

Revised

**GLENMARK PHARMACEUTICALS COLOMBIA SAS**  
**BALANCE SHEET AS AT 31 MARCH 2019**  
**ORIGINAL CURRENCY: COLOMBIAN PESOS**

	Schedules	As at 31-03-19 Colombian pesos	As at 31-03-18 Colombian pesos
<b>I. SOURCES OF FUNDS</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
a) Share capital	1	13,667,075,500	7,142,028,500
b) Reserves and surplus	2	(11,490,787,826)	(7,261,596,293)
		<u>2,176,287,674</u>	<u>(119,567,793)</u>
<b>2. LOAN FUNDS</b>			
a) Secured loans	3	-	-
b) Unsecured loans	4	-	-
		<u>-</u>	<u>-</u>
<b>3. DEFERRED TAX LIABILITY</b>			
	5	-	-
	<b>TOTAL</b>	<u>2,176,287,674</u>	<u>(119,567,792.52)</u>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. FIXED ASSETS</b>			
a) Gross Block		691,703,842	569,893,117.00
b) Less : Depreciation		356,979,681	168,397,408.00
c) Net Block		<u>334,724,161</u>	<u>401,495,709.00</u>
d) Capital Work-in-progress		-	-
		<u>334,724,161</u>	<u>401,495,709.00</u>
<b>2. INVESTMENTS</b>			
	6	-	-
<b>3. DEFERRED TAX ASSETS</b>			
	7	2,054,946,000	490,596,000
<b>4. CURRENT ASSETS, LOANS AND ADVANCES</b>			
a) Inventories	8	661,224,004	223,538,011
b) Sundry Debtors	9	1,159,141,717 <sup>N</sup>	283,020,454
c) Cash and bank balances	10	797,387,233	320,776,366
d) Loans and advances	11	222,432,560 <sup>N</sup>	58,789,460
e) Deferred Expenses	20	-	-
		<u>2,840,185,515</u>	<u>886,124,290.98</u>
<b>Less : CURRENT LIABILITIES AND PROVISIONS</b>			
a) Current liabilities	12	3,053,568,003	1,897,783,793
b) Provisions	13	-	-
		<u>3,053,568,003</u>	<u>1,897,783,792.50</u>
<b>NET CURRENT ASSETS</b>			
		<u>(213,382,488)</u>	<u>(1,011,659,501.52)</u>
	<b>TOTAL</b>	<u>2,176,287,672.65</u>	<u>(119,567,792.52)</u>

**NOTES TO THE FINANCIAL STATEMENTS**

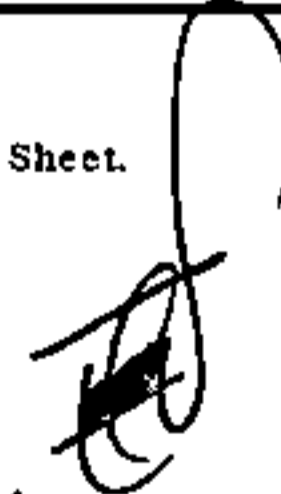
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Schedules referred to above and notes attached there to form an integral part of the Balance Sheet.



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**GLENMARK PHARMACEUTICALS COLOMBIA SAS**

**ORIGINAL CURRENCY: COLOMBIAN PESOS**

**PROFIT AND LOSS FOR THE YEAR ENDED**

	Schedules	31-03-19 Colombian pesos	31-03-18 Colombian pesos
<b>INCOME</b>			
Sales & Operating Income	14	1.355.200.021	330.440.593
Other Income	15	25.914.805	15.417.832
		<u>1.381.114.826</u>	<u>345.858.425,86</u>
<b>EXPENDITURE</b>			
Cost of sales	16	235.250.114	26.794.264
Selling and operating expenses	17	6.749.796.192	5.357.498.206
Depreciation/Amortisation		189.610.053	130.336.992
Interest	18	-	-
Research and development expenses	19	-	-
		<u>7.174.656.359</u>	<u>5.514.629.461,69</u>
<b>PROFIT BEFORE TAX</b>		<b>(5.793.541.534)</b>	<b>(5.168.771.035,83)</b>
Provision for taxation			
- Current Year			
- Earlier Years			
- Deferred tax		(1.564.350.000)	(70.673.000)
		<u>(1.564.350.000)</u>	<u>(70.673.000,00)</u>
<b>NET PROFIT AFTER TAX</b>		<b>(4.229.191.534)</b>	<b>(5.098.098.035,83)</b>
Balance Profit brought forward		(7.261.596.293)	(2.163.498.256,69)
<b>NET PROFIT AVAILABLE FOR APPROPRIATION</b>		<b>(11.490.787.826)</b>	<b>(7.261.596.292,52)</b>
Interim Dividend paid on preference shares			
Tax on dividend paid on preference shares			
Interim Dividend on Equity Shares			
Tax on interim dividend paid on equity shares			
Transfer to Debenture Redemption Reserve			
Transfer to General Reserve			
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b>(11.490.787.826,25)</b>	<b>(7.261.596.292,52)</b>

  
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Date: Jun 27 2019

**GLENMARK PHARMACEUTICAL COLOMBIA SAS**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED**

	<b>As at 31-3-19 Colombian pesos</b>	<b>As at 31-3-18 Colombian pesos</b>
<b>A. Cash flow from operating activities:</b>		
Net Profit before tax	(5,793,541,534)	(5,168,771,036)
Adjustments for:		
Depreciation/amortisation	189,610,053	130,336,992
Interest Expense	-	2,524,442
Provision for Inventory	-	352,317,861
Liabilities and provisions	-	(13,570,000)
Income Other	-	-
Interest Income	-	-
Income from Investment - Dividends	-	-
(Profit)/Loss Exchange	-	-
(Profit)/Loss on Fixed Assets sold	-	-
Loss from the sale of property, plant and	822,220	-
Deferred revenue expenditure written off	-	-
Provision for Doubtful Advances	-	-
Provision for Bad & Doubtful Debts	-	46,719,996
Provision for Gratuity & Leave Encashment	-	-
Unrealised foreign exchange (gain) /loss	-	-
Employee stock option plan	-	-
<b>Operating profit before working capital</b>	<b>(5,603,109,261)</b>	<b>(4,650,441,745)</b>
<b>Adjustments for changes in working capital :</b>		
- (increase)/decrease in current asset	(1,313,807,256)	(116,353,760)
- (increase)/decrease in Other Receival	(163,643,101)	(77,854,282)
- (increase)/decrease in Preoperational	-	-
- increase/(decrease) in Trade and Other	1,155,784,210	533,937,747
<b>Cash generated from operations</b>	<b>(5,924,775,407)</b>	<b>(4,310,712,040)</b>
- Taxes (Paid) / Received (Net of Tax deducted at source)	-	-
<b>Net cash from operating activities</b>	<b>(5,924,775,407)</b>	<b>(4,310,712,040)</b>
<b>B. Cash flow from Investing activities:</b>		
Purchase of fixed assets	(123,660,725)	(243,115,903)
Capital Work in Progress	-	-
Proceeds from Sale of fixed assets	-	-
Proceeds from Sale of Investments	-	-
Purchase of investments	-	-
Share application money for Subsidiary	-	-
Loan to Subsidiary company	-	-
Finance Lease Rent payment against pri	-	-
Interest Received	-	-
Dividend Received	-	-
<b>Net cash used in investing activities</b>	<b>(123,660,725)</b>	<b>(243,115,903)</b>

**C. Cash flow from financing activities:**

Proceeds from fresh issue of	-	-
Share Capital (including Securities Premium )	6,525,047,000	4,534,426,002
Issue expenses of FCCB	-	-
Proceeds / (Repayment ) of long term borrowings	-	-
Receipt / (Repayment) of short term borrowings	-	-
Proceeds from Cash Credits (NET)	-	-
Finance Lease Rent (Interest Part only)	-	-
Interest Paid	-	-
Dividend Paid	-	-
Dividend Tax Paid	-	-
<b>Net cash used in financing activities</b>	<b>6,525,047,000</b>	<b>4,534,426,002</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equiv</b>	<b>476,610,868</b>	<b>(19,401,941)</b>
<b>Cash and cash equivalents as at 31,03,2018 / 31.03.2017</b>	<b>320,776,366</b>	<b>340,178,308</b>
<b>Cash and cash equivalents as at 31,03,2019 /31,03,2018</b>	<b>797,387,234</b>	<b>320,776,367</b>
<b>Cash and cash equivalents comprise</b>		
Cash	600,000	0
Deposits with Scheduled banks	-	0
Deposits with Non-scheduled Banks	-	0
Balance with Scheduled Banks	796,787,233	320,776,366
Balance with Non-scheduled Banks	-	0
	<b>797,387,233</b>	<b>320,776,366</b>

