



GlaxoSmithKline Consumer Healthcare Ltd.

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June 18, 2019

The Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

The Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, C – 1, Block – G
Bandra Kurla Complex, Bandra
Mumbai – 400 051

Sub: **Submission of half yearly Disclosure on Related Party Transactions**

Dear Sir,

In Compliance with Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018, we hereby submit the attached note on Related Party Transactions, drawn in accordance with applicable accounting standards.

Request you to take the same on records.

Thanking You,

For GlaxoSmithKline
Consumer Healthcare Limited


Shanu Saksena
Company Secretary



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>(i) Equity shares</i>		
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
<i>(ii) Dividends not recognised at the end of the reporting year</i>		
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))



GLAXOSMITHKLINE CONSUMER HEALTHCARE LIMITED

(All amounts in INR lakhs, unless otherwise stated)

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

NOTES TO THE FINANCIAL STATEMENTS 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				
	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

*** Includes recovery / reimbursement of expense on account of employee cost, Travelling expenses, Consultancy fees and other general expenses.



GLAXOSMITHKLINE CONSUMER HEALTHCARE LIMITED
(All amounts in INR lakhs, unless otherwise stated)

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019
(All amounts in INR lakhs, unless otherwise stated)

