identified by Niti Aayog as aspirational districts for nutrition and health. The company's community development initiatives are spread across 8 districts in Assam, Bihar, UP, MP, Karnataka, AP, Punjab and Haryana.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**

   The Company's Social Responsibility initiatives are implemented under the umbrella of "Mission Health". Within "Mission Health" the Company works towards facilitating access to quality healthcare services and clean water; provision of mid-day meals in schools; creating awareness on the importance of nutrition among adolescents, new mothers & children; building capacities of various service providers on food safety and prevention of dengue.

Principle 5: Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others?**

   The policy of the Company on human rights covers the Company and all its third party vendors.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No stakeholder complaints have been received in the past financial year.

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

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ others?**

   Yes, it covers the Company and extends to contract manufacturing sites.

2. **Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes, all the three primary manufacturing sites have Site Energy Policy which addresses global environmental issues such as climate change, global warming, etc. and site energy initiatives are being considered in line with that.

   CO_2 emissions are monitored by all the sites and the Company has taken long term targets for reduction of the same. Key initiatives taken during the year are captive power generation, solar power generation, other initiates of energy reduction through process improvements & increase use of Agri waste bio-mass in the existing steam generation system to reduce the carbon emissions thus contributing towards reducing the impact of global warming.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes, proactive approach is followed in identification of the potential environmental risk, 5x5 matrix is used for the identification of the potential environmental risks. Proper Standard Operating Procedures (SOPs)/controls are in place for the key environmental risks.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   No, the Company does not have any project related to Clean Development Mechanism.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.**

   Key initiatives taken at sites are highlighted below:

   1. **Steam-**
      - All the sites have increased usage of Agri-waste bio-mass (briquettes/pellets) for steam generation. This has offset 65,391 tons of CO_2 emissions by end of financial year, thus significantly reducing carbon foot print in generating steam and reinforces our resolve towards a clean and sustainable environment.
      - At one of the sites, biodiesel is used instead of High-Speed Diesel.
      - At one of the sites, steam system improvement to reduce steam consumption.
   2. **Electricity-**
      - At one of the sites, construction of a biomass based combined heat and power plant is commissioned, which will reduce CO_2 emission substantially.
      - At one of the sites, installation of 800KW solar PV plant.
      - At one of the sites, replacement of water-ring vacuum pump with dry vacuum pump (oil lubricated), to minimize the ground water usage.
      - Use of LED lights & Electronically commuted fans.
      - Installations of Electronically commuted (EC) direct drive fans in ventilation systems and Air Handling Units reviewed for balance requirement & installed which will reduce the energy consumption at two sites.
      - Installations of balance requirement of LED lights identified & implemented at two sites.
      - At one of the sites, effluent treatment plant (ETP) upgradation done by replacing surface aeration with diffused aeration to save energy
      - At one of the sites, temperature-controlled flow rate regulation implemented to reduce energy consumption.
      - Segregation of low pressure (LP) & high pressure (HP) compressed air lines to reduce energy consumption.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes. Stack Emissions, Water Analysis, Ambient Air Quality Reports are well within the limits as defined by Central Pollution Control Board / State Pollution Control Board.

7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as in end of the financial year.**

   There is no show cause notice pending by the end of financial year.

Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   Yes. The Company is the member of the following trade and chamber associations:

   a. Federation of Indian Chambers of Commerce and Industry (FICCI), Delhi
   b. Confederation of Indian Industries (CII), Delhi
   c. Association of Food Scientists and Technologists (AFSTI), Delhi and Mumbai Chapter
   d. Protein Foods and Nutrition Development Association of India (PFNDAI), Mumbai
   e. The Associated Chambers Of Commerce and Industry of India (ASSOCHAM)
   f. Ayurvedic Drug Manufacturer's Association (ADMA), Mumbai
   g. Indian Pharmaceutical Association (IPA)
   h. All India Food Processors Association (AIFPA)
   i. Indian Drug Manufacturers Associations (IDMA)

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).**

   Yes, the areas of advocacy are issues related to consumer healthcare industry, regulatory policies; nutrition and health (Nutrition Profiling and NCDs); Self-care (OTC regulation); Ayurvedic Products reforms and sustainable business principles.

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes, the Company supports inclusive growth and equitable development through our Corporate Social Responsibility programme - Mission Health. For implementation of Mission Health, the Company has partnered with organizations such as - The Akshaya Patra Foundation, Bal Raksha Bharat, SHARP, Sakshi NGO, CII Foundation, Lords Education and Health Society and WHO.

Following programmes have been implemented:

i. **Nutrition programme:**

   a) **School & community nutrition programme:** This year, the Company worked towards building skills & knowledge of school teachers, front line workers, students and parents on importance of nutrition and WASH (water, sanitation and hygiene). The Company is also strengthening its nutrition interventions by aligning with Government initiatives like National Nutrition Mission, National Anemia Control programme, and the National De-worming programme. The programmes are implemented in 5 states - Bihar, UP, MP, Karnataka and Assam and reaching out to over 1,50,000 people.

   b) **Mid-day meal programme:** The Company has supported 50,000 children in Government schools in Hubli and Karnataka. Fortified meals have been provided to children through the mid-day meal programme. In addition to this, the Company has also provided milk to these 50,000 children for 5 days/week.

   c) **Skill building on nutrition:** Through the Company's partnership with CII Foundation, it is working towards improving food safety practice through provision of food safety trainings to mid-day meal providers in schools, food handlers in Anganwadi centres and caterers in railway. The training effectiveness is assessed through pre and post training food handling practices review.

ii. **Allied against Dengue-** This programme is being implemented in 5 districts of UP. This programme aims at building capacities of doctors, pharmacist and health care providers on early testing and treatment of dengue. Community outreach and education coupled with working closely with the district administration is a key activity of the project to ensure that the community adopts the program benefits.

iii. **Community Development Projects-** In Nabha, Rajahmundry and Sonepat, the company's operational areas, integrated development of the region is a priority for GSK. The projects of the Company have helped in improving the water, hygiene and health services of community. The Company is working closely with district administration to facilitate delivery and access to government services around healthcare, clean drinking water, proper sanitation and hygiene. The Company is also working towards creating awareness amongst the community members on nutrition, sanitation and hygiene practices.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?**

   All the programmes/projects under the Corporate Social Responsibility Policy of the Company are undertaken through external NGOs and other organisations namely The Akshaya Patra Foundation, Bal Raksha Bharat, JSI Foundation, SHARP, Sakshi NGO, CII Foundation and WHO.

3. **Have you done any impact assessment of your initiative?**

   Yes. It is an ongoing process. To measure impact, each project has defined indicators. However, a project typically takes between 3 to 5 years to demonstrate impact. Hence, each project undertaken by the company is generally for a longer duration, ideally for 3 years. In the implementation phase, concurrent monitoring data is captured against the indicators.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

   The Company has contributed approximately Rs. 21 Crores and 22 Lacs towards various Corporate Social Responsibility projects.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so?**

   Projects are carefully selected based on the needs of communities. Working towards sustainable adoption of our projects are integral to the project design. Our NGO partners and stakeholders focus on empowerment of the communities to ensure community ownership and sustainability. Interventions are designed in a manner that community members are continuously engaged with and leaders within the community are identified & their capacities are built. Further, the implementing NGOs work in close collaboration with relevant local government departments.

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

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year period ended March 31, 2019?**

   There were total 1865 complaints in Consumer Relationship System (CRS) reported in the financial year, out of which 33 complaints (1.8% of total complaints) are due for closure, rest all the complaints are closed in CRS.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)?**

   Yes. Consumer is provided with instructions on serve sizes and the basic knowledge about the science working behind the various formulations and ingredients added in our product including general known functions of the nutrients. Storage instructions and cautionary notes, if any, are also provided, if it is important to ensure the safety of consumer at the time of consumption.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words, or so.**

   There has been 1 complaint received by the Company from Advertising Standard Council of India (ASCI) and the same was defended successfully. There is 1 consumer case filed alleging deficiency in services which is pending adjudication.

4. **Did your Company carry out any consumer survey/consumer satisfaction trends?**

   From Consumer Relations standpoint, we undertake several surveys throughout the year with our consumers. These include Consumer Satisfaction (CSAT) surveys pitched on calls and once the required information has been provided to the consumers by the Consumer Relations Hub advisor for surveys offered then the product quality complaint is resolved.

Place : Gurugram
Dated : May 10, 2019

Anup Dhingra
(DIN: 07602670)
Director- Operations

Corporate Governance Report

Company's Philosophy on Corporate Governance

GlaxoSmithKline Consumer Healthcare Limited is committed to following best global corporate governance practices in all its pursuits. The guiding principle for the Company has always been to achieve shareholders' satisfaction and maximize shareholders' value by following best corporate governance norms in true letter and spirit. The Company aims at achieving this objective by ensuring transparency in its functioning by truthful and complete communication to all its stakeholders and by inculcating a culture of ethical business conduct in all its operations.

Board of Directors

Composition

The composition of the Board of Directors of the Company is in complete conformity with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended and in the opinion of the Board, the Independent Directors fulfill the conditions as specified in abovesaid regulations and are independent of the management. The composition of the Board represents an optimal mix of professionalism, knowledge, experience and expertise in the varied fields such as business acumen, financial, accounting, manufacturing/operational expertise which enables the Board to discharge its responsibilities and provide effective leadership to the business. The positions of the Chairman of the Board and the Chief Executive Officer of the Company are held by separate individuals, where the Chairman of the Board is a Non-Executive Director. None of the Directors of the Company are related inter-se. None of the Non-Executive Directors held any equity shares of the Company during the financial year ended March 31, 2019. The details of the Board of Directors, their attendance records and other relevant details during the financial year ended March 31, 2019 are as under:

Name of the Director	DIN	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM held on August 8, 2018	No. of directorships in other Public Companies[A]	No. of Committee Position held in Other Public Companies[B]		Name of other Listed Entities and Category of Directorship	
						Chair person	Member	Name of the Company	Category
Mr. Zubair Ahmed*	00182990	NEC	1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. P. Dwarakanath**	00231713	NEC	7	Yes	1	-	1	-	-
Mr. Navneet Saluja	02183350	MD	7	Yes	-	-	-	-	-
Mr. Kunal Kashyap	00231891	ID	7	Yes	-	-	-	-	-
Mr. Naresh Dayal	03059141	ID	7	Yes	1	-	-	Balrampur Chini Mills Ltd	NED
Ms. Sangeeta Talwar	00062478	ID	7	Yes	6	2	5	HCL Infosystems Ltd	ID
								TCNS Clothing Company Ltd	ID
								Sembcorp Energy India Ltd	ID
								Castrol India Ltd	ID
Mr. S. Madhavan***	06451889	ID	4	N.A.	4	2	1	HCL Technologies Ltd	ID
								UFO Movies India Ltd	ID
								Transport Corporation of India Ltd	ID
								ICICI Bank Limited (w.e.f April 14, 2019)	ID
Mr. Joaquin B. Mascaro****	07517805	NED	NIL	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Vivek Anand	06891864	WTD	7	Yes	-	-	-	-	-
Mr. Anup Dhingra	07602670	WTD	7	Yes	-	-	-	-	-

** Mr. Zubair Ahmed ceased to be Non-Executive Chairman of the Company with effect from June 30, 2018.*
***Mr. P. Dwarakanath ceased to be the Independent Director of the Company with effect from June 30, 2018 and was appointed as the Non Executive Chairman of the Company with effect from July 01, 2018.*
****Mr. S. Madhavan appointed as Independent Director of the Company with effect from September 25, 2018.*
*****Mr. Joaquin B. Mascaro ceased to be the Director of the Company with effect from June 25, 2018.*
[A] Directorship in public companies registered under the Companies Act, 2013, excluding private limited companies, foreign companies, limited liability companies and companies under Section 8 of the Companies Act, 2013.
[B] Only covers Membership/ Chairmanship of Audit Committee and Stakeholders Relationship Committee of public limited companies.
NEC – Non Executive Chairman *MD – Managing Director*
WTD – Whole time Director *ID – Independent Director* *NED – Non Executive Director*

Details of Board Meetings During the year ended March 31, 2019

The Board of Directors of the Company met seven times during the period from April 1, 2018 to March 31, 2019 on May 11, 2018; June 30, 2018; August 7, 2018; November 1, 2018; December 3, 2018; February 14, 2019 and March 27, 2019. The Independent Directors met on March 26, 2019.

Information to the Board

The Company holds at least four Board Meetings in a year with at least one Meeting in each quarter to review the quarterly financial results. The maximum gap between two Board Meetings is not more than 120 days. Agenda papers are circulated to the Board Members and other permanent invitees to the Board Meeting well in advance. In addition to the specific matters which are taken at the Board Meetings, the following information is also placed before the Board for its review as per Schedule II Part A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended:

- Annual Operating Plans and Capital budgets and any updates in connection therewith.
- Quarterly results of the Company.
- Minutes of the Meetings of the Audit Committee and all other Committees of the Board.
- Terms of reference of the Committees of the Board.
- Statutory Compliance Certificate.
- Information on appointment and resignation of senior officers of the Company.
- Significant labour problems, if any, at any of the plant/locations of the Company.
- Significant development on the Human Resources/Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Information on strikes, lockouts, retrenchment, fatal accidents, dangerous occurrences, any material effluent or pollution problems or any other materially important incident, if any.
- Show cause, demand, prosecution notices and penalty notices of material importance.
- Any material default in financial obligations to and by the Company, or substantial non recovery for sale of goods by the Company.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.
- Details of any joint venture or collaboration agreement.
- Sale of a material nature, of investments and/or assets, which are not in the normal course of business.
- Any issue involving possible public or product liability claims of a substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material. Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.

The Familiarisation programme along with the details of the same imparted to the new Independent Directors during the year are available on the website of the Company i.e. www.gsk-ch.in.

Committees of the Board

The Board of Directors decide the composition and terms of reference of the Board Committees. The composition, terms of reference and the dates of these Committee Meetings is given below:

a) Audit Committee

The Audit Committee comprises of three Members, all of them are Independent Directors and possess financial and/or accounting knowledge. The Committee comprised of Mr. Kunal Kashyap as the Chairman and Ms. Sangeeta Talwar and Mr. S. Madhavan as the other two Members. Ms. Shanu Saksena is the Company Secretary of the Company and acts as Secretary to the Committee.

The Managing Director, Finance Director and Operations Director are permanent invitees to the Audit Committee Meetings. The Head of Internal Audit, the concerned partner of Deloitte Haskins & Sells LLP, the Statutory Auditors and KPMG Representatives (co-sourced internal auditors) are also invited to the Audit Committee Meetings.

The Company has an Internal Audit Team which submits its report directly to the Audit Committee on a quarterly basis. The Head of the Internal Audit Department reports to the Audit Committee. The Chairman of the Audit Committee Mr. Kunal Kashyap attended the last Annual General Meeting held on August 8, 2018 to answer shareholders queries.

Terms of reference:

The functioning and terms of reference of the Audit Committee including the role, powers and duties, quorum for Meetings and frequency of Meetings have been devised keeping in view the requirements of the Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended.

The Audit Committee has the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The terms of reference of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the remuneration and terms of appointment of auditors.
3. Review and monitor the auditor's independence and performance and effectiveness of audit process.
4. Approval of assignments and the payment thereof to statutory auditors for any other services rendered by the statutory auditors.
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   a) Any subsequent modification of transactions of the Company with related parties.
   b) Scrutiny of inter- corporate loans and investments.
   c) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report.
   d) Changes, if any, in accounting policies and practices and reasons for the same.
   e) Major accounting entries involving estimates based on the exercise of judgement by management.
   f) Significant adjustments made in the financial statements arising out of audit findings.
   g) Compliance with listing and other legal requirements relating to financial statements.
   h) Disclosure of any related party transactions.
   i) Qualifications in the draft audit report.
6. Reviewing and examining, with the management, the quarterly/annual financial statements and the auditors' report thereon before submission to the Board for approval.

6A. 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.

7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal financial control systems and risk management systems.
8. Reviewing the adequacy of the 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.
9. Discussion with internal auditors on any significant findings and follow up thereon.
10. 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.
11. Discussion 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.
12. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. Valuation of undertakings or assets of the Company, wherever it is necessary.
14. To review the functioning of the Whistle Blower mechanism/vigil mechanism, address genuine concerns and:
    a) To ensure the action taken on the alleged complaints received under this mechanism.
    b) To review the adequacy of the final outcome of such complaint and ensure that the reward/punishment is commensurate with the final outcome.
    c) To get an independent expert opinion, if need be, on the alleged complaint.
15. To ensure that the vigil mechanism provides for adequate safeguards against victimisation of persons who use such mechanism and have direct access to the Chairperson of the Audit Committee in appropriate/exceptional cases.
16. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
17. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
18. The Audit Committee mandatorily reviews the following information:
    a) Management discussion and analysis of the financial conditions and results of operations;
    b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management, and any modification of the transactions;
    c) Management letters/letters of internal control weaknesses issued by the statutory auditors;
    d) Internal audit reports relating to internal control weaknesses;
    e) Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor/Internal Auditors;
    f) Monitoring the end use of funds raised through public offers and related matters;
    g) Inter-corporate loans and investments; and
    h) Any other matter the Board may request/authorise the Audit Committee to perform/review.

Six Meetings of the Audit Committee were held during the year ended March 31, 2019. Attendance at Meetings during the year:

Director	No. of Meetings attended
Mr. Kunal Kashyap	6
Mr. Zubair Ahmed*	1
Mr. Joaquin B. Mascaro**	NIL
Ms. Sangeeta Talwar	6
Mr. P. Dwarakanath***	3
Mr. S. Madhavan****	3

**Mr. Zubair Ahmed ceased to be a member of the Audit Committee & Director of the Company with effect from June 30, 2018.*
***Mr. Joaquin B. Mascaro ceased to be a member of the Audit Committee & Director of the Company with effect from June 25, 2018.*
****Mr. P. Dwarakanath ceased to be a member of the Audit Committee of the Company with effect from November 02, 2018.*
*****Mr. S. Madhavan was appointed as a member of the Audit Committee of the Company with effect from November 02, 2018.*

b) Nomination & Remuneration Committee

The Company has a Nomination and Remuneration Committee which comprises of three Members. The Committee presently comprises of Ms. Sangeeta Talwar as the Chairperson and Mr. P. Dwarakanath and Mr. Naresh Dayal as the other two Members. Ms. Shanu Saksena is the Company Secretary of the Company and acts as Secretary to the Committee.

Terms of reference:
The functioning and terms of reference of the Committee have been devised in line with the recommendations as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

The terms of reference of the Committee are as follows:

1. To identify persons qualified to become Directors and persons appointed in the Senior Management.
2. To recommend to the Board the criteria for appointment and removal of persons eligible for Directorship/Senior Management.
3. To carry out the evaluation of every Directors' performance.
4. To review and advise the Company on the succession planning for the Senior Management and ensure the organization's readiness for continuing leadership.
5. To formulate a policy on diversity of Board of Directors.
6. To determine the Company's policy on all elements of remuneration packages of all the Directors including salary, benefits, bonuses, stock options, pension rights and compensation payment including details of fixed component and performance linked incentives along with performance criteria, service contracts, notice period, severance fees, stock option details, if any – and whether issued at a discount as well at the period over which accrued and over which exercisable.
7. To determine the remuneration of the Non-Executive Directors, which shall, finally be decided by entire Board of Directors.
8. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
9. To determine 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.
10. To recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees. The Committee shall ensure the following while formulating a policy and such policy shall be disclosed in the Board's Report.
11. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
12. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
13. All other aspects of benefits and compensation to employees.
14. To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
15. Any other matter the Board may request/authorize the Committee to perform/review.

Six meetings of the Committee were held during the year ended March 31, 2019. Attendance at Meetings during the year:

Director	No. of Meetings attended
Mr. P. Dwarakanath*	3
Ms. Sangeeta Talwar	6
Mr. Naresh Dayal	6
Mr. Kunal Kashyap**	3

**Mr. P. Dwarakanath ceased to be the Chairman of the Nomination & Remuneration Committee of the Company with effect from July 01, 2018 and was appointed as a member of the Committee with effect from November 02, 2018.*
*** Mr. Kunal Kashyap ceased to be a member of the Nomination & Remuneration Committee of the Company with effect from November 02, 2018.*

Remuneration Policy

Payment of Commission and Sitting Fees to the Non-Executive Directors and payment of Salary, Commission and Perquisites to the Whole-time Directors are as per the structure determined by the Nomination & Remuneration Committee and the Board, and subject to the overall ceilings imposed by the Companies Act, 2013 and other applicable statutes, if any. The basis is also determined by carrying out a periodic analysis of the industry trends by an independent and reputed HR Management Consultant firm, which is scrutinized and recommended by the Remuneration Committee. Performance linked incentives and bonus paid to the Whole-time Directors are determined on the basis of achievement of overall financial and other objectives set for the Company at the beginning of the year and the achievement of individual objectives.

The retirement age of the Whole-time Directors of the Company is 60 years while for Non - Executive Directors it is 75 years. The Notice period for the Whole-time Directors is three months' notice on either side. The Service contracts are in the range of 3 to 5 years.

Criteria for Making Payment to the Non-Executive Directors

The Company has a separate Policy for Remuneration of Non- Executive Directors and Employees and the same is available on the Company's website i.e. www.gsk-ch.in.

Performance Evaluation Criteria for Independent Directors

The Company has adopted a robust process for the performance evaluation of the entire Board including the Independent Directors. Please refer to the Directors' Report for details on the Performance Evaluation of the Board.

Remuneration of Key Managerial Personnel and Directors

Details of remuneration of the Key Managerial Personnel for the year ended March 31, 2019:

(Rs.)

S. No.	Name	Designation/Position	Salary#	Benefits@	Performance Incentive$	Grand Total
1.	Mr. Navneet Saluja	Managing Director	3,51,27,120	1,94,16,677	5,67,62,036	**11,13,05,833**
2.	Mr. Vivek Anand	Director – Finance & CFO	1,64,92,560	1,07,57,530	1,40,52,495	**4,13,02,586**
3.	Mr. Anup Dhingra	Director – Operations	1,98,00,480	1,38,82,398	3,11,01,191	**6,47,84,069**
4.	Ms. Shanu Saksena	Company Secretary	66,12,480	51,86,234	37,53,160	**1,55,51,874**

#Salary includes Basic Salary and HRA.
@Benefits include allowances, perquisites, retiral benefits and recognition awards.
$Performance incentive includes bonus, cash settled stock based award of GSK plc and any sign-on payments.

Details of remuneration of Non-Executive Directors and Independent Directors for the year ended March 31, 2019:

(Rs.)

S. No.	Name	Particulars	Sitting Fees	Commission	Total#
1.	Mr. Zubair Ahmed*	Non-Executive Chairman	1,75,000	-	**1,75,000**
2.	Mr. P. Dwarakanath**	Non-Executive Chairman	12,25,000	10,00,000	**22,25,000**
3.	Mr. Joaquin B Mascaro***	Non-Executive Director	-	-	**-**
4.	Mr. Kunal Kashyap	Independent Director	14,25,000	10,00,000	**24,25,000**
5.	Mr. Naresh Dayal	Independent Director	11,25,000	10,00,000	**21,25,000**
6.	Mr. S. Madhavan****	Independent Director	5,50,000	-	**5,50,000**
7.	Ms. Sangeeta Talwar	Independent Director	15,00,000	10,00,000	**25,00,000**
8.	Mr. Subodh Bhargava*****	Non-Executive Chairman	1,25,000	13,00,000	**14,25,000**
9.	Mr. Mukesh H. Butani*****	Independent Director	1,50,000	10,00,000	**11,50,000**

#Amounts have been disclosed on payment basis
** Mr. Zubair Ahmed ceased to be the Non-Executive Chairman & Director of the Company with effect from June 30, 2018.*
***Mr. P. Dwarakanath ceased as the Independent Director of the Company with effect from June 30, 2018 and was appointed as the Nominee Director and Non-executive Chairman of the Company with effect from July 01, 2018.*
****Mr. Joaquin B Mascaro ceased to be the Director of the Company with effect from June 25, 2018.*
*****Mr. S. Madhavan appointed as Independent Director of the Company with effect from September 25, 2018.*
******Mr. Subodh Bhargava and Mr. Mukesh H. Bhutani ceased to be Directors of the Company effective March 31, 2018*

c) Investor Grievance & Stakeholders Relationship Committee

The Investor Grievance & Stakeholders Relationship Committee of the Company comprises of three Members. The Committee comprised of Mr. Kunal Kashyap as the Chairman, Mr. Vivek Anand and Mr. Naresh Dayal as the other two Members. Ms. Shanu Saksena is the Company Secretary of the Company and acts as Secretary to the Committee.