**GLENMARK PHARMACEUTICAL COLOMBIA SAS**  
**SCHEDULES FORMING PART OF THE BALANCE SHEET**  
**ORIGINAL CURRENCY: COLOMBIAN PESOS**

		As at 31-mar.-19	As at 31-mar.-18
		Colombian peso	Colombian peso
<b>1. SHARE CAPITAL</b>	Note		
<u>Authorised</u>			
_____ (Previous Period -- _____) Equity shares of _____ each		0	0
<u>Issued, Subscribed and Paid-up</u>			
_____ (Previous Period -- _____) Equity shares of _____ each		13,667,075,500	7,142,028,500
	<b>TOTAL</b>	<b>13,667,075,500</b>	<b>7,142,028,500</b>
Notes :			
<b>2. RESERVES AND SURPLUS</b>	Note		
Securities premium account ( APIC)			
Balance at the beginning of the year		0	0
Debenture Redemption Reserve		0	0
Less: Deduction during the year		0	0
Closing balance		0	0
General reserve ( Other Reserve)			
Balance at the beginning of the year		0	0
Add: Addition during the year		0	0
Less: Deduction during the year		0	0
Closing balance		0	0
Debenture Redemption Reserve			
Balance at the beginning of the year		0	0
Add: Addition during the year		0	0
Less: Deduction during the year		0	0
Closing balance		0	0
Capital Reserve			
Balance at the beginning of the year			0
Add: Addition during the year		0	0
Less: Deduction during the year		0	0
Closing balance		0	0
Profit and loss account		(11,490,787,826)	(7,261,596,293)
	<b>TOTAL</b>	<b>(11,490,787,826)</b>	<b>(7,261,596,293)</b>

**3. SECURED LOANS**

Note

**Loang Term Loans-**

Term Loans from Banks

0 0

Others

0 0

**Short Term Loans-**

From Bank

0 0

Others

0 0

TOTAL

0 0

Notes :

**4. UNSECURED LOANS**

Note

**Loang Term Loans-**

From Group Companies- Company wise

From Bank

0 0

Others

**Short Term Loans-**

From Group Companies- Company wise

From Bank

0 0

Others

TOTAL

0 0

**5. DEFERRED TAX LIABILITY**

Depreciation		
Provisions	0	0
Others- Please specify	0	0
TOTAL	<u>0</u>	<u>0</u>

**7'. DEFERRED TAX ASSET**

Depreciation(fixed assets/Software licenses)	334,724,161	401,495,709
Provisions	2,054,946,000	490,596,000
Others- Please specify	0	0
TOTAL	<u>2,389,670,161</u>	<u>892,091,709</u>

**6. INVESTMENTS**

LONG TERM INVESTMENTS

Quoted - traded ( Listed on any Recognized Stock Exchange)

Company's name		
_____ (Previous Period -- _____) Equity shares of _____	0	0
[Market Value _____ (Previous Period -- _____)]		
	<u>0</u>	<u>0</u>

Unquoted - non trade ( Unlisted)

Company's name		
_____ (Previous Period -- _____) Equity shares of _____	0	0
	<u>0</u>	<u>0</u>
TOTAL	<u>0</u>	<u>0</u>

**Note**

**8. INVENTORIES**

(As certified by the management)

Raw materials	0	0
Packing material	0	0
Work-in-process	0	0
Stores and Spares	0	0
Finished goods	661,224,004	223,538,011
TOTAL	<u>661,224,004</u>	<u>223,538,011</u>

**9. SUNDRY DEBTORS**

**Outstanding for more than six months**

Secured, considered good - Secured by way of guarantee, LC etc.	0	0
Unsecured, considered good	1,159,141,717	283,020,454
Unsecured, considered doubtful	0	0
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	1,159,141,717	283,020,454
Less: Provision for doubtful debts	0	0
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	1,159,141,717	283,020,454

**Outstanding for less than six months**

Secured, considered good	0	0
Unsecured, considered good	0	0
Product Deveploment	0	0
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	0	0
	<hr/>	<hr/>
	1,159,141,717	283,020,454

**10. CASH AND BANK BALANCES**

Cash in hand	0	0
Funds in Transit	0	0
Balances with banks		
- Current accounts	797,387,233	320,776,366
- Margin Money Account	0	0
- Deposit accounts	0	0
-Other ( Please Specify)		
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	797,387,233	320,776,366

**11. LOANS AND ADVANCES (unsecured, considered good)**

**Advances to subsidiaries**

**Share application money - pending allotment**

Capital Advances	0	0
Advance to Vendors	0	0
Advances recoverable in cash or kind or for value to be received	0	0
Advance tax (net of provision)		0
Deposits	0	0
Advances to Employee	0	0
Advances to suppliers	222,432,560.21	58,789,459.63
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	222,432,560	58,789,460



**12. CURRENT LIABILITIES**


Acceptances		
Accounts Payable	1,168,089,844	553,530,841
Unclaimed Dividend		
Advances from Customers		
Payable to Subsidiaries		
Other Liabilities	1,885,478,156	1,344,252,949
Interest accrued but not due		
	<u>3,053,568,000</u>	<u>1,897,783,790</u>

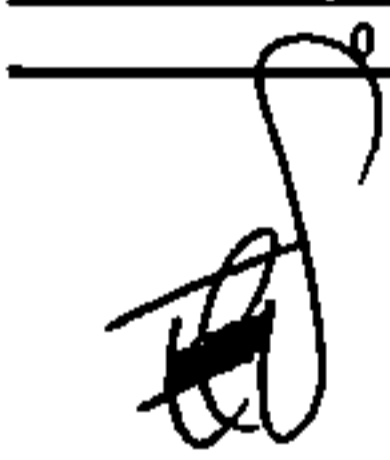
**13. PROVISIONS**

Proposed dividend		
Wealth tax		
Income-tax (net of advance tax) [Refer Note _____ of Schedule _____]		
Provident Fund Scheme payable		
Provision for Gratuity and leave encashment		
	<u>0</u>	<u>0</u>

**20. DEFERRED ASSET**

Deferred Expenses		
Organization and pre-operating expenses		
	<u>0</u>	<u>0</u>

  
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**GLENMARK PHARMACEUTICALS COLOMBIA SAS**  
**SCHEDULES TO THE PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED**

	31-mar.-19 Colombian pesos	31-mar.-18 Colombian pesos
14. SALES AND OPERATING INCOME	0.00	-
Sale of goods and I P assets (Gross inclusive of Taxes/ Duty)	1,360,836,535	330,440,593
Income from services	-	-
Less: Taxes / Duty on sales	5,636,514	-
<b>Net Sales</b>	<b><u>1,355,200,021</u></b>	<b><u>330,440,593</u></b>
15. OTHER INCOME		
Lease Rent [tax deducted at source (Withheld Tax) _____] (Prev	-	-
Dividend received	-	-
Exchange gain	-	-
Export Incentive	-	-
Profit on sale of fixed assets	-	-
Miscellaneous income	25,914,805	15,417,832
	<b><u>25,914,805</u></b>	<b><u>15,417,832</u></b>
16. COST OF SALES		
Salary, wages and allowances	-	-
Contribution to pension and other employee benefits	-	-
Labour charges	-	-
Consumption of raw & packing materials	-	-
Purchase of Trading goods	235,250,114	26,794,264
Excise duty paid	-	-
Sales tax	-	-
Power, fuel and water charges	-	-
Consumable stores	-	-
Repairs and maintenance - plant and machinery	-	-
Rent, rates and taxes	-	-
Other manufacturing expenses	-	-
(Increase)/decrease in inventory	-	-
	<b><u>235,250,114</u></b>	<b><u>26,794,264</u></b>

