

July 26, 2011

**The Dy. General Manager  
Dept. of Corporate Affairs  
The Bombay Stock Exchange Ltd,  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai:400001**

Dear Sir,

**Glenmark Pharmaceuticals limited has received USD 15 million from Salix Pharmaceuticals, Inc, USA**

This is to inform you that Glenmark Pharmaceuticals limited has received USD 15 million from Salix Pharmaceuticals, Inc, USA. This is as per an Agreement for Advance against Commitment fee which is to cover Glenmark's risks associated with upgrading its manufacturing facilities to meet Salix's anticipated increased requirements in demand for Crofelemer.

Through an agreement between the two companies, Salix agreed to pay Glenmark a \$21.6 million commitment fee in five equal annual installments, with the first annual installment in July 2012, in view of Glenmark's investment in, and risks associated with, upgrading its manufacturing facilities to increase the production capacity of crofelemer. The commitment fee is in addition to the compound purchase price payable by Salix to Glenmark.

After remitting the advance of USD 15 million to Glenmark, Salix will pay Glenmark the remaining \$6.6 million of the commitment fee in five equal annual installments.

The above is for your information and record.

Thanking you,

Yours faithfully,  
**For Glenmark Pharmaceuticals Ltd.**

  
② **Marshall Mendonza**  
**V.P-Legal & Company Secretary**

**Tel:4018 9999 / 4018 9879 Fax No. 4018 9986 (Legal & Secretarial Dept.)**

**Glenmark Pharmaceuticals Ltd.**

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