Terms of reference:

The functioning and terms of reference of the Committee are in conformity with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

1. Redressing/Resolving of security holders complaints/grievances
   - Number of complaints received
   - Transfer of shares, any pending transfers etc.
   - Non-receipt of Balance Sheet
   - Non-receipt of dividends, bonus, rights etc.
   - Complaints with regards to dematerialisation
   - Number of pending complaints and reasons there for
   - Number of complaints not solved to the satisfaction of the security holder
   - Any other complaint

2. Any other matter the Board may request/authorise the Committee to review/perform.

Four Meetings of the Committee were held during the year ended March 31, 2019. Attendance at Meetings during the year:

Director	No. of meetings attended
Mr. Kunal Kashyap	4
Mr. P. Dwarakanath*	3
Mr. Naresh Dayal	4
Mr. Vivek Anand	4

**Mr. P. Dwarakanath ceased to be a member of the Investor Grievance & Stakeholders' Relationship Committee of the Company with effect from November 02, 2018.*

The total numbers of complaints received and replied to the satisfaction of the shareholders during the year ended March 31, 2019 under review and resolved were 62. The Company ensures that the investor's correspondence is attended expeditiously, and endeavor is made to send a satisfactory reply within three working days of receipt, except in cases that are constrained by disputes or legal impediments. There are no pending share transfer complaints as on March 31, 2019. The Company has advised Karvy Fintech Private Limited, its Registrar and Share transfer Agent to dispatch the shares after transfer within three working days from their approval at the Share Transfer Committee.

d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee (CSR) of the Company comprises of five Members. The Committee comprises of Ms. Sangeeta Talwar as the Chairperson and Mr. P. Dwarakanath, Mr. Naresh Dayal, Mr. S. Madhavan and Mr. Vivek Anand as the other four Members. Ms. Shanu Saksena is the Company Secretary of the Company and acts as Secretary to the Committee.

Terms of reference:

The role and terms of reference of the CSR Committee shall include the following:

1. Formulate, implement and monitor the CSR Policy of the Company from time to time.
2. Specify the projects and programmes that are to be undertaken.
3. Recommend the amount of expenditure to be incurred on the activities to be undertaken as per the CSR Policy.
4. Approve the list of CSR projects/programmes which the Company plans to undertake during the year, specifying modalities of execution in the areas/sectors chosen and implementation schedules for the same.
5. Ensure that the CSR projects/programmes of the Company also focus on integrating business models with social and environmental priorities and processes in order to create shared value.
6. Ensure that the CSR Policy of the Company provides that surplus arising out of the CSR activity will not be part of business profits of the Company.
7. Ensure that the CSR Policy specifies that the corpus would include the following:
   a) at least 2% of the average net profits during the three immediately preceding financial years;
   b) any income arising therefrom;
   c) surplus arising out of CSR activities.
8. Monitor the implementation of the projects/programmes/activities proposed to be undertaken by the Company.
9. Ensure that the following broad activities will be undertaken under CSR:
   a) eradicating hunger poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water;
   b) promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
   c) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
   d) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;
   e) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
   f) measures for the benefit of armed forces veterans, war widows and their dependents;
   g) training to promote rural sports, nationally recognised sports, Para Olympic sports and Olympic sports;
   h) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, Scheduled Tribes, Other Backward Classes, minorities and women;
   i) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
   j) rural development projects;
   k) such other area as may be prescribed or any other area the Board may authorise the Committee to include.

Two Meetings of the Committee were held during the year ended March 31, 2019. Attendance at Meetings during the year:

Director	No. of Meetings attended
Ms. Sangeeta Talwar	2
Mr. Vivek Anand	2
Mr. Naresh Dayal	2
Mr. P. Dwarakanath	2
Mr. S. Madhavan*	1

**Mr. S. Madhavan was appointed as a member of the Corporate Social Responsibility Committee of the Company with effect from November 02, 2018.*

e) Risk Management Committee

The Risk Management Committee (RMC) of the Company comprises of three Executive Directors as Members and Senior Management. The Committee comprises of Mr. Navneet Saluja as the Chairperson and Mr. Anup Dhingra and Mr. Vivek Anand as the other two Members. Ms. Shanu Saksena is the Company Secretary of the Company and acts as Secretary to the Committee.

The role of RMC is to ensure comprehensive risk management framework is in place and review the risk/ mitigation on an ongoing basis.

Four Meetings of the Committee were held during the year ended March 31, 2019. Attendance at Meetings during the year:

Director	No. of Meetings attended
Mr. Navneet Saluja	4
Mr. Vivek Anand	4
Mr. Anup Dhingra	2

GENERAL BODY MEETINGS

Particulars of last three AGMs

Year	Date	Time	Venue	Special Resolution Passed
2018	August 08, 2018	09.30 a.m.	Punjab Public School Auditorium, The Punjab Public School (Senior Wing), Nabha – 147 201 (Punjab)	One Special Resolution for alteration of Articles of Association
2017	August 09, 2017	09.30 a.m.		No Special Resolution
2016	August 05, 2016	09.00 a.m.		Three Special resolutions for appointment of Directors.

Postal Ballot

During the year, Company has conducted following two postal ballots:

1. Postal Ballot dated November 1, 2018:
   The Board of Directors in its meeting held on November 01, 2018 approved the Postal Ballot Notice which was dispatched on Tuesday, November 20, 2018. The voting remained open from Wednesday, November 21, 2018 at 09:00 A.M. (IST) to Thursday, December 20, 2018 at 05:00 P.M. (IST) and the result of the Postal Ballot was declared on December 21, 2018. Ms. Shanu Saksena, Company Secretary was authorised for the entire postal ballot / e-voting process. Mr. Sanjay Chugh, Practicing Company Secretary, (Membership No.: FCS 3754/CP No.: 3073) was appointed as the Scrutinizer for conducting the postal ballot / e-voting process in a fair and transparent manner.

   The Company engaged the services of Karvy Fintech Private Limited (Karvy) for providing e-voting facility to its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form.

   The Postal Ballot comprised of ordinary resolutions for revision in the terms of remuneration of the Executive Directors of the Company i.e. Mr. Navneet Saluja, Managing Director, Mr. Anup Dhingra, Director – Operations and Mr. Vivek Anand, Director – Finance and CFO which were passed with requisite majority.

2. Postal Ballot Notice dated February 14, 2019:
   The Board of Directors in its meeting held on February 14, 2019 approved the Postal Ballot Notice which was dispatched on Tuesday, March 12, 2019. The voting remained open from Wednesday, March 13, 2019 at 09:00 A.M. (IST) and ended on Thursday, April 11, 2019 at 05:00 P.M. (IST) and the result of the Postal Ballot was declared on April 12, 2019. Ms. Shanu Saksena, Company Secretary was authorised for the entire postal ballot / e-voting process. Mr. Sanjay Chugh, Practicing Company Secretary, (Membership No.: FCS 3754/CP No.: 3073) was appointed as the Scrutinizer for conducting the postal ballot / e-voting process in a fair and transparent manner.

   The Company engaged the services of Karvy Fintech Private Limited (Karvy) for providing e-voting facility to its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form.

   The Postal Ballot comprised of ordinary resolutions for revision in the terms of remuneration of the Executive Directors of the Company i.e. Mr. Navneet Saluja, Managing Director, Mr. Anup Dhingra, Director – Operations and Mr. Vivek Anand, Director – Finance and CFO which were passed with requisite majority.

   During the year, there was no special resolution through postal ballot and also there is no immediate proposal for passing any other special resolution through Postal Ballot on or before ensuing Annual General Meeting.

MEANS OF COMMUNICATIONS

Quarterly Results

Wide publicity is accorded to the Quarterly results by publishing them in widely circulated English daily (Financial Express) and a Punjabi daily (Punjabi Tribune) as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The results are also uploaded to the Stock Exchanges where the Company is listed. The Company also has its own official press releases in various newspapers through its Public Relations agency.

The Quarterly results of the Company are also displayed on the website of the Company at www.gsk-ch.in.

Half-yearly Report to each household of shareholders

Half-yearly reports are provided to shareholders on a request being made to the Company in this regard.

Presentations made to Institutional Investors or to Analysts

Regular Meetings and teleconferences were held with the Financial Institutions, Foreign Institutional Investors and Analysts. Four (4) Analyst Telecoms were held during the year with different Financial Analysts. They are also provided with a copy of the quarterly results after the same have been e-mailed to the Stock Exchanges. A copy of the presentations made to Financial Analysts is also made available on the website of the Company at www.gsk-ch.in.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting:

Date: The Sixtieth Annual General Meeting is scheduled to be held on Friday, August 2, 2019
Time: 9.30 a.m.
Venue: Punjab Public School Auditorium, The Punjab Public School (Senior Wing), Nabha, 147 201 (Punjab)

Financial Year:
April 1, 2018 to March 31, 2019

Financial Calendar:

Particulars	Date of Board Meeting	Particulars	Date of Board Meeting
1. Quarter ending June 30, 2019	August 2019	2. Quarter ending September 30, 2019	November 2019
3. Quarter ending December 31, 2019	February 2020, March 2020	4. Quarter ending March 31, 2020	May 2020

Book closure:
The Register of Members will be closed from July 27, 2019 (Saturday) to August 2, 2019 (Friday) (both days inclusive).

Dividend payment:
For the year ended March 31, 2019, the Directors have recommended a dividend at the rate of Rs. 105 per equity share, subject to approval of the Members at the ensuing Annual General Meeting. If approved, the dividend shall be paid on or before September 1, 2019 to all the Members as on record date.

Listing on Stock Exchanges and Stock Code:
The shares of the Company are listed at two Stock Exchanges in India, the addresses of which are given below:

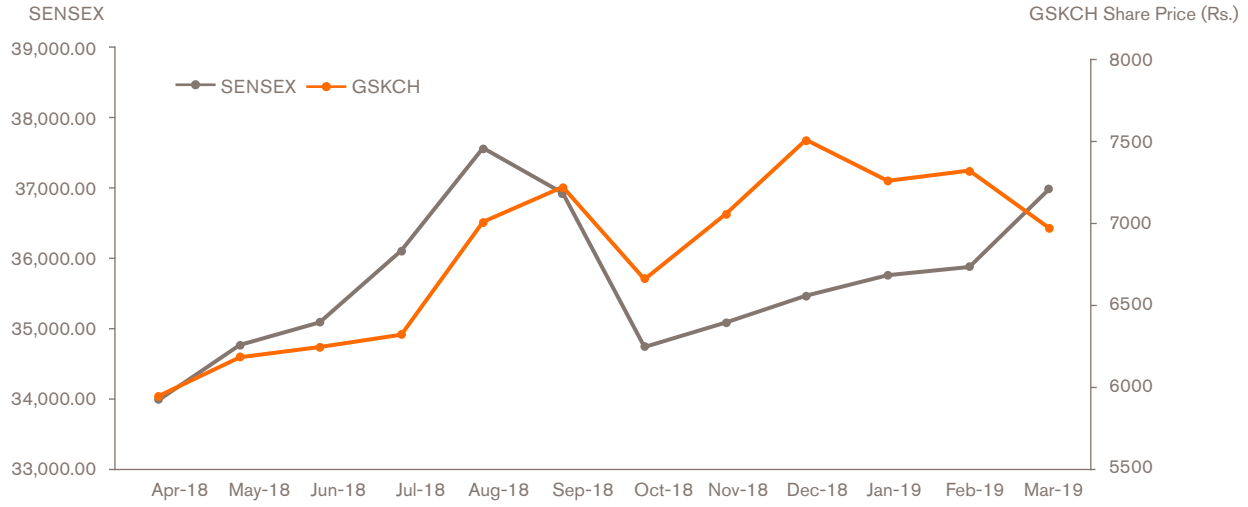
Stock Exchange	Stock Code
Bombay Stock Exchange Limited, Stock Exchange Towers, Dalal Street, Fort, Mumbai – 400 023	Demat 500676
National Stock Exchange of India Limited, Exchange Plaza, Bandra - Kurla Complex, Bandra (East), Mumbai – 400 051	GSKCONS

The Listing Fee for the year 2018-2019 has been paid to the Stock Exchanges where the shares of the Company are listed.

Stock Market Data: -
High and Low during each month in last financial year from April 2018 to March 2019 on the Stock Exchanges where the shares of the Company are listed:

	Share Price (Closed at Rs.)		Sensex (Closed at Rs.)	
Month	High	Low	High	Low
April 2018	6,135.55	5,831.65	35,160.36	33,019.07
May 2018	6,594.65	5,871.75	35,556.71	34,344.91
June 2018	6,572.10	6,021.15	35,739.16	34,903.21
July 2018	6,533.10	6,226.40	37,606.58	35,264.41
August 2018	7,691.55	6,526.95	38,896.63	37,165.16
September 2018	7,640.90	7,043.10	38,389.82	36,227.14
October 2018	7,060.15	6,408.90	36,526.14	33,349.31
November 2018	7,269.95	7,071.05	36,194.30	34,431.97
December 2018	7,819.35	7,469.40	36,484.33	34,959.72
January 2019	7,561.05	7,200.30	36,578.96	35,513.71
February 2019	7,686.05	7,205.10	36,975.23	35,352.61
March 2019	7,229.05	6,925.20	38,672.91	36,063.81

Performance in comparison:



Registrar and Transfer Agents:
Karvy Fintech Private Limited,
Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 008;
E-mail:-einward.ris@karvy.com

Share Transfer System:

Share transfers, where transfer documents are found in order, are registered and returned in the normal course within a period of 15 days from the date of receipt of the documents. Any requests for dematerialisation / rematerialisation of shares are processed and confirmation is given to depositories i.e. National Securities Depositories Limited (NSDL) or Central Depositories Services (India) Limited (CDSL), as the case may be, within 30 days from the date of receipt.

Distribution of shareholding as on March 31, 2019:

S. No.	Category (Shares)	No. of Holders*	% To Holders	No. of Shares	% To Equity
1	1 - 250	50565	92.16	1413541	3.36
2	251 - 500	2744	5.00	932540	2.22
3	501 - 1000	893	1.63	623044	1.48
4	1001 - 2000	274	0.50	387152	0.92
5	2001 - 3000	118	0.22	292523	0.70
6	3001 - 4000	54	0.10	187088	0.44
7	4001 - 5000	27	0.05	124011	0.29
8	5001 - 10000	173	0.32	3274496	7.79
9	10001 & Above	19	0.03	34821143	82.80
	TOTAL:	**54867**	**100.00**	**42055538**	**100.00**

Shareholding pattern as on March 31, 2019:

S. No.	Description	Shareholders*	Equity Shares	% of Equity
1	ALTERNATIVE INVESTMENT FUND	7	48767	0.12
2	BANKS	17	6609	0.02
3	CLEARING MEMBERS	95	66300	0.16
4	EMPLOYEES	3	106	0.00
5	FOREIGN INSTITUTIONAL INVESTORS	1	274	0.00
6	FOREIGN PORTFOLIO - CORP	125	1797392	4.27
7	FOREIGN PROMOTERS	2	30471992	72.46
8	H U F	740	78668	0.19
9	I E P F	1	18323	0.04
10	INDIAN FINANCIAL INSTITUTIONS	6	1217563	2.90
11	BODIES CORPORATES	1050	1173593	2.79
12	BENEFICIAL HOLDINGS UNDER MGT-4	5	2157	0.01
13	MUTUAL FUNDS	24	1809692	4.30
14	NBFC	5	1852	0.00
15	NON RESIDENT INDIANS	1348	64066	0.15
16	NON RESIDENT INDIAN NON REPATRIABLE	785	101817	0.24
17	NON RESIDENT INDIAN REPATRIABLE	9	2300	0.01
18	OVERSEAS CORPORATE BODIES	1	280	0.00
19	RESIDENT INDIVIDUALS	50628	5166633	12.29
20	TRUSTS	15	27154	0.06
	Total:	**54867**	**42055538**	**100.00**

**The above data is as per PAN and actual number of folios as on March 31, 2019 were 56785.*

Dematerialisation of shares and liquidity:

As on March 31, 2019, we have dematerialized 98.63% of our equity share capital, only 1.37% of our equity share capital is held in physical form.

Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has no GDRs/ADRs or any commercial instrument.

Commodity price risk or foreign exchange risk and hedging activities

The Company monitors the price of key commodities closely and formulates the procurement strategies basis actual price movements / trends / projections in India and Global Markets. The Company has adequate governance structure of aligning and reviewing the procurement strategies in line with external and internal dynamics.

The Company does not hedge foreign exchange risk as the exposure is not material.

Plant locations:

Nabha Plant: GlaxoSmithKline Consumer Healthcare Limited, Patiala Road, Nabha – 147 201 (Punjab)
Rajahmundry Plant: GlaxoSmithKline Consumer Healthcare Limited, Industrial Area, Dowleswaram – 533 124 (Andhra Pradesh)
Sonepat Plant: GlaxoSmithKline Consumer Healthcare Limited, 14 km Stone, Sonepat – Meerut Road, Village Khewra, P.O. Bahalgarh – 130 121, District Sonepat (Haryana)

Address for correspondence:

Registered Office:
GlaxoSmithKline Consumer Healthcare Limited, Patiala Road, Nabha – 147 201 (Punjab)
CIN: L24231PB1958PLC002257

Head Office:
GlaxoSmithKline Consumer Healthcare Limited, 24th& 25th Floor, One Horizon Centre, DLF Phase 5, Golf Course Road, Gurugram – 122 002 (Haryana)

Registrars and Share Transfer Agents:
Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 008

Name, Address and Contact Numbers of the Compliance Officer and Company Secretary:
Ms. Shanu Saksena, Company Secretary, 24th Floor, One Horizon Centre, DLF Phase 5, Golf Course Road, Gurugram – 122 002 (Haryana) Telephone: 0124-4336500; Facsimile: 0124-4336600; Email: investor.2.co@gsk.com

Email for Investors:
investor.2.co@gsk.com, einward.ris@karvy.com

Company's website address:
www.gsk-ch.in

Disclosure

- Materially significant Related Party Transactions that may have potential conflict with the interests of Company at large. During the year ended March 31, 2019 the Company has Related Party Transactions as envisaged under the Corporate Governance Code which have been mentioned in Note 28 to the Accounts. The policy on dealing with related party transactions is available on www.gsk-ch.in under investor relations section.
- There have not been any non-compliances, penalties or structures imposed on the Company by any Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- There are no subsidiaries to the Company, thus no policy for determining material subsidiaries was required.
- For disclosure related to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, please refer Business Responsibility Report.

Whistle Blower Policy and Vigil Mechanism

The Company has formulated a Whistle Blower Policy and Vigil Mechanism, with an aim to deter and detect misconduct and to ensure that genuine concerns of misconduct/unlawful conduct, which an individual believes may be taking place, are raised at an early stage in a responsible and confidential manner.

It is also affirmed that no Member has been denied access to the Audit Committee and the Whistle Blower Committee.

The Members of the Whistle Blower Committee for the year ended March 31, 2019 were Managing Director, Finance Director, Operations Director, Legal Head and HR Head. Apart from these Members, the Company Secretary acts as the Co-ordinator of the Committee. The Audit Committee reviews the mechanism and all Whistle Blower complaints and investigations of the Whistle Blower Committee, at all its Meetings. The Whistle Blower Policy has also been posted at the website of the Company www.gsk-ch.in.

Code of Conduct

The Board of Directors has adopted a Code of Conduct for Directors and Senior Management of the Company. An annual affirmation of compliance with the Code of Conduct is taken from all the Directors and Senior Management Members of the Company to whom the Code applies. The Code of Conduct has also been posted at the website of the Company www.gsk-ch.in. CEO's affirmation that the Code of Conduct has been complied with by the Board of Directors and Senior Management is given at the end of this report.

Discretionary Requirements

The Company is complying with the following discretionary requirements prescribed under Schedule II Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended:

1. Separate posts of Chairman and CEO: The Company already has separate persons to the post of Chairman and Managing Director/CEO. Mr. P. Dwarakanath is the Non-Executive Chairman and Mr. Navneet Saluja is the Managing Director of the Company.

2. Reporting of Internal Auditor: As per Audit Committee's terms of reference.

CEO & CFO Certification

The Certificate issued by the Managing Director (CEO) and Director – Finance (CFO) certifying the accuracy of the financial statements and adequacy of internal controls for financial reporting, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended, forms part of this Annual Report.

The Company has complied with all the mandatory requirements as specified in Regulation 17 to 27 and Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended regarding maintenance of functional website containing basic information about the Company and the necessary information as required to be uploaded on the Company's website.

Management Discussion and Analysis Report setting out Opportunities and Threats and also Risks and Concerns forms part of the Directors Report and is reported in this Annual Report.

For and on behalf of the Board

Place : Gurugram
Dated : May 10, 2019

Navneet Saluja
(DIN: 02183350)
Managing Director

Declaration as required under Schedule V Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

All Directors and Senior Management members of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management of Glaxosmithkline Consumer Healthcare Limited for the year ended March 31, 2019.

Place : Gurugram
Dated : May 10, 2019

Navneet Saluja
(DIN: 02183350)
Managing Director

Independent Auditor's Certificate on Corporate Governance

TO THE MEMBERS OF GLAXOSMITHKLINE CONSUMER HEALTHCARE LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated April 30, 2019.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of GlaxoSmithKline Consumer Healthcare Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

Managements' Responsibility

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

Auditor's Responsibility

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

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2019.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Manjula Banerji
Partner
(Membership No. 086423)

Place: Gurugram
Date: May 10, 2019

Certification by Chief Executive Officer & Chief Financial Officer of the Company

To the Board of Directors
GlaxoSmithKline Consumer Healthcare Limited

We, Navneet Saluja, Managing Director and Vivek Anand, Director – Finance & CFO, to the best of our knowledge and belief certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account of the Company for the financial year ended March 31, 2019 as well as the Cash Flow statement as on that date and that to the best of our knowledge and belief, we state that:
   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b) 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the 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 necessary steps have been taken to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit committee:
   a) significant changes, if any, in internal control over financial reporting during the year;
   b) significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
   c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Gurugram
Dated : May 10, 2019

Vivek Anand
Director – Finance & CFO

Navneet Saluja
Managing Director

CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

[Pursuant to clause (i) of Point (10) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have examined the following documents:

i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');

ii) Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents'),

As submitted by the Directors of **Glaxosmithkline Consumer Healthcare Limited** ('the Company') bearing **CIN: L24231PB1958PLC002257** and having its registered office at Patiala Road, Nabha 147201 Punjab, to the Board of Directors of the Company ('the Board') for the Financial Year 2019-20. We have considered non-disqualification to include non-debarment.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Based on our examination of relevant documents made available to us by the Company and such other verifications carried out by us as deemed necessary and adequate, in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we certify that as on date of this Certificate, none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

S. No.	Name of Director	Director Identification Number (DIN)
01	Mr. Patnam Dwarakanath	00231713
02	Mr. Navneet Saluja	02183350
03	Mr. Anup Dhingra	07602670
04	Mr. Vivek Anand	06891864
05	Mr. Kunal Kashyap	00231891
06	Ms. Sangeeta Talwar	00062478
07	Mr. Naresh Dayal	03059141
08	Mr. Subramanian Madhavan	06451889

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2019.