**17. SELLING AND OPERATING EXPENSES**

Salary and allowances	3,425,173,099 <sup>†</sup>	2,824,027,089
Contribution to pension and other employee benefits		
Staff welfare	-	-
Directors' salaries and allowances	-	-
Directors -Contribution to pension and other employee benefits		
Incentive and commission	-	-
Sales promotion expenses	1,636,586,158	797,135,439
Export Commission	-	-
Commission on sales	-	-
Travelling expenses	310,438,718	378,656,398
Freight outward	-	-
Telephone expenses	4,125,800	4,909,769
Rates and taxes	95,654,828	1,366,076
Provision for doubtful debts	-	46,719,996
Insurance premium	-	-
Electricity charges	2,020,520	937,480
Rent	67,946,130	71,623,330
Repairs & Maintenance	8,880,127	(1,731,004)
Auditors' remuneration		
Audit fees	-	-
Other matters	-	-
Out of pocket expenses	-	-
Loss on sale of assets	-	-
Other operating expenses		
Other Expenses	286,329,637	660,704,007
Exchange Loss	57,601,308	1,493,496
Conference Expenses		-
Printing & Stationery	8,246,081	15,765,539
Postage & Telegram	1,805,495	1,340,882
Legal & Professional Expenses	808,592,784	527,689,120
Royalties	-	-
Conveyance	-	-
Bank Charges	36,395,508	26,860,589
<b>Total</b>	<b>6,749,796,192</b>	<b>5,357,498,206</b>

**18. INTEREST EXPENSE (NET)**

On loans from banks	-	-
Other interest	-	-
Less- Interest Received		
On Deposits with Bank	-	-
Other Interest	-	-

19 RESEARCH AND DEVELOPMENT EXPENSES

Salary and other allowances	-	-
Contribution to pension and other employee benefits	-	-
Staff welfare expenses	-	-
Directors' Remuneration	-	-
Consumable & Chemicals	-	-
Electricity charges	-	-
Repairs and maintenance	-	-
Insurance premium	-	-
Other expenses	-	-
Labour charges	-	-
Analytical Charges	-	-
Rates & Taxes	-	-
Travelling Expenses	-	-
Printing & Stationery	-	-
Telephone Expenses	-	-
Conference expenses	-	-
Training & Recruitment Expenses	-	-
Legal & Professional Expenses	-	-
Security Charges	-	-
Sinnar Expenses	-	-
Belapur Expenses	-	-
Conveyance	-	-
Water Charges	-	-
Service Charges	-	-
Octroi Charges	-	-
Drug development exp.	-	-
Other expenses	-	-
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SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31 OF 2019 AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE

FIXED ASSETS (Provide accounting policy for the same in Notes to accounts)

LOCAL CURRENCY

	Rate of Depreciation and Life of Assets		GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
			As on	Additions	Sales/Disposals	As on	As on	For the period	Sales/Disposals	As on	As on	As on
			MM/DD/YYYY			MM/DD/YYYY	MM/DD/YYYY		of Assets	MM/DD/YYYY	MM/DD/YYYY	
Tangible assets	Rate of Depreciation (months)	Life of Assets (years)	Y (Opening balances as per Audited			Y (Opening balances as per Audited				Y (Opening balances as per Audited	[Comparative Period]	
			03/31/2019			03/31/2019			03/31/2019	03/31/2019	03/31/2018	
Freehold Land			-	-	-	-	-	-	-	-	-	
Leasehold Land			-	-	-	-	-	-	-	-	-	
Factory Buildings			-	-	-	-	-	-	-	-	-	
Other Buildings & Premises			-	-	-	-	-	-	-	-	-	
Plant and Machinery			-	-	-	-	-	-	-	-	-	
Furniture and Fixtures	60	5	18,471,250	467,900	-	18,939,150	4,038,133	4,162,148	-	8,200,281	10,738,869	
Equipments	36	3	71,882,067	7,400,000	(1,850,000)	77,432,067	25,219,128	25,930,915	(1,027,780)	50,122,263	27,309,804	
Vehicles	60	5	111,644,600	-	-	111,644,600	24,235,949	22,144,620	-	46,400,569	65,244,031	
Intangible assets												
- Computer software	36	3	7,517,182	-	-	7,517,182	2,593,152	2,023,392	-	4,616,544	2,900,638	
- Brands	36	3	36,037,808	11,592,825	-	476,170,843	112,291,046	135,348,978	-	247,640,024	228,530,819	
<b>TOTAL</b>			<b>569,893,117</b>	<b>123,660,725</b>	<b>(1,850,000)</b>	<b>691,703,842</b>	<b>168,397,408</b>	<b>189,610,053</b>	<b>(1,027,780)</b>	<b>356,979,681</b>	<b>334,724,161</b>	

Previous Year (As on March 31, 2018)

Capital Work-in-process including Capital advances. (Provide details of CWIP)

## **Schedule: 21**

### **GLENMARK PHARMACEUTICALS COLOMBIA SAS**

Notes to the financial statement for the year Ended 31 March 2019

#### **1. Accounting Policies:**

##### **a. Basic of Accounting:**

The financial statements are prepared under the historical cost convention.

##### **b. Fixed Assets, Depreciation and Amortization:**

Fixed assets are depreciated over their estimated useful lives by the straight line method at the following annual rates and charged against the result of operation for the year. The Company capitalizes all costs relating to the acquisition and installation of fixed assets. Expenditure of revenue nature, incurred in setting up of new projects, is capitalized as an indirect cost towards construction of the fixed assets.

##### **c. Impairment of Assets:**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

##### **d. Foreign currency transaction:**

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of the transaction. Foreign currency assets and liabilities are translated into Colombian peso at the exchange rates prevailing on the date of balance sheet. All exchange differences are dealt with in the statement of profit and loss, except those relating to the acquisition of fixed assets, which are adjusted in the cost of the respective fixed assets.

##### **e. Provision:**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amounts of obligation. A disclosure for a contingent liability is made where there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**2. Related Parties**

<b>Glenmark Pharmaceuticals Limited</b>		
<b>India</b>		<b>USD</b>
FACTURA E/1329/17-18	2018-03-13	12,943.32
FACTURA E/1330/17-18	2018-03-13	20,619.15
FACTURA E/1331/17-18	2018-03-13	6,043.80
		<b>39,606.27</b>
FACTURA E/0668/18-19 D.T 31.08.2018	2018-09-30	21,500.06
FACTURA E/0672/18-19 D.T 03.09.2018	2018-09-30	29,861.82
E/0729/18-19 D.T 18.09.2018	2018-09-18	6,167.51
FRA E 0776 18 19 DT 26 09 2018	2018-09-26	14,975.25
FRA E 0790 18 19 DT 28 09 2018	2018-09-28	18,511.50
2000500167 DTD 21 12 2018	2019-01-18	2,221.56
2000001742 DTD 21 12 2018	2019-01-18	30,669.10
2001503776 DT 07 02 2019	2019-03-31	5,794.20
2001503751 DT 29 01 2019	2019-03-31	5,188.68
2001503752 DT 25 01 2019	2019-03-31	7,037.80
2008506048 DT 29 01 2019	2019-03-31	224.64
2000001857 DT 18.03.2019	2019-03-31	20,330.30
		<b>162,482.42</b>
<b>Total</b>		<b>202,088.69</b>

<b>Glenmark Generics SA</b>		
<b>Argentina</b>		<b>USD</b>
0003-00000693	2014-03-13	5,689.40
006-00000362	2017-09-28	34,155.68
		<b>39,845.08</b>
006-00000584	2019-03-31	16,783.65
		<b>56,628.73</b>
<b>Total</b>		<b>258,717.42</b>

A. During the period ended March 31, 2019 the main transactions with related parties are:

**Glenmark Generics S.A-India**

Payment of finished goods

<b>Glenmark Pharmaceuticals Limited</b>		
<b>India</b>		<b>USD</b>
FACTURA E/0668/18-19 D.T 31.08.2018	2018-09-30	21,500.06
FACTURA E/0672/18-19 D.T 03.09.2018	2018-09-30	29,861.82
E/0729/18-19 D.T 18.09.2018	2018-09-18	6,167.51
FRA E 0776 18 19 DT 26 09 2018	2018-09-26	14,975.25
FRA E 0790 18 19 DT 28 09 2018	2018-09-28	18,511.50
2000500167 DTD 21 12 2018	2019-01-18	2,221.56
2000001742 DTD 21 12 2018	2019-01-18	30,669.10
2001503776 DT 07 02 2019	2019-03-31	5,794.20
2001503751 DT 29 01 2019	2019-03-31	5,188.68
2001503752 DT 25 01 2019	2019-03-31	7,037.80
2008506048 DT 29 01 2019	2019-03-31	224.64
2000001857 DT 18.03.2019	2019-03-31	20,330.30
		<b>162,482.42</b>

Purchases of finished goods

<b>Glenmark Generics SA</b>		
006-00000584	2019-03-31	16,783.65

**3. Prior year comparatives**

Prior year's figures have been regrouped wherever necessary



**JAVIER CASTILLA ROBLES**  
Chartered Accountant  
Profisional Card No. 112,194 - T



**JOSÉ JAVIER FONSECA PANCHE**  
Independ Auditor  
Profesional card No. 180,909 - T



**Attachment I**

Sai Venkateshwaran/Ashisg Gupta  
Walker, Chandio & Co  
16<sup>th</sup> Floor, Tower II  
Indiabulls Finance Centre  
S B Marg, Elphinstone(West)  
Mumbai 400 013  
India

**Acknowledgement Receipt of Audit Instructions**

We acknowledge receipt of the audit instruction in regard to the audit of the consolidated financial statements of Glenmark Pharmaceuticals Limited as of and for year ended March 31,2019 and we are familiar with the information therein.