For S. N. ANANTHASUBRAMANIAN & CO.
Company Secretaries
Firm Registration No. P1991MH040400
S. N. Ananthasubramanian
Partner
FCS : 4206
COP No. : 1774
Date : 2nd May, 2019
Place : Thane

Independent Auditor's Report

To the Members of GlaxoSmithKline Consumer Healthcare Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of GlaxoSmithKline Consumer Healthcare Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 34 of the financial statements which describes the status of Scheme of amalgamation and the basis of preparation of these financial statements on a going concern basis.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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 matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1.	**Revenue recognition** Revenue includes both fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and incentives given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trend and past experience. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly. Therefore, there is a risk of revenue being misstated as a result of incorrect estimations over returns and allowances, trade discounts and volume rebates. Refer note 2(d) and note 2A to the financial statements	Assessed the appropriateness of the Company's revenue recognition accounting policies, including those relating to returns and incentives, trade discounts and rebates by comparing with applicable accounting standards; Tested the design and implementation and operating effectiveness of the Company's controls over the calculation of returns and incentives, discounts and rebates; Tested the charges/additions to the provision and reversals of the provision made by validating underlying documents; Performed retrospective reviews of provisions and related calculations; Evaluated the trend with respect to incentives, rebates, discounts and sales return for expired/near to expiry products and compared the same with the estimates made by the management;

S. No.	Key Audit Matter	Auditor's Response
2.	**Provisions for contingencies - tax matters** The Company has provisions for probable claims arising out of certain tax matters under various statutes, which are inherently judgemental and could change substantially over time as each matter progresses. Refer note 2(o), note 2A and 13 to the financial statements	Assessed the appropriateness of the Company's accounting policies relating to provisions for tax litigations by comparing with applicable accounting standards; Tested the design, implementation and operating effectiveness of controls around recording and re-assessment of tax provisions; Analysed management's claim case summaries, which involved discussing the status of selected outstanding and settled legal cases with internal legal counsel, evaluating source documents and corroborating relevant matters with external counsel wherever applicable; Obtained direct confirmation from Management experts and compared the responses with the details provided by the management; Understood and challenged management's rationale and the appropriateness of selected factors in estimating provisions; Involved internal tax specialists to examine litigations outcome, factors in estimating provisions; Assessed reasonableness of the provision related tax matters and the presentation and classification of items.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, Business Responsibility Report and Corporate Governance 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer note 35 to the financial statements

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company-Refer note 36 to the financial statements

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Manjula Banerji
Partner
(Membership No. 086423)

Place: Gurugram
Date: May 10, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **GlaxoSmithKline Consumer Healthcare Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Manjula Banerji
Partner
(Membership No. 086423)

Place: Gurugram
Date: May 10, 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a programme of verification of property, plant and equipment to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds of immovable properties of land and buildings which are freehold included under the head "Property, plant and equipment", are held in the name of the Company as at the balance sheet date, except for one building having original cost of Rs. 21.74 lakhs and net book value of Rs. Nil for which title deeds are not available with the Company and seven buildings having cost of Rs. 123.95 lakhs and net book value of Rs. 70.55 lakhs, for which registration is pending in the name of the Company.

(ii) As explained to us, the inventories including those lying with third parties were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provided guarantees and securities and hence reporting under clause (iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year within the meaning of Sections 73 to 76 or any other relevant provision of the Companies Act, 2013 and hence reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

c) There are no dues of Customs Duty and Goods and Services Tax which have not been deposited on account of any dispute. Details of dues of Income-tax, Sales Tax, Service Tax, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

Nature of the Statute	Forum where the dispute is pending	Amount (Rs. in lakhs)#	Period to which amount relates
Central Excise Act, 1944	Honorable Supreme Court of India	5,141.93	2001-02 to 2002-03, 2008-09 to 2015-16
	Customs, Excise and Service Tax Appellate Tribunal	243.67	1983-84 to 1985-86, 2012-13 to 2014-15
	Commissioner (Appeals) of Central Excise	2.67	2015-16, 2016-17
Sub-total (A)		**5,388.27**	
The Finance Act, 1994	Customs, Excise and Service Tax Appellate Tribunal	321.53	2005-06 to 2006-07, 2009-10 to 2014-15
	Commissioner (Appeals) of Central Excise	260.30	2011-12 till June 2017
	Assistant Commissioner of Central Excise	18.76	2006-07 to 2016-17
Sub-total (B)		**600.59**	
Sales Tax, Entry Tax And Value Added Tax	High Court	759.57	2013-14, 2015-16 to June 2017
	Sales Tax Appellate Tribunal/Revenue Board	149.47	1998-99 to 1999-00, 2001-02, 2002-03, 2004-05, 2006-07, 2008-09 to 2012-13, 2014-15 to 2015-16
	First Appellate Authorities at various levels	175.09	2000-01, 2003-04, 2005-06, 2007-08 to 2016-17
	Adjudication Level	267.62	2004-05, 2010-11, 2013-14
Sub-total (C)		**1,351.75**	
	Income Tax Appellate Tribunal	9,261.31	Assessment year 2008-09
	Income Tax Appellate Tribunal	7,790.72	Assessment year 2009-10
	Income Tax Appellate Tribunal	16,755.07	Assessment year 2010-11
	Income Tax Appellate Tribunal	29,504.10	Assessment year 2014-15
Sub-total (D)		**63,331.20**	
Grand total (A+B+ C+D)		**70,671.81**	

#includes interest and penalty amounts as specified in the demand order and is net of amount paid under protest.
The above details exclude appeals made by the department to higher appellate authorities.

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Manjula Banerji
Partner
(Membership No. 086423)

Place: Gurugram
Date: May 10, 2019

Balance sheet
as at March 31, 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	**4,62,07.00**	4,75,38.44
Capital work-in-progress	3	**12,59.05**	35,71.35
Intangible assets	4	**-**	15.02
Intangible assets under development	4	**5,13.96**	2,53.40
Financial assets			
i. Loans	5(d)	**21,44.95**	16,27.55
ii. Other financial assets	5(e)	**21,51.92**	21,70.92
Deferred tax assets (net)	6	**1,13,89.24**	1,15,45.00
Income tax assets (net)	7	**1,55,81.04**	1,77,91.18
Other non-current assets	8	**8,19.81**	5,52.94
Total non-current assets		**8,00,66.97**	8,50,65.80
Current assets			
Inventories	9	**4,65,46.55**	4,09,41.72
Financial assets			
i. Trade receivables	5(a)	**3,85,67.80**	2,78,72.18
ii. Cash and cash equivalents	5(b)	**5,73,31.94**	6,14,10.42
iii. Bank balances other than (ii) above	5(c)	**35,24,01.85**	29,71,09.39
iv. Loans	5(d)	**17,57.10**	14,79.54
v. Other financial assets	5(e)	**2,06,49.45**	1,77,65.57
Employee benefits	14	**13,90.02**	15,82.78
Other current assets	10	**80,97.25**	80,38.35
Total current assets		**52,67,41.96**	45,61,99.95
Total assets		**60,68,08.93**	54,12,65.75

Balance sheet (Contd.)

as at March 31, 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11(a)	**42,05.55**	42,05.55
Other equity	11(b)	**40,52,65.85**	34,43,06.34
Total equity		**40,94,71.40**	34,85,11.89
LIABILITIES			
Non-current liabilities			
Provisions	13	**1,01,87.69**	1,25,40.58
Employee benefit obligations	14	**57,51.34**	59,54.32
Total non-current liabilities		**1,59,39.03**	1,84,94.90
Current liabilities			
Financial liabilities			
i. Trade payables	12(a)		
-Total outstanding dues of micro and small enterprises; and		**41,49.23**	8,80.33
-Total outstanding dues of creditors other than micro and small enterprises		**9,11,12.10**	9,97,35.59
ii. Other financial liabilities	12(b)	**4,41,07.83**	3,39,66.23
Provisions	13	**2,75,60.48**	2,77,59.35
Employee benefit obligations	14	**46,58.69**	36,78.42
Income tax liabilities (net)	7	**10,09.72**	-
Other current liabilities	15	**88,00.45**	82,39.04
Total current liabilities		**18,13,98.50**	17,42,58.96
Total liabilities		**19,73,37.53**	19,27,53.86
Total equity and liabilities		**60,68,08.93**	54,12,65.75

See accompanying notes forming part of the financial statements 1 to 39

For Deloitte Haskins & Sells LLP
Chartered Accountants

Manjula Banerji
Partner

Place: Gurugram
Date: May 10, 2019

For and on behalf of the Board of Directors

P. Dwarakanath
(DIN: 00231713)
Chairman

Vivek Anand
(DIN: 06891864)
Director

Navneet Saluja
(DIN: 002183350)
Managing Director

Shanu Saksena
(Membership No: FCS- 9733)
Company Secretary

Kunal Kashyap
(DIN: 00231891)
Director

Place: Gurugram
Date: May 10, 2019

Statement of Profit and Loss
for the year ended March 31, 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Revenue from operations	16	47,82,00.53	43,77,05.34
Other income	17	4,32,60.48	2,57,40.74
Total income		52,14,61.01	46,34,46.08
Expenses			
Cost of materials consumed	18(a)	13,80,29.80	12,51,96.12
Purchases of stock-in-trade		1,14,81.31	1,39,63.91
Changes in inventories of work-in-progress, stock-in-trade and finished goods	18(b)	(58,92.33)	40,98.23
Excise duty		-	60,53.63
Employee benefits expense	19	6,44,62.15	5,27,72.51
Depreciation and amortisation expense	20	60,50.49	64,37.39
Finance costs	21	77.87	2,03.02
Other expenses	22	15,60,22.65	14,72,85.28
Total Expenses		37,02,31.94	35,60,10.09
Profit before tax		15,12,29.07	10,74,35.99
Income tax expense :			
Current tax	23	5,27,92.91	3,61,90.58
Deferred tax	23	1,55.76	12,35.19
Total tax expense		5,29,48.67	3,74,25.77
Profit for the year		9,82,80.40	7,00,10.22
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Items that will be reclassified to profit or loss:			
Remeasurements of post-employment benefit obligations		10,82.51	25,48.91
Income tax relating to these items		(3,78.27)	(8,82.13)
Other comprehensive income for the year, net of tax		7,04.24	16,66.78
Total comprehensive income for the year		9,89,84.64	7,16,77.00
Earnings per equity share			
Basic earnings per equity share (INR)	31	233.69	166.47
Diluted earnings per equity share (INR)	31	233.69	166.47

See accompanying notes forming part of the financial statements 1 to 39

For Deloitte Haskins & Sells LLP
Chartered Accountants

Manjula Banerji
Partner

Place: Gurugram
Date: May 10, 2019

For and on behalf of the Board of Directors

P. Dwarakanath
(DIN: 00231713)
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(DIN: 002183350)
Managing Director

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(Membership No: FCS- 9733)
Company Secretary

Kunal Kashyap
(DIN: 00231891)
Director

Place: Gurugram
Date: May 10, 2019

Statement of Changes in Equity
for the year ended March 31, 2019

(All amounts in INR lakhs, unless otherwise stated)

(A) Equity share capital (refer note 11(a))

Particulars	Amount
Balance as at March 31, 2017	**42,05.55**
Changes in equity share capital	-
Balance as at March 31, 2018	**42,05.55**
Changes in equity share capital	-
Balance as at March 31, 2019	**42,05.55**

(B) Other equity (refer note 11(b))

Particulars	Reserves and surplus			
	Capital redemption reserve	General reserve	Retained earnings	Total other equity
Balance as at March 31, 2017	**3,32.51**	**10,42,48.38**	**20,34,80.39**	**30,80,61.28**
Profit for the year	-	-	7,00,10.22	7,00,10.22
Other comprehensive income for the year	-	-	16,66.78	16,66.78
Total comprehensive income for the year	-	-	7,16,77.00	7,16,77.00
Dividend Paid	-	-	(2,94,38.88)	(2,94,38.88)
Tax on Dividend	-	-	(59,93.06)	(59,93.06)
Balance as at March 31, 2018	**3,32.51**	**10,42,48.38**	**23,97,25.45**	**34,43,06.34**
Profit for the year	-	-	9,82,80.40	9,82,80.40
Other comprehensive income for the year	-	-	7,04.24	7,04.24
Total comprehensive income for the year	-	-	9,89,84.64	9,89,84.64
Dividend paid	-	-	(3,15,41.65)	(3,15,41.65)
Tax on dividend	-	-	(64,83.48)	(64,83.48)
Balance as at March 31, 2019	**3,32.51**	**10,42,48.38**	**30,06,84.96**	**40,52,65.85**

See accompanying notes forming part of the financial statements 1 to 39

For Deloitte Haskins & Sells LLP
Chartered Accountants

Manjula Banerji
Partner

Place: Gurugram
Date: May 10, 2019

For and on behalf of the Board of Directors

P. Dwarakanath
(DIN: 00231713)
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(Membership No: FCS- 9733)
Company Secretary

Kunal Kashyap
(DIN: 00231891)
Director

Place: Gurugram
Date: May 10, 2019

Statement of Cash Flows
for the year ended March 31, 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	**9,82,80.40**	7,00,10.22
Adjustments for:		
Current tax	**5,27,92.91**	3,61,90.58
Deferred tax	**1,55.76**	12,35.19
Depreciation and amortisation expense	**60,50.49**	64,37.39
Impairment of trade receivables	**1,89.46**	-
Impairment of trade receivables reversed	**-**	(37.18)
Impairment of claims recoverable reversed	**(91.90)**	(7.73)
Provision for stock obsolescence/stock written off	**(5,58.34)**	5,79.69
Interest expense	**77.87**	2,03.02
Amortization of prepaid lease expense on security deposit	**1,76.72**	1,28.43
Amortization of prepaid employee expenditure	**3,79.03**	3,37.83
Profit on sale of property, plant and equipment (net)	**(44.65)**	(38.66)
Impairment of Property, plant and equipment/Capital work in progress/ Intangible assets under development	**29.43**	10,62.70
Interest income	**(2,64,14.37)**	(2,02,17.90)
Unwinding of discount on security deposits paid	**(1,93.34)**	(1,29.03)
Unwinding of interest on loans to employees	**(1,59.40)**	(3,72.17)
Provision/liabilities written back to the extent no longer required	**(1,38,02.96)**	(22,93.81)
Unrealised foreign exchange (gain) and loss (net)	**53.50**	(1,11.76)
Operating profit before working capital changes	**11,69,20.61**	9,29,76.81
Changes in Working Capital		
(Increase) / Decrease in non-current loans	**(3,58.00)**	18,02.00
(Increase) / Decrease in other non-current financial assets	**2,12.34**	1,29.45
(Increase) / Decrease in other non-current assets	**(1,19.96)**	2,44.68
(Increase) / Decrease in inventories	**(50,46.49)**	45,93.05
(Increase) / Decrease in trade receivables	**(1,08,85.08)**	42,65.16
(Increase) / Decrease in other bank balances	**(4,23.46)**	(1,30.13)
(Increase) / Decrease in current loans	**(2,77.56)**	(3,11.47)
(Increase) / Decrease in other current financial assets	**(10,06.93)**	(12,94.03)
(Increase) / Decrease in employee benefit assets	**1,92.76**	(8,54.12)
(Increase) / Decrease in other current assets	**(6,14.65)**	16,84.46
Increase / (Decrease) in provisions	**33,77.36**	(22,60.90)
Increase / (Decrease) in employee benefit obligation	**18,59.80**	16,41.68
Increase / (Decrease) in trade payables	**25,19.26**	1,43,26.02
Increase / (Decrease) in other short term financial liabilities	**1,01,46.71**	27,79.06
Increase / (Decrease) in other current liabilities	**5,61.41**	(5,93.78)
Cash generated from operations	**11,70,58.12**	11,89,97.94
Taxes paid	**(4,99,51.32)**	(4,66,93.77)
Net cash flow from operating activities	**6,71,06.80**	7,23,04.17

Statement of Cash Flows (Contd.)
for the year ended March 31, 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress and intangible assets under development)	**(33,96.04)**	(51,39.44)
Sale proceeds of property, plant and equipment	**1,29.98**	1,98.53
Interest received	**2,46,29.32**	1,86,29.35
Investments in/proceeds from fixed deposits	**(5,48,69.00)**	(5,83,33.00)
Net cash used in investing activities	**(3,35,05.74)**	(4,46,44.56)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	**(77.87)**	(2,03.02)
Dividend paid	**(3,11,18.19)**	(2,93,08.75)
Dividend distribution tax paid	**(64,83.48)**	(59,93.06)
Payments made under finance leases	**-**	(8,35.64)
Net cash used in financing activities	**(3,76,79.54)**	(3,63,40.47)
Net decrease in cash and cash equivalents (A+ B+C)	**(40,78.48)**	(86,80.86)
Cash and cash equivalents at the beginning of the year	**6,14,10.42**	7,00,91.28
Cash and cash equivalents at the end of the year	**5,73,31.94**	6,14,10.42

See accompanying notes forming part of the financial statements 1 to 39

For Deloitte Haskins & Sells LLP
Chartered Accountants

Manjula Banerji
Partner

Place: Gurugram
Date: May 10, 2019

For and on behalf of the Board of Directors

P. Dwarakanath
(DIN: 00231713)
Chairman

Vivek Anand
(DIN: 06891864)
Director

Navneet Saluja
(DIN: 002183350)
Managing Director

Shanu Saksena
(Membership No: FCS- 9733)
Company Secretary

Kunal Kashyap
(DIN: 00231891)
Director

Place: Gurugram
Date: May 10, 2019

Notes to the Financial Statements for the year ended March 31, 2019

Note 1: Corporate Information

GlaxoSmithKline Consumer Healthcare Limited (the 'Company') is a Public Company limited by shares, incorporated and domiciled in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Patiala Road, Nabha, Punjab. The Company is engaged in manufacturing and sale of healthcare consumer products.

Note 2: Significant accounting policies

a) Basis of preparation and presentation

(i) Statement of Compliance

The financial statements have been prepared to comply in all material aspects with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India.

(ii) Accounting convention

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, defined benefit plans-plan assets measured at fair value and share based payments. Also, refer Note 34 to the financial statements which describes the status of Scheme of amalgamation and basis of preparation of these financial statements on a going concern basis.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(iii) Operating Cycle

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit.

c) Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise.

d) Revenue from contracts with customers

Sale of goods

The Company has applied Ind AS 115 'Revenue from contracts with customers' with effect from April 1, 2018, using the modified retrospective method of adoption. Under this method, the Company is required to adjust the cumulative effect of initially applying Ind AS 115 in the opening balance of retained earnings as at April 1, 2018. The Company earns revenue primarily from sale of goods. Revenue is recognized upon transfer of control of promised goods to the customers. The point at which control passes is determined by each customer arrangement, but generally occurs on delivery to the customer. The management has assessed that there is no significant impact in the revenue recognition on adoption of Ind AS 115.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices. Where the standalone selling prices are not directly observable, these are estimated based on expected cost plus margin or residual method to allocate the total transaction price.

Revenue includes both fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and incentives given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends and past experience. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.

Critical judgements
Transaction Price: The transaction price could either be a fixed amount of customer consideration or variable consideration with elements such as discounts and incentives. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.

The amount of revenue recognised depends on whether the Company act as an agent or as a principal in an arrangement with a customer. The Company act as a principal if the Company controls a promised goods or service before the Company transfers the goods or service to a customer and act as an agent if the Company's performance obligation is to arrange for the provision of goods or service by another party.

Rendering of services
The Company charges business auxiliary service commission from certain Group Companies for rendering services towards selling and distribution of the latter's products. Revenue from business auxiliary services is recognised in the accounting period in which the services are rendered in accordance with the agreement between the parties.

Other income
Insurance and other claims are recognised on an accrual basis.

Interest income
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 but does not consider the expected credit losses.

e) Government grants
Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within Other Income.

f) Taxation
Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax for the year
Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the income taxes are also recognised in Other Comprehensive Income or directly in equity respectively.

g) Leases

As a lessee

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowing or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

h) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash- generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

j) Inventories

Inventories are valued at lower of cost and net realisable value, except for ghee, a by-product, which is valued at net realisable value. Cost is determined based on the monthly weighted average method. The cost of finished goods and work in progress comprises direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure. Cost of inventories also include all other 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 estimated costs of completion and estimated costs necessary to make the sale. Provision for inventory obsolescence is made based on the best estimates of management.

k) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial

recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Financial Assets
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of financial assets
Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI") (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):
- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments.

All other financial assets are subsequently measured at fair value.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the Statement of Profit and Loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)
Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets
The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

Derecognition of financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' Line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

l) Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes items directly attributable to the construction or acquisition of the item of property, plant and equipment, and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as-other property assets, commences when the assets are ready for their intended use.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses.

Depreciation methods, estimated useful lives and residual value

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis at the straight line method as per the estimated useful lives which generally coincides with Schedule II to the Companies Act, 2013 other than the following assets: -

Assets	Useful life
Factory admin building, godowns, etc.,	50 years
Boundary wall, temporary sheds and structure	12 years
Plant and Machinery (Triple Shift)	3/10 years
Furniture and Fixtures	5 years
Motor Vehicles	5 years

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Management reviews the useful lives of depreciable assets at the end of each reporting. Management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

m) Intangible assets

(i) Patents and trade marks

Separately acquired patents and trademarks are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses, if any.

(ii) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

(iii) Research and Development

Research expenditure and development expenditure that do not meet the criteria in (ii) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

(iv) Amortisation method and periods

The Company amortises intangible assets having a finite useful life using the straight line method over the following periods:

Intangible asset	Useful life
Patents and trade marks	10 years
Computer software	5 years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

(v) Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

n) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowings are removed 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 within other income/ expenses.

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 period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period 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 period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

o) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

p) Employee benefits

(i) Short term employment obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as financial liabilities in the balance sheet. The Company's contributions to Employee's State Insurance Fund are charged to Statement of Profit and Loss on accrual basis.

(ii) Other long-term employment benefit obligations

Compensated absences

The Company provides for compensated absences for management, executive and staff (short-term defined benefit) during the year on an arithmetical basis. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the Balance Sheet date are treated as short term employee benefits.

Accumulated leave encashment/compensated absences for workers, which are expected to be availed or encashed within 12 months from the Balance Sheet date are treated as short term employee benefits and those which are expected to be availed or encashed beyond 12 months from the Balance Sheet date are treated as other long-term employee benefits for measurement of employee benefit obligation. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the Balance Sheet date. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented under current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

a) defined benefit plans such as gratuity, post-employment medical plans, provident fund; and
b) defined contribution plans such as pension fund, superannuation fund and state plans.

Defined benefit plans

Gratuity obligation

The Company provides for gratuity, a Defined Benefit Plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the Balance Sheet date. The Gratuity Fund is recognised by the income tax authorities and is administered through trustees. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yield at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost. They are included in retained earnings in the Statement of changes in Equity and in the Balance Sheet.

Post-employment medical obligation

The post-employment medical obligation scheme is an insured benefit plan wherein the Company annually pays insurance premium to NIC (National Insurance Company). This scheme is extended to certain employees of the Company for which the liability is actuarially determined (using the Projected Unit Credit method) at the Balance Sheet date. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in Other Comprehensive Income as income or expense.

Defined contribution plans

Provident fund

Provident Fund contributions are made to a Trust administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the Balance Sheet date and any shortfall in the fund size maintained by the Trust set up by the Company is additionally provided for. The Provident Fund is recognised by the income tax authorities and is administered through trustees.

Superannuation fund
The Company has a Defined Contribution Plan for post-employment benefit. Superannuation fund contributions are made to trust administered by the Company which is recognised by the income tax authorities. Contribution made by the Company is charged to Statement of Profit and Loss on accrual basis.

State plans
The Company's contributions to State plans namely Employee's Pension Scheme 1995, which are Defined Contribution Plans, are charged to Statement of Profit and Loss on accrual basis.

(iv) Share based payments
Certain employees of the Company receive remuneration in the form of cash settled Share based Schemes administrated by GlaxoSmithKline Plc. (Plc) whereby employees render services as consideration for Restricted Share Awards (RSAs) and Share appreciation rights (SARs).

For above mentioned cash settled share based payments, a liability is recognised for the services acquired and measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in the statement of profit and loss for the year.

q) Dividends
Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

r) Earnings per share
Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year/period.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

s) Recent accounting pronouncements
Ind AS 116 Leases :
Ind AS 116 – 'Leases' was notified on March 30, 2019, which is applicable for the accounting period beginning from April 1, 2019. For lessees, the standard eliminates the classification of leases as either operating or finance, as required by Ind AS 17, and instead introduces a single lease accounting model. Applying that model a lessee is required to recognize, (a) assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value and (b) depreciation of leased assets separately from interest on lease liabilities in the income statement. Lessor Accounting under Ind AS 116 will not be having any transitional impact on initial recognition. Under Ind AS 17, the company was charging lease rental in statement of Profit and loss, which would be charged as depreciation and finance cost under Ind AS 116, having a favourable impact on EBITDA.

A lessor shall recognise lease payments from leases as income on either straight-line or another systematic basis. The standard permits two possible methods of transition:

- Full retrospective - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Modified retrospective - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability at the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either at:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

The company is in the process of evaluating the impact of transitioning from old standard i.e Ind AS 17 to new standard i.e Ind AS 116 and the transition approach.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this

amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The Company is not expecting to have significant impact in the financial statements on adoption of Ind AS 12 Appendix C.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is not expecting to have significant impact in the financial statements on account of this amendment.

Note 2A Critical Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

- Recognition of revenue – Refer Note 2(d)
- Estimation of provision for direct tax matters, indirect tax matters and other provisions –Refer Note 13 and 29
- Estimation of defined benefit obligation - Refer Note 19

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be rseasonable under the circumstances.

Note 3 Property, plant and equipment and Capital work in progress

Particulars	Land (Freehold) *	Buildings *	Plant and equipment #	Information Technology equipment	Furniture and fixtures	Office equipment	Vehicles	Total
Cost								
As at March 31, 2017	14,83.35	2,39,56.68	3,31,55.51	19,17.03	7,30.17	7,04.56	8,18.60	6,27,65.90
Additions	-	7,54.37	39,51.96	5,19.34	23.52	9.64	3,33.28	55,92.11
Disposals	-	0.34	31,96.48	38.11	5.20	27.31	1,74.52	34,41.96
As at March 31, 2018	**14,83.35**	**2,47,10.71**	**3,39,10.99**	**23,98.26**	**7,48.49**	**6,86.89**	**9,77.36**	**6,49,16.05**
Accumulated depreciation and impairment								
As at March 31, 2017	-	11,55.40	1,06,93.17	10,48.70	4,86.57	4,14.42	2,63.43	1,40,61.69
Depreciation charge during the year	-	6,72.61	47,99.57	4,60.45	1,54.64	1,52.70	1,73.87	64,13.84
Impairment loss during the year	-	-	1,84.17	-	-	-	-	1,84.17
Disposals	-	0.10	31,38.10	30.63	5.20	22.68	85.38	32,82.09
As at March 31, 2018	**-**	**18,27.91**	**1,25,38.81**	**14,78.52**	**6,36.01**	**5,44.44**	**3,51.92**	**1,73,77.61**
Net carrying amount	**14,83.35**	**2,28,82.80**	**2,13,72.18**	**9,19.74**	**1,12.48**	**1,42.45**	**6,25.44**	**4,75,38.44**
Cost								
As at March 31, 2018	14,83.35	2,47,10.71	3,39,10.99	23,98.26	7,48.49	6,86.89	9,77.36	6,49,16.05
Additions	-	3,93.10	38,28.54	3,93.03	20.75	37.41	1,70.61	48,43.44
Disposals	-	0.37	50.40	44.35	0.11	5.49	1,52.26	2,52.98
As at March 31, 2019	**14,83.35**	**2,51,03.44**	**3,76,89.13**	**27,46.94**	**7,69.13**	**7,18.81**	**9,95.71**	**6,95,06.51**
Accumulated depreciation and impairment								
As at March 31, 2018	-	18,27.91	1,25,38.81	14,78.52	6,36.01	5,44.44	3,51.92	1,73,77.61
Depreciation charge during the year	-	6,97.41	43,89.34	4,89.24	1,27.26	1,43.34	1,88.88	60,35.47
Impairment loss during the year	-	-	54.08	-	-	-	-	54.08
Disposals	-	0.05	38.14	41.03	0.08	4.83	83.52	1,67.65
As at March 31, 2019	**-**	**25,25.27**	**1,69,44.09**	**19,26.73**	**7,63.19**	**6,82.95**	**4,57.28**	**2,32,99.51**
Net carrying amount	**14,83.35**	**2,25,78.17**	**2,07,45.04**	**8,20.21**	**5.94**	**35.86**	**5,38.43**	**4,62,07.00**

	As at March 31, 2019	As at March 31, 2018
Capital work-in-progress	**12,59.05**	35,71.35

* Includes immovable properties having original cost of INR 21.74 lakhs [March 31, 2018 INR 27.80 lakhs (Net block of INR Nil (March 31, 2018 INR 6.06 lakhs))] whose title deeds are not available and immovable properties having original cost of INR 1,23.95 lakhs [March 31, 2018 INR 1,23.95 lakhs (Net Block of INR 70.55 lakhs (March 31, 2018 INR 73.12 lakhs))] for which registration is pending.

 # Impairment loss

Impairment loss/reversal of impairment loss

Net impairment loss during the year is INR 54.08 lakhs (March 31, 2018 INR 1,84.17 lakhs) on Plant and Equipment has been included in other general expenses in note 22 in the Statement of Profit and Loss.

Contractual obligations - Refer to note 30(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Note 4 Intangible assets and Intangible assets under development

Particulars	Patents and Trade Marks	Software	Total
Cost			
As at March 31, 2017	-	1,69.44	1,69.44
Additions	-	-	-
Disposals		-	-
As at March 31, 2018		**1,69.44**	**1,69.44**
Accumulated amortisation			
As at March 31, 2017	-	1,30.87	1,30.87
Amortisation during the year	-	23.55	23.55
Disposals		-	-
As at March 31, 2018		**1,54.42**	**1,54.42**
Net carrying amount		**15.02**	**15.02**
Cost			
As at March 31, 2018	-	1,69.44	1,69.44
Additions	-	-	-
Disposals		-	-
As at March 31, 2019		**1,69.44**	**1,69.44**
Accumulated amortisation			
As at March 31, 2018	-	1,54.42	1,54.42
Amortisation during the year	-	15.02	15.02
Disposals		-	-
As at March 31, 2019		**1,69.44**	**1,69.44**
Net carrying amount		**-**	**-**

Particulars	As at March 31, 2019	As at March 31, 2018
Intangible assets under development	**5,13.96**	2,53.40

Note 5 Financial assets

5(a) Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	**3,58,93.54**	2,41,70.40
Receivables from related parties (refer note 28)	**35,85.59**	44,23.65
Less: Impairment of trade receivables (refer note 25(b))	**(9,11.33)**	(7,21.87)
Total Trade receivables	**3,85,67.80**	2,78,72.18

Break up of security details	As at March 31, 2019	As at March 31, 2018
Secured, considered good	**1,31,99.65**	1,19,02.18
Unsecured, considered good	**2,59,10.39**	1,64,38.37
Significant increase in credit risk	**3,69.09**	2,53.50
	3,94,79.13	2,85,94.05
Impairment of trade receivables (refer note 25(b))	**(9,11.33)**	(7,21.87)
Total trade receivables	**3,85,67.80**	2,78,72.18

5(b) Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks in current accounts	1,10.94	26,38.30
Remittances in transit	-	3,92.12
Deposits with original maturity of less than three months	5,72,21.00	5,83,80.00
Total cash and cash equivalents	5,73,31.94	6,14,10.42

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior years.

5(c) Bank balances other than 5(b) above

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits (original maturity more than three months, remaining maturity less than twelve months)	35,15,02.00	29,66,33.00
Unpaid dividend accounts	8,99.85	4,76.39
Total other bank balances	35,24,01.85	29,71,09.39

5(d) Loans

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non-current	Current	Non-current
Secured, considered good				
Loans to employees (Vehicle loans)	91.32	1,20.86	1,17.72	1,56.82
Unsecured, considered good				
Loans to employees	16,65.78	20,24.09	13,61.82	14,70.73
Total loans	17,57.10	21,44.95	14,79.54	16,27.55

5(e) Other financial assets
(Unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non-current	Current	Non-current
Security deposits	1,11.30	21,51.92	1,46.69	21,70.92
Consignment debtors	1,11,99.36	-	71,53.51	-
Interest accrued on fixed deposits and loans	81,43.25	-	63,58.20	-
Receivables from related parties towards services rendered/expense reimbursement (Refer note 28)	11,32.27	-	41,07.17	-
Claims Recoverable				
Considered good	63.27	-	-	-
Considered doubtful	44.25	-	1,36.15	-
Less: Impairment of claims recoverable	(44.25)	-	(1,36.15)	-
Total other financials assets	2,06,49.45	21,51.92	1,77,65.57	21,70.92

Note 6 Deferred tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax assets on		
Disallowances under section 43B of Income-tax Act, 1961	1,33,35.88	1,23,43.71
Impairment of trade receivables	3,18.46	2,52.25
Others	6,04.66	16,12.49
Total deferred tax assets	1,42,59.00	1,42,08.45
Less: - Deferred tax liabilities on		
Property, plant and equipment and intangible assets	(28,69.76)	(26,63.45)
Total deferred tax liabilities	(28,69.76)	(26,63.45)
Deferred tax assets (net)	1,13,89.24	1,15,45.00

Movement in deferred tax assets	Disallowances under section 43B	Impairment of trade receivables	Others	Total
As at March 31, 2017	1,36,74.03	2,62.69	14,44.69	1,53,81.41
(Charged)/credited:				
- to profit or loss	(13,30.32)	(10.44)	1,67.80	(11,72.96)
As at March 31, 2018	**1,23,43.71**	**2,52.25**	**16,12.49**	**1,42,08.45**
(Charged)/credited:				
- to profit or loss	9,92.17	66.21	(10,07.83)	50.55
As at March 31, 2019	**1,33,35.88**	**3,18.46**	**6,04.66**	**1,42,59.00**

Movement in deferred tax liabilities	Property, plant and equipment and intangible assets	Total
As at March 31, 2017	(26,01.23)	(26,01.23)
(Charged)/credited:		
- to profit or loss	(62.22)	(62.22)
As at March 31, 2018	**(26,63.45)**	**(26,63.45)**
(Charged)/credited:		
- to profit or loss	(2,06.31)	(2,06.31)
As at March 31, 2019	**(28,69.76)**	**(28,69.76)**

Note 7 Income tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Income tax assets (net)		
Advance income tax (Net of provision for income tax INR 27,80,37.60 lakhs (March 31, 2018 INR 27,95,47.75 lakhs)	**1,55,81.04**	1,77,91.18
	1,55,81.04	1,77,91.18
Income tax liabilities (net)		
Provision for income tax (Net of advance income tax INR 5,36,71.61 lakhs (March 31, 2018 INR Nil)	**10,09.72**	-
	10,09.72	-

Note 8 Other non-current assets

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	**1,57.17**	10.26
Advances other than Capital Advances		
Prepaid lease expense on security deposits paid	**1,06.76**	97.85
Prepaid employee expenditure	**5,55.88**	4,44.83
Total other non-current assets	**8,19.81**	5,52.94

Note 9 Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Raw materials [Include goods in transit INR 82.50 lakhs (March 31, 2018 INR 1,63.80 lakhs)]	99,17.28	1,03,58.39
Packing materials	14,24.51	13,44.43
Work-in-progress	52,95.28	32,03.66
Stock-in-trade (in respect of goods acquired for trading)	6,17.12	6,86.89
Finished goods (including bulk powder)	2,78,77.18	2,40,07.67
Stores and spares [Include goods-in-transit INR 31.85 lakhs (March 31, 2018 INR 26.90 lakhs)]	13,87.56	13,18.42
By-products (at net realisable value)	27.62	22.26
Total inventories	4,65,46.55	4,09,41.72

-The cost of inventories recognised as an expense during the year was INR 20,10,90.79 lakhs (For the year ended March 31, 2018 INR 19,65,87.76 lakhs).
-The cost of inventories recognized as an expense (net) includes INR 5,58.34 lakhs in respect of reversal of write downs (For the year ended March 31, 2018 INR 5,79.69 lakhs in respect of write-downs).
-There are no inventories which are expected to be recovered or settled after more than 12 months.
-The mode of valuation of inventories has been stated in note 2(j)

Note 10 Other current assets

Particulars	As at March 31, 2019	As at March 31, 2018
Advances to suppliers	15,66.10	13,53.15
Advances to employees	2,64.79	4,76.80
Prepaid expenses	11,80.65	12,43.61
Prepaid lease expense on security deposits paid	71.73	99.31
Prepaid employee expenditure	2,34.26	2,47.18
Balances with Statutory / Government Authorities	47,79.72	46,18.30
Total other current assets	80,97.25	80,38.35

Note 11 Equity share capital and other equity

11(a) Equity share capital

	Number of shares	Amount
Authorised share capital		
As at March 31, 2017	60,000,000	60,00.00
Changes during the year	-	-
As at March 31, 2018	60,000,000	60,00.00
Changes during the year	-	-
As at March 31, 2019	60,000,000	60,00.00

(i) Movements in equity share capital

Equity shares of INR 10 each issued, subscribed and fully paid.

	Number of shares	Equity share capital (par value)
As at March 31, 2017	42,055,538	42,05.55
Changes during the year	-	-
As at March 31, 2018	42,055,538	42,05.55
Changes during the year	-	-
As at March 31, 2019	42,055,538	42,05.55

(ii) Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to shareholding.

(iii) Shares Capital held by the subsidiaries of ultimate holding company

	As at March 31, 2019	As at March 31, 2018
1,81,52,243 (March 31, 2018 - 1,81,52,243) Equity Shares are held by Horlicks Limited*	18,15.22	18,15.22
1,23,19,749 (March 31, 2018 - 1,23,19,749) Equity Shares are held by GlaxoSmithKline Pte Ltd.*	12,31.97	12,31.97
	30,47.19	30,47.19

**Subsidiaries of the ultimate holding company, GlaxoSmithKline Plc UK*

(iv) Details of shareholder holding more than 5% of the aggregate shares in the Company

Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Name of shareholder	% of holding	Number of shares	% of holding
Horlicks Limited	1,81,52,243	43.16%	1,81,52,243	43.16%
GlaxoSmithKline Pte Ltd	1,23,19,749	29.29%	1,23,19,749	29.29%

11(b) Other equity

Reserves and surplus	As at March 31, 2019	As at March 31, 2018
Capital redemption reserve	3,32.51	3,32.51
General reserve	10,42,48.38	10,42,48.38
Retained earnings	30,06,84.96	23,97,25.45
Total reserves and surplus	40,52,65.85	34,43,06.34

(i) Capital redemption reserve

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	3,32.51	3,32.51
Add: Transferred during the year	-	-
Closing balance	3,32.51	3,32.51

(ii) General reserve

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	10,42,48.38	10,42,48.38
Closing balance	10,42,48.38	10,42,48.38

(iii) Retained earnings

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	23,97,25.45	20,34,80.39
Net profit for the year	9,82,80.40	7,00,10.22
Items of other comprehensive income recognised directly in retained earningss		
-Remeasurements of post-employment benefit obligations, net of tax	7,04.24	16,66.78
Dividend paid	(3,15,41.65)	(2,94,38.88)
Dividend distribution tax paid	(64,83.48)	(59,93.06)
Closing balance	30,06,84.96	23,97,25.45

Nature and purpose of capital redemption reserve -
In the year 2005, the Company had bought back 3,325,083 equity shares of INR 10 each fully paid by capitalisation of reserve of INR 3,32.51 lakhs and pursuant to the requirement of Companies Act, 1956 had transferred the nominal value of the shares so purchased to the Capital Redemption Reserve. This reserve can only be utilised for issuing of fully paid bonus shares. No dividend can be distributed out of this reserve.

Note 12 Financial liabilities

12(a) Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Total outstanding dues of micro and small enterprises; and	41,49.23	8,80.33
Total outstanding dues of creditors other than micro and small enterprises	9,11,12.10	9,97,35.59
Total trade payables	9,52,61.33	10,06,15.92

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 March 31, 2019	As at March 31, 2018
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	40,58.73	8,04.51
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1.18	1.22
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	1,45,91.84	91,31.58
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	13.50	57.53
Further interest remaining due and payable for earlier years	75.82	17.07

12(b) Other financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Trade security deposits	1,06,72.13	1,04,37.32
Unclaimed dividend	8,99.86	4,76.40
Salary, wages and bonus payable	1,27,50.52	73,85.75
Payables to related parties towards consignment sales/other reimbursements	1,85,78.80	1,38,91.57
Unclaimed cheques/Demand Drafts	72.51	1,59.11
Capital creditors*	11,34.01	16,16.08
Total other current financial liabilities	4,41,07.83	3,39,66.23

*Represents total outstanding dues of creditors other than Micro and Small Enterprises

Note 13 Provisions

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non-current	Current	Non-current
Provision for Indirect tax matters	2,22,84.40	96,37.10	2,16,50.18	1,23,66.23
Miscellaneous provisions	52,76.08	5,50.59	61,09.17	1,74.35
Total provisions	2,75,60.48	1,01,87.69	2,77,59.35	1,25,40.58

(i) Information about provisions and critical judgements

Indirect tax matters –

Includes provisions made mainly for probable claims arising out of certain indirect tax matters under various statutes. These estimates take into account the specific circumstances of each matter and relevant external advice, are inherently judgemental and could change substantially over time as each matter progresses. The ultimate liability for claims may vary from the amounts provided and is dependent upon the outcome of the relevant proceedings, change in circumstances and there can be no assurance that the ultimate result will not differ from the provisions reported in the Company's financial statements by a material amount. The timing and probability of the outflow and expected reimbursements if any with regard to these matters, depends on the ultimate settlement /conclusion of these matters.

Miscellaneous provisions –

Include provision for potential demands towards various market claims from the Company's distributors, retailers and vendors. These provisions are reviewed and adjusted regularly in the light of contractual and commercial obligations, historical trends, past experience, market conditions and internally generated information. The timing, probability and ultimate outflow and expected reimbursements, if any, with regard to these matters will depend on future events, information, trends and experience and this could result in a change in the reported provisions in the Company's financial statements by a material amount.

(ii) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Indirect tax matters	Miscellaneous provisions	Indirect tax matters	Miscellaneous provisions
Opening balance	3,40,16.41	62,83.52	3,80,61.38	55,17.03
Additions	41,83.20	16,28.60	54,02.36	26,83.37
Utilisations/reversals	(62,78.11)	(20,85.45)	(94,47.33)	(19,16.88)
Closing balances	3,19,21.50	58,26.67	3,40,16.41	62,83.52
Classified as non-current	96,37.10	5,50.59	1,23,66.23	1,74.35
Classified as current	2,22,84.40	52,76.08	2,16,50.18	61,09.17

Note 14 Employee benefit (assets) and obligations*

Particulars	As at March 31, 2019		As at March 31, 2018	
	Current	Non-current	Current	Non-current
Net defined benefit asset - Gratuity Fund	(13,90.02)	-	(15,82.78)	-
Total employee benefit assets	(13,90.02)	-	(15,82.78)	-
Net defined benefit liability				
Compensated absences	30,66.09	-	25,32.59	-
Post retirement medical benefits	43.04	54,20.01	36.88	54,08.27
Share based payment obligations	15,49.56	3,31.33	11,08.95	5,46.05
Total employee benefit obligations	46,58.69	57,51.34	36,78.42	59,54.32

** Refer note 19*

Note 15 Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advance from customers	9,91.05	8,80.00
Statutory obligations	78,09.40	73,59.04
Total other current liabilities	88,00.45	82,39.04

Note 16 Revenue from operations

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Sale of Products (refer note 37)		
Finished Goods	43,58,42.15	39,84,10.79
Traded Goods	1,56,61.22	1,73,43.89
	45,15,03.37	41,57,54.68
Other Operating Revenue		
Business auxiliary service commission	2,41,32.29	2,01,76.90
Export incentives	17,55.25	9,54.09
Miscellaneous income	8,09.62	8,19.67
	2,66,97.16	2,19,50.66
Total revenue from operations	47,82,00.53	43,77,05.34

Reconciliation of revenue recognised with contract price:

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Contract Price (Gross)	50,23,62.83	46,92,22.92
Adjustments for:-		
Discounts, rebates, incentives and sales return	2,41,62.30	3,15,17.58
Total revenue from operations	47,82,00.53	43,77,05.34

Note 17 Other income

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Net gain on disposal of property, plant and equipment	44.65	38.66
Exchange fluctuations (net)	7,89.93	6,87.86
Rent received	4.20	4.85
Interest received on financial assets - carried at amortised cost		
Deposits with bank and others	2,64,14.37	2,02,17.90
Security deposits paid	1,93.34	1,29.03
Loans to employees	1,59.40	3,72.17
Interest income on Income tax refunds	13.68	4,35.49
Provision/liabilities written back to the extent no longer required	1,38,02.96	22,93.81
Other miscellaneous income	18,37.95	15,60.97
Total other income	4,32,60.48	2,57,40.74

Note 18(a) Cost of materials consumed

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Raw material consumed	10,93,01.61	9,97,28.40
Packing material consumed	2,87,28.19	2,54,67.72
Total cost of materials consumed	13,80,29.80	12,51,96.12

Note 18(b) Changes in inventories of work-in-progress, stock-in-trade and finished goods

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Opening stock		
Finished goods (including bulk powder)	2,40,07.67	2,53,47.16
Work-in-progress	32,03.66	56,54.81
Stock-in-trade (in respect of goods acquired for trading)	6,86.89	9,94.24
By-products	22.26	22.50
	2,79,20.48	3,20,18.71
Less: Closing stock		
Finished goods (including bulk powder)	2,78,72.79	2,40,07.67
Work-in-progress	52,95.28	32,03.66
Stock-in-trade (in respect of goods acquired for trading)	6,17.12	6,86.89
By-products	27.62	22.26
	3,38,12.81	2,79,20.48
Changes in inventories of work-in-progress, stock-in-trade and finished goods	(58,92.33)	40,98.23

Note 19 Employee benefits expense

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Salaries and wages	5,16,26.42	4,44,54.42
Contribution to provident and superannuation fund	39,78.71	30,06.39
Contribution to employee state insurance	29.87	34.62
Gratuity	7,35.67	8,69.39
Compensated absences	5,86.49	(2,30.84)
Post-employment medical benefits	5,57.49	4,75.40
Employee share based payment expense	19,42.87	(60.85)
Staff welfare expenses	50,04.63	42,23.98
Total employee benefits expense	6,44,62.15	5,27,72.51

(a) The Company has classified the various benefits provided to employees as under:

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Defined Contribution Plan		
(i) Indian Senior Executive Superannuation Fund		
During the year, the Company has recognised the following amounts in the Statement of Profit and Loss		
– Employers' Contribution to Indian Senior Executives Superannuation Fund*#	**2,26.34**	1,77.65
(ii) State Plans		
1. Employers' Contribution to Employee's State Insurance		
2. Employers' Contribution to Employee's Pension Scheme 1995		
During the year, the Company has recognised the following amounts in the Statement of Profit and Loss		
– Employers' Contribution to Employee's State Insurance	**29.87**	34.62
– Employers' Contribution to Employee's Pension Scheme 1995*#	**6,69.22**	6,06.41

* Included in Contribution to provident and superannuation funds.