We provide assurance services to the following group company (ies) of Glenmark Pharmaceuticals Limited.

- Company GLENMARK PHARMACEUTICALS COLOMBIA SAS
- City/ Country COLOMBIA
- Local GAAP/GASS NIIF PYME/ Decreto 3022 de 2013
- Name of Auditor JOSÉ JAVIER FONSECA PANCHE
- Postal address CR 117 # 89 A 25 INT P AP 102 BOGOTÁ-COLOMBIA
- Phone 321 2665713
- Fax
- E-Mail [javierfons@hotmail.com](mailto:javierfons@hotmail.com)
  
- Personnel in charge of:  
Audit Partner : Javier Fonseca Manager: Javier Fonseca
- Tax Partner : Javier Fonseca Manager: Javier Fonseca
  
- Fee detail (in local currency):  
Audit 2019 (Finalized) April 16 OF 2019  
Tax 2019 (Finalized) April 16 OF 2019  
Other services: 2019 (Finalized)  
*(Please specify)*

We are currently not aware of any circumstances which would cause us to miss any of the deadlines as noted in section 4.3 of the Audit Instructions or in regard to our performance of the services as documented in these Audit Instructions.

*June 27 of 2019*  
*(Date)*

  
JAVIER FONSECA PANCHE  
(INDEPENDENT AUDITOR)

**Attachment II**

Sai Venkateshwaran/Ashisg Gupta  
Walker, Chandiook & Co  
16<sup>th</sup> Floor, Tower II  
Indiabulls Finance Centre  
S B Marg, Elphinstone(West)  
Mumbai 400 013  
India

**Independence confirmation**

In connection with Walker Chandiook & Co's audit of the consolidated financial statements of Glenmark Pharmaceuticals Limited ("the parent company") for the year ended March 31, 2019 JAVIER FONSECA PANCHE makes the following representations concerning our independence:

- We are familiar with the independence standards required by ISQC 1 issues IASB and also the IFAC code of ethics.
- Our firm and our network firms are independent with respect to Glenmark Pharmaceuticals Limited and its subsidiaries, affiliates, officers, directors, and personnel in financial reporting oversight roles (FRORs) or non-FROR positions in accordance with the IFAC code of ethics and ISQC 1, and we represent that our firm and our network firms, the partners of our firm (including partners and others in the chain of command of our firm), and staff members performing the work on this engagement do not have any direct or material indirect financial interests in, or indebtedness owing to or from, the parent company, any subsidiary, or affiliated companies and the parent company's shareholders.
- We represent that the partners of our firm (including partners and others in the chain of command of our firm) and any of the staff members performing the work on this engagement are not connected with the parent company, any subsidiary or affiliated companies, and the parent company's shareholders, as a promoter, underwriter, voting trustee, director, officer or employee.
- We represent that to the best of our knowledge and belief there are no other relationships or circumstances that would impair our independence with respect to the parent company, any subsidiary or affiliated companies, or the parent company's shareholders.
- We have considered all matters as given in the Annexure attached and forming part of this independence confirmation and where applicable, appropriate safeguards, as described in the annexure have been taken to eliminate any threats to our independence on this engagement.

This letter is solely for your information in connection with your audit and is not to be referred to in any document or, unless otherwise required by law or regulation, distributed to anyone outside your firm.

June 27 of 2019  
(Date)



JOSE JAVIER FONSECA PANCHE

Annexure

Prohibitions and Threats to Independence; for continuing audit clients

<b>DESCRIPTION</b>	<b>YES/NO</b>	<b>PROHIBITION/THREAT</b>	<b>SAFEGUARD: DESCRIBE</b>
Overdue fees	NO	T	
Actual or threatened litigation	NO	T	
A partner or a partner who was a key audit principal or a former member of the audit team has joined the audit client in the last two years	NO	P T	N/A
An ex- partner or manager of the firm is an officer of the client	NO	T	
A partner or employee (not a member of the audit team) has an immediate or close family member on the board or subcommittee of the board of the client	NO	T	
There is a mutual business interest between the Audit Firm or someone in a position to influence the audit or its network firms, and the client or the controlling shareholder or an officer or employee of a client	NO	P	N/A
The firm, a partner or an immediate family member holds direct or material indirect financial interest in the audit client or associate of the client	NO	P	N/A
Loans or guarantees given to the client or the client to the firm	NO	P	N/A
Preparation of accounting records and financial statements of a public interest client	NO	P	N/A
Valuation services provided where amounts material to the financial statements and significant degree of subjectivity	NO	P	N/A
Design and implementation of financial information technology systems important to a significant part of the accounting system or production of financial statements	NO	P	N/A
Recruitment of senior management to public interest entity	NO	P	N/A

Advice on quantum or measurement criteria of remuneration package of directors or key management	NO	P	N/A
Advocacy for client e.g. tax if matters have a material impact on the financial statements and involve a significant degree	NO	P	N/A
Of subjectivity	NO		
Litigation support where we act for a client that might be expected to have a material effect on the financial statements	NO	P	N/A
Contingent fees for tax or corporate finance where fee dependent on outcome of audit	NO	P	N/A

JOSE JAVIER FONSECA PANCHE  
CONTADOR PÚBLICO  
ASESORIAS CONTABLES  
TRIBUTARIAS Y FINANCIERAS  
REVISORIAS FISCALES Y AUDITORIAS  
Email:javierfons@hotmail.com

## AUDITORS REPORT

To The shareholders

To The Shareholders

### *GLENMARK PHARMACEUTICALS COLOMBIA SAS*

1. - I have audited the attached Balance Sheet of GLENMARK PHARMACEUTICALS COLOMBIA SAS AS AT March 31 of 2019 and the related Profit and Loss Account for the year ended on that date annexed thereto, Wich we have signed under reference to this report. These Financial statements are the responsibility of the Company's management.

Our responsibility is to express an opinion on these financial statement based on our audit.

2. -I got the information necessary to fulfill my duties and checkout my exams in accordance with rules of IFRS. These standards require that we plan and perform the audit so as to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements.

3. - My report that:

I have obtained all the information and explanations, which to the best of my knowledge and belief were an audit examining on a test basis of evidence supporting the amounts and related disclosures in the financial statements includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for the opinion expressed below.