Including amount recovered/recoverable from group Companies

The Company's contributions to Indian Senior Executives Superannuation Fund and State Plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995, which are Defined Contribution Plans, are charged to Statement of Profit and Loss on accrual basis.

Provident Fund: Provident Fund contributions are made to a Trust administered by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the Balance Sheet date and any shortfall in the fund size maintained by the Trust set up by the Company is additionally provided for. The Provident Fund is recognized by the income tax authorities and is administered through trustees.

Gratuity: The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Compensated Absences: The Company provides for compensated absences for management, executive and staff (short-term defined benefit) during the year on an arithmetical basis. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the Balance Sheet date are treated as short term employee benefits. Accumulated leave encashment/ compensated absences for workers, which are expected to be availed or encashed within 12 months from the Balance Sheet date are treated as short term employee benefits and those which are expected to be availed or encashed beyond 12 months from the Balance Sheet date are treated as other long term employee benefits for measurement of employee benefit obligation. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the Balance Sheet date. The obligations are presented as current in the balance sheet because the company does not have an unconditional right to defer settlement for at least twelve months after the reporting period regardless of when the actual settlement is expected to occur.

Post-employment medical assistance: The post-employment medical assistance scheme is an insured benefit plan wherein the Company annually pays insurance premium to NIC (National Insurance Company). The liability for future premiums in respect of the underlying benefits is determined on the basis of an actuarial valuation at the year end. This scheme is extended to certain employees of the Company for which the liability is determined on the basis of an actuarial valuation at the Balance Sheet date.

The assumptions used for the actuarial valuation are as under:

Particulars	Employees Gratuity Fund		Senior Staff Gratuity Fund		Provident Fund		Post Retirement Medical Benefits	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Discount Rate (per annum)	**7.25%**	7.25%	**7.25%**	7.25%	**7.25%**	7.25%	**7.25%**	7.25%
Expected Average remaining working lives of employees (Years)	**15.18**	15.15	**19.81**	20.33	**N.A.**	N.A.	**N.A.**	N.A.
Salary growth rate	**For Nabha and Rajahmundry Employees**	For Nabha and Rajahmundry Employees	**10% for first three years and 9.50% thereafter**	10% for first three years and 9.50% thereafter	**N.A.**	N.A.	**N.A.**	N.A.
	10% for all remaining years	13% for first three years, 12% for next three years and 10% thereafter						
	For EGF employees 10% p.a. for the first two years and 9.50% p.a. thereafter.	For EGF employees 10% p.a. for the first three years and 9.50% p.a. thereafter.						
Interest Rate guarantee (per annum)	**N.A.**	N.A.	**N.A.**	N.A.	**8.65%**	8.55%	**N.A.**	N.A.
Premium inflation rate	**N.A.**	N.A.	**N.A.**	N.A.	**N.A.**	N.A.	**7.50%**	7.50%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(i) Plan members are assumed to withdraw in accordance with the following table:

Age	As at March 31, 2019 Withdrawal Rate (%)		As at March 31, 2018 Withdrawal Rate (%)	
	Employees	Workers	Employees	Workers
Up to 30 years	32	1	21	1
Up to 44 years	18	1	14	1
Above 44 years	6	4	17	5

(A) Present value of obligation as at Balance Sheet date

Particulars	Employees Gratuity Fund		Senior Staff Gratuity Fund		Post Retirement Medical Benefits	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Present value of obligation as at the beginning	89,83.89	94,15.45	71,76.28	74,38.64	54,45.15	57,45.50
Interest expense or cost	6,50.87	6,05.27	5,19.91	4,76.26	3,94.77	3,73.46
Current service cost	6,19.63	3,78.18	2,30.71	2,21.97	1,62.72	1,01.94
Benefits paid	(4,76.81)	(4,40.01)	(6,35.95)	(8,44.82)	-	-
Re-measurement (or Actuarial) (gain) / loss arising from:	-	–	-	–	-	–
- change in demographic assumption	20.07	(79.01)	(13.88)	(7.53)	33.87	(33.32)
- change in financial assumption	(3,82.15)	(33.35)	-	(88.86)	-	(3,24.21)
- experience variance (i.e. actual experience vs assumptions)	1,69.30	(9,08.27)	(98.37)	(3,00.31)	(5,73.46)	(4,18.22)
Past service cost	-	45.63	-	2,80.93	-	-
Transfer In / (Out)	-	-	-	-	-	-
Present Value of Obligation as at the end	95,84.80	89,83.89	71,78.70	71,76.28	54,63.05	54,45.15

(B) Changes in the Fair value of Plan Assets

Particulars	Employees Gratuity Fund		Senior Staff Gratuity Fund	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Fair Value of Plan Assets as the beginning	97,02.59	93,65.80	80,40.36	81,67.30
Investment income	7,02.94	6,08.35	5,82.51	5,30.50
Return on plan assets, excluding amount recognised in net interest expense	1,11.45	1,68.45	1,26.43	1,87.38
Employer's contribution	-	-	-	-
Benefits paid	(4,76.81)	(4,40.01)	(6,35.95)	(8,44.82)
Transfer In / (Out)	-	-	-	-
Fair value of plan assets at the end	1,00,40.17	97,02.59	81,13.35	80,40.36

(C) Reconciliation of Present value of Defined Benefit Obligation and the Fair Value of Assets

Particulars	Employees Gratuity Fund		Senior Staff Gratuity Fund		Post Retirement Medical Benefits	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Present Value of funded/ (unfunded) obligation as at Balance Sheet date	**95,84.80**	89,83.89	**71,78.70**	71,76.28	**54,63.05**	54,45.15
Fair Value of Plan Assets as at the end of the year	**1,00,40.17**	97,02.59	**81,13.35**	80,40.36	**-**	-
Funded Status	**4,55.37**	7,18.70	**9,34.65**	8,64.08	**(54,63.05)**	(54,45.15)
Present Value of unfunded obligation as at Balance Sheet date	**-**	-	**-**	-	**-**	-
Unrecognized Actuarial (gains) / losses	**-**	-	**-**	-	**-**	-
Net Asset / (Liability) recognized in Balance Sheet	**4,55.37**	7,18.70	**9,34.65**	8,64.08	**(54,63.05)***	(54,45.15)*

* included under non-current employee benefit obligations INR 54,20.01 lakhs (March 31, 2018 INR 54,08.27 lakhs) and current employee benefit obligations INR 43.04 lakhs (March 31, 2018 INR 36.88 lakhs)

(D) Expense Recognized in the Statement of Profit and Loss

Particulars	Employees Gratuity Fund		Senior Staff Gratuity Fund		Post Retirement Medical Benefits	
	Year Ended March 31, 2019	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018
Current Service Cost	**6,19.63**	3,78.18	**2,30.71**	2,21.97	**1,62.72**	1,01.94
Past Service Cost	**-**	45.63	**-**	2,80.93	**-**	-
Interest cost	**-**	-	**-**	-	**-**	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	**(52.07)**	(3.07)	**(62.60)**	(54.25)	**3,94.77**	3,73.46
Curtailment Cost / (Credit)	**-**	-	**-**	-	**-**	-
Settlement Cost / (Credit)	**-**	-	**-**	-	**-**	-
Total expenses recognized in the Statement of Profit and Loss	**5,67.56**	4,20.74	**1,68.11**	4,48.65	**5,57.49**	4,75.40

(E) Expense Recognized in Other Comprehensive Income

Particulars	Employees Gratuity Fund		Senior Staff Gratuity Fund		Post Retirement Medical Benefits	
	Year Ended March 31, 2019	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018	**Year Ended March 31, 2019**	Year Ended March 31, 2018
Re-measurement (or Actuarial) (gain) / loss arising from	**-**	-	**-**	-	**-**	-
change in demographic assumptions	**20.07**	(79.01)	**(13.88)**	(7.53)	**33.87**	(33.32)
change in financial assumptions	**(3,82.15)**	(33.35)	**-**	(88.86)	**-**	(3,24.21)
change in experience adjustments (i.e. Actual experience vs assumptions)	**1,69.30**	(9,08.27)	**(98.37)**	(3,00.31)	**(5,73.46)**	(4,18.22)
Return on plan assets, excluding amount recognised in net interest expense	**(1,11.45)**	(1,68.45)	**(1,26.43)**	(1,87.38)	**-**	-
Components of defined benefit costs recognised in Other Comprehensive Income	**(3,04.23)**	(11,89.08)	**(2,38.68)**	(5,84.08)	**(5,39.59)**	(7,75.75)

(F) Constitution of Plan Assets

Particulars	Employees Gratuity Fund		Senior Staff Gratuity Fund	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Equity Instruments	**3,01.21**	1,94.05	**2,43.40**	1,60.81
Debt Instruments	**91,36.55**	87,32.33	**74,64.30**	77,99.15
Property	**-**	-	**-**	-
Other Assets	**6,02.41**	7,76.21	**4,05.67**	80.40
Total of the Plan Assets	**1,00,40.17**	97,02.59	**81,13.37**	80,40.36

(G) Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	Employees Gratuity Fund		Senior Staff Gratuity Fund	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Government of India securities	**0%**	0%	**1%**	7%
State Government securities	**53%**	50%	**52%**	47%
High quality corporate bonds	**38%**	40%	**39%**	43%
Equity shares of listed companies	**3%**	2%	**3%**	2%
Special Deposit Scheme	**4%**	4%	**2%**	1%
Funds managed by Insurer	**0%**	4%	**3%**	0%
Bank Balance	**2%**	0%	**0%**	0%
Total	**100%**	100%	**100%**	100%

(H) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Defined benefit obligation (base)	Employees Gratuity Fund		Senior Staff Gratuity Fund		Post Retirement Medical Benefits	
As on March 31, 2019	**95,84.80**		**71,78.70**		**54,63.05**	
	Decrease	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**
Discount Rate (- / + 1%)	94,22.60	82,25.61	76,39.11	67,63.13	63,50.25	47,44.11
(% change compared to base due to sensitivity)	-1.70%	-14.20%	6.40%	-5.80%	16.20%	-13.20%
Salary Growth Rate (- / + 1%)	82,45.84	93,72.08	68,47.03	75,23.77	N.A.	N.A.
(% change compared to base due to sensitivity)	-14.00%	-2.20%	-4.60%	4.80%	N.A.	N.A.
Attrition Rate (- / + 50%)	89,72.49	86,60.53	72,89.36	70,59.88	55,27.51	53,93.12
(% change compared to base due to sensitivity)	-6.40%	-9.60%	1.50%	-1.70%	1.20%	-1.30%
Mortality Rate (- / + 10%)	87,93.33	87,87.60	71,78.80	71,78.61	55,15.50	54,09.78
(% change compared to base due to sensitivity)	-8.30%	-8.30%	0.00%	0.00%	1.00%	-1.00%
Premium Inflation Rate (- / + 1%)	N.A.	N.A.	N.A.	N.A.	46,90.57	62,96.71
(% change compared to base due to sensitivity)	N.A.	N.A.	N.A.	N.A.	-14.10%	15.30%
Medical Cost (- / + 5%)	N.A.	N.A.	N.A.	N.A.	51,89.90	57,36.20
(% change compared to base due to sensitivity)	N.A.	N.A.	N.A.	N.A.	-5.00%	5.00%

Defined benefit obligation (base)	Employees Gratuity Fund		Senior Staff Gratuity Fund		Post Retirement Medical Benefits	
As on March 31, 2018	**89,83.89**		**71,76.28**		**54,45.15**	
	Decrease	**Increase**	**Decrease**	**Increase**	**Decrease**	**Increase**
Discount Rate (- / + 1%)	95,45.90	84,79.22	74,99.32	68,80.64	64,56.53	46,03.65
(% change compared to base due to sensitivity)	6.30%	-5.60%	4.50%	-4.10%	18.60%	-15.50%
Salary Growth Rate (- / + 1%)	84,55.86	95,50.03	68,93.87	7,468.96	N.A.	N.A.
(% change compared to base due to sensitivity)	-5.90%	6.30%	-3.90%	4.10%	N.A.	N.A.
Attrition Rate (- / + 50%)	92,32.76	88,05.59	73,62.20	7,008.32	55,52.96	53,48.22
(% change compared to base due to sensitivity)	2.80%	-2.00%	2.60%	-2.30%	2.00%	-1.80%
Mortality Rate (- / + 10%)	89,86.69	89,81.09	71,76.48	7,176.09	54,97.42	53,92.06
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%	1.00%	-1.00%
Premium Inflation Rate (- / + 1%)	N.A.	N.A.	N.A.	N.A.	46,06.59	63,49.04
(% change compared to base due to sensitivity)	N.A.	N.A.	N.A.	N.A.	-15.40%	16.60%
Medical Cost (- / + 5%)	N.A.	N.A.	N.A.	N.A.	51,72.89	57,17.40
(% change compared to base due to sensitivity)	N.A.	N.A.	N.A.	N.A.	-5.00%	5.00%

(I) Defined benefit liability and employer contributions

Particulars	Employees Gratuity Fund		Senior Staff Gratuity Fund		Post Retirement Medical Benefits	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Weighted average duration (based on discounted cashflows)	**6 years**	5 years	**4 years**	3 years	**11 years**	19 years
1 year	**8,21.26**	8,26.28	**6,07.88**	8,24.21	**43.04**	36.87
2 to 5 years	**38,47.66**	30,26.05	**25,05.65**	26,61.21	**7,55.81**	7,13.95
6 to 10 years	**54,12.43**	40,15.15	**25,38.50**	21,11.42	**14,57.39**	13,76.68
More than 10 years	**58,05.01**	41,81.53	**26,67.37**	14,12.74	**4,17,94.32**	3,94,79.65
Total	**1,58,86.36**	1,20,49.01	**83,19.40**	70,09.58	**4,40,50.56**	4,16,07.15

(J) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility - The plan liabilities are calculated on the basis of the market yields at the valuation date on government bonds for the expected term. If plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk.

Changes in bond yields - A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond securities.

Life expectancy - The medical plan obligations are to provide benefits for the life of the member, so the assumptions are particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

(b) The paragraph 29 of Ind AS 19 'Employee Benefits' states that Provident Funds set up by employers that guarantee a specified rate of return and which require interest shortfall to be met by the employer would be defined benefit plans in accordance with the requirements of paragraph 30(a) of Ind AS 19. Pursuant to the aforementioned, the Company has accounted for the liability in respect of the shortfall of interest earnings of Provident Fund aggregating Nil (March 31, 2018 Nil) determined on the basis of an actuarial valuation carried out as at Balance Sheet date. Contribution made by the Company during the year (including amount recovered/recoverable from group Companies) is INR 31,35.41 lakhs (March 31, 2018 INR 22,67.08 lakhs). The net actuarial Gain/(loss) recognised in the year is INR (2,83.78) lakhs (March 31, 2018 INR 3,98.29 lakhs).

Particulars	**As at March 31, 2019**	As at March 31, 2018
Present value of obligation	**5,66,21.43**	5,48,83.73
Fair value of plan assets	**6,04,23.09**	5,49,06.19
Net Assets / (Liability)	**38,01.66**	22.46

(c) Share based payments

Certain employees of the Company are entitled to receive cash settled stock based awards ('awards') and share appreciation rights pursuant to employee share schemes ('scheme') administered by GlaxoSmithKline Plc. ('Plc'). The cost related to these awards is accounted for in the books of account of the Company. The following types of awards are granted to the Indian employees:

(i) Share Appreciation Rights (SARs) – Under this plan, certain employees are granted cash settled SARs which entitle the holder to receive cash, equivalent to the difference between the Plc Company's ordinary stock price posted on the London Stock Exchange on the exercise date and the grant date stock price. These instruments vest over a period of three years from the grant date based on continued employment of the employee with the Company. Once vested, an employee can decide to exercise the vested SARs anytime during the next 7 years, thus these instruments have a total contractual life of 10 years. No new SAR's were issued after 2010.

(ii) Restricted Share Awards (RSAs) – Under this plan, certain employees are granted cash settled RSAs at no cost, which entitle them to receive cash equivalent to the stock price of the Plc's shares listed at London stock exchange after two and a half to three year vesting period during which the employee has to remain in continuous employment with the Company. These RSA's do not give any voting rights or the right to accrue dividends.

The fair value of these awards is determined based on the closing share price on the day of grant, after deducting the expected future dividend yield of 4.8% (March 31, 2018 4.8%) over the duration of the award.

Reconciliation of RSAs and SARs

Particulars	RSAs	SARs
Balance as at March 31, 2017	**3,58,349**	**99,284**
Granted	2,42,536	-
Exercised/Lapsed *	(2,41,161)	-
Balance as at March 31, 2018	**3,59,724**	99,284
Granted	2,73,345	-
Exercised/Lapsed *	(2,09,966)	(88,633)
Balance as at March 31, 2019	**4,23,103**	**10,651**

* The weighted average share price at the date of exercise of the awards exercised during the year ended March 31, 2019 was GBP 15.15 (March 31, 2018 GBP 13.21)

Note 20 Depreciation and amortisation expense

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Depreciation on property, plant and equipment - (Refer Note 3)	**60,35.47**	64,13.84
Amortisation of intangible assets - (Refer Note 4)	**15.02**	23.55
Total depreciation and amortisation expense	**60,50.49**	64,37.39

Note 21 Finance costs

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest expense on trade deposits and others	**77.87**	1,28.62
Finance charges in respect of finance lease obligations	**-**	74.40
Total finance costs	**77.87**	2,03.02

Note 22 Other expenses

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Consumption of stores and spare parts	**6,41.17**	5,21.20
Repairs and Maintenance		
Buildings	**3,70.82**	3,45.65
Plant and equipment	**32,09.56**	29,42.95
Others	**11,56.94**	13,56.93
Power and fuel	**76,79.34**	73,43.47
Rent (refer note 30(b))	**2,17,81.49**	2,13,63.83
Rates and taxes	**49,78.61**	31,34.23
Insurance	**6,67.29**	6,59.92
Carriage and freight	**2,22,60.59**	2,00,29.24
Payments to auditors (refer note 22(a) below)	**1,26.00**	1,07.57
Expenditure towards Corporate Social Responsibility (CSR) activities (refer note 22(b) below)	**21,21.98**	19,83.76
Advertising and promotion	**6,02,24.71**	5,46,72.68
Royalty	**1,38,15.60**	1,28,04.80
Other general expenses	**1,69,88.55**	2,00,19.05
Total other expenses	**15,60,22.65**	14,72,85.28

Note 22(a) Details of payment to auditors*#

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
As auditor:		
Audit fees (including limited reviews)	1,05.60	79.00
Tax audit fees	8.40	8.00
In other capacities		
Certification fees	4.00	1.30
Re-imbursement of expenses	8.00	6.00
Total	1,26.00	94.30

**Excluding taxes*
#Excluding audit fees of erstwhile auditors for the year ended March 31, 2019 INR Nil (For the year ended March 31, 2018 : INR 13.27 lakhs)

Note 22(b) Corporate social responsibility expenditure

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Contribution to disaster relief support to victims of floods	7.80	50.00
Support for eradication of lymphatic filariasis	9,70.15	10,48.61
Contribution to healthcare, education and other community development projects	11,44.03	8,85.15
Total	21,21.98	19,83.76
Amount required to be spent under Section 135 of the Act	21,05.09	19,81.15
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purposes other than (i) above *	21,21.98	19,83.76

*Includes donations INR 11,51.83 lakhs (For the year ended March 31, 2018 INR 9,35.15 lakhs)

Note 23 Income tax expense

(a) Income tax expense

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Current tax on profits for the year	5,43,03.06	3,65,57.16
Adjustments of current tax of earlier years	(15,10.15)	(3,66.58)
	5,27,92.91	3,61,90.58
Deferred tax		
Decrease / (increase) in deferred tax assets	(50.55)	11,72.97
(Decrease) / increase in deferred tax liabilities	2,06.31	62.22
	1,55.76	12,35.19
Income tax expense	5,29,48.67	3,74,25.77

(b) Reconciliation of tax expenses and the accounting profit multiplied by India's income tax rate:

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Accounting Profit before income taxes	15,12,29.07	10,74,35.99
Indian tax rate as applicable to the Company	34.944%	34.608%
Income Tax calculated at the Indian income tax rates as applicable to the Company	5,28,45.48	3,71,81.45
Effect of expenses that are not deductible in determining taxable profit	11,88.85	5,24.70
Tax effect for earlier years	(15,10.15)	(3,66.58)
Others	4,24.49	86.20
Income tax expense as recognised in Statement of Profit and Loss	5,29,48.67	3,74,25.77

Note 24 Fair value measurements

(i) Categories of Financial instruments

Particulars	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Loans to employees	-	-	39,02.05	-	-	31,07.09
Trade receivables	-	-	3,85,67.80	-	-	2,78,72.18
Cash and cash equivalents	-	-	5,73,31.94	-	-	6,14,10.42
Other bank balances	-	-	35,24,01.85	-	-	29,71,09.39
Security deposits	-	-	22,63.22	-	-	23,17.61
Consignment Debtors	-	-	1,11,99.36	-	-	71,53.51
Interest accrued on fixed deposits and loans	-	-	81,43.25	-	-	63,58.20
Receivables from related parties	-	-	11,32.27	-	-	41,07.17
Claims Recoverable	-	-	63.27	-	-	-
Total financial assets	-	-	47,50,05.01	-	-	40,94,35.57
Financial liabilities						
Salary, wages and bonus payable	-	-	1,27,50.52	-	-	73,85.75
Trade security deposits	-	-	1,06,72.13	-	-	1,04,37.32
Unclaimed dividend	-	-	8,99.86	-	-	4,76.40
Payables to related parties	-	-	1,85,78.80	-	-	1,38,91.57
Unclaimed cheques/Demand Drafts	-	-	72.51	-	-	1,59.11
Capital creditors	-	-	11,34.01	-	-	16,16.08
Trade payables	-	-	9,52,61.33	-	-	10,06,15.92
Total financial liabilities	-	-	13,93,69.16	-	-	13,45,82.15

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. The following methods and assumptions were used to estimate the fair values:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). 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.

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The management considers that the carrying amounts of financial assets and financial liabilities recongnised in the financial statements approximate their fair values.

Notes:

- The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, consignment debtors, receivables from related parties, claim recoverable, trade payables and other financial liabilities are considered to be the same as fair values, due to their short term nature.
- The fair value for loans and security deposits were calculated based on cash flow discounted using a current lending rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including counterparty credit risk.
- The fair value for borrowings was calculated based on cash flow discounted using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk.

Note 25 Financial risk management objectives and policies

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how it manages those risks.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost	Ageing analysis Credit ratings	Diversification of bank deposits, robust trade credit controls including credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling Working Capital forecasts (including Cash)	Regular review of working capital resulting in effective and efficient working capital management. Availability of committed (Non-Funded) credit lines and borrowing facilities
Market risk - foreign exchange risk	Recognised financial assets and liabilities not denominated in INR	Cash flow forecasting Sensitivity analysis	The Company has limited foreign currency exposure and hence currency risk is not hedged. The Company monitors exchange rate movements and resulting exchange fluctuation risk on an ongoing basis and in case of significant risk, mitigating steps are considered

The Company has Risk Management Committee (RMC), comprising of the Managing Director, Finance Director, Operations Director, Executive Vice President, Legal and Executive Vice President, HR. Risk maps stating the significant business risk, potential consequences along with mitigation plans are prepared by each function and revised by RMC on a regular basis. RMC provides specific principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, credit risk, use of non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including cash and cash equivalents and deposits with banks and financial institutions.

(i) Credit risk management

Trade receivable related credit risk

The Company sells its products through wholesalers and retailers. The Company is exposed to credit risk in respect of these customers such that, if one or more of them encounters financial difficulty, it could affect the Company's financial results. The Company's credit risk monitoring activities relating to these customers include development of company's internal risk ratings, and establishment and periodic review of credit limits. Further, large customer base mitigates material concentration of credit risk. The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting year. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

a) Internal credit rating
b) external credit rating (as far as available)
c) actual or expected significant adverse changes in business, financial or economic conditions that are actual
d) Significant changes in the expected performance and behavior of the customer, including changes in the payment status of customer in the company and changes in the operating results of the customers.