- a. necessary for the purpose of my audit;
- b. In my opinion, proper books of account as required by law have been kept by the company so far as appears from my examination of those books;
- c. The Balance Sheet, Profit and loss account dealt with by this report are in agreement with the books of account;
- d. In my opinion and to the best of my information and according to the

explanations given to us, the said financial statements together with the notes thereon and attached thereto give a true and fair view in conformity with the accounting principle generally accepted in Colombia;

- e In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019 and
- f In the case profit and loss account, of the profit for the year ended on that date

Place: Bogotá, Colombia  
Date: 27 of June, 2019



**JOSE JAVIER FONSECA PANCHE**  
Profesional

**GLENMARK PHARMACEUTICALS COLOMBIA SAS**

**BALANCE SHEET AS AT 31 MARCH 2019**

**ORIGINAL CURRENCY: COLOMBIAN PESOS**

	Schedules	As at 31-03-19 Colombian pesos	As at 31-03-18 Colombian pesos
<b>I. SOURCES OF FUNDS</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
a) Share capital	1	13,667,075,500	7,142,028,500
b) Reserves and surplus	2	(11,490,787,826)	(7,261,596,293)
		<u>2,176,287,674</u>	<u>(119,567,793)</u>
<b>2. LOAN FUNDS</b>			
a) Secured loans	3	-	-
b) Unsecured loans	4	-	-
		<u>-</u>	<u>-</u>
<b>3. DEFERRED TAX LIABILITY</b>			
	5	-	-
	<b>TOTAL</b>	<u>2,176,287,674</u>	<u>(119,567,792.52)</u>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. FIXED ASSETS</b>			
a) Gross Block		691,703,842	569,893,117.00
b) Less : Depreciation		356,979,681	168,397,408.00
c) Net Block		<u>334,724,161</u>	<u>401,495,709.00</u>
d) Capital Work-in-progress		-	-
		<u>334,724,161</u>	<u>401,495,709.00</u>
<b>2. INVESTMENTS</b>			
	6	-	-
<b>3. DEFERRED TAX ASSETS</b>			
	7	2,054,946,000	490,596,000
<b>4. CURRENT ASSETS, LOANS AND ADVANCES</b>			
a) Inventories	8	661,224,004	223,538,011
b) Sundry Debtors	9	1,159,141,717	283,020,454
c) Cash and bank balances	10	797,387,233	320,776,366
d) Loans and advances	11	222,432,560	58,789,460
e) Deferred Expenses	20	-	-
		<u>2,840,185,515</u>	<u>886,124,290.98</u>
<b>Less : CURRENT LIABILITIES AND PROVISIONS</b>			
a) Current liabilities	12	3,053,568,003	1,897,783,793
b) Provisions	13	-	-
		<u>3,053,568,003</u>	<u>1,897,783,792.50</u>
<b>NET CURRENT ASSETS</b>			
		<u>(213,382,488)</u>	<u>(1,011,659,501.52)</u>
	<b>TOTAL</b>	<u>2,176,287,672.65</u>	<u>(119,567,792.52)</u>

**NOTES TO THE FINANCIAL STATEMENTS**

21

Schedules referred to above and notes attached there to form an integral part of the Balance Sheet.



**JAVIER CASTILLA ROBLES**  
Chartered Accountants  
Profesional card No. 112,194 - T



**JOSÉ JAVIER FONSECA PANCHE**  
Independent Auditor  
Profesional card No. 180,909 - T

**GLENMARK PHARMACEUTICALS COLOMBIA SAS**  
**ORIGINAL CURRENCY: COLOMBIAN PESOS**

**PROFIT AND LOSS FOR THE YEAR ENDED**

	Schedules	31-03-19 Colombian pesos	31-03-18 Colombian pesos
<b>INCOME</b>			
Sales & Operating Income	14	1,355,200,021	330,440,593
Other Income	15	72,242,939	40,106,468
		<u>1,427,442,960</u>	<u>370,547,061.30</u>
<b>EXPENDITURE</b>			
Cost of sales	16	235,250,114	26,794,264
Selling and operating expenses	17	6,796,124,326	5,382,186,842
Depreciation/Amortisation		189,610,053	130,336,992
Interest	18	-	-
Research and development expenses	19	-	-
		<u>7,220,984,493</u>	<u>5,539,318,097.13</u>
<b>PROFIT BEFORE TAX</b>		<b>(5,793,541,534)</b>	<b>(5,168,771,035.83)</b>
Provision for taxation			
- Current Year			
- Earlier Years			
- Deferred tax		(1,564,350,000)	(70,673,000)
		<u>(1,564,350,000)</u>	<u>(70,673,000.00)</u>
<b>NET PROFIT AFTER TAX</b>		<b>(4,229,191,534)</b>	<b>(5,098,098,035.83)</b>
Balance Profit brought forward		(7,261,596,293)	(2,163,498,256.69)
<b>NET PROFIT AVAILABLE FOR APPROPRIATION</b>		<b>(11,490,787,826)</b>	<b>(7,261,596,292.52)</b>
Interim Dividend paid on preference shares			
Tax on dividend paid on preference shares			
Interim Dividend on Equity Shares			
Tax on Interim dividend paid on equity shares			
Transfer to Debenture Redemption Reserve			
Transfer to General Reserve			
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b><u>(11,490,787,826.25)</u></b>	<b><u>(7,261,596,292.52)</u></b>

**NOTES TO THE FINANCIAL STATEMENTS**

21

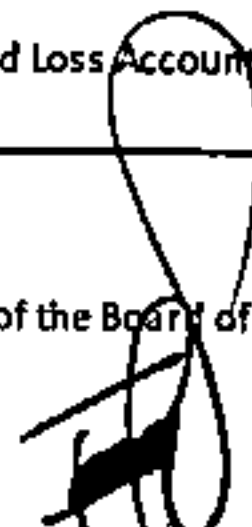
Schedules referred to above and notes attached there to form an integral part of the Profit and Loss Account.

This is the Profit and Loss Account referred to in our report of even date.



**JAVIER CASTILLA ROBLES**  
Chartered Accountants  
Profesional card No. 112,194 - T

For and on behalf of the Board of Directors



**JOSÉ JAVIER FONSECA PANCHE**  
Independent Auditor  
Profesional card No. 180,909 - T

Date: Abril 16 de 2019



**GLENMARK PHARMACEUTICAL COLOMBIA SAS**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED**

	<b>As at 31-3-19 Colombian pesos</b>	<b>As at 31-3-18 Colombian pesos</b>
<b>A. Cash flow from operating activities:</b>		
Net Profit before tax	(5,793,541,534)	(5,168,771,036)
Adjustments for:		
Depreciation/amortisation	189,610,053	130,336,992
Interest Expense	-	2,524,442
Provision for Inventory	-	352,317,861
Liabilities and provisions	-	(13,570,000)
Income Other	-	-
Interest Income	-	-
Income from Investment - Dividends	-	-
(Profit)/Loss Exchange	-	-
(Profit)/Loss on Fixed Assets sold	-	-
Loss from the sale of property, plant and	822,220	-
Deferred revenue expenditure written off	-	-
Provision for Doubtful Advances	-	-
Provision for Bad & Doubtful Debts	-	46,719,996
Provision for Gratuity & Leave Encashment	-	-
Unrealised foreign exchange (gain) /loss	-	-
Employee stock option plan	-	-
<b>Operating profit before working capital</b>	<b>(5,603,109,261)</b>	<b>(4,650,441,745)</b>
<b>Adjustments for changes in working capital :</b>		
- (increase)/decrease in current asset	(1,313,807,256)	(116,353,760)
- (increase)/decrease in Other Receival	(163,643,101)	(77,854,282)
- (increase)/decrease in Preoperational	-	-
- increase/(decrease) in Trade and Other	1,155,784,210	533,937,747
<b>Cash generated from operations</b>	<b>(5,924,775,407)</b>	<b>(4,310,712,040)</b>
- Taxes (Paid) / Received (Net of Tax deducted at source)	-	-
<b>Net cash from operating activities</b>	<b>(5,924,775,407)</b>	<b>(4,310,712,040)</b>
<b>B. Cash flow from Investing activities:</b>		
Purchase of fixed assets	(123,660,725)	(243,115,903)
Capital Work in Progress	-	-
Proceeds from Sale of fixed assets	-	-
Proceeds from Sale of Investments	-	-
Purchase of investments	-	-
Share application money for Subsidiary	-	-
Loan to Subsidiary company	-	-
Finance Lease Rent payment against pri	-	-
Interest Received	-	-
Dividend Received	-	-
<b>Net cash used in investing activities</b>	<b>(123,660,725)</b>	<b>(243,115,903)</b>

**C. Cash flow from financing activities:**

Proceeds from fresh issue of	-	-
Share Capital (including Securities Pren	6,525,047,000	4,534,426,002
Issue expenses of FCCB	-	-
Proceeds / (Repayment ) of long term bor	-	-
Receipt /(Repayment) of short term bor	-	-
Proceeds from Cash Credits (NET)	-	-
Finance Lease Rent (Interest Part only)	-	-
Interest Paid	-	-
Dividend Paid	-	-
Dividend Tax Paid	-	-
<b>Net cash used in financing activities</b>	<b>6,525,047,000</b>	<b>4,534,426,002</b>
<b>Net Increase/(Decrease) in Cash &amp; Cas:</b>	<b>476,610,868</b>	<b>(19,401,941)</b>
<b>Cash and cash equivalents as at 31,03</b>	<b>320,776,366</b>	<b>340,178,308</b>
<b>Cash and cash equivalents as at 31,03</b>	<b>797,387,234</b>	<b>320,776,367</b>
<b>Cash and cash equivalents comprise</b>		
Cash	600,000	0
Deposits with Scheduled banks	-	0
Deposits with Non-scheduled Banks	-	0
Balance with Scheduled Banks	796,787,233	320,776,366
Balance with Non-scheduled Banks	-	0
	<b>797,387,233</b>	<b>320,776,366</b>



**JAVIER CASTILLA ROBLES**  
Chartered Accountant  
Profesional Card No. 112,194-T



**JOSÉ JAVIER FONSECA PANCHE**  
Independ Auditor  
Profesional Card No. 180,909 - T

**GLENMARK PHARMACEUTICAL COLOMBIA SAS**  
**SCHEDULES FORMING PART OF THE BALANCE SHEET**  
**ORIGINAL CURRENCY: COLOMBIAN PESOS**

		As at 31-mar.-19 Colombian peso	As at 31-mar.-18 Colombian peso
<b>1. SHARE CAPITAL</b>	Note		
<u>Authorised</u>			
_____ (Previous Period -- _____) Equity shares of _____ each		0	0
<u>Issued, Subscribed and Paid-up</u>			
_____ (Previous Period -- _____) Equity shares of _____ each		13,667,075,500	7,142,028,500
	TOTAL	<u>13,667,075,500</u>	<u>7,142,028,500</u>
Notes :			
<b>2. RESERVES AND SURPLUS</b>	Note		
Securities premium account ( APIC)			
Balance at the beginning of the year		0	0
Debenture Redemption Reserve		0	0
Less: Deduction during the year		0	0
Closing balance		<u>0</u>	<u>0</u>
General reserve ( Other Reserve)			
Balance at the beginning of the year		0	0
Add: Addition during the year		0	0
Less: Deduction during the year		0	0
Closing balance		<u>0</u>	<u>0</u>
Debenture Redemption Reserve			
Balance at the beginning of the year		0	0
Add: Addition during the year		0	0
Less: Deduction during the year		0	0
Closing balance		<u>0</u>	<u>0</u>
Capital Reserve			
Balance at the beginning of the year			0
Add: Addition during the year		0	0
Less: Deduction during the year		0	0
Closing balance		<u>0</u>	<u>0</u>
Profit and loss account		<b>(11,490,787,826)</b>	<b>(7,261,596,293)</b>
	TOTAL	<u>(11,490,787,826)</u>	<u>(7,261,596,293)</u>

3. SECURED LOANS

Note

Loang Term Loans-

Term Loans from Banks

0 0

Others

0 0

Short Term Loans-

From Bank

0 0

Others

0 0

TOTAL

0 0

Notes :

4. UNSECURED LOANS

Note

Loang Term Loans-

From Group Companies- Company wise

From Bank

0 0

Others

Short Term Loans-

From Group Companies- Company wise

From Bank

0 0

Others

0 0

TOTAL

0 0

5. DEFERRED TAX LIABILITY

Depreciation		
Provisions	0	0
Others- Please specify	0	0
TOTAL	<u>0</u>	<u>0</u>

7. DEFERRED TAX ASSET

Depreciation(fixed assets/Software licenses)	334,724,161	401,495,709
Provisions	2,054,946,000	490,596,000
Others- Please specify	0	0
TOTAL	<u>2,389,670,161</u>	<u>892,091,709</u>

6. INVESTMENTS

LONG TERM INVESTMENTS

Quoted - traded ( Listed on any Recognized Stock Exchange)

Company's name		
_____ (Previous Period -- _____) Equity shares of _____	0	0
[Market Value _____ (Previous Period -- _____)]		
	<u>0</u>	<u>0</u>

Unquoted - non trade ( Unlisted)

Company's name		
_____ (Previous Period -- _____) Equity shares of _____	0	0
	<u>0</u>	<u>0</u>
TOTAL	<u>0</u>	<u>0</u>

Note

8.

**INVENTORIES**

(As certified by the management)

Raw materials	0	0
Packing material	0	0
Work-in-process	0	0
Stores and Spares	0	0
Finished goods	661,224,004	223,538,011
TOTAL	<u>661,224,004</u>	<u>223,538,011</u>

**9. SUNDRY DEBTORS**

**Outstanding for more than six months**

Secured, considered good - Secured by way of guarantee, LC etc.	0	0
Unsecured, considered good	1,159,141,717	283,020,454
Unsecured, considered doubtful	0	0
	<u>1,159,141,717</u>	<u>283,020,454</u>
Less: Provision for doubtful debts	0	0
	<u>1,159,141,717</u>	<u>283,020,454</u>

**Outstanding for less than six months**

Secured, considered good	0	0
Unsecured, considered good	0	0
Product Development	0	0
	<u>0</u>	<u>0</u>
	<u>1,159,141,717</u>	<u>283,020,454</u>

**10. CASH AND BANK BALANCES**

Cash in hand	0	0
Funds in Transit	0	0
Balances with banks		
- Current accounts	797,387,233	320,776,366
- Margin Money Account	0	0
- Deposit accounts	0	0
-Other ( Please Specify)		
	<u>797,387,233</u>	<u>320,776,366</u>

**11. LOANS AND ADVANCES (unsecured, considered good)**

**Advances to subsidiaries**

**Share application money - pending allotment**

Capital Advances	0	0
Advance to Vendors	0	0
Advances recoverable in cash or kind or for value to be received	0	0
Advance tax (net of provision)		0
Deposits	0	0
Advances to Employee	0	0
Advances to suppliers	222,432,560.21	58,789,459.63
	<u>222,432,560</u>	<u>58,789,460</u>

**12. CURRENT LIABILITIES**

Acceptances		
Accounts Payable	1,168,089,844	553,530,841
Unclaimed Dividend		
Advances from Customers		
Payable to Subsidiaries		
Other Liabilities	1,885,478,156	1,344,252,949
Interest accrued but not due		
	<u>3,053,568,000</u>	<u>1,897,783,790</u>

**13. PROVISIONS**

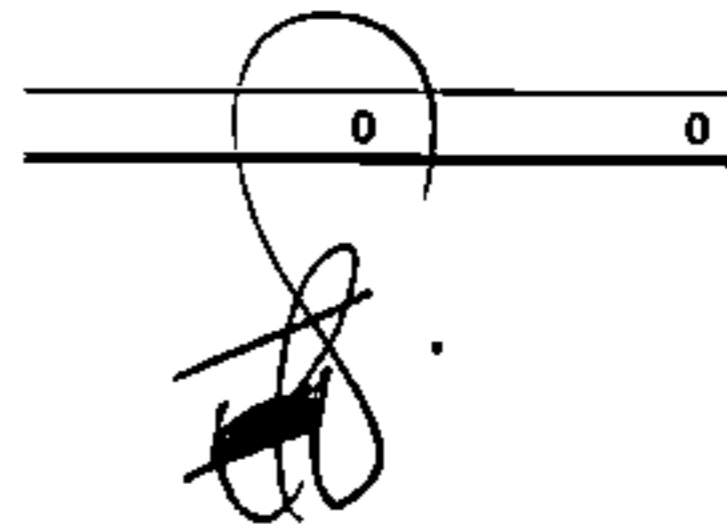
Proposed dividend		
Wealth tax		
Income-tax (net of advance tax) [Refer Note _____ of Schedule ____]		
Provident Fund Scheme payable		
Provision for Gratuity and leave encashment		
	<u>0</u>	<u>0</u>

**20. DEFERRED ASSET**

Deferred Expenses		
Organization and pre-operating expenses		
	<u>0</u>	<u>0</u>



**JAVIER CASTILLA ROBLES**  
Chartered Accountant  
Professional Card No. 112,194 - T



**JOSÉ JAVIER FONSECA PANCHE**  
Independent Auditor  
Professional card No. 180,909 - T

**GLENMARK PHARMACEUTICALS COLOMBIA SAS****SCHEDULES TO THE PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED**

	<b>31-mar.-19</b>	<b>31-mar.-18</b>
	<b>Colombian</b>	<b>Colombian pesos</b>
	<b>pesos</b>	
14. SALES AND OPERATING INCOME	0.00	-
Sale of goods and I P assets (Gross inclusive of Taxes/ Duty)	1,360,836,535	330,440,593
Income from services	-	-
Less: Taxes / Duty on sales	5,636,514	
<b>Net Sales</b>	<b><u>1,355,200,021</u></b>	<b><u>330,440,593</u></b>
	-	-
15. OTHER INCOME		
Lease Rent [tax deducted at source (Withheld Tax) _____] (Prev	-	-
Dividend received	-	-
Exchange gain	46,328,134	24,688,635
Export Incentive	-	-
Profit on sale of fixed assets	-	-
Miscellaneous income	25,914,805	15,417,832
	<b><u>72,242,939</u></b>	<b><u>40,106,468</u></b>
	-	-
16. COST OF SALES		
Salary, wages and allowances	-	-
Contribution to pension and other employee benefits	-	-
Labour charges	-	-
Consumption of raw & packing materials	-	-
Purchase of Trading goods	235,250,114	26,794,264
Excise duty paid	-	-
Sales tax	-	-
Power, fuel and water charges	-	-
Consumable stores	-	-
Repairs and maintenance - plant and machinery	-	-
Rent, rates and taxes	-	-
Other manufacturing expenses	-	-
(Increase)/decrease in inventory	-	-
	<b><u>235,250,114</u></b>	<b><u>26,794,264</u></b>



17. SELLING AND OPERATING EXPENSES

Salary and allowances	3,425,173,099	2,824,027,089
Contribution to pension and other employee benefits		
Staff welfare	-	-
Directors' salaries and allowances	-	-
Directors -Contribution to pension and other employee benefits		
Incentive and commission	-	-
Sales promotion expenses	1,636,586,158	797,135,439
Export Commission	-	-
Commission on sales	-	-
Travelling expenses	310,438,718	378,656,398
Freight outward	-	-
Telephone expenses	4,125,800	4,909,769
Rates and taxes	95,654,828	1,366,076
Provision for doubtful debts	-	46,719,996
Insurance premium	-	-
Electricity charges	2,020,520	937,480
Rent	67,946,130	71,623,330
Repairs & Maintenance	8,880,127	(1,731,004)
Auditors' remuneration		
Audit fees	-	-
Other matters	-	-
Out of pocket expenses	-	-
Loss on sale of assets	-	-
Other operating expenses		
Other Expenses	286,329,637	660,704,007
Exchange Loss	103,929,442	26,182,131
Conference Expenses		-
Printing & Stationery	8,246,081	15,765,539
Postage & Telegram	1,805,495	1,340,882
Legal & Professional Expenses	808,592,784	527,689,120
Royalties	-	-
Conveyance	-	-
Bank Charges	36,395,508	26,860,589
<b>Total</b>	<b>6,796,124,326</b>	<b>5,382,186,842</b>

18. INTEREST EXPENSE (NET)

On loans from banks	-	-
Other interest		
	-	-
Less- Interest Received		
On Deposits with Bank		
Other Interest	-	-
	-	-

19 RESEARCH AND DEVELOPMENT EXPENSES

Salary and other allowances	-	-
Contribution to pension and other employee benefits	-	-
Staff welfare expenses	-	-
Directors' Remuneration	-	-
Consumable & Chemicals	-	-
Electricity charges	-	-
Repairs and maintenance	-	-
Insurance premium	-	-
Other expenses	-	-
Labour charges	-	-
Analytical Charges	-	-
Rates & Taxes	-	-
Travelling Expenses	-	-
Printing & Stationery	-	-
Telephone Expenses	-	-
Conference expenses	-	-
Training & Recruitment Expenses	-	-
Legal & Professional Expenses	-	-
Security Charges	-	-
Sinnar Expenses	-	-
Belapur Expenses	-	-
Conveyance	-	-
Water Charges	-	-
Service Charges	-	-
Octroi Charges	-	-
Drug development exp.	-	-
Other expenses	-	-
	-	-
	-	-



**JAVIER CASTILLA ROBLES**  
Chartered Accountant  
Profesional Card No. 112,194 - T



**JOSÉ JAVIER FONSECA PANCHE**  
Independ Auditor  
Profesional card No. 180,909 - T

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31 OF 2019 AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE

FIXED ASSETS (Provide accounting policy for the same in Notes to accounts)

LOCAL CURRENCY

	Rate of Depreciation and Life of Assets		GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	Rate of Depreciation (months)	Life of Assets (years)	As on	Additions	Sales/Disposals	As on	As on	For the period	Sales/Disposals	As on	As on	As on
			MM/DD/YYYY (Opening balances as per Audited Financial)			MM/DD/YYYY (Opening balances as per Audited Financial)			of Assets	MM/DD/YYYY (Opening balances as per Audited Financial)	MM/DD/YYYY (Comparative Period)	
						03/31/2017				03/31/2017	03/31/2017	03/31/2016
Tangible assets												
Freehold Land				-	-	-	-	-	-	-	-	-
Leasehold Land				-	-	-	-	-	-	-	-	-
Factory Buildings				-	-	-	-	-	-	-	-	-
Other Buildings & Premises				-	-	-	-	-	-	-	-	-
Plant and Machinery				-	-	-	-	-	-	-	-	-
Furniture and Fixtures	60	5	18,471,250	467,900	-	18,939,150	4,038,133	4,162,148	-	8,200,281	10,738,869	-
Equipments	36	3	71,882,067	7,400,000	(1,850,000)	77,432,067	25,219,128	25,930,915	(1,027,780)	50,122,263	27,309,804	-
Vehicles	60	5	111,644,600	-	-	111,644,600	24,255,949	22,144,620	-	46,400,569	65,244,031	-
Intangible assets												
- Computer software	36	3	7,517,182	-	-	7,517,182	2,593,152	2,023,392	-	4,616,544	2,900,638	-
- Brands	36	3	360,378,018	115,792,825	-	476,170,843	112,291,046	135,348,978	-	247,640,024	228,530,819	-
<b>TOTAL</b>			<b>569,893,117</b>	<b>123,660,725</b>	<b>(1,850,000)</b>	<b>691,703,842</b>	<b>168,397,408</b>	<b>189,610,053</b>	<b>(1,027,780)</b>	<b>356,979,681</b>	<b>334,724,161</b>	<b>-</b>

Previous Year (As on March 31, 2018)

Capital Work-in-process including Capital advances. ( Provide details of CWIP)

## **Shedule: 21**

**GLENMARK PHARMACEUTICAKS COLOMBIA SAS**

**Notes to the financial statement for the year Ended 31 March 2019**

### **1. Accounting Policies:**

#### **a. Basic of Accounting:**

The financial statements are prepare under the historical cost convention.

#### **b. Fixed Assets, Depreciation and Amortization:**

Fixed assets are depreciated over their estimated useful lives by the straight line method at the following annual rates and charged against the result of operation for the year. The Company capitalizes all costs relating to the acquisition and installation of fixed assets. Expenditure of revenue nature, incurred in setting up of new projects, is capitalized as an indirect cost towards construction of the fixed assets.

#### **c. Impairment of Assets:**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amounts is reduced to its recoverable amounts. The reduction is treated as an impairment loss and recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

#### **d. Foreign currency transaction:**

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of the transaction. Foreign currency assets and liabilities are translated into Colombian peso at the exchange rates prevailing on the date of balance sheet. All exchange differences are dealt witch in the statement of profit and kiss, except those relating to the acquisition of fixed assets, winch are adjusted in the cost of the respective fixed assets.

#### **e. Provision:**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amounts of obligation. A disclosure for a contingentliability is made there is a possible obligation or present obligations that that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the like hood of outflow of resources is remote, no provision or disclosure is made.

**2. Related Parties**

<b>Glenmark Pharmaceuticals Limited</b>		
<b>India</b>		<b>USD</b>
FACTURA E/1329/17-18	2018-03-13	12,943.32
FACTURA E/1330/17-18	2018-03-13	20,619.15
FACTURA E/1331/17-18	2018-03-13	6,043.80
		<b>39,606.27</b>
FACTURA E/0668/18-19 D.T 31.08.2018	2018-09-30	21,500.06
FACTURA E/0672/18-19 D.T 03.09.2018	2018-09-30	29,861.82
E/0729/18-19 D.T 18.09.2018	2018-09-18	6,167.51
FRA E 0776 18 19 DT 26 09 2018	2018-09-26	14,975.25
FRA E 0790 18 19 DT 28 09 2018	2018-09-28	18,511.50
2000500167 DTD 21 12 2018	2019-01-18	2,221.56
2000001742 DTD 21 12 2018	2019-01-18	30,669.10
2001503776 DT 07 02 2019	2019-03-31	5,794.20
2001503751 DT 29 01 2019	2019-03-31	5,188.68
2001503752 DT 25 01 2019	2019-03-31	7,037.80
2008506048 DT 29 01 2019	2019-03-31	224.64
2000001857 DT 18.03.2019	2019-03-31	20,330.30
		<b>162,482.42</b>
<b>Total</b>		<b>202,088.69</b>

<b>Glenmark Generics SA</b>		
<b>Argentina</b>		<b>USD</b>
0003-00000693	2014-03-13	5,689.40
006-00000362	2017-09-28	34,155.68
		<b>39,845.08</b>
006-00000584	2019-03-31	16,783.65
		<b>56,628.73</b>

<b>Total</b>	<b>258,717.42</b>
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A. During the period ended March 31, 2019 the main transactions with related parties are:

**Glenmark Generics S.A-India**

Payment of finished goods

<b>Glenmark Pharmaceuticals Limited</b>		
<b>India</b>		<b>USD</b>
FACTURA E/0668/18-19 D.T 31.08.2018	2018-09-30	21,500.06
FACTURA E/0672/18-19 D.T 03.09.2018	2018-09-30	29,861.82
E/0729/18-19 D.T 18.09.2018	2018-09-18	6,167.51
FRA E 0776 18 19 DT 26 09 2018	2018-09-26	14,975.25
FRA E 0790 18 19 DT 28 09 2018	2018-09-28	18,511.50
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2001503751 DT 29 01 2019	2019-03-31	5,188.68
2001503752 DT 25 01 2019	2019-03-31	7,037.80
2008506048 DT 29 01 2019	2019-03-31	224.64
2000001857 DT 18.03.2019	2019-03-31	20,330.30
		<b>162,482.42</b>

Purchases of finished goods

<b>Glenmark Generics SA</b>		
006-00000584	2019-03-31	16,783.65

3. Prior year comparatives

Prior year's figures have been regrouped wherever necessary



JAVIER CASTILLA ROBLES  
Chartered Accountant  
Profesional Card No. 112,194 - T



JOSÉ JAVIER FONSECA PANCHE  
Independ Auditor  
Profesional card No. 180,909 - T

**Attachment I**

Sai Venkateshwaran/Ashisg Gupta  
Walker, Chandiook & Co  
16<sup>th</sup> Floor, Tower II  
Indiabulls Finance Centre  
S B Marg, Elphinstone(West)  
Mumbai 400 013  
India

**Acknowledgement Receipt of Audit Instructions**

We acknowledge receipt of the audit instruction in regard to the audit of the consolidated financial statements of Glenmark Pharmaceuticals Limited as of and for year ended March 31,2019 and we are familiar with the information therein.

We provide assurance services to the following group company (ies) of Glenmark Pharmaceuticals Limited.

- Company GLENMARK PHARMACEUTICALS COLOMBIA SAS
- City/ Country COLOMBIA
- Local GAAP/GASS NIIF PYME/ Decreto 3022 de 2013
- Name of Auditor JOSÉ JAVIER FONSECA PANCHE
- Postal address CR 117 # 89 A 25 INT P AP 102 BOGOTÁ-COLOMBIA
- Phone 321 2665713
- Fax
- E-Mail [javierfons@hotmail.com](mailto:javierfons@hotmail.com)
  
- Personnel in charge of:  
Audit Partner : Javier Fonseca Manager: Javier Fonseca  
Tax Partner : Javier Fonseca Manager: Javier Fonseca
  
- Fee detail (in local currency):  
Audit 2019 (Finalized) April 16 OF 2019  
Tax 2019 (Finalized) April 16 OF 2019  
Other services: 2019 (Finalized)  
*(Please specify)*

We are currently not aware of any circumstances which would cause us to miss any of the deadlines as noted in section 4.3 of the Audit Instructions or in regard to our performance of the services as documented in these Audit Instructions.

April 16 of 2019  
(Date)

  
JAVIER FONSECA PANCHE  
(INDEPENDENT AUDITOR)

**Attachment II**

Sai Venkateshwaran/Ashisg Gupta  
Walker, Chandio & Co  
16<sup>th</sup> Floor, Tower II  
Indiabulls Finance Centre  
S B Marg, Elphinstone(West)  
Mumbai 400 013  
India

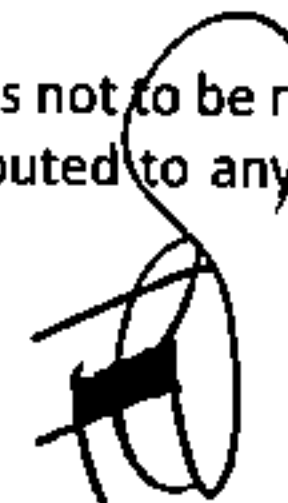
**Independence confirmation**

In connection with Walker Chandio & Co's audit of the consolidated financial statements of Glenmark Pharmaceuticals Limited ("the parent company") for the year ended March 31, 2019 JAVIER FONSECA PANCHE makes the following representations concerning our independence:

- We are familiar with the independence standards required by ISQC 1 issues IASB and also the IFAC code of ethics.
- Our firm and our network firms are independent with respect to Glenmark Pharmaceuticals Limited and its subsidiaries, affiliates, officers, directors, and personnel in financial reporting oversight roles (FRORs) or non-FROR positions in accordance with the IFAC code of ethics and ISQC 1, and we represent that our firm and our network firms, the partners of our firm (including partners and others in the chain of command of our firm), and staff members performing the work on this engagement do not have any direct or material indirect financial interests in, or indebtedness owing to or from, the parent company, any subsidiary, or affiliated companies and the parent company's shareholders.
- We represent that the partners of our firm (including partners and others in the chain of command of our firm) and any of the staff members performing the work on this engagement are not connected with the parent company, any subsidiary or affiliated companies, and the parent company's shareholders, as a promoter, underwriter, voting trustee, director, officer or employee.
- We represent that to the best of our knowledge and belief there are no other relationships or circumstances that would impair our independence with respect to the parent company, any subsidiary or affiliated companies, or the parent company's shareholders.
- We have considered all matters as given in the Annexure attached and forming part of this independence confirmation and where applicable, appropriate safeguards, as described in the annexure have been taken to eliminate any threats to our independence on this engagement.

This letter is solely for your information in connection with your audit and is not to be referred to in any document or, unless otherwise required by law or regulation, distributed to anyone outside your firm.

April 16 of 2019  
(Date)



JOSE JAVIER FONSECA PANCHE



JOSE JAVIER FONSECA PANCHE  
CONTADOR PÚBLICO  
ASESORIAS CONTABLES  
TRIBUTARIAS Y FINANCIERAS  
REVISORIAS FISCALES Y AUDITORIAS  
Email:javierfons@hotmail.com

## AUDITORS REPORT

To The shareholders

To The Shareholders

### *GLENMARK PHARMACEUTICALS COLOMBIA SAS*

1. - I have audited the attached Balance Sheet of GLENMARK PHARMACEUTICALS COLOMBIA SAS AS AT March 31 of 2019 and the related Profit and Loss Account for the year ended on that date annexed thereto, Wich we have signed under reference to this report. These Financial statements are the responsibility of the Company's management.

Our responsibility is to express an opinion on these financial statement based on our audit.

2. -I got the information necessary to fulfill my duties and checkout my exams in accordance with auditing standards generally accepted in Colombia. These standards require that we plan and perform the audit so as to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements.

3. - My report that:

I have obtained all the information and explanations, which to the best of my knowledge and belief were an audit examining on a test basis of evidence supporting the amounts and related disclosures in the financial statements includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for the opinion expressed below.

- a. necessary for the purpose of my audit;
- b. In my opinion, proper books of account as required by law have been kept by the company so far as appears from my examination of those books;
- c. The Balance Sheet, Profit and loss account dealt with by this report are in agreement with the books of account;
- d. In my opinion and to the best of my information and according to the

explanations given to us, the said financial statements together with the notes thereon and attached thereto give a true and fair view in conformity with the accounting principle generally accepted in Colombia;

- e In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019 and
- f In the case profit and loss account, of the profit for the year ended on that date

Place: Bogotá, Colombia  
Date: 16 de Abril, 2019



**JOSE JAVIER FONSECA PANCHE**  
Profesional