Treasury related credit risk

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company places its funds in high quality financial institutions and banks. To avoid concentration risk, the Company also diversifies its treasury related credit risk by investing in bank deposits in different banks and also sets limits for maximum investment in a particular bank/financial institution.

(ii) Provision for expected credit losses

The group provides for expected credit loss based on the following:

Category	Description of category	Basis for recognition of expected credit loss provision		
		Loans to employees	Security deposits	Trade receivables
High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12-months expected credit loss	12-months expected credit loss	Lifetime expected credit losses
Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past			

For the year ended March 31, 2019

(a) Expected credit loss for loans and security deposits

Particulars	Category	Description of category	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 months expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Loans to employees	39,02.05	0%	-	39,02.05
Loss allowance measured at 12 months expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Security deposits	22,63.22	0%	-	22,63.22

(b) Expected credit loss for trade receivables under simplified approach

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-180 days past due	181-360 days past due	361-720 Days Overdue	Above 720 Days Overdue	Total
Gross carrying amount	2,23,20.89	55,14.74	33,59.70	21,01.80	14,49.44	4,47.16	3,46.09	3,53.72	3,58,93.54
Expected loss rate	0.02%	0.08%	0.69%	2.26%	9.23%	26.41%	65.45%	100.00%	
Expected credit losses (Loss allowance provision)	4.12	4.52	23.04	47.58	1,33.75	1,18.08	2,26.52	3,53.72	9,11.33
Carrying amount of trade receivables (net of impairment)	**2,23,16.77**	**55,10.22**	**33,36.66**	**20,54.22**	**13,15.69**	**3,29.08**	**1,19.57**	**-**	**3,49,82.21**

For the year ended March 31, 2018

(a) Expected credit loss for loans and security deposits

Particulars	Category	Description of category	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 months expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Loans to employees	31,07.09	0%	-	31,07.09
Loss allowance measured at 12 months expected credit losses	High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Security deposits	23,17.61	0%	-	23,17.61

(b) Expected credit loss for trade receivables under simplified approach

Ageing	Not due	0-30 days past due	31-60 days past due	61-90 days past due	91-180 days past due	181-360 days past due	361-720 Days Overdue	Above 720 Days Overdue	Total
Gross carrying amount	1,49,14.79	34,02.68	20,89.63	11,19.39	17,11.94	3,27.06	5,10.91	94.00	2,41,70.40
Expected loss rate	0.03%	0.10%	2.09%	3.30%	6.02%	16.28%	75.12%	100.00%	
Expected credit losses (Loss allowance provision)	3.79	3.35	43.63	36.92	1,03.14	53.26	3,83.78	94.00	7,21.87
Carrying amount of trade receivables (net of impairment)	**1,49,11.00**	**33,99.33**	**20,46.00**	**10,82.47**	**16,08.80**	**2,73.80**	**1,27.13**	**-**	**2,34,48.53**

Reconciliation of impairment loss provision - Trade receivables

	Amount
Impairment loss as at March 31, 2017	7,59.05
Changes in Impairment loss	(37.18)
Impairment loss as at March 31, 2018	**7,21.87**
Changes in Impairment loss	1,89.46
Impairment loss as at March 31, 2019	**9,11.33**

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of cash and committed credit lines to meet obligations. Due to the dynamic nature of the underlying businesses, company's treasury maintains flexibility in funding by maintaining cash availability and committed credit lines.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried in accordance with practice and limits set by the company. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these requirements.

(i) Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant

Contractual maturities of financial liabilities as at March 31, 2019	Less than 1 year	1 year - 5 years	More than 5 years	Total
Trade security deposits	1,06,72.13	-	-	1,06,72.13
Salary, wages and bonus payable	1,27,50.52	-	-	1,27,50.52
Trade payables	9,52,61.33	-	-	9,52,61.33
Unclaimed dividend	8,99.86	-	-	8,99.86
Payables to related parties towards consignment sales/other reimbursements	1,85,78.80	-	-	1,85,78.80
Unclaimed cheques/DD's	72.51	-	-	72.51
Capital creditors	11,34.01	-	-	11,34.01

Contractual maturities of financial liabilities as at March 31, 2018	Less than 1 year	1 year - 5 years	More than 5 years	Total
Trade security deposits	1,04,37.32	-	-	1,04,37.32
Salary, wages and bonus payable	73,85.75	-	-	73,85.75
Trade payables	10,06,15.92	-	-	10,06,15.92
Unclaimed dividend	4,76.40	-	-	4,76.40
Payables to related parties towards consignment sales/other reimbursements	1,38,91.57	-	-	1,38,91.57
Unclaimed cheques/DD's	1,59.11	-	-	1,59.11
Capital creditors	16,16.08	-	-	16,16.08

(C) Market risk

(i) Foreign currency risk

The Indian Rupee is the Company's functional and reporting currency. The Company has limited foreign currency exposure which are mainly on account of purchase and sale of goods and services in EURO, GBP and USD. Foreign currency transaction exposures arising on internal and external trade flows are not material and therefore not hedged.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting year expressed in INR lakhs, are as follows:

Particulars		As at March 31, 2019	As at March 31, 2018
Financial assets-Trade and other receivables			
	EURO	-	32.67
	USD	45,78.24	77,97.30
	GBP	5,38.43	30,25.69
Total Amount (in INR)		51,16.67	1,08,55.66
Financial liabilities-Trade and other payables			
	USD	22.68	1,42.83
	GBP	5,11.44	4.81
Total Amount (in INR)		5,34.12	1,47.64

(b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Impact on profit or loss at the end of the reporting year	
	As at March 31, 2019	As at March 31, 2018
USD sensitivity		
INR/USD - increase by 5% (March 31, 2018 - 5%)	2,27.78	3,82.72
INR/USD - decrease by 5% (March 31, 2018 - 5%)	(2,27.78)	(3,82.72)
GBP sensitivity		
INR/GBP - increase by 5% (March 31, 2018 - 5%)	1.35	1,51.04
INR/GBP - decrease by 5% (March 31, 2018 - 5%)	(1.35)	(1,51.04)
EURO sensitivity		
INR/EURO - increase by 5% (March 31, 2018 - 5%)	-	1.63
INR/EURO - decrease by 5% (March 31, 2018 - 5%)	-	(1.63)

Note 26 Capital management

The Company manages its capital to ensure that the Company will be able to maximize the return to stakeholders through efficient allocation of capital towards expansion of business, optimization of working capital requirements and deployment of surplus funds into various investment options. The Company does not have long-term debt and uses the operational cash flows and equity to meet its capital requirements.

The Company is not subject to any externally imposed capital requirements

(a) The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the management of the Company considers the cost of capital and the risks associated with the movement in the working capital.

The following table summarizes the capital of the Company:

Particulars	As at March 31, 2019	As at March 31, 2018
Share capital	42,05.55	42,05.55
Other equity	40,52,65.85	34,43,06.34
	40,94,71.40	34,85,11.89

(b) Dividend

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
(i) Equity shares		
Final dividend for the year ended March 31, 2018 of INR 75 (for the year ended March 31, 2017 - INR 70) per fully paid equity share	3,15,41.65	2,94,38.88
(ii) Dividends not recognised at the end of the reporting year		
In addition to the above dividends, the Board of directors have recommended the final dividend of INR 105 per fully paid equity share (for the year ended March 31, 2018 INR 75 per share). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	4,41,58.31	3,15,41.65

Note 27 Segment information

The Company's business activity falls within a single operating segment namely "Nutrition". The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of IND AS 108 "Operating Segments".

Geographical Information

The "Geographical Segments" comprises of domestic segment which includes sales to customers located in India and the overseas segment includes sales to customers located outside India.

Revenue from external customers	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Within India	44,32,94.62	40,95,42.85
Outside India	3,49,05.91	2,81,62.49
	47,82,00.53	43,77,05.34

Revenue from Major Customers :

There is no customer having revenue amounting to 10% or more of Company's total revenue.

Note 28 Related party disclosures

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions and year-end balance with them as identified by the management in the ordinary course of business and on arms' length basis are given below:

A. Promoter Companies

Horlicks Limited, UK (Subsidiary of GlaxoSmithKline Plc UK) holds 43.16% of equity shares of the Company. (Refer note 11(a))

GlaxoSmithKline Pte Ltd, Singapore (Subsidiary of GlaxoSmithKline Plc UK) holds 29.29% of equity shares of the Company. (Refer Note 11(a))

B. Other related parties in GlaxoSmithKline Group which are under Common Control and with whom transactions have taken place during the year-

(a) Glaxo Operations UK Limited
(b) GlaxoSmithKline Asia Private Limited
(c) GlaxoSmithKline Bangladesh Limited
(d) GlaxoSmithKline Brasil Ltd
(e) GlaxoSmithKline Consumer Healthcare Pakistan Limited
(f) GlaxoSmithKline Consumer Healthcare Pte Ltd
(g) GlaxoSmithKline Consumer Private Limited
(h) GlaxoSmithKline Consumer Trading Ser(HO)
(i) GlaxoSmithKline Export Ltd
(j) GlaxoSmithKline Limited
(k) GlaxoSmithKline Pakistan Limited
(l) GlaxoSmithKline Pharmaceuticals Limited
(m) GlaxoSmithKline Plc
(n) GlaxoSmithKline Pte. Ltd.
(o) GlaxoSmithKline Services Unlimited
(p) GSK Augus UK
(q) GSK CH (Ireland) Ltd
(r) GSK CH (LP) (Bangkok)
(s) Horlicks Limited
(t) PT Sterling Products Indonesia
(u) SB Corporate Centre
(v) SmithKline Beecham Corporation
(w) SmithKline Beecham (Pvt) Ltd, Sri Lanka
(x) Sterling Drugs (Malaya) Sdn Bhd
(y) GlaxoSmithKline Trading Services Limited
(Z) GSK Consumer Healthcare Philippines Inc
(AA) GlaxoSmithKline Consumer Healthcare Japan K.K.
(AB) GlaxoSmithKline Consumer Nigeria Plc
(AC) Novartis Consumer Health SA (Switzerland)
(AD) GSK Pharmaceuticals Kenya Ltd

C. Trusts under Control of the Board of the Trustees -

(a) GlaxoSmithKline Consumer Healthcare Ltd Sr. Staff Gratuity Fund
(b) GlaxoSmithKline Consumer Healthcare Ltd Employees Gratuity Fund
(c) GlaxoSmithKline Consumer Healthcare Ltd Provident Fund
(d) GlaxoSmithKline Consumer Healthcare Ltd Indian Sr. Executives SAF

D. Key Management Personnel

(a) Navneet Saluja, Managing Director (Appointed in the role w.e.f. January 01, 2018)
(b) Anup Dhingra, Director Operation
(c) Shanu Saksena, Company secretary and area ethics and compliance officer
(d) Manoj Kumar, Managing Director (upto December 31, 2017)
(e) Vivek Anand, Finance Director and Chief Financial Officer

E. Key management personnel compensation

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employment benefits	**19,53.14**	14,32.72
Post-employment benefits	**79.24**	1,15.97
Employee share-based payment	**2,97.07**	2,71.97

F. Transaction with related parties

The following transactions occurred with related parties during the year:

Particulars	For the year ended March 31, 2019					For the year ended March 31, 2018				
	Promoter Company	Companies under Common Control	Key Management Personnel	Trust under the control of Board of trustees	Total	Promoter Company	Companies under Common Control	Key Management Personnel	Trust under the control of Board of trustees	Total
Sale of goods (Exports)	-	**1,07,94.27**	-	-	**1,07,94.27**	-	**1,30,07.26**	-	-	**1,30,07.26**
GlaxoSmithKline Trading Services Limited	-	52,75.45	-	-	**52,75.45**	-	-	-	-	-
GlaxoSmithKline Consumer Trading Ser(HO)	-	13.65	-	-	**13.65**	-	2,04.50	-	-	**2,04.50**
SmithKline Beecham (Pvt) Ltd, Sri Lanka	-	34,38.91	-	-	**34,38.91**	-	44,70.82	-	-	**44,70.82**
GlaxoSmithKline Bangladesh Limited	-	8,78.69	-	-	**8,78.69**	-	74,74.71	-	-	**74,74.71**
GlaxoSmithKline Consumer Healthcare Pakistan Limited	-	11,87.57	-	-	**11,87.57**	-	8,43.20	-	-	**8,43.20**
Others	-	-	-	-	-	-	14.03	-	-	**14.03**
Sale of raw materials/ packing materials	-	**19.15**	-	-	**19.15**	-	**2,03.89**	-	-	**2,03.89**
GlaxoSmithKline Bangladesh Limited	-	19.15	-	-	**19.15**	-	2,03.89	-	-	**2,03.89**
Value of goods sold on consignment basis (gross)	-	**16,69,05.88**	-	-	**16,69,05.88**	-	**14,44,24.06**	-	-	**14,44,24.06**
GlaxoSmithKline Asia Private Limited	-	12,73,63.41	-	-	**12,73,63.41**	-	10,86,96.37	-	-	**10,86,96.37**
GlaxoSmithKline Pharmaceuticals Limited	-	2,41,39.97	-	-	**2,41,39.97**	-	2,18,80.32	-	-	**2,18,80.32**
GlaxoSmithKline Consumer Private Limited	-	1,54,02.50	-	-	**1,54,02.50**	-	1,38,47.37	-	-	**1,38,47.37**
Services received (Paid / Payable)	-	**4.07**	-	-	**4.07**	-	**4.06**	-	-	**4.06**
GlaxoSmithKline Pharmaceuticals Limited	-	4.07	-	-	**4.07**	-	4.06	-	-	**4.06**
Purchase of Fixed Assets	-	**3,14.95**	-	-	**3,14.95**	-	-	-	-	-
GlaxoSmithKline Plc	-	3,14.95	-	-	**3,14.95**	-	-	-	-	-
Service Revenue (Received / Receivable) **	**89.14**	**9,57.06**	-	-	**10,46.20**	**91.91**	**8,97.18**	-	-	**9,89.09**
GlaxoSmithKline Services Unlimited	-	37.21	-	-	**37.21**	-	20.37	-	-	**20.37**
GlaxoSmithKline Asia Private Limited	-	1,53.26	-	-	**1,53.26**	-	-	-	-	-
GlaxoSmithKline Pharmaceuticals Limited	-	1,77.61	-	-	**1,77.61**	-	-	-	-	-
GlaxoSmithKline Pte. Ltd.	**89.14**	-	-	-	**89.14**	91.91	-	-	-	**91.91**
GlaxoSmithKline Export Ltd	-	16.96	-	-	**16.96**	-	1,39.85	-	-	**1,39.85**
GlaxoSmithKline Plc	-	1,14.70	-	-	**1,14.70**	-	1,18.82	-	-	**1,18.82**
GlaxoSmithKline Consumer Healthcare Pte Ltd	-	1,59.00	-	-	**1,59.00**	-	2,97.83	-	-	**2,97.83**
Others	-	2,98.32	-	-	**2,98.32**	-	3,20.31	-	-	**3,20.31**
Payments/payable on behalf of fellow subsidiaries (received / receivable)	-	**19,20.90**	-	-	**19,20.90**	-	**74,64.38**	-	-	**74,64.38**
GlaxoSmithKline Consumer Healthcare Pte Ltd	-	18.62	-	-	**18.62**	-	-	-	-	-
GlaxoSmithKline Plc	-	11,38.57	-	-	**11,38.57**	-	26,38.43	-	-	**26,38.43**
GlaxoSmithKline Pharmaceuticals Limited	-	-	-	-	-	-	32,62.34	-	-	**32,62.34**
GlaxoSmithKline Consumer Private Limited	-	7,63.71	-	-	**7,63.71**	-	15,63.61	-	-	**15,63.61**
Payments/payable on behalf of fellow subsidiaries (paid / payable)	-	**1,18,81.91**	-	-	**1,18,81.91**	-	**50,93.42**	-	-	**50,93.42**
GlaxoSmithKline Asia Private Limited	-	1,07,64.80	-	-	**1,07,64.80**	-	50,93.42	-	-	**50,93.42**
GlaxoSmithKline Pharmaceuticals Limited	-	11,17.11	-	-	**11,17.11**	-	-	-	-	-
Reimbursements of expenses (Paid / Payable)	-	**8,83.23**	-	-	**8,83.23**	-	**9,88.70**	-	-	**9,88.70**
GlaxoSmithKline Asia Private Limited	-	8,83.23	-	-	**8,83.23**	-	9,88.70	-	-	**9,88.70**
Business auxiliary service commission *	-	**2,85,28.47**	-	-	**2,85,28.47**	-	**2,36,11.59**	-	-	**2,36,11.59**
GlaxoSmithKline Asia Pvt Ltd.	-	2,31,77.77	-	-	**2,31,77.77**	-	1,88,17.59	-	-	**1,88,17.59**
GlaxoSmithKline Pharmaceuticals Limited	-	29,87.33	-	-	**29,87.33**	-	26,43.97	-	-	**26,43.97**
GlaxoSmithKline Consumer Private Limited	-	23,63.37	-	-	**23,63.37**	-	21,50.03	-	-	**21,50.03**
Rent paid *	-	**2,27.61**	-	-	**2,27.61**	-	**2,26.16**	-	-	**2,26.16**
GlaxoSmithKline Asia Private Limited	-	2,27.61	-	-	**2,27.61**	-	2,26.16	-	-	**2,26.16**
Rent received *	-	**1.20**	-	-	**1.20**	-	**1.10**	-	-	**1.10**
GlaxoSmithKline Asia Private Limited	-	1.20	-	-	**1.20**	-	1.10	-	-	**1.10**

Particulars	For the year ended March 31, 2019					For the year ended March 31, 2018				
	Promoter Company	Companies under Common Control	Key Management Personnel	Trust under the control of Board of trustees	Total	Promoter Company	Companies under Common Control	Key Management Personnel	Trust under the control of Board of trustees	Total
Licence agreement (royalty paid / payable) *	**51,17.45**	**1,03,56.01**	**-**	**-**	**1,54,73.46**	**-**	**1,43,59.71**	**-**	**-**	**1,43,59.71**
Horlicks Limited	51,17.45	-	-	-	**51,17.45**	-	-	-	-	-
GlaxoSmithKline Asia Private Limited	-	1,03,56.01	-	-	**1,03,56.01**	-	1,43,59.71	-	-	**1,43,59.71**
Dividend paid	**2,28,53.99**	**-**	**-**	**-**	**2,28,53.99**	**2,13,30.39**	**-**	**-**	**-**	**2,13,30.39**
Horlicks Limited	1,36,14.18	-	-	-	**1,36,14.18**	1,27,06.57	-	-	-	**1,27,06.57**
GlaxoSmithKline Pte. Ltd.	92,39.81	-	-	-	**92,39.81**	86,23.82	-	-	-	**86,23.82**
Remuneration paid	**-**	**-**	**23,29.45**	**-**	**23,29.45**	**-**	**-**	**18,20.66**	**-**	**18,20.66**
Manoj Kumar	-	-	-	-	**-**	-	-	5,84.56	-	**5,84.56**
Anup Dhingra	-	-	6,47.84	-	**6,47.84**	-	-	4,83.27	-	**4,83.27**
Vivek Anand	-	-	4,13.03	-	**4,13.03**	-	-	3,03.62	-	**3,03.62**
Shanu Saksena	-	-	1,55.52	-	**1,55.52**	-	-	1,11.74	-	**1,11.74**
Navneet Saluja	-	-	11,13.06	-	**11,13.06**	-	-	3,37.47	-	**3,37.47**
Annual contributions made by the Company	**-**	**-**	**-**	**95,63.60**	**95,63.60**	**-**	**-**	**-**	**88,68.73**	**88,68.73**
GlaxoSmithKline Consumer Healthcare Ltd Provident Fund	-	-	-	93,13.63	**93,13.63**	-	-	-	85,30.93	**85,30.93**
GlaxoSmithKline Consumer Healthcare Ltd Sr. Staff Gratuity Fund	-	-	-	-	**-**	-	-	-	-	**-**
GlaxoSmithKline Consumer Healthcare Ltd Indian Sr. Executives SAF	-	-	-	2,49.97	**2,49.97**	-	-	-	3,37.80	**3,37.80**
Payments made by the Company to the employees on behalf of Trust towards their settlement	**-**	**-**	**-**	**24,61.26**	**24,61.26**	**-**	**-**	**-**	**39,68.84**	**39,68.84**
GlaxoSmithKline Consumer Healthcare Ltd Provident Fund	-	-	-	93.20	**93.20**	-	-	-	24,60.79	**24,60.79**
GlaxoSmithKline Consumer Healthcare Ltd Sr. Staff Gratuity Fund	-	-	-	6,35.95	**6,35.95**	-	-	-	8,44.82	**8,44.82**
GlaxoSmithKline Consumer Healthcare Ltd Employees Gratuity Fund	-	-	-	4,76.78	**4,76.78**	-	-	-	4,40.01	**4,40.01**
GlaxoSmithKline Consumer Healthcare Ltd Indian Sr. Executives SAF	-	-	-	12,55.33	**12,55.33**	-	-	-	2,23.22	**2,23.22**
Recoveries made from Trusts on account of settlement and Investments	**-**	**-**	**-**	**21,70.77**	**21,70.77**	**-**	**-**	**-**	**41,96.71**	**41,96.71**
GlaxoSmithKline Consumer Healthcare Ltd Provident Fund	-	-	-	98.96	**98.96**	-	-	-	27,01.81	**27,01.81**
GlaxoSmithKline Consumer Healthcare Ltd Sr. Staff Gratuity Fund	-	-	-	5,35.37	**5,35.37**	-	-	-	8,25.12	**8,25.12**
GlaxoSmithKline Consumer Healthcare Ltd Employees Gratuity Fund	-	-	-	3,75.69	**3,75.69**	-	-	-	4,39.18	**4,39.18**
GlaxoSmithKline Consumer Healthcare Ltd Indian Sr. Executives SAF	-	-	-	11,60.75	**11,60.75**	-	-	-	2,30.60	**2,30.60**

*Amount is inclusive of taxes
** In respect of service fees which is on net basis, the gross value is INR 1,35,68.26 lakhs (March 31, 2018 INR 90,26.54 lakhs) as per details below :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
GlaxoSmithKline Services Unlimited	**2,85.28**	1,56.17
Glaxo Operations UK Limited	**4,71.38**	3,95.00
GlaxoSmithKline Pte. Ltd.	**6,83.41**	7,04.66
GlaxoSmithKline Export Ltd	**1,30.00**	10,72.15
GlaxoSmithKline Consumer Healthcare Pte Ltd	**12,19.00**	22,80.68
GlaxoSmithKline Plc	**7,64.37**	7,77.65
Others	**1,00,14.82**	36,40.23

G. Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting year in relation to transactions with related parties:

Particulars	As at March 31, 2019					As at March 31, 2018				
	Promoter Company	Companies under Common Control	Key Management Personnel	Trust under the control of Board of trustees	Total	Promoter Company	Companies under Common Control	Key Management Personnel	Trust under the control of Board of trustees	Total
Balances as at year end - receivables (Net)	-	**47,17.86**	-	**17,57.60**	**64,75.46**	3,12.49	82,14.52	-	16,52.69	**1,01,79.70**
GlaxoSmithKline Asia Private Limited	-	16,43.60	-	-	**16,43.60**	-	15,66.61	-	-	**15,66.61**
SmithKline Beecham (Pvt) Ltd, Sri Lanka	-	8,24.50	-	-	**8,24.50**	-	9,33.62	-	-	**9,33.62**
GlaxoSmithKline Pte. Ltd.	-	-	-	-	**-**	3,12.49	-	-	-	**3,12.49**
GlaxoSmithKline Bangladesh Limited	-	-	-	-	**-**	-	14,76.09	-	-	**14,76.09**
GlaxoSmithKline Plc	-	5,95.44	-	-	**5,95.44**	-	21,12.10	-	-	**21,12.10**
GlaxoSmithKline Trading Services Limited	-	6,20.88	-	-	**6,20.88**	-	-	-	-	**-**
GlaxoSmithKline Consumer Healthcare Ltd Sr. Staff Gratuity Fund	-	-	-	10,71.46	**10,71.46**	-	-	-	8,99.64	**8,99.64**
GlaxoSmithKline Consumer Healthcare Ltd Employees Gratuity Fund	-	-	-	5,91.56	**5,91.56**	-	-	-	7,53.05	**7,53.05**
GlaxoSmithKline Consumer Healthcare Ltd Indian Sr. Executives SAF	-	-	-	94.58	**94.58**	-	-	-	-	**-**
Others	-	10,33.44	-	-	**10,33.44**	-	21,26.10	-	-	**21,26.10**
Balances as at year end - payables (Net)	**12,45.52**	**1,76,48.24**	-	**7,12.33**	**1,96,06.09**	-	1,38,84.14	-	6,92.79	**1,45,76.93**
GlaxoSmithKline Asia Private Limited	-	1,01,89.63	-	-	**1,01,89.63**	-	1,08,83.41	-	-	**1,08,83.41**
GlaxoSmithKline Pharmaceuticals Limited	-	59,86.37	-	-	**59,86.37**	-	24,47.13	-	-	**24,47.13**
Horlicks Limited	11,50.67	-	-	-	**11,50.67**	-	-	-	-	**-**
GlaxoSmithKline Pte. Ltd.	94.85	-	-	-	**94.85**	-	-	-	-	**-**
GlaxoSmithKline Consumer Healthcare Ltd Provident Fund	-	-	-	7,12.33	**7,12.33**	-	-	-	6,69.17	**6,69.17**
GlaxoSmithKline Consumer Healthcare Ltd Indian Sr. Executives SAF	-	-	-	-	**-**	-	-	-	23.62	**23.62**
Others	-	14,72.24	-	-	**14,72.24**	-	5,53.60	-	-	**5,53.60**

Note 29 Contingent liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Income tax	**1,45,61.05**	1,40,33.61

Critical judgement

The amounts shown above represent the best possible estimates of pending litigations/disputes arrived at on the basis of available information taking into account the specific circumstances of each matter and relevant external advice. The timing and probability of the outflow and expected reimbursements, if any, with regard to these matters, depends on the receipt of Judgements/ decisions pending with various forums/authorities. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes.

Note 30 Commitments

(a) Capital commitments

Particulars	As at March 31, 2019	As at March 31, 2018
Capital expenditure contracted for at the end of the reporting year but not recognised as liabilities is as follows:		
Property, plant and equipment (net of Capital Advance of INR 1,57.17 lakhs (March 31, 2018 INR 10.26 lakhs) and not provided for)	6,65.65	4,52.64
Intangible assets	51.14	-

(b) Non-cancellable operating leases

The Company has entered into non-cancellable operating leases in respect of office premises, which range for a period between 1-5 years. The terms of the said leases include terms for renewal, increase in rents in future periods for premises and terms of cancellation.

The Company has identified and classified certain cancellable job work arrangements as operating leases as per Ind AS 17 "Leases". Since it was impracticable to bifurcate payments for the lease (i.e. the right to use the asset) and payments for other elements in the arrangement (mainly includes cost of inputs and services), the payments made has been considered as lease payments and shown under rent expenses.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Within one year	31.26	1.40
Later than one year but not later than five years	NIL	NIL
Later than five years	NIL	NIL

With respect of all operating leases:-

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Lease payment recognised in the Statement of Profit and Loss	2,17,81.49	2,13,63.83
Sub lease payment received/receivable recognised in the Statement of Profit and Loss	4.20	4.85

Note 31 Earnings per equity share

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Profit attributable to the equity shareholders of the Company (INR lakhs)	9,82,80.40	7,00,10.22
(b) Weighted average number of shares used as the denominator		
Weighted average number of shares used as the denominator for calculating basic and diluted earnings per share	42,05,55,38	42,05,55,38
(c) Basic and diluted earnings per share [(a)/(b)]		
Total basic and diluted earnings per share attributable to equity holders of the Company (INR)	233.69	166.47

Note 32 Amount remitted in foreign currency for dividend

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Number of non-resident shareholders	2	2
b) Number of shares held (Equity shares of INR 10 each)	30,471,992	30,471,992
c) Dividend	2,28,53.99	2,13,30.40
d) Year to which the dividend relates to	April 2017 to March 2018	April 2016 to March 2017

Note 33 Based upon the legal opinion obtained by the Company, there are various interpretation issues and the Company is in the process of evaluating the impact of the recent Supreme Court Judgement in the case of "Vivekananda Vidyamandir vs Regional Provident Fund Commissioner (II), West Bengal in relation to non-exclusion of certain allowances from the definition of "basis wages" of the relevant employees for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous provisions Act, 1952.

Note 34 On December 03, 2018, the Board of Directors of GlaxoSmithKline Consumer Healthcare Limited ("Company") approved a Scheme of amalgamation ("the Scheme") between the Company and Hindustan Unilever Limited ("HUL"), their respective shareholders and creditors subject to obtaining requisite regulatory and other approvals. On January 23, 2019, the Competition Commission of India (CCI) approved the proposed amalgamation and the Company has received 'No Objection letter' from Bombay Stock Exchange and National Stock Exchange on February 18, 2019. The Scheme of amalgamation has been filed

by the Company and HUL with the respective National Company Law Tribunals at Chandigarh and Mumbai. Presently, the Company is in the process of seeking requisite approvals.

With effect from the Appointed Date (as defined in the Scheme), the Company shall stand amalgamated into HUL and its Undertaking shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in HUL, as a going concern without any further act, instrument, deed, matter or thing so as to become, the undertaking of HUL by virtue of and in the manner provided in the Scheme.

In view of above, these financial statements have been prepared on a going concern basis.

Note 35 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Note 36 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Note 37 Consequent to introduction of Goods and Services Tax (GST) with effect from July 01, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Indian Accounting Standard, as applicable and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT, etc. are not part of Revenue. Accordingly, the figures for the year ended March 2018 are not strictly relatable to current year numbers.

Note 38 The previous year figures in the financial statements, including the notes thereto, have been reclassified/regrouped wherever required to confirm to the current year presentation/classification. These are not material and do not affect the previously reported net profit or equity.

Note 39 Events occurring after the reporting period

a) Approval of financial statements - The financial statements were authorised for issue by the Board of Directors on May 10, 2019.

b) Dividend - Refer note 26(b) for the final dividend recommended by the Board of Directors which is subject to the approval of shareholders in the ensuing Annual General Meeting.

For and on behalf of the Board of Directors

P. Dwarakanath
(DIN: 00231713)
Chairman

Vivek Anand
(DIN: 06891864)
Director

Navneet Saluja
(DIN: 002183350)
Managing Director

Shanu Saksena
(Membership No: FCS- 9733)
Company Secretary

Kunal Kashyap
(DIN: 00231891)
Director

Place: Gurugram
Date: May 10, 2019

Notes

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Horlicks
NOW 2X
CLASSIC MALT

GLAXOSMITHKLINE
CONSUMER HEALTHCARE LIMITED
Office: Patiala Road, Nabha -147201 (Punjab)
CIN: L24231PB1958PLC002257
Tel No.: 01765-306400; Fax No.: 01765-220642; Email id: investor.2.co@gsk.com, Website: www.gsk-ch.in

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE SIXTIETH ANNUAL GENERAL MEETING (AGM) of GlaxoSmithKline Consumer Healthcare Limited will be held at the Punjab Public School Auditorium, The Punjab Public School (Senior Wing), Nabha – 147 201 (Punjab) on Friday, August 2, 2019 at 9.30 a.m. to transact the following business: -

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019 including Audited Balance Sheet as at March 31, 2019 and the Statement of Profit and Loss for the year ended March 31, 2019 together with the Reports of the Directors and Auditors.
2. To declare Dividend for the year ended March 31, 2019 of Rs. 105 per equity share, as recommended by the Board of Directors.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Article 125 of the Articles of Association of the Company, Ms. Sangeeta Talwar (DIN 00062478), Independent Director of the Company whose present term is coming to an end at the conclusion of the 60th Annual General Meeting and has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for another term with effect from August 02, 2019 till the conclusion of sixty third Annual General Meeting."

   "RESOLVED FURTHER THAT Mr. Navneet Saluja, Managing Director, Mr. Vivek Anand, Director - Finance and CFO, and Ms. Shanu Saksena, Company Secretary, be and are hereby severally authorized to do and perform all necessary acts, deeds and things including incidental matters in connection with the above including execution, signing and filing of any forms, returns and documents with the concerned authorities."

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Article 126 of the Articles of Association of the Company, Mr. P. Dwarakanath (DIN: 00231713) in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as the Non-Executive Director of the Company effective July 1, 2018"

   "RESOLVED FURTHER THAT Mr. Navneet Saluja, Managing Director, Mr. Vivek Anand, Director - Finance and CFO, and Ms. Shanu Saksena, Company Secretary, be and are hereby severally authorized to do and perform all necessary acts, deeds and things including incidental matters in connection with the above including execution, signing and filing of any forms, returns and documents with the concerned authorities."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 149, 150 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article 125 of the Articles of Association of the Company, Mr. S. Madhavan (DIN 06451889), who was appointed as an Additional Director in the capacity of an Independent Director of the Company by the Board of Directors w.e.f. September 25, 2018, and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and Article 142 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company with effect from September 25, 2018 for a period of 3 years i.e. September 25, 2018 to September 24, 2021."

   "RESOLVED FURTHER THAT Mr. Navneet Saluja, Managing Director, Mr. Vivek Anand, Director - Finance and CFO, and Ms. Shanu Saksena, Company Secretary, be and are hereby severally authorized to do and perform all necessary acts, deeds and things including

incidental matters in connection with the above including execution, signing and filing of any forms, returns and documents with the concerned authorities."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 149, 150 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article 125 of the Articles of Association of the Company, Mr. P.V. Bhide (DIN 03304262), who was appointed as an Additional Director in the capacity of an Independent Director of the Company by the Board of Directors w.e.f. May 10, 2019, and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and Article 142 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company with effect from May 10, 2019 for a period of 3 years i.e. May 10, 2019 to May 9, 2022."

   "RESOLVED FURTHER THAT Mr. Navneet Saluja, Managing Director, Mr. Vivek Anand, Director - Finance and CFO, and Ms. Shanu Saksena, Company Secretary, be and are hereby severally authorized to do and perform all necessary acts, deeds and things including incidental matters in connection with the above including execution, signing and filing of any forms, returns and documents with the concerned authorities."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT subject to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Article 125 of the Articles of Association of the Company, Mr. Anup Dhingra (DIN: 07602670), Director – Operations whose present term is coming to an end at the conclusion of the 60th Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 be and is hereby re-appointed as an Executive Director of the Company, designated as "Director-Operations", with effect from August 02, 2019 till the conclusion of sixty third Annual General Meeting, on remuneration including perquisites and other terms and conditions of the appointment, not exceeding the limits as enumerated below:

   a) Salary

      Basic salary: Shall not exceed Rs. 2.5 Crores per annum. In addition to basic salary and allowances, bonus will be paid in accordance with the Company's Rules.

   b) Perquisites - In addition to the Basic salary, allowances and bonus as above, the expenses incurred by the Company on perquisites shall be restricted to the following:

      i. Housing Loan Interest Subsidy: Mr. Anup Dhingra shall also be entitled to housing loan interest subsidy scheme as per Company's Rules.

      ii. Superannuation: Company has a contribution of 15% of basic salary for superannuation membership. He may opt for Superannuation allowance in lieu of membership.

      iii. Medical Reimbursement: Expenses incurred for Mr. Anup Dhingra and his dependent family as per Company's Rules.

      iv. Corporate Club Membership: Club Membership of maximum two clubs. Membership of Corporate / Health club and Professional Bodies as per Company's Rules.

      v. Personal Accident and Life Insurance coverage will be provided in accordance with Company's Rules.

      vi. Company maintained car including fuel expenses.

      vii. Reimbursement of telephone expenses for business purposes in accordance with the Company's Rules.

      viii. Leave as applicable in accordance with the Company's Rules.

      ix. Mr. Anup Dhingra is also entitled to Share Value Plan & Performance Share Plan of the Company or that of GSK plc as per Company's Rules."

MINIMUM REMUNERATION

"RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any financial year, during the tenure of Mr. Anup Dhingra as an Executive Director, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary, perquisites and any other allowances not exceeding the maximum limits as prescribed under Section II of Part II and Part III of Schedule V to the Companies Act, 2013 or within such ceilings as may be prescribed under Schedule V from time to time or the Companies Act, 2013 and as may be amended from time to time."

OTHER TERMS

"RESOLVED FURTHER THAT Mr. Anup Dhingra shall also be eligible to the following which shall not be included in the computation of the ceiling on remuneration hereinabove stated:

i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service i.e. a maximum of Rs. 10 Lacs or such other sum as may be prescribed in the Payment of Gratuity Act, 1972 from time to time."

"RESOLVED FURTHER THAT all the salary, allowances and perquisites payable to Mr. Anup Dhingra shall be subject to Income Tax Act and Rules as applicable from time to time."

"RESOLVED FURTHER THAT the appointment of Mr. Anup Dhingra as an Executive Director of the Company and Director- Operations can be terminated by either side by giving to the other three months' notice in writing or basic salary in lieu thereof."

"RESOLVED FURTHER THAT the Board of Directors has the liberty to fix, alter and vary such terms of appointment and remuneration so as to not exceed the limits specified."

"RESOLVED FURTHER THAT Mr. Navneet Saluja, Managing Director, Mr. Vivek Anand, Director - Finance and CFO, and Ms. Shanu Saksena, Company Secretary, be and are hereby severally authorized to do and perform all necessary acts, deeds and things including incidental matters in connection with the above including execution, signing and filing of any forms, returns and documents with the concerned authorities."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT subject to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Article 125 of the Articles of Association of the Company, Mr. Vivek Anand (DIN: 06891864) Director – Finance & CFO whose present term is coming to an end at the conclusion of the 60th Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 be and is hereby re-appointed as an Executive Director of the Company, designated as "Director – Finance & CFO", with effect from August 02, 2019 till the conclusion of sixty third Annual General Meeting, on remuneration including perquisites and other terms and conditions of the appointment, not exceeding the limits as enumerated below:

   a) Salary

      Basic salary: Shall not exceed Rs. 1.4 crore per annum and allowances shall not exceed Rs. 1.3 crore per annum. In addition to basic salary and allowances, bonus will be paid in accordance with the Company's Rules.

   b) Perquisites

      In addition to Salary as above, the expenses incurred by the Company on perquisites shall be restricted to the following:

      i. Housing Loan Interest Subsidy: Mr. Vivek Anand shall be entitled to housing loan interest subsidy scheme as per Company's Rules.

      ii. Superannuation: Company has a contribution of 15% of basic salary for superannuation membership. He may opt for Superannuation allowance in lieu of membership.

      iii. Medical Reimbursement: Expenses incurred for Mr. Vivek Anand and his dependent family members as per Company's Rules.

      iv. Corporate Club Membership: Club Membership of maximum one club. Membership of Corporate/Health club and Professional Bodies as per Company's Rules.

      v. Personal Accident and Life Insurance coverage will be provided in accordance with Company's Rules.

      vi. Company maintained car including fuel expenses.

      vii. Reimbursement of telephone expenses for business purposes in accordance with the Company's Rules.

      viii. Leave as applicable in accordance with the Company's Rules.

      ix. Mr. Vivek Anand is also entitled to Share Value Plan of the Company or that of GSK plc as per Company's Rules."

MINIMUM REMUNERATION

"RESOLVED FURTHER THAT notwithstanding anything hereinabove stated, where in any financial year, during the tenure of Mr. Vivek Anand as Whole-time Director & Chief Financial Officer, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary, perquisites and any other allowances not exceeding the maximum limits as prescribed under Section II of Part II and Part III of Schedule V to the Companies Act, 2013 or within such ceilings as may be prescribed under Schedule V from time to time or the Companies Act, 2013 and as may be amended from time to time."

OTHER TERMS

"RESOLVED FURTHER THAT Mr. Vivek Anand shall also be eligible to the following which shall not be included in the computation of the ceiling on remuneration hereinabove stated:

i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service i.e. a maximum of Rs. 10 Lacs or such other sum as may be prescribed in the Payment of Gratuity Act, 1972 from time to time."

"RESOLVED FURTHER THAT all the salary, allowances and perquisites payable to Mr. Vivek Anand shall be subject to Income Tax Act and Rules as applicable from time to time."

"RESOLVED FURTHER THAT the appointment of Mr. Vivek Anand as Whole-time Director of the Company and Chief Financial Officer can be terminated by either side by giving to the other three months' notice in writing or basic salary in lieu thereof."

"RESOLVED FURTHER THAT the Board of Directors has the liberty to fix, alter and vary such terms of appointment and remuneration so as to not exceed the limits specified."

"RESOLVED FURTHER THAT Mr. Navneet Saluja, Managing Director, Mr. Anup Dhingra, Director - Operations and Ms. Shanu Saksena, Company Secretary, be and are hereby severally authorized to do and perform all necessary acts, deeds and things including incidental matters in connection with the above including execution, signing and filing of any forms, returns and documents with the concerned authorities."

By order of the Board
For GlaxoSmithKline
Consumer Healthcare Limited

Shanu Saksena
Company Secretary &
Area Ethics and
Compliance Officer, ISC

Place: Gurugram
Date: May 10, 2019

NOTES:

1. The Register of Members and the Share Transfer Register of the Company will remain closed from Saturday July 27, 2019 to Friday, August 2, 2018, both days inclusive.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.

3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXIES TO ATTEND AND ON A POLL ONLY TO VOTE INSTEAD OF HIMSELF/HERSELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy (enclosed), in order to be effective, must be received at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted by an authorized representative of companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.

4. Dividend on equity shares, as recommended by the Board for the year ended March 31, 2019, if declared at the meeting, will be paid to all those Members whose names appear in the Company's Register of Members and to those persons whose names appear as beneficial owners (as per the details to be furnished by the Depositories in respect of the shares held in dematerialised form) as at the close of business hours on July 26, 2019. Dividend of Rs. 105 per share has been recommended by the Board of Directors for the year ended March 31, 2019 and subject to the approval of the Members at the ensuing Annual General Meeting, is proposed to be paid on or before September 2, 2019.

5. In due compliance with the provisions of Section 124 of Companies Act, 2013 the amount of unclaimed dividend for the period up to April 28, 2019 (final dividend for the year ended December 31, 2011) amounting to Rs. 70,30,590/- (Rupees Seventy lakhs thirty thousand five hundred ninety only) has been transferred to the Investor Education and Protection Fund of the Central Government.

6. Members who wish to claim Dividend(s), which remain unclaimed, are advised to send their requests to Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 008. Members are requested to note that the dividends not encashed or claimed within seven years will be transferred to the Investor Education and Protection Fund of Government of India in due compliance with the provisions of Section 124 of the Companies Act, 2013. Accordingly, Members are advised to send all unencashed dividend warrants/demand drafts pertaining to these years for revalidation and encash them before the due dates.

7. The Ministry of Corporate Affairs (MCA) on May 10, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the Members ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof, by

post, etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the unclaimed Dividends in respect of the Financial Years from 2011, as on the date of the 59th Annual General Meeting held on August 8, 2018 and a detailed dividend history and due dates for transfer to IEPF on the website of the IEPF viz. www.iepf.gov.in and under "Investors Section" on the website of the Company viz. www.gsk-ch.in.

8. Members holding shares in physical form are advised to submit particulars of their bank account viz. name and address of the branch of the bank, MICR/IFSC code of the branch, type of account, account no. and any changes therein, latest by July 19, 2019, to Karvy Fintech Private Limited.

9. 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 its Registrars 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 (DP) of the Members.

10. All requests for transfer, change of address, dividend mandate etc. may please be sent to Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 008. The Members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name, etc. to their Depository Participant. These changes will be automatically reflected in Karvy's/Company's records. Members are also advised not to leave their demat account(s) dormant for a long period of time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

11. In an effort, to improve the service level to our Members, Karvy Fintech Private Limited has launched an ONLINE SERVICE through its website, https://karisma.karvy.com, for redressal of Member's queries. Members can visit the said website and click on "Investors" option to register themselves. Once registered, Member can submit the Members query in the "Queries" option provided on the website which would give the grievance registration number. For accessing the status/response to the said query, Members can use the same number at the option "View Reply" after 24 hours. Members can put additional queries till they get a satisfactory response from Karvy.

12. To enable the Company to send various communications electronically, Members are requested to register their e-mail ID(s) with Karvy Fintech Private Limited or at investor.2.co@gsk.com or einward.ris@karvy.com by clearly mentioning their Name and Folio No. For shares held in dematerialized form, the Members are requested to get e-mail ID(s) registered with their respective Depository Participants.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Karvy.

14. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialised form with effect from April 1, 2019. In view of the above, members are advised to dematerialise the shares held by them in physical form.

15. Members may also note that the Notice of the 60th Annual General Meeting and the Annual Report for the year ended March 31, 2019 will also be available on the Company's website www.gsk-ch.in, from where they can be downloaded.

16. Electronic copy of the Annual Report for the year ended March 31, 2019 including the Notice of the 60th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip, Proxy Form and Route Map is being sent to all the Members whose e-mail ID(s) are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same, which is being sent in the permitted mode. For Members who have not registered their e-mail address, physical copies of the above-mentioned documents are being sent in the permitted mode.

17. Webcast Facility

    The Company will be providing live webcast of the proceedings of the Annual General Meeting on the Karvy Website. You may access the same at https://evoting.karvy.com by using your remote e-voting credentials. The link will be available in shareholder login where EVEN of the Company will be displayed.

18. Voting through electronic means

    Electronic and physical copy of the Notice of the 60th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the Members.

    a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS 2) as issued by the Institute of Company Secretaries of India, the Company is pleased to provide Members with the facility to exercise their right to vote at the 60th Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting votes by the Members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by Karvy Fintech Private Limited (Karvy).

b. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

c. The Members who have cast their votes by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

19. PROCESS FOR MEMBERS OPTING FOR E-VOTING:

A. In case of Member(s) receiving an e-mail from Karvy:

i. Launch internet browser by typing the URL: http://evoting.karvy.com.

ii. Enter the login credentials (i.e. User ID and password). Your Folio No. / DP ID No. / Client ID No. will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, $, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the e-Voting Event Number for GlaxoSmithKline Consumer Healthcare Limited.

vii. On the voting page enter the number of shares (which represents number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head. Option "FOR" implies assent to resolution and "AGAINST" implies dissent to resolution.

viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

ix. Voting must be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

x. You may then cast your vote by selecting any appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution.

xii. Corporate / Institutional Members (i.e. other than individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF / JPG Format) of the board resolution / authority letter etc. together with attested specimen signature of the duly authorized representative(s), to the Scrutinizer at email: schughpcs@gmail.com with a copy marked to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_EVENT No.<xxxxx>(please fill the EVENT no.)"

xiii. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

B. In case of Member(s) receiving physical copy of the Notice of Annual General Meeting and Attendance Slip:

i. User ID and Initial password is provided at the bottom of the Attendance Slip Form.

USER ID	PASSWORD

ii. Please follow the steps from Sl. No. 19A(i) to 19A(xiii) above, to cast your vote.

C. In case of any query and/or grievance, pertaining to e-voting, members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.karvy.com (Karvy Website) or contact Mr. Prem Kumar Nair (Unit: GlaxoSmithKline Consumer Limited) of Karvy Fintech Private Limited or at evoting@karvy.com or phone no. 040 – 671615252 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.

D. The remote e-voting period commences on Tuesday, July 30, 2019 (9:00 a.m.) and ends on Thursday, August 1, 2019 (5:00 p.m.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the record date of Friday, July 26, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

E. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may obtain the User ID and Password by sending a request at evoting@karvy.com.

F. If Member(s) are already registered with Karvy for remote e-voting, then Member(s) can use their existing User ID and Password for casting the vote. If Member(s) have forgotten their Password, it can be reset by using 'Forgot Password' option available on https://evoting.karvy.com or contact Karvy at toll free no. 1-800-3454-001 or e-mail at evoting@karvy.com.

20. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the Meeting.

21. Any person whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the record date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.

22. Mr. Sanjay Chugh, Company Secretary in Practice (Membership No.: FCS 3754/CP No.: 3073) has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.

23. The Chairman shall, at the Annual General Meeting, at the end of the discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those Members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

24. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses, not in the employment of the Company and shall make, not exceeding two (2) working days from the conclusion of the Annual General Meeting, a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

25. The Results shall be declared on or after the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gsk-ch.in and on the website of Karvy immediately after the declaration of result by the Chairman or a person authorized by him in writing. The result shall also be communicated to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

26. All documents referred to in the Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 a.m. to 5:00 p.m.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.

27. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the Annual General Meeting.

28. The complete particulars of the Venue of the Meeting including route map and prominent land mark for easy location are enclosed herewith. The route map of the Venue of the Meeting is already hosted along with the Notice on the website of the Company i.e. www.gsk-ch.in.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 3:

Ms. Sangeeta Talwar (DIN 00062478) is an Independent Director of the Company whose present term is coming to an end at the conclusion of the 60th Annual General Meeting. Subject to the approval of members, the Board of Directors in their meeting held on May 10, 2019 re-appointed Ms. Sangeeta Talwar as an Independent Director of the Company for another term with effect from August 02, 2019 till the conclusion of sixty third Annual General Meeting.

Ms. Sangeeta Talwar is a member of the Audit Committee of the Company and Chairperson of Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

Ms. Sangeeta Talwar does not hold by herself or for any other person on a beneficial basis, any shares in this Company.

The other details of Ms. Sangeeta Talwar, as required to be given pursuant to the "Secretarial Standards" in respect of item no.3 of the Notice are as follows:

S.No.	Particulars	Details
1.	Date of Birth	May 5, 1956
2.	Nationality	Indian
3.	First date of appointment on the Board	August 6, 2014 (August 5, 2016 - appointed in this capacity)
4.	Qualifications	MBA from IIM Kolkata and Economics Honours graduate from Lady Shri Ram College, Delhi

5.	Experience	She started her career with Nestle and was instrumental in creating, launching and establishing the 'Maggi' phenomenon, the first instant food product in the country and subsequently headed the Marketing Function in Nestle. Subsequently she joined Mattel, the world's largest Toy Company in India as CEO and Managing Director. She was appointed as Executive Director for Tata Tea Limited in 2004 and later as President-South Asia for the Tata Global Beverages Group. In Sep 2010, she was appointed as a Managing Director of NDDB Dairy Services. She holds a few distinctions: Business Today has selected her as one of the 30 Most Powerful Women in Indian Business - 2007, 2009 and 2010; India Today Woman in the Corporate World - 2010 and Women Super Achievers Award for Outstanding Contribution to Social Marketing.
6.	Expertise in specific functional area	Marketing and Sales
7.	Number of shares held in the Company	NIL
8.	Number of Board Meetings attended during the financial year 2018 - 19	7(7)
9.	Directorship held in other public companies	HCL Infosystems Limited, Sembcorp Green Infra Limited, Mahindra First Choice Wheels Limited, TCNS Clothing Company Limited, Sembcorp Energy India Limited and Castrol India Limited
10.	Chairman/ Member in the Committees of the Board of companies in which she is Director	▪ Corporate Social Responsibility Committee ▪ Stakeholders' Relationship Committee ▪ Nomination and Remuneration Committee ▪ Audit Committee
11.	Last approved remuneration	Being an Independent Director, Ms. Sangeeta Talwar would be entitled to Sitting Fees/ Commission as approved by Board of Directors of the Company from time to time.
12.	Relationship with other Directors, Manager and Key Managerial Personnel of the Company	NIL

The Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A notice under Section 160 of the Companies Act, 2013 had been received for candidature of re-appointment of Ms. Sangeeta Talwar as Director.

Ms. Sangeeta Talwar has given a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Ms. Sangeeta Talwar fulfills the conditions for her appointment as an Independent Director of the Company as specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and she is independent of the management. Copy of the draft letter for appointment of Ms. Sangeeta Talwar as an Independent Director is available for inspection without any fee by the Members at the Registered Office of the Company during normal hours on any working days excluding Saturday.

Ms. Sangeeta Talwar and her relatives are interested in the resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise set out at Item No. 3.

The approval of the Members is being sought and your Board recommends passing of the resolution(s).

Item No. 4:

Mr. P. Dwarakanath (DIN: 00231713) ceased to be the Independent Director of the Company effective June 30, 2018. Mr. P. Dwarakanath was appointed by the Board of Directors at their Meeting held on June 30, 2018 as the Nominee Director of the Company based on the nomination received from Horlicks Limited in terms of Article 126 of the Articles of Association of the Company. In the same meeting, the Board of Directors of the Company also appointed Mr. P. Dwarakanath as the Non-Executive Chairman of the Board.

Mr. P. Dwarakanath is the Member of the Corporate Social Responsibility Committee and Nomination and Remuneration Committee of the Company.

Mr. P. Dwarakanath does not either by himself or through any other person on a beneficial basis hold any shares in this Company.

The other details of Mr. P. Dwarakanath, as required to be given pursuant to the "Secretarial Standards" in respect of item no.4 of the Notice are as follows:

S.No.	Particulars	Details
1.	Date of Birth	September 27,1947
2.	Nationality	Indian
3.	First date of appointment on the Board	April 9, 2013 (July 1, 2018 - appointed in this capacity)

4.	Qualifications	B.Sc., B.L. and P.G.D. (P.M., I.R. & L.W.)
5.	Experience	Mr. P Dwarakanath retired as Director - Human Resource w.e.f. July 31, 2006. Since his retirement, he has been associated as Non-Executive Director till June 30, 2018 and now Nominee Director of the Company. He has been actively involved in various professional bodies and formely the Treasurer of All India Management Association (AIMA) and had successful stint as the President of the National Human Resources Development Network (2005 to 2007) and President of Delhi Management Association (2000/2001).
6.	Expertise in specific functional area	He has over 45 years of experience in Engineering, Chemical, Pharma and Consumer Goods industry in the core functional areas of Legal, Employee Relations, Management Development, Leadership Development & HR Management.
7.	Number of shares held in the Company	NIL
8.	Number of Board Meetings attended during the financial year 2018 - 19	7(7)
9.	Directorship held in other public companies	Pharmax Corporation Limited
10.	Chairman/ Member in the Committees of the Board of companies in which he is Director	Stakeholders' Relationship Committee
11.	Last approved remuneration	Being a Nominee Director, Mr P. Dwarakanath would be entitled to Sitting Fees/ Commission as approved by Board of Directors of the Company from time to time.
12.	Relationship with other Directors, Manager and Key Managerial Personnel of the Company	NIL

The Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A notice under Section 160 of the Companies Act, 2013 had been received for candidature of appointment of Mr. P. Dwarkanath as Director.

Mr. P. Dwarakanath and his relatives are interested in the resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise set out at Item No. 4.

The approval of the Members is being sought and your Board recommends passing of the resolution(s).

Item No. 5:

Subject to the approval of members, the Board of Directors of the Company via Circular Resolution dated September 25, 2018 appointed Mr. S. Madhavan (DIN: 06451889) as an Additional Director in the capacity of an Independent Director of the Company w.e.f. September 25, 2018, and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and Article 142 of the Articles of Association of the Company.

Mr. S. Madhavan is a member of the Audit Committee and Corporate Social Responsibility Committee of the Company.

Mr. S. Madhavan does not hold by himself or for any other person on a beneficial basis, any shares in this Company.

The other details of Mr. S. Madhavan, as required to be given pursuant to the "Secretarial Standards" in respect of item no.5 of the Notice are as follows:

S.No.	Particulars	Details
1.	Date of Birth	October 27, 1956
2.	Nationality	Indian
3.	First date of appointment on the Board	September 25, 2018 (appointed in this capacity)
4.	Qualifications	Chartered Accountant and MBA from Indian Institute of Management, Ahmedabad
5.	Experience	During 1998-2012, he was with Price Waterhouse Coopers & last position held was Senior Partner & Executive Director, Tax and Regulatory Services. In the past he has also been designated as the President North Region, Indo-American Chamber of Commerce and Co-Chairman, Taxation Committee, ASSOCHAM. He is presently acting as a Co-Chairman of the GST Task Force, constituted by FICCI.
6.	Expertise in specific functional area	Finance, Tax
7.	Number of shares held in the Company	NIL

8.	Number of Board Meetings attended during the financial year 2018 - 19	4(7) (appointed during the year)
9.	Directorship held in other public companies	UFO Moviez India Limited, HCL Technologies Limited, Scrabble Entertainment Limited, Transport Corporation of India Limited and ICICI Bank Limited.
10.	Chairman/ Member in the Committees of the Board of companies in which he is Director	▪ Audit Committee ▪ Finance Committee ▪ Corporate Social Responsibility Committee ▪ Nomination and Remuneration Committee ▪ Stakeholder's Relationship Committee
11.	Last approved remuneration	Being an Independent Director, Mr. S. Madhavan would be entitled to Sitting Fees/ Commission as approved by Board of Directors of the Company from time to time.
12.	Relationship with other Directors, Manager and Key Managerial Personnel of the Company	NIL

The Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A notice under Section 160 of the Companies Act, 2013 had been received for candidature of re-appointment of Mr. S. Madhavan as Director.

Mr. S. Madhavan has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. S. Madhavan fulfills the conditions for his appointment as an Independent Director of the Company as specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the management. Copy of the draft letter for appointment of Mr. S. Madhavan as an Independent Director is available for inspection without any fee by the Members at the Registered Office of the Company during normal hours on any working days excluding Saturday.

Mr. S. Madhavan and his relatives are interested in the resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise set out at Item No. 5.

The approval of the Members is being sought and your Board recommends passing of the resolution(s).

Item No. 6:

Subject to the approval of members, the Board of Directors of the Company in their meeting held on May 10, 2019 appointed Mr. P.V. Bhide (DIN 03304262) as an Additional Director in the capacity of an Independent Director of the Company w.e.f. May 10, 2019, and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and Article 142 of the Articles of Association of the Company.

Mr. P.V. Bhide is a not a member of any of the Committees of the Board.

Mr. P.V. Bhide does not hold by himself or for any other person on a beneficial basis, any shares in this Company.

The other details of Mr. P.V. Bhide, as required to be given pursuant to the "Secretarial Standards" in respect of item no.6 of the Notice are as follows:

S.No.	Particulars	Details
1.	Date of Birth	January 8, 1950
2.	Nationality	Indian
3.	First date of appointment on the Board	May 10, 2019 (appointed in this capacity)
4.	Qualifications	IAS (Retd.) [1973 batch – Andhra Pradesh Cadre] B.Sc. (Chemistry – Hons.), LLB and MBA
5.	Experience	Served various Government of India positions such as Secretary, Department of Revenue, Ministry of Finance, (June 2007 – January 2010); Secretary (February – June 2007) and Joint Secretary (2002-04), Department of Disinvestment, Ministry of Finance; Additional Secretary /Spl. Secretary Ministry of Home Affairs Government of India (August 2004 – January 2007; Deputy Secretary / Director (1983-88) in the Department of Economic Affairs, Ministry of Finance; Director Fund-Bank Division of the Department and thereafter served as Advisor (May 1988 - February 1992) to India's Executive Director to the International Board for Reconstruction and Development (IBRD), Washington D.C. Served various State Government (Andhra Pradesh) positions such as Secretary, Department of Finance; Secretary, Department of Energy; Managing Director (1997-2002) of the Godavari Fertilisers and Chemicals Limited, a State Govt. promoted undertaking.
6.	Expertise in specific functional area	Finance, Law
7.	Number of shares held in the Company	NIL
8.	Number of Board Meetings attended during the financial year 2018 - 19	Not Applicable (appointed post financial year 2018-19)

9.	Directorship held in other public companies	L&T Finance Limited, Tube Investments of India Limited, Glaxosmithkline Pharmaceuticals Limited, NOCIL Limited, L&T Finance Holdings Limited, Vst Industries Limited, L&T Housing Finance Limited
10.	Chairman/ Member in the Committees of the Board of companies in which he is Director	▪ Audit Committee ▪ Nomination and Remuneration Committee ▪ Stakeholder's Relationship Committee ▪ Risk Management Committee ▪ Corporate Social Responsibility Committee
11.	Last approved remuneration	Being an Independent Director, Mr. P.V. Bhide would be entitled to Sitting Fees/ Commission as approved by the Board of Directors of the Company from time to time.
12.	Relationship with other Directors, Manager and Key Managerial Personnel of the Company	NIL

The Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A notice under Section 160 of the Companies Act, 2013 had been received for candidature of re-appointment of Mr. P.V. Bhide as Director.

Mr. P.V. Bhide has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mr. P.V. Bhide fulfills the conditions for his appointment as an Independent Director of the Company as specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the management. Copy of the draft letter for appointment of Mr. P.V. Bhide as an Independent Director is available for inspection without any fee by the Members at the Registered Office of the Company during normal hours on any working days excluding Saturday.

Mr. P.V. Bhide and his relatives are interested in the resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise set out at Item No. 6.

The approval of the Members is being sought and your Board recommends passing of the resolution(s).

Item No. 7:

Subject to the approval of the members, the Board of Directors in their meeting held on May 10, 2019 re-appointed Mr. Anup Dhingra (DIN: 07602670), Director – Operations whose present term is coming to an end at the conclusion of the 60th Annual General Meeting with effect from August 02, 2019 till the conclusion of sixty third Annual General Meeting on the remuneration including perquisites and other terms and conditions of the appointment, not exceeding the limits as mentioned in the resolution.

Mr. Anup Dhingra is a member of the Risk Management Committee of the Company.

Mr. Anup Dhingra does not hold by himself or for any other person on a beneficial basis, any shares in this Company.

The other details of Mr. Anup Dhingra, as required to be given pursuant to the "Secretarial Standards" in respect of item no.7 of the Notice are as follows:

S.No.	Particulars	Details
1.	Date of Birth	December 16, 1967
2.	Nationality	Indian
3.	First date of appointment on the Board	September 01, 2016 (appointed in this capacity)
4.	Qualifications	B.Tech, College of Technology, Nainital
5.	Experience	He has over 28 years of intense professional experience and has diverse experience of multiple industries and contract manufacturing operations, setting up green field projects, running international operations and developing long term supply chain strategies. He joined Reckitt Benckiser as Head of Manufacturing – India in 2007 and Joined GSK effective August 1, 2016. In this role, he had the responsibility for managing 8 manufacturing factories producing wide range of FMCG & Pharma products. Post that he moved as Projects Director, European Supply Chain based in UK and in the last role with Reckitt Benckiser he served as the Supply Director – Poland, responsible for the biggest RB operations globally. Prior to Reckitt Benckiser, Anup was associated with Johnson and Johnson - Ethicon Business at their Suture manufacturing plant in Aurangabad for over 4 years as Director Operations. He also had additional responsibility of third party manufacturing at Mumbai and setting up a new plant at Baddi, HP. Earlier he worked with Gillette for over 8 years in Duracell and GEEP businesses in various supply chain roles like – plant management, materials management and production. He worked with Eicher Tractors for over 4 years, where he got acquainted with all modern manufacturing techniques and processes. Anup started his career with CEAT tyres in 1989.
6.	Expertise in specific functional area	Operations - manufacturing, supply chain, projects & engineering, procurement and factory management.
7.	Number of shares held in the Company	NIL

8.	Number of Board Meetings attended during the financial year 2018 - 19	7(7)
9.	Directorship held in other public companies	NIL
10.	Chairman/ Member in the Committees of the Board of companies in which he is Director	NIL
11.	Last approved remuneration	The Members approved the terms of remuneration of Mr. Anup Dhingra at the Annual General Meeting held on August 09, 2017 and thereafter increased Basic Salary Limit of upto INR 2,50,00,000/- (Rupees two crore fifty lakh) per annum along with payment of retention bonus of INR 66,00,000 (Rupees sixty six lakh) through Postal Ballot notice dated November 1, 2018 and thereafter, retention bonus upto a maximum amount of INR 1,63,35,000 (Rupees one crore sixty three lakh and thirty five thousand) to be paid within thirty days from December 31, 2019 or the effective date of the ongoing Amalgamation through Postal Ballot notice dated February 14, 2019.
12.	Relationship with other Directors, Manager and Key Managerial Personnel of the Company	NIL

The Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A notice under Section 160 of the Companies Act, 2013 had been received for candidature of re-appointment of Mr. Anup Dhingra as Director.

Mr. Anup Dhingra and his relatives are interested in the resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise set out at Item No. 7.

The appointment of Mr. Anup Dhingra is in the best interest of the Company and the remuneration is commensurate with the position held by Mr. Anup Dhingra.

The approval of the Members is sought for re-appointment at the terms, conditions and remuneration payable to Mr. Anup Dhingra as the Whole-time Director and Director - Operations of the Company and your Board recommends passing of the resolution(s).

Item No. 8:

Subject to the approval of the members, the Board of Directors in their meeting held on May 10, 2019 re-appointed Mr. Vivek Anand (DIN: 06891864), Director – Operations whose present term is coming to an end at the conclusion of the 60th Annual General Meeting with effect from August 02, 2019 till the conclusion of sixty third Annual General Meeting on the remuneration including perquisites and other terms and conditions of the appointment, not exceeding the limits as mentioned in the resolution.

Mr. Vivek Anand is a member of the Investor Grievance and Stakeholder's Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee.

Mr. Vivek Anand does not hold by himself or for any other person on a beneficial basis, any shares in this Company.

The other details of Mr. Vivek Anand, as required to be given pursuant to the "Secretarial Standards" in respect of item no.8 of the Notice are as follows:

S.No.	Particulars	Details
1.	Date of Birth	October 16, 1969
2.	Nationality	Indian
3.	Date of Appointment on the Board	June 01, 2015 (appointed in this capacity)
4.	Qualifications	Chartered Accountant
5.	Experience	He has a wide experience spanning over 24 years. He has been primarily with FMCG industry with companies like HUL in India, Bangladesh and Singapore. He has also had a brief stint with Telecom with Telenor India as their CFO. He has been in leadership position during a large part of his career and was also the Process lead for U2K2 Program based in Singapore (the biggest change management program in Unilever covering AACEE-Asia, Africa, Middle East, Turkey & Central Eastern Europe)
6.	Expertise in specific functional area	Finance
7.	Number of shares held in the Company	NIL
8.	Number of Board Meetings attended during the financial year 2018 - 19	7(7)
9.	Directorship held in other public companies	NIL
10.	Chairman/ Member in the Committees of the Board of companies in which he is Director	NIL

11.	Last approved remuneration	The Members at the Annual General Meeting held on August 05, 2016 had approved the Basic Salary Limit of upto INR 1,40,00,000 /- (Rupees one crore forty lakh) per annum along with other terms of remuneration. The Members also approved a payment of one-time retention bonus of INR 54,98,000 (Rupees fifty four lakh ninety eight thousand), to Mr. Vivek Anand through Postal Ballot notice dated November 1, 2018 and thereafter, a retention bonus upto a maximum amount of INR 1,36,06,000 (Rupees one crore thirty six lakh and six thousand) to be paid within thirty days from December 31, 2019 or the effective date of the ongoing Amalgamation vide Postal Ballot notice dated February 14, 2019.
12.	Relationship with other Directors, Manager and Key Managerial Personnel of the Company	NIL

The Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A notice under Section 160 of the Companies Act, 2013 had been received for candidature of re-appointment of Mr. Vivek Anand as Director.

Mr. Vivek Anand and his relatives are interested in the resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise set out at Item No. 8.

The appointment of Mr. Vivek Anand is in the best interest of the Company and the remuneration is commensurate with the position held by Mr. Vivek Anand.

The approval of the Members is sought for re-appointment at the terms, conditions and remuneration payable to Mr. Vivek Anand as the Whole-time Director and Director – Finance & CFO of the Company and your Board recommends passing of the resolution(s).

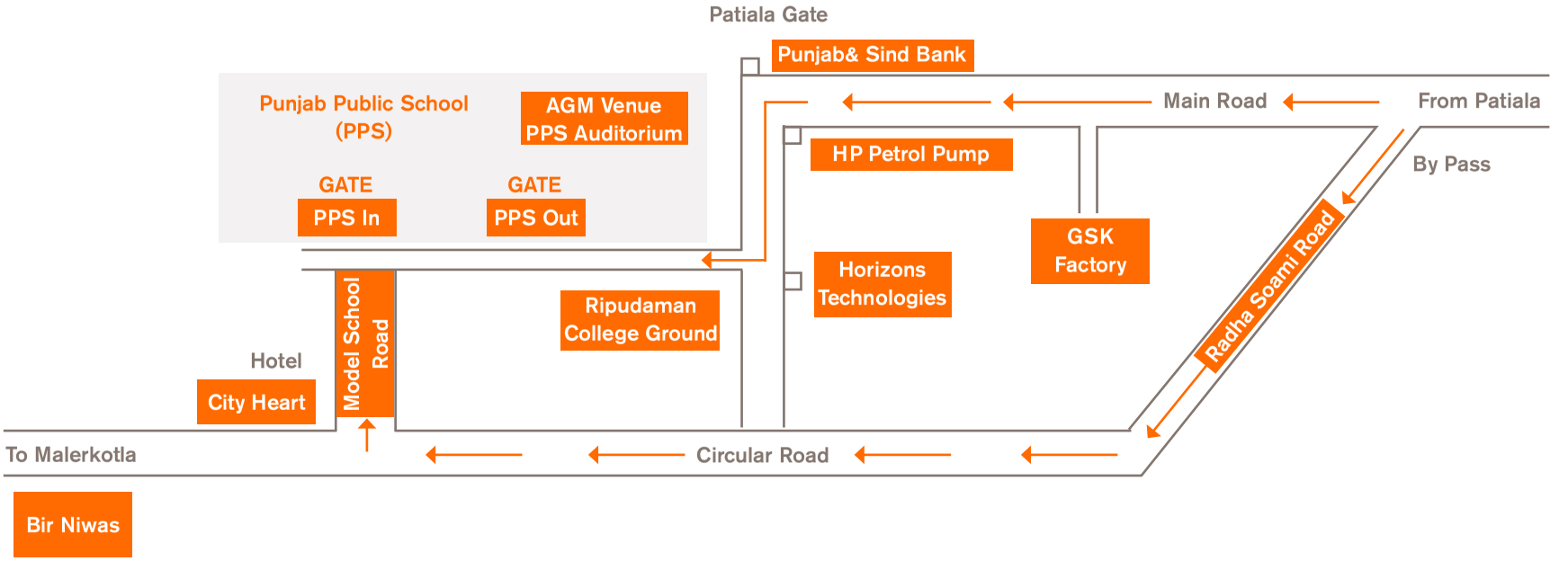
By order of the Board
For GlaxoSmithKline
Consumer Healthcare Limited

Shanu Saksena
Company Secretary &
Area Ethics and
Compliance Officer, ISC

Place: Gurugram
Date : May 10, 2019

ROAD MAP FOR ANNUAL GENERAL MEETING VENUE OF GLAXOSMITHKLINE HEALTHCARE LIMITED

Punjab Public School Auditorium, The Punjab Public School, (Senior Wing), Nabha – 147 201 (Punjab)